

**GOVERNMENT OF INDIA  
MINISTRY OF HOME AFFAIRS**

**LOK SABHA  
STARRED QUESTION NO. †\*287**

**TO BE ANSWERED ON THE 07<sup>TH</sup> AUGUST, 2018/ SHRAVANA 16, 1940 (SAKA)**

**UTILISATION OF FOREIGN CONTRIBUTIONS**

**†\*287. SHRI HARISHCHANDRA CHAVAN:  
SHRI RAM TAHAL CHOUDHARY:**

**Will the Minister of HOME AFFAIRS be pleased to state:**

**(a) whether the Government has any information regarding utilization of foreign contributions received by Non Governmental Organisations (NGOs) for child welfare and education;**

**(b) if so, the details thereof and the reaction of the Government thereto;**

**(c) the existing rules/guidelines regarding utilization of foreign contributions received by NGOs for the purpose;**

**(d) the number of NGOs found guilty of not utilizing the said contributions as per the rules along with the names of the organizations against whom action has been taken during the last three years; and**

**(e) the outcome of the said action?**

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS  
(SHRI KIREN RIJITU)**

**(a) to (e): A Statement is laid on the table of the House.**

**STATEMENT IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. \*287 FOR 07.08.2018 REGARDING "UTILISATION OF FOREIGN CONTRIBUTIONS".**

**(a & b): Foreign Contribution Regulation Act, 2010(FCRA,2010), permits receipt of Foreign Contribution (FC) under five broad heads, namely cultural, economic, educational, social and religious purposes. Details of FC received and utilized under all these five broad purposes during the last three years are at Annexure-I.**

**(c): Guidelines regarding utilization of Foreign Contribution received by NGOs are available in the FCRA, 2010 and The Foreign Contribution Regulation Rules, 2011(FCRR, 2011). A gist of these is at Annexure -II.**

**(d) & (e): Registration of more than 13000 associations/NGOs has been cancelled during last three years for violations of various provisions of FCRA, 2010 and Rules made thereunder. Offences of 86 NGOs have been compounded by imposing penalties amounting to Rs. 3,14,37,649/- since 2016. Also, four cases have been referred to the CBI for investigation during the last three years as detailed below:-**

**(i) M/S Caruna Bal Vikash (CBV), Zachs Enclave First Floor, A-3, Second Avenue Anna Nagar East, Chennai, Tamilnadu.**

**(ii) Adhane Management Consultants Private Ltd (AMCPL), Zachs Enclave First Floor, A-3, Second Avenue Anna Nagar East, Chennai, Tamilnadu.**

**(iii) New Life Ministries in India, Gospel Home, Behind TB Chickaballapur, Taluk, District Chichballapur, Kolar, Karnataka.**

**(iv) M/S Advantage India, 101-102, Oriental House, Gulmohar Enclave, New Delhi.**

**ANNEXURE –I****L.S.S.Q NO. \*287 FOR 07.08.2018****DETAILS OF FOREIGN CONTRIBUTION RECEIVED FOR EDUCATIONAL AND SOCIAL PURPOSES**

Year	Social Purpose		Educational Purpose	
	No of NGOs	Total FC received	No of NGOs	Total FC received
2015-16	8201	8,920.66 Cr.	5021	4,360.97 Cr.
2016-17	7878	8,658.24 Cr.	4881	4,160.81 Cr.
2017-18	Final data not yet available.			

**TOTAL FOREIGN CONTRIBUTION RECEIVED AND UTILIZED DURING THE LAST 3 YEARS:**

Year	No. of FCRA registered NGOs as on 01-08-2018	Total Foreign Contribution received (excluding interest and sum brought forward from last year) as on 01-08-2018	Total Foreign Contribution utilized (including interest and sum brought forward from last year) as on 01-08-2018
2015-16	24197	17798.79 Cr.	17117.7 Cr.
2016-17	23176	15329.16 Cr.	18108.5 Cr.
2017-18	2421	588.83 Cr.	590.05 Cr.

**Note :- The above data is as per available Annual Returns filed by the associations / NGOs as on 01.08.2018. However last date for filing the Annual Returns for FY 2017-18 is 31st December 2018. Most of the NGOs are likely to file their ARs in the last few weeks of this deadline.**

**SUMMARY OF RULES/ GUIDELINES REGARDING UTILIZATION OF FOREIGN CONTRIBUTION BY NGOS**

1. No person having a definite cultural, economic, educational, religious or social programme shall accept Foreign Contribution unless such person obtains a certificate of registration/prior permission from the Central Government.
2. Registration shall be valid for a period of 5 years.
3. Prior permission shall be valid for a specific purpose for which it is obtained.
4. Associations should comply with the following terms & conditions for grant of certificate of registration or grant of prior permission under the Act:-
  - (a) The person, -
    - (i) is not fictitious or benami;
    - (ii) has not been prosecuted or convicted for indulging in activities aimed at conversion through inducement or force, either directly or indirectly, from one religious faith to another;
    - (iii) has not been prosecuted or convicted for creating communal tension or disharmony in any specified district or any other part of the country;
    - (iv) has not been found guilty of diversion or mis-utilisation of its funds;
    - (v) is not engaged or likely to engage in propagation of sedition or advocate violent methods to achieve its ends;
    - (vi) is not likely to use the foreign contribution for personal gains or divert it for undesirable purposes;
    - (vii) has not contravened any of the provisions of this Act;
    - (viii) has not been prohibited from accepting foreign contribution;
  - (b) The person making an application for registration under sub-section (1) has undertaken reasonable activity in its chose field for the benefit of the society for which the foreign contribution is proposed to be utilized;
  - (c) The person making an application for giving prior permission under sub-section (1) has prepared a reasonable project for the benefit of the society for which the foreign contribution is proposed to be utilized;
  - (d) In case the person being an individual, such individual has neither been convicted under any law for the time being in force nor any prosecution for any offence pending against him;
  - (e) In case the person being other than an individual, any of its directors or office bearers has neither been convicted under any law for the time being in force nor any prosecution for any offence is pending against him;

(f) The acceptance of foreign contribution by the person referred to in sub section (1) is not likely to affect prejudicially-

- (i) the sovereignty and integrity of India; or
- (ii) the security, strategic, scientific or economic interest of the State; or
- (iii) the public interest; or
- (iv) freedom or fairness of election to any Legislature; or
- (v) friendly relation with any foreign State; or
- (vi) harmony between religious, racial, social, linguistic, regional groups, castes or communities;

(g) The acceptance of foreign contribution referred to in sub-section (1),-

- (i) shall not lead to incitement of an offence;
- (ii) shall not endanger the life or physical safety of any person.

5. NGOs shall receive Foreign Contribution in a single account to be opened in the PFMS integrated bank and may open one or more accounts in one or more such banks for utilizing the Foreign Contribution. And opening of utilization account shall be intimated to the Ministry within 15 days of opening of account.

6. No funds other than Foreign Contribution shall be received & deposited in such account/accounts.

7. Foreign Contribution received shall be utilized for the purpose for which it has been received.

8. Any Foreign Contribution or the income arising out of it shall not be used for speculative business.

9. NGO shall not spend more than 50% of Foreign Contribution received in a Financial Year to meet administrative expenses without prior approval of Central Government.

10. Every NGO who receives Foreign Contribution under the Act shall submit signed and digitally signed report electronically online in form FC-4 along with financial statements for every Financial Year beginning on 1st day of April within 9 months of the closure of Financial Year.