



## Amendment in FCRA Rules

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### Why in News

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Recently, the **Ministry of Home Affairs (MHA)** has notified new rules under the **Foreign Contribution Regulation Act (FCRA), 2010**.

### Key Points

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- **Background:**
  - **Foreign Contribution Regulation Act (FCRA)** first enacted in **1976**, was once amended in the year **2010 to regulate the foreign contributions or donations and hospitality** (air travel, hotel accommodation etc) to Indian organizations and individuals and to stop such contributions which might damage the national interest
    - It has been **amended again in 2020** to enhance transparency and accountability in the receipt and utilisation of foreign contributions and facilitating the genuine non-governmental organisations or associations who are working for the welfare of society.
  - The Act is **applicable to** all associations, groups and non-governmental organisations (NGOs) who intend to receive foreign donations.
  - As per the FCRA, members of legislatures, political parties, government officials, judges and media persons are **prohibited from receiving any foreign contribution**.
- The **MHA** has notified new rules under the **FCRA, 2010** thereby amending the **FCRA Rules, 2011**.

- **New Rules:**

- Norms for **farmers, students, religious and other groups** who are not directly aligned to any political party to receive foreign funds, if the groups are not involved in active politics, has been relaxed.
- FCRA **registrations** have been made **more stringent**.
  - Any organisation that wants to register itself under FCRA shall be in existence for **three years** and should have spent a minimum amount of **15 lakh** on its core activities for the benefit of society during the last three financial years.

However, the **Central Government** in exceptional cases or in cases where a person is controlled by the Central Government or a State Government **may waive the conditions**.
  - Office bearers of NGOs or organisations seeking registration under the FCRA are required to submit a specific commitment letter from the donor indicating the amount of foreign contribution and the purpose for which it was being given.
- **Political Groups:**

A new clause has been inserted which says that groups mentioned in Clause V and VI will only be considered a political group by the Centre if they participate in “**active politics or party politics**”.

  - Earlier, the rules on said clauses dealt with “guidelines for the declaration of an organisation to be of a political nature, not being a political party”, and the Central government could specify an organisation as that of political nature based on six criteria.
  - **Clause V of Rule 3 (FCRA rules 2011)** qualified a political group as organisations of farmers, workers, students, youths based on caste, community, religion, language or otherwise, which is not directly aligned to any political party, but whose objectives as stated in the memorandum of association, or activities gathered through other material evidence, include steps towards advancement of political interests of such groups.
  - **The other 2011 clause (VI)** qualified a group as political if the organisation by whatever name habitually engages itself in or employs common methods of political action like **rasta roko, jail bharo, rail roko, bandh or hartal in support of public causes**.

**Source:TH**