

GOVERNMENT OF INDIA  
MINISTRY OF HOME AFFAIRS  
RAJYA SABHA

STARRED QUESTION NO.\*199

TO BE ANSWERED ON THE 18<sup>TH</sup> DECEMBER, 2013/AGRAHAYANA 27, 1935 (SAKA)

**NON-FILING OF ANNUAL RETURNS BY NGOs**

\*199. SHRI SANJAY RAUT:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether over 17,700 Non- Governmental Organisations (NGOs) receiving foreign funds have not filed their annual returns for the year 2011-12 with the Ministry under the Foreign Contributions Regulation Act (FCRA), if so, the details thereof;

(b) how many NGOs have registered themselves under FCRA and how much foreign funds each NGO has received; and

(c) what strict action the Ministry is mulling against defaulting NGOs and to cancel their FCRA licence?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS  
(SHRI R.P.N.SINGH)

(a) to (c): A Statement is laid on the Table of the House.

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STATEMENT IN REPLY TO PARTS (a) TO (c) OF RAJYA SABHA  
STARRED QUESTION No. 199 FOR 18.12.2013.

(a): As per record available in Ministry total 16756 NGOs have not filed their annual returns for the year 2011-2012 so far. State-wise details are given at Annexure-I.

(b): Total number of NGOs registered under FCRA, as on date are 41844. During year 2011-2012 Rs. 11548.28 Crores was received by registered NGOs. State-wise figure of foreign funds received during the block year 2011-2012 is given at Annexure-II..

(c): As per section 18 of FCRA 2010, all Associations are required to submit annual returns. Associations, whose annual returns in the prescribed proforma are not received within the stipulated time period, are asked to furnish their returns along with the proof of submission. Those associations who are found to have not filed the annual return within the stipulated time period are asked to submit the same along with penalty of compounding the offence of non furnishing the return as per Government of India Notification SO 1070 E dated 26.04.2013. Registration can be cancelled for violation of any of the provisions of the Act or Rule or order made thereunder.

\* \* \* \* \*

21

Tuticorin  
Diocese  
Association,  
Tuticorin

The case was referred to CBI on 07.02.2012 investigating the matter. CBI has referred back the matter to MHA.

The inspection **PAGE 1 OF 1 OF ANNEXURE-I**  
**R.S.S.Q.NO.199 FOR 18.12.2013**

**FC-6 Returns not Filed**

**2011-2012**

State / Union Territory	Total Number of Associations
Andaman & Nicobar Islands	10
Andhra Pradesh	2373
Arunachal Pradesh	41
Assam	195
Bihar	1026
Chandigarh	22
Chhattisgarh	79
Dadra & Nagar Haveli	4
Daman and Diu	1
Delhi	646
Goa	89
Gujarat	654
Haryana	127
Himachal Pradesh	78
Jammu & Kashmir	58
Jharkhand	248
Karnataka	1195
Kerala	755
Madhya Pradesh	324
Maharashtra	1734
Manipur	447
Meghalaya	50
Mizoram	34
Nagaland	99
Orissa	1001
Pondicherry	35
Punjab	103
Rajasthan	283
Sikkim	12
Tamil Nadu	1827
Tripura	25
Uttar Pradesh	1820
Uttarakhand	134
West Bengal	1227
<b>Total</b>	<b>16756</b>

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**3PAGE 1 OF 1 OF ANNEXURE II**  
**R.S.S.Q.NO.199 FOR 18.12.2013**

### FC-6 Returns Reported List for the block Year:2011-2012

State Name	Foreign Amount (Rs. In crore)
Delhi	2285.75
Tamil Nadu	1704.76
Andhra Pradesh	1258.52
Maharashtra	1107.39
Karnataka	1101.09
Kerala	1029.51
West Bengal	726.66
Gujarat	384.32
Uttar Pradesh	265.01
Orissa	239.06
Bihar	179.31
Madhya Pradesh	154.74
Rajasthan	145.14
Jharkhand	143.81
Himachal Pradesh	125.18
Assam	120.37
Uttarakhand	119.56
Punjab	102.57
Chhattisgarh	62.69
Meghalaya	52.78
Manipur	46.24
Pondicherry	35.76
Jammu & Kashmir	34.15
Nagaland	28.26
Haryana	24.95
Goa	19.04
Chandigarh	12.80
Sikkim	9.57
Arunachal Pradesh	9.11
Tripura	7.95
Mizoram	5.86
Andaman & Nicobar Islands	4.98
Dadra & Nagar Haveli	1.32
Daman and Diu	0.01
<b>Total</b>	<b>11548.28</b>

