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FCRA Amendment Bill, 2026 – Explained

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The Government of India introduced the Foreign Contribution (Regulation) Amendment Bill, 2026 to strengthen regulation of foreign funding received by NGOs and organisations. The Bill aims to enhance transparency, accountability, and national security by tightening oversight of foreign contributions.

Objective of the Bill

The primary objective of the amendment is to prevent misuse of foreign funds and ensure that such funds are used only for legitimate and lawful purposes. It also seeks to safeguard national and public interest by regulating the inflow and utilisation of foreign contributions.

Key Provisions of the Amendment

Government Control over NGO Assets:

A statutory mechanism will allow the government to take over and manage assets of organisations whose FCRA licences are cancelled or lapse.

Timelines for Fund Usage:

The Centre can prescribe specific timelines for receipt and utilisation of foreign funds to ensure proper monitoring.

Regulatory Authority:

A new framework/authority may be established to manage assets and ensure compliance of organisations losing registration.

Safeguards in Legal Proceedings:

Criminal investigations under FCRA may require prior approval of the central government, adding procedural safeguards.

Rationalisation of Penalties:

Some provisions aim to reduce penalties (e.g., imprisonment) for minor violations to make enforcement more balanced.

Background of FCRA

The Foreign Contribution (Regulation) Act (FCRA), 2010 regulates foreign donations to NGOs

Earlier amended in 2020 to tighten control over:

Transfer of foreign funds

Administrative expenses (capped)

Mandatory FCRA account in SBI, New Delhi

It prohibits foreign funding for:

Political parties

Election candidates

Government servants

Media organisations (news-related)