

**CHARTER FOR ASSOCIATIONS APPLYING FOR GRANT OF PRIOR
PERMISSION/REGISTRATION UNDER THE FOREIGN CONTRIBUTION
(REGULATION) ACT, 2010.**

- Any Association wishing to receive foreign contribution (FC) must have a definite cultural, economic, educational, religious or social programme.
- It shall neither receive nor utilise any FC without obtaining either prior permission or registration from the Central Government.
- Details of FC received prior to obtaining either prior permission or registration should be mentioned clearly at the time of applying for prior permission or registration, as the case may be.
- No foreign national other than one of Indian Origin can be an office bearer or a trustee including the Chief Functionary of an organization. Foreigners can, however, be, allowed to be associated with such associations in an ex-officio capacity if they are representing multilateral bodies, foreign contribution from whom is exempted from the purview of the Foreign Contribution (Regulation) Act, 2010, or in a purely honorary capacity depending upon the person's stature in his / her field of activity. Relaxation may be considered, on a case to case basis, if any of the following grounds is met:
 - a) the foreigner is married to an Indian Citizen;
 - b) the foreigner has been living and working in India for at least five years;
 - c) the foreigner has made available his / her specialized knowledge, especially in the medical and health related fields on a voluntary basis in India, in the past;
 - d) the foreigner is a part of the Board of Trustees / Executive Committee in terms of the provisions of an inter-governmental agreement.

- e) The foreigner is part of the Board of Trustees / Executive Committee, in an ex-officio capacity representing a multilateral body which is exempted from the definition of foreign source.
- For Indian recipient organizations and foreign donor organizations having common members, FCRA Prior Permission shall be granted to the Indian recipient organizations subject to its satisfying the following:
 - a) The Chief Functionary of the recipient Indian organization should not be a part of the donor organization.
 - b) At least 51% of the office-bearers/ members of the Governing body of the Indian recipient organization should not be members/employees of the foreign donor organization.
 - c) In case of foreign donor organization being a single person/individual that person should not be the Chief Functionary of the recipient Indian organization.
 - d) In case of a single foreign donor, at least 51% office bearers/members of the governing body of the recipient organization should not be the family members and close relatives of the donor.
- All associations seeking registration or prior permission under FCRA, 2010 shall be required to give undertaking for adherence to Good practice guidelines of Financial Action Task Force (FATF) as at Annexure.
- Application for grant of registration/ prior permission is to be made online in Form FC – 3.
- The application should be complete in all respects.
- The request for prior permission should be sent for receiving a specific amount, for a specific purpose and from a specific donor.
- Following documents are to be uploaded with the online application for grant of Registration:
 - a) Certified copy of registration certificate or Trust deed, as the case may be;
 - b) Details of activities during the last three years;

- c) Copies of audited statement of accounts for the past three years (Asset and Liabilities, Receipt and Payment, Income and Expenditure);

It may be noted that fee of Rs. 2000/- is required to be paid through online payment gateway.

- Following documents are required to be uploaded with the online application for grant of Prior Permission:
 - a) Certified copy of registration certificate or Trust deed, as the case may be;
 - b) Commitment letter from foreign donor specifying the amount of foreign contribution;
 - c) Copy of the project report for which foreign contribution is solicited/being offered;

It may be noted that fee of Rs. 1000/- is required to be paid through online payment gateway.

Note: FCRA, 2010, FCRR, 2011, FAQs thereon and all other related information and, the Form FC-3 as also link to FCRA Online Services are available at the website of the Ministry of Home Affairs at <http://fcraonline.nic.in>

**Good practice Guidelines to the NPOs to ensure compliance
with FATF requirements.**

1. Wherever necessary, NPO shall inform the MHA (FCRA Wing) about the suspicious activities of the customer, without waiting for annual returns.
2. The Board of Directors / Chief Functionary of NPO shall issue directions regarding duties of official who shall be required to enforce these guidelines and other rules of FCRA, 2010 read with FCRR, 2011.
3. The NPO shall put its goals, objectives and activities on its website.
4. The NPO shall upload the details of key persons associated with NPOs activities on its website.
5. The NPO shall take due diligence of its employees at the time recruitment.
6. The NPO shall collect the information of beneficiaries of funds and to upload on its website and monitor the activities of the beneficiaries. Wherever a beneficiary is a legal person, the details of beneficial owner shall also be uploaded.
7. The NPO shall ensure that the financial transactions involving more than Rs.20,000/- to be routed through Banking channels only.

8. The Board of Directors/Trustees of NPO's must ensure utilization of funds consistent with objectives as approved by MHA.
9. The Board of Directors/Trustee of NPO's shall conduct meeting once at least in six months to review the working of these instructions and shall record the minutes of these meetings.
10. The NPO shall train its staff on the FCRA and about the application of these guidelines.
11. When any transaction is under investigation by any authority, the MHA shall be informed by such NPO.