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An Association with a definite cultural, economic, educational, religious or social programme can accept foreign contribution either by obtaining registration or prior permission from the Central Government under the Act. Such Associations are required to submit annual accounts (duly audited) in the prescribed form to the Central Government within nine months of the closure of the financial year i.e. by the 31<sup>st</sup> December of the subsequent financial year. The Act applies to all 'persons' defined under Section 2(1)(m) of the Act.

Though, the number of Associations reporting receipt and utilization of foreign contribution is increasing; yet, a large number of registered Associations still do not submit their statutory annual returns mandated by the law. This deficiency is being suitably addressed, to ensure that all registered Associations discharge their mandated obligation by submitting their statutory annual returns on time.

### **BROAD OVERVIEW OF FCRA**

The Foreign Contribution (Regulation) Act, 2010 consists of a framework for regulating and controlling the acceptance and utilization of foreign contribution and foreign hospitality. The salient features of the Act are described below:

#### **2.2 Foreign Contribution**

The Act regulates receipt of foreign contribution by the following broad categories of Associations/individuals:

##### **(i) Category I (Section 3):**

Section 3 of the Act prohibits receipt of foreign contribution by the following categories of persons:

- (a) Candidates for election;
- (b) Correspondents, columnists, cartoonists, editors, owners, printers or publishers of registered newspapers;
- (c) Judges, Government servants or employees of any Corporation or any other body controlled or owned by the Government;
- (d) Members of any legislature;

- (e) Political parties or office-bearers thereof;
- (f) Organizations of a political nature as may be specified under sub-section (1) of Section 5 of the Act by the Central Government;
- (g) Associations or companies engaged in the production or broadcast of audio news or audio visuals or current affairs programmes through any electronic mode, or any other electronic form as defined in clause (r) of sub-section (i) of Section 2 of the Information Technology Act, 2000 or any other mode of mass communication;
- (h) Correspondents or columnists, cartoonists, editors, owners of the Associations or companies referred to in clause (g); and
- (i) Individuals or Associations who have been prohibited from receiving foreign contribution.

**ii) Category II [Section 11]:**

Section 11 of the Act provides that no Association having a definite cultural, economic, educational, religious or social programme can receive foreign contribution without seeking registration or prior permission from the Central Government.

Any Association which has a definite programme for carrying out specific activities, which may fall in the five generic categories as mentioned above, may seek registration or prior permission for receipt of foreign contribution. After grant of registration or prior permission under the Act, the Association is permitted to receive foreign contribution only in the single Bank Account mentioned in the order for registration or prior permission granted by the Central Government. This account number would be the same as has been intimated by the organisation in their application for registration/prior permission. However, one or more accounts, in one or more scheduled banks, may be opened for utilizing the foreign contribution provided that no funds other than the foreign contribution received shall be deposited in such account or accounts. An Association which has received foreign contribution is also required to inform the Central Government of the amount of each foreign contribution received by it, the sources thereof, the manner in which such foreign contribution was received and the purposes for which such foreign contribution was utilized by it.

