

MINISTRY OF HOME AFFAIRS, GOVERNMENT OF INDIA
NOTIFIES THE FOREIGN CONTRIBUTION (REGULATION) (AMENDMENT)
RULES, 2026 - W.E.F 22ND JUNE, 2026

The Ministry of Home Affairs, Government of India has notified the Foreign Contribution (Regulation) (Amendment) Rules, 2026 (“**FCRA Amendment Rules**”).

The FCRA Amendment Rules have come into effect from 22nd June 2026, amending the Foreign Contribution (Regulation) Rules, 2011 (“**FCRA Rules**”) under the Foreign Contribution (Regulation) Act, 2010 (“**FCRA**”).

The major highlights of the FCRA Amendment Rules are as follows:

I. **Introduction of definition of “Key Functionary”**

One of the key features of the FCRA Amendment Rules is the introduction of the term “**key functionary**” under Rule 2(1) by adding clause (ca) in the FCRA Rules.

The term “key functionary” in relation to a person other than an individual, includes-

- (i) The Director of a company;
- (ii) A partner in a firm;
- (iii) A trustee of a trust;
- (iv) The Karta of a Hindu Undivided Family;
- (v) An office bearer, member of the governing body, managing committee or other controlling authority of a society, trust, trade union or association of individuals; and
- (vi) any other officer or person, by whatever name called, who has control over, or responsibility for the management or affairs of such person.

Additionally, amendments have been made in Rule 5 (i) and (iii) and Rule 9(2)(f)(ii) (B), (C) and (D), Rule 12(2) and Rule 17A(iv) to substitute term “the key functionaries” in places of “Members of the Executive Committee or Governing Council of the person”, “chief functionary or office bearer” and “each office bearer and key functionary and member” in the FCRA Rules. This has been done for harmonisation of provisions with the new definition of “key functionary”

II. **Certificate of Registration to specify Purpose and Geography:**

A new Rule 9(1B) has been introduced in the FCRA Rules, which requires that the certificate of registration shall specify the purpose or purposes and the States or Union Territories (“UT”) for which registration is granted. Every application for registration shall mention:

- i. the purpose or purposes for which registration is sought, chosen only from such list of purposes as specified in the Schedule appended to FCRA Amendment Rules; and
- ii. the States or Union territories in which the association proposes to undertake the activities.

A comprehensive schedule showing purposes for registration has been appended to FCRA Amendment Rules. The Purpose for registration has been specified in detail under various heads, namely, **Religious, Cultural, Economic, Educational, Social.**

The applicant is required to choose from the schedule the specific purpose / activity that it wishes to carry out under any of the aforementioned heads.

III. **Requirement to submit an intimation in Form FC-6F specifying the purpose or purposes and the States or Union territories for which it seeks to retain its registration.**

A new Rule (1B)(c) has been introduced in the FCRA Rules, which requires that **every association registered before the commencement of the FCRA Amendment Rules shall, within one year of such commencement**, submit to the Central Government an intimation in Form FC-6F specifying the purpose or purposes and the States or Union territories for which it seeks to retain its registration.

IV. **Change of Scope of Registration**

A new rule 17B has been introduced in the FCRA Rule whereby an association registered under FCRA which intends to change its area of operation by including or deleting any purpose or any State or UT specified in its certificate of registration shall apply, in Form FC-6F, for such inclusion or deletion, along with a resolution of the governing body approving such application and the prescribed fee.

The fees payable for inclusion of additional purpose or State or UT shall be Rs.300/- in accordance with the proviso added to Rule 9(4)(b) of the FCRA Rules through FCRA Amendment Rules. The application is subject to the approval of the Central Government.

V. **Eligibility of Foreign Nationals to be treated as Key Functionaries:**

Explanation 1 has been added to Rule 9(5) of the FCRA Rules which provides that an association having foreign nationals (other than those of Indian origin), as its key functionaries, shall ordinarily not be considered eligible for grant of registration or prior permission under FCRA.

The proviso to Explanation 1 further states that the Central Government may, by order, specify such cases or circumstances in which foreign nationals may be permitted to be key functionaries of an association for the purposes of consideration of registration or prior permission, and the conditions to be fulfilled for such consideration.

VI. **Foreign Contribution to be utilised only for activities carried out in India in accordance with the stated objectives and for the purposes for which contribution has been received.**

Explanation 2 has been added to Rule 9(5) of FCRA Rules which provides that foreign contribution received shall be utilised only for activities carried out in India in accordance with the association's stated objectives and for the purposes for which such contribution has been received. This is a very important amendment and requires careful consideration.

VII. **Introduction of an India Focused Utilisation Threshold for "Reasonable Activity" for cancellation and renewal of registration:**

A new Rule 14A has been inserted in the FCRA Rules for "*utilisation of foreign contribution for reasonable activity*", which states that for the purposes of cancellation under section 14 and renewal under section 16 under FCRA, an association shall be deemed to have undertaken reasonable activity in its chosen field for the benefit of society **if it has utilised foreign contribution of not less than ten lakh rupees in the last two financial years for such purpose.** The expression "reasonable activity" has been defined in the explanation to Rule 14A which shall be deemed to include only such activity as is undertaken out of, or by utilising, foreign contribution received in accordance with FCRA. This is a very important amendment and requires careful consideration.

VIII. **Release of Instalment under Prior Permission Cases - New Form FC-3BB:**

A proviso to Rule 9A of the FCRA Rules has been inserted, which deals with filing of application for release of second or any subsequent instalment in Form FC-3BB and the second or any subsequent instalment shall be released only after utilisation of seventy-five per cent of the foreign contribution received in the previous instalment and after field inquiry of such utilisation.

IX. **Additional information to be provided in Annual Return:**

Annual Return (Form FC-4) has been substantially expanded, it includes:

- (a) Mandatory fields for official website and social media accounts of the person/association;
- (b) Specific disclosure of Donor Advised Funds and other intermediary remittance vehicles, with details of ultimate donors;
- (c) Filing a detailed annual activity report and project-wise utilisation table;
- (d) Disclosure of publications issued by the association or its key functionaries; and
- (e) Date of issue and Unique Document Identification Number (“UDIN”) of certificate and UDIN of the separate audited financial statements maintained for foreign contribution.

X. **Action Point for Existing FCRA Registrants:**

Regarding Certificate of Registration to specify Purpose and Geography:

For the purpose of complying with the Rule 9(1B) of FCRA Amendment Rules, the associations registered under FCRA will need to:

- (a) File Form FC-6F within one year from 22 June 2026 to give intimation of their permitted purposes and geographic location; and
- (b) Align their internal records and external disclosures including websites, social media and annual returns with the new, more specific reporting requirements.

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