



Foreign Contribution (Regulation) Amendment Rules, 2024

In exercise of the powers conferred by section 48 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010), the Central Government hereby makes the following rules further to amend the Foreign Contribution (Regulation) Rules, 2011, namely:

These rules may be called the Foreign Contribution (Regulation) Amendment Rules, 2024. They shall come into force on the **1st day of January 2025**.

The amendments are as follows:

1. In the Foreign Contribution (Regulation) Rules, 2011 (hereinafter referred to as said rules), in Rule 5, after second proviso, the following proviso shall be inserted, namely:

“Provided also that the association shall have the option to carry forward the unspent part of allowable administrative expenses in a financial year to the immediately succeeding financial year, for reasons to be mentioned in Form FC-4”



Thus, in Form FC4, under serial number 4, after clause (iii), the following shall be inserted; namely:

“(iv) Carry forward of unspent part of allowable administrative expenses in a financial year.”

2. Also, in serial number 2, in clause (i), in sub-clause (b), after item (ii), the following item shall be inserted, namely:

“(iii) Transfer of Foreign Contribution part of income-tax refund from non-FCRA bank account”;

This Ministry has been receiving representations from Associations over the difficulties faced by them over transfer of FCRA Component of funds out of the refund of tax deducted at source (TDS) received in their non-FCRA bank accounts.

The matter has been examined and it has been decided with the approval of Competent Authority that in case the consolidated income tax refund is received in non-FCRA bank account, the proportionate income tax refund pertaining to FCRA account needs to be transferred back to FCRA bank account. Such transfer would not be treated as a violation of section 17 of the Foreign Contribution (Regulation) Act, 2010 (the Act) and are allowed as per spirit of the Act.

Further, with respect to accounting treatment of TDS and its refund thereof, it is clarified that at the time of deduction, such TDS may be



accounted as utilization of FC and upon receipt of refund in FCRA account, it may be considered as "other income" and to be reported in clause 2(i)(b)(iii) in form FC-4 as per the public order issued dated 31st December,2024.

Following table has been inserted with regards t Point (1) and (2) Form FC-4:

S.No	Particulars	Amount (in Rs)
A	Brought forward unspent part of allowable administrative expenses	
B	Total foreign contribution received during the year	
C	Allowable administrative expenses of current financial year [20 per cent	
D	Total administrative expenses incurred during the current year	
E	Administrative expenses of current year utilised out of A above	
F	Administrative expenses of current year utilised out of C above	
G	Unspent part of C above available to be carried forward	
H	Out of G above, amount to be carried forward to next financial year	
I	Reason for carry forward of unspent part of allowable administrative expenses to the next financial year	



3. Further after serial number 8, the following shall be inserted:
Details of Chartered Accountant issuing the certificate under sub-rule (5) of rule 17:
- (i) name of the Chartered Accountant.
 - (ii) address
 - (iii) Member Registration number.
 - (iv) e-mail address
 - (v) date of issue of certificate
 - (vi) Whether any violation of the Act has been pointed out in certificate, and if so, details thereof
4. Under the heading, Certificate to be given by Chartered Accountant, after clause (vii), the following paragraph shall be inserted, namely:
- “I have examined all relevant books and records, including the items mentioned in column 8 of FC-4, and to the best of my knowledge and belief (name of the person/ association) has (strike out whichever of the following is not applicable)
- i. not violated any provisions of the Foreign Contribution (Regulation) Act, 2010 or rules made thereunder, or notifications issued thereunder; or
 - ii. violated the provisions of Foreign Contribution (Regulation) Act, 2010 or rules made thereunder, or notifications issued thereunder. The details of the violation(s) are as under.....”.

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