**(iii) Category III (Sections 9 and 12):**

Section 9 of the Act empowers the Central Government to prohibit any individual or Association not specified in Section 3 from accepting any foreign contribution, or to require any Association specified in Section 11 to receive foreign contribution only after obtaining prior permission of the Central Government. Such prohibition or requirement for prior permission is made only after the Central Government is satisfied that the receipt of foreign contribution by such Association or person or class of persons, as the case may be, is likely to prejudicially affect:

- (i) the sovereignty and integrity of the nation; or
  - (ii) the security, strategic, scientific or economic interest of the State; or
  - (iii) harmony between religious, racial, social, linguistic or regional groups, castes or communities; or
  - (iv) friendly relation with any foreign State; or
  - (v) the public interest; or
  - (vi) freedom or fairness of election to any legislature; and that the acceptance of foreign contribution-
- (a) shall not lead to incitement of an offence;
  - (b) shall not endanger the life or physical safety of any person.

### **Monitoring of Receipt and Utilization of Foreign Contribution**

One of the purposes of the Act is to ensure that the foreign contribution received by an Association for a specific purpose is not misused or diverted for any activity detrimental to the national interest. The Associations registered and those granted prior permission under the Act are required to submit audited annual returns within 9 months of the closure of the financial year. The information includes details of receipt and utilization of foreign contribution along with the corresponding Balance Sheet and the Receipts & Payments Account duly audited by a Chartered Accountant. A certificate from a Chartered Accountant that the accounts of the Association have been maintained as prescribed by the Act is mandatory.

A Monitoring Unit in the FCRA Wing has been designated to monitor the receipt and utilization of foreign contribution. This is done through a scrutiny of the audited annual returns in the prescribed forms filed by the Associations and wherever necessary, through field inspections of the books of accounts and records of the Associations. The scrutiny of

accounts is done in respect of some randomly selected Associations and such Associations which are reported upon adversely by the field agencies.

A detailed inspection of the books of accounts and the records of the Association under Section 23 is conducted in those cases where *prima facie* violation of the provisions of FC(R) Act, 2010 is established. These inspections have twin objectives – one, to educate the Associations in respect of *bonafide* errors and two, to detect and prosecute willful violators. The main emphasis of the inspection is to ensure that the foreign contribution is utilized judiciously and in conformity with the declared aims and objectives of the Association.

#### **Proactive disclosure of Information:**

The FCR Rules require the NGOs receiving more than a crore rupees or equivalent of foreign contribution to disclose the information. Such disclosure is to be done through the direct efforts of the NGO as per Rule 13. The summary of such cases is also kept in public domain by the Ministry of Home Affairs through their web site. Summary details of NGOs, spread across different States/UTs pertaining to 2011-12 are placed in the web site of the Ministry.

#### **FCRA on-line**

FCRA online services were introduced on **29.09.2006** to put in place a user-friendly system and bring in more transparency, accountability, and effectiveness in the functioning of FCRA Wing. This facility initially had the provision only for online submission of applications for the grant of registration and filing of annual returns relating to receipt and utilization of foreign contribution. On **12.11.2007**, the on-line facility was extended to include the filing of applications seeking prior permission.

Presently, the FCRA On-line of the MHA has the following facilities:-

- i) On-line filing of application for registration;
- ii) On-line filing of application for prior permission;
- iii) On-line filing of the statutory annual FC-6 returns relating to receipt and utilization of foreign contribution;
- iv) On-line status enquiry; and

- v) Uploading of approval letters communicating registration/prior permission.
- vi) Online filing of FC-2 form for availing foreign hospitality.

**Outreach Programmes :**

In order to sensitise the NGO sector on the legal provisions relating to FCR Act, outreach programmes have been organised at New Delhi, Hyderabad and Mumbai during the year 2011-12. Similar programmes were also planned at other regional centres for better dissemination.

**Action taken in respect of defaulting NGOs:**

In 2011-12 registrations of 4139 associations under FCRA were cancelled due to non-submission of Annual Returns during 2006-07 to 2008-09. The list of the such associations has been posted on public domain of Foreigners Division, Ministry of Home Affairs website. State-wise list of cancelled NGOs is at Annexure-III.

On the basis of the complaints of various violations of FCRA, 24 cases have so far been referred to CBI and 10 cases have been referred to State Police for investigation as given in Annexure IV and V.

