

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:231
ANSWERED ON:26.02.2013
FOREIGN FUNDS TO NGOS
Sayeed Muhammed Hamdulla A. B.

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) the total funds received by the Non Governmental Organisations (NGOs) from abroad during each of the last three years and the current year, State/UT-wise;
- (b) The total funds utilized by such NGOs during the said period, State/UT-wise;
- (c) the steps taken by the Government to check proper utilization of funds; and
- (d) the action taken against the NGOs who have violated Foreign Contribution Regulation Act during the said period, State/UT-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MULLAPPALLAY RAMACHANDRAN)

(a): State/UT-wise total foreign contribution received by Non Government Organisations (NGOs) registered and NGOs that were granted prior permission under the Foreign Contribution (Regulation) Act, 2010 (FCRA) during the three years 2008-09, 2009-10 & 2010-11 are given at Annexure-I. As far as foreign contribution received in 2011-12 are concerned, the same are still under compilation. The annual returns for the current year i.e. 01.04.2012 to 31-03-2013 are to be filed by the NGOs within a period of nine months from the closure of the year i.e. by 31.12.2013.

(b): State/UT-wise total funds utilized by such NGOs during the last three years are given at Annexure-II.

(c): The Government monitors the receipt and utilization of foreign contribution received by any 'person' including Non-Governmental Organizations (NGOs) in the country in terms of the Foreign Contribution (Regulation) Act, 2010 and the Rules framed under the Act. The FCRA, 2010 provides for NGOs to receive foreign funds after registration or prior permission. Every application of NGOs for registration or granting Prior permission is decided with inputs from the concerned security agencies. The NGOs who have been registered/given prior permission for receiving foreign funds are required to submit Annual Accounts for each financial year i.e. 31st December. Such Annual Accounts are to be submitted in the prescribed format duly audited by a Chartered Accountant. FCRA provides for a reporting mechanism by the recipients of foreign contribution as well as by the Banks. These are scrutinized and wherever required, physical inspection is conducted. Based on the findings of the inspection team, appropriate action is taken. Steps taken for ensuring filing of annual returns include sending of notices to defaulting organizations, cancellation of registration certificates and inspection of the accounts thereof.

(d): Action taken against the NGOs who have violated Foreign Contribution (Regulation) Act, 2010 in the past include (i) cancellation of FCRA registration of 4138 NGOs

(ii) 24 cases have been referred to CBI (iii) 10 cases have been referred to States Police,

(iv) 35 NGOs have been placed in Prior Permission category, (v) Accounts of 32 NGOs have been frozen and

(vi) 72 NGOs have been prohibited from receiving foreign contribution.