

INTRODUCTION

The Foreign Contribution (Regulation) Act, 2010 (42 of 2010) dated the 26th September, 2010 was notified in the Gazette of India – Extraordinary – Part II - Section I dated the 27th September, 2010. However, the Act has come into force with effect from the 1st May, 2011 vide Gazette Notification vide G.S.R. 349 (E) dated the 29th April, 2011. Consequently, the earlier Act, viz., the Foreign Contribution (Regulation) Act, 1976 has been repealed. The Foreign Contribution (Regulation) Rules, 2011 made under section 48 of FCRA, 2010 have also come into force simultaneously with FCRA, 2010 vide Gazette Notification vide G.S.R. 349 (E) dated the 29th April, 2011. While the provisions of the repealed FCRA, 1976 have generally been retained, the FCRA, 2010 is an improvement over the repealed Act as more stringent provisions have been made in order to prevent misutilisation of the foreign contribution received by the associations. The prime objective of the Act is to regulate the acceptance and utilization of foreign contribution and foreign hospitality by persons and associations working in the important areas of national life. The focus of the Act is to ensure that the foreign contribution and foreign hospitality is not utilized to affect or influence electoral politics, public servants, judges and other people working the important areas of national life like journalists, printers and publishers of newspapers, etc. The Act also seeks to regulate flow of foreign funds to voluntary organizations with the objective of preventing any possible diversion of such funds towards activities detrimental to the national interest and to ensure that individuals and organizations may function in a manner consistent with the values of the sovereign democratic republic.

Organizations seeking foreign contributions for definite cultural, social, economic, educational or religious programmes may either obtain registration or prior permission to receive foreign contribution from Ministry of Home Affairs by making application in the prescribed format and furnishing details of the activities and audited accounts. The **registration** is granted only to such association which has proven track record of functioning in the chosen field of work during last three years and after registration, such organization is free to receive foreign contribution from any foreign source for its stated objectives. Registration is granted only after thorough security vetting of the activities and antecedents of the organization and office bearers thereof. However, such organizations which are newly established and do not have proven track record of functioning may also receive foreign contribution for specific activities, for a specific purpose and from a specific source after seeking project based **prior permission (PP)** from the Ministry of Home Affairs.

In order to bring in transparency in the administration of the Foreign Contribution (Regulation) Act, 2010 and the Rules framed thereunder, improve the functioning, disseminate the information and enhance user friendliness of the various procedures, the web-site is uploaded with all the related information for guidance of all concerned.