**ANNEXURE III**

**State wise FCRA Cancelled NGOs**

Sl.	State	Nos. of NGO
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No.		
1	Andhra Pradesh	670
2	Arunachal Pradesh	6
3	Assam	4
4	Bihar	20
5	Chandigarh	6
6	Chhattisgarh	7
7	Dadar Nagar Haweli	1
8	Delhi	299
9	Goa	10
10	Gujarat	158
11	Haryana	21
12	Himachal Pradesh	23
13	Jammu & Kashmir	5
14	Jharkhand	9
15	Karnataka	296
16	Kerala	450
17	Madhya Pradesh	92
18	Maharashtra	352
19	Manipur	128
20	Meghalaya	9
21	Mizoram	2
22	Nagaland	35
23	Orissa	160
24	Pondicherry	6
25	Punjab	7
26	Rajasthan	110
27	Tamil Nadu	795

28	Uttar Pradesh	72
29	Uttaranchal	2
30	West Bengal	384
	<b>Total</b>	<b>4139</b>

**ANNEXURE IV**

Status report in respect of CBI cases

Pending Cases

S. No.	Name of the Association	Status
1.	Tamil Nadu Muslim Muneetra Kazagham, Coimbatore, Tamil Nadu	Charge sheet was filed on 27.11.2008 for receiving foreign contribution of Rs. 10 crore. The case is pending trial.
2.	Reach in the Nilgiris, Tamil Nadu	Charge sheet was filed on 29.11.2008 for receiving foreign contribution of Rs. 10 lakh. The case is pending trial.
3.	Abul Kalam Azad Islamic Awakening Centre, New Delhi	Charge sheet was filed on 27.11.2008. Charges were framed against persons by the court on 17.12.2008. However, both the accused challenged the framing of charges in the High Court and the High Court stayed the proceeding.
4.	Khwaja Khushal Charitable Trust, Muzaffarnagar, UP	Charge sheet has been filed on 27.11.2008 in the court of Special Magistrate, Ghaziabad.
5.	Shri Arvind Khanna, ex-MLA, Punjab	Charge sheet has been filed on 27.11.2008 for receiving foreign contribution of Rs. 10 crore under Section 15 of the Act. The case is under trial.
6.	Anjumane Hussamia Educational Association, Hyderabad	Charge sheet was filed on 30.11.2008. The case is under trial.
7.	Pragathi Orphan Home, West Godavari, Andhra Pradesh	Charge sheet was filed on 17.11.2008. The case is under trial.

		8.	Aware, Andhra Pradesh & private persons	Charge sheet was filed on 31.12.2003. case is at pre-charge stage.	
		9.	Vishwa Dharmayatan Trust, New Delhi	Charge sheet was filed on 30.04.1998.	
		10.	Shri Ratnesh Khandelwal and 9 others, Mumbai, Maharashtra	Charge sheet was filed on 22.05.1989. case is at pre-charge stage.	
		11.	Shri Prakas C. Bhatt and 4 others, Mumbai, Maharashtra	Charge sheet was filed on 19.12.1996. case is listed for cross examination witnesses after framing of charge.	
		12.	Harpawat Charitable Trust, Udaipur, Rajasthan	The case has been referred to CBI 08.06.2011 for investigating the matter.	
		13.	Calcutta Urban Service, Kolkata	The case has been referred to CBI 08.06.2011 for investigating the matter.	
		14.	Heritage Foundation, Village-Badhwar, Bye pass Road, Varanasi (UP)	The case has been referred to CBI 14.09.2011 for investigating the matter.	
		15.	Dhe Chen Chokhor Kagyupa Monastery, Clement Town, Dehradun	The case has been referred to CBI 13.09.2011 for investigation the association for receipt & utilisation of foreign contribution without permission.	
		16.	Agape Helping Ministries, 80-24-4/1, Jayasri Gardens, A.V.A. road, Rajahmundry, West Godavari, Andhra Pradesh.	The case has been referred to CBI 28.09.2011 for investigating the matter. CBI has referred back the matter to MHA.	
		17.	IGEP Foundation, C 3A/86C, Janakpuri, New Delhi	The case has been compounded and CBI filing closure report in the Court.	
		18.	Samast Muslim Khalifa Sunnatwal Jamat Navsari, 1/1057, Char Pul Road, Navsari, Gujarat- 396445	The case has been referred to CBI 28.11.2011 for investigating the matter.	
		19.	Evangelical Lutheran Church in Madhya Pradesh, Luther Bhawan, Post Box No. 30, Chhindwara-480001	The case has been referred to CBI 29.11.2011 for investigating the matter..	
		20.	Christian Outreach Centre,	The case has been referred to CBI	

