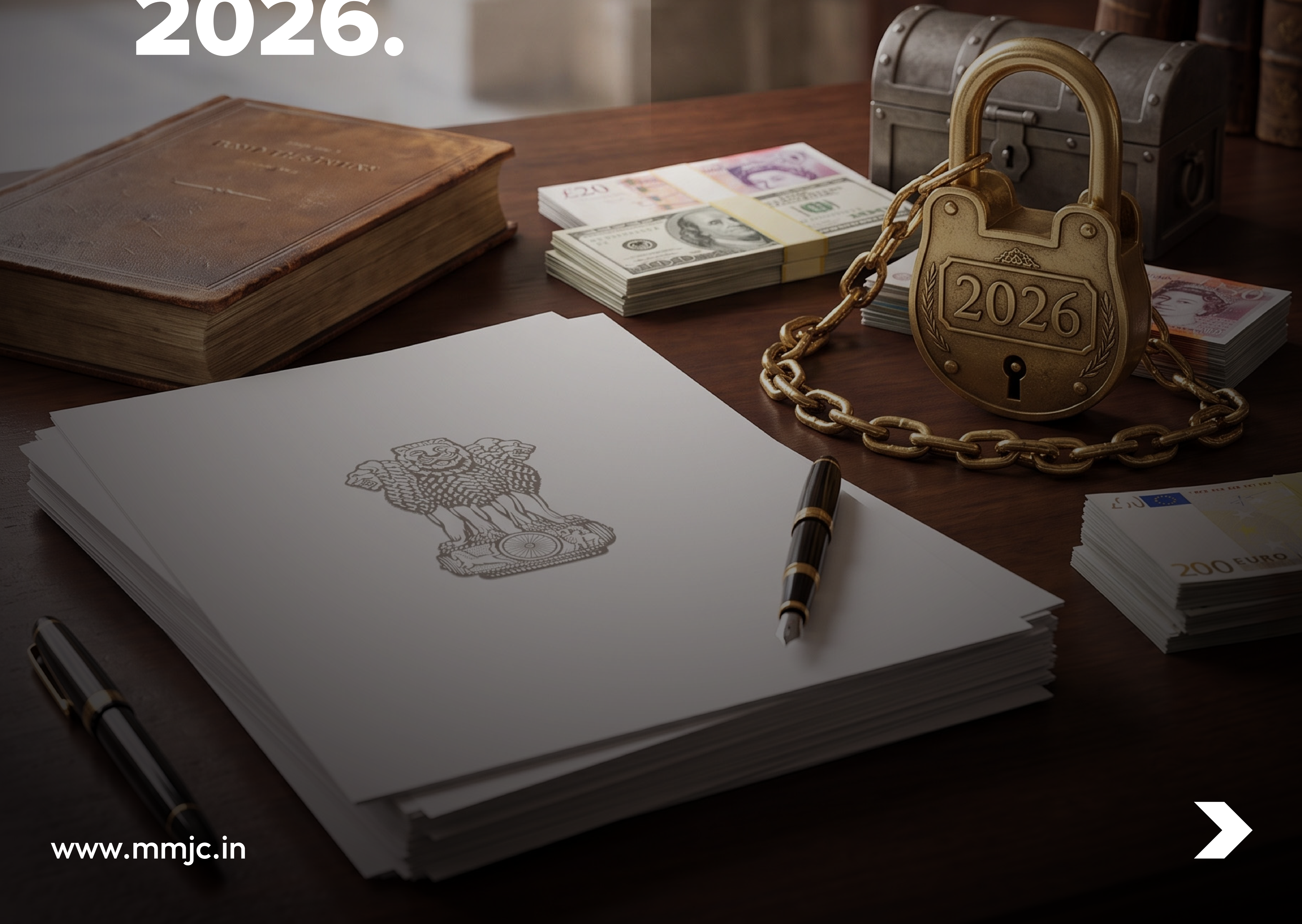
MMJC

Foreign Contribution (Regulation) Amendment Rules, 2026.



FCRA Rules, 2026
What changed?

Key compliance shifts, practical anomalies and action points under the amended Rules.

MMJC

FC-6F transition

Purpose & state-wise registration

75% tranche rule

WHAT ACTUALLY CHANGED?

Five core changes

The amendment reshapes how registration scope, filings and tranches are controlled.

1

Key functionary

Defined term now covers directors, trustees and key management.

2

FC-6F filing

Existing FCRA entities must file FC-6F within one year to retain registration.

3

Purpose-wise registration

Registration is now linked to specified Schedule purposes.

4

State-wise registration

Certificates identify the State / UT scope for use.

5

Prior permission control

Second and later tranches need fresh instalment approval.

FC-6F IS THE TRANSITION TRIGGER

What existing entities must do

MMJC

1

What must existing entities do?

File FC-6F within one year, select the relevant Schedule purposes and specify the State / UT scope.

2

What is unclear?

The Rules do not expressly say non-filing causes automatic cancellation — registration scope may remain uncertain.

3

Why is this risky?

Future use of foreign contribution may be challenged if not mapped to the retained purpose or State scope.

FC-6F

APPLICATION FORM

No express automatic lapse

PRACTICAL ANOMALIES

Where the Rules may create friction

Interpretation hotspots to watch as scope-based registration takes effect.

MMJC

1

Legacy object mismatch

Older registrations may carry broad objects that do not cleanly map to today's specified Schedule purposes.

2

Intimation vs approval

FC-6F is described as an intimation for older entities, yet its precise legal effect is not fully spelled out.

3

Subjective exclusions

Terms like 'political' or 'ideological' need careful evaluation; cross-border training may face scrutiny, with use intended only within India.

The risk

MMJC

1

Non-filing / poor mapping

FC-6F is not filed, or activities are not properly mapped to a purpose.

2

Use outside approved scope

Foreign contribution is used for a purpose or State / UT that registration has not been mapped to.

3

Compounding exposure

Compounding may apply at 30% of the amount utilised or Rs. 1 lakh, whichever is higher.

Important distinction

- ✓ FC-6F default does not appear to automatically cancel registration.
- ✓ Compounding and registration status are separate issues.
- ✓ Suspension or cancellation requires a separate order.

PRIOR PERMISSION: THE 75% RULE

Why the next tranche is not automatic

MMJC

1

Prior permission is granted for a specific donor, amount and purpose.

2

The first tranche is received and used.

3

Before the next tranche, at least 75% of the earlier instalment should be utilised.

4

FC-3BB, CA certificate, bank statement and utilisation details are submitted.

5

Further release subject to field inquiry and verification.

75%

of the earlier instalment must be used before the next release

- Projects now need cash-flow planning.
- Tranche sizing matters.
- Donor timelines should align with utilisation milestones.

EXECUTIVE TAKEAWAYS

What should organisations do now?

MMJC

1

Map each FCRA-funded project to an exact Schedule purpose.

2

Map every activity location to the relevant State / UT scope.

3

Prepare FC-6F using constitutional objects and actual project history.

4

Review foreign nationals and management roles under the key functionary definition.

5

Align donor agreements with the 75% tranche-control framework.

6

Tighten records, annual return disclosures and publication governance.

> **"The amendment shifts FCRA compliance from broad registration to active scope management."**