		<p>Rayadupalem, Kakinada-5, Andhra Pradesh</p> <p>Christian Outreach Ministries Properties Trust, H. No. 11-6- 23, Laximpur, Warangal, Andhra Pradesh</p> <p>Christian Outreach Ministries, H. No. 11-6-23, Laximpur, Warangal, Andhra Pradesh</p>	03.02.2012 for investigation in this regard	
		<p>of the accounts of association has been carried out by the team of CCA (Home) in July, 2012. The inspection report has been received from CCA (Home). The FCRA registration in respect of Tuticorin Diocese Association, Tuticorin has been suspended for 180 days on 25/9/2012.</p>		
22	Rural Uplift Centre, Nagercoil	<p>The case has been referred to CBI on 25.06.2012 for investigation into the accounting irregularities/ diversion of funds/misutilisation. However, CBI communicated to this Ministry that complaint made against the association was enquired by them and they have found no justification to conduct further probe in the matter.</p>		
23	PIMS Medical and Education Charitable Society, Jalandhar, Punjab	<p>The case has been referred to CBI for investigating the matter.</p>		
24	Indian Development Group (India Chapter), Post Box No. 311, Gandhi Bhavan, Lucknow, UP	<p>CBI has requested MHA to submit the reference alongwith complete information.</p>		

**ANNEXURE V****Cases given to State Police**

S. No.	Name of the Association	Status
1.	Rajasthan Harvest Ministries, Door No. 4/56, Arul Illam 5 <sup>th</sup> Cross Street, Shanthi Nagar, Palayamkottai, Thirunelveli, Tamil Nadu-627002/ Door No. 15C, Opposite to World Gymn, Ratnada Subji Mandi, Jaipur, Rajasthan-342011	Case referred to DG&IG of Police, Rajasthan with copy to DG&IG of Police, Tamil Nadu.
2.	Matsyagandhi Mahila Welfare Association, Appu Ghar Fishermans Colony, Visakhapatnam (U), Andhra Pradesh	Case referred to Principal Secretary (Home), Andhra Pradesh on 16.11.2011.
3.	Madrassa Jamiyad Ravatul-e-Hat, Porbandar Bye Pass Road, New Micro Town, District-Mongrol, Junagadh-362225, Gujarat	Case referred to Secretary (Home), Gujarat on 28.11.2011.
4.	Mount View Academy, Madurai And Reach International Education and Social Welfare Trust, Kodimangalam, Madurai, Tamil Nadu	Case referred to Principal Secretary (Home), Tamil Nadu on 05.12.2011.
5.	Bharatiya Cattle Resource Development, New Delhi	Case was originally referred to CBI on 11.07.2011 for prosecuting the association for misappropriation of foreign contribution. The case was returned by CBI. Thereafter, the case was referred to Commissioner of Police, Delhi on 09.01.2012.
6.	Good Vision, Kanyakumari	Case referred to Principal Secretary (Home), Tamil Nadu on 07.02.2012.
7.	Trust for Rural Uplift and Education, Tirunelveli	Case referred to Principal Secretary (Home), Tamil Nadu on 07.02.2012.

8	AID India, Chennai, Tamil Nadu	Case referred to DGP, Tamil Nadu on 26-06-2012 for lodging criminal case.
9	Saccer, Nagercoil, Tamil Nadu	Case referred to DGP, Tamil Nadu on 28-06-2012 for lodging criminal case.
10	Centre for Promotion of Social Concern, Tamil Nadu	Case referred to ADG Police, Tamil Nadu on July 2012

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