

## INTEGRATION OF FCRA BANK ACCOUNTS WITH THE PFMS

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### **Background**

The Ministry of Home Affairs (Foreigners Division) issued a notification No. 2/21022/58(951)/2017/FCRA(MU) dt. 21.12.2017, regarding “Integration of Bank Accounts (of individuals/organisations who receive foreign contributions under the FCRA, 2010) with the Public Financial Management System (PFMS). As per the notification, 32 banks who have agreed to integrate their systems with the Government PFMS, have been notified as authorised banks to receive Foreign Contribution money. List of these 32 banks is provided in **Annexure 1**.

### **The Issue**

As a result of this notification, all organisations holding permanent registration or prior permission will have to shift their designated FCRA bank accounts/multiple bank accounts (opened for projects/field level operations) to any of these notified 32 bank accounts.

### **Time period:**

This exercise shall be completed expeditiously within one month of the publication of this notice with intimation of the details of the bank accounts so opened in the prescribed format as provided under Rules 9 and 17A of Foreign Contribution (Regulation) Rules, 2011

***“Rule 17A: Change of designated bank account, name, address, aims, objectives or Key members of the association:***

***A person who has been granted a certificate of registration or prior permission under section 11 of the Act shall intimate electronically online in Form FC-6, within fifteen days, of any change in the following, namely:***

- (i) name of the association or its address within the State for which registration/prior permission has been granted under the Act;***
- (ii) its nature, aims and objects and registration with local/relevant authorities.;***
- (iii) bank and/or branch of the bank and/or designated foreign contribution account number; and***
- (iv) key members of the association if at any point of time such change causes replacement of fifty percent or more of the original key members as reported in the application for grant of registration/ prior permission/ renewal of registration under the Act.”***

### **Procedure for shifting of FCRA Bank Account**

In view of the above notification, in case there is a need to shift the existing FCRA bank account, the organisation may follow the following steps/procedures:

- Identify a bank (amongst 32 banks) in which new bank account can be opened;
- Hold a board meeting, passing a resolution for opening of new bank account, transfer of unutilised funds and approval of signatories to the bank account;
- Open a new bank account (s), post which an online application in Form FC 6 [as per Rule 9 and 17A] will be filed.

### **Our suggestion:**

- Based on our interaction with various banks, we understand that they are making efforts to get their name included in the PFMS list. Some of the banks have already received confirmation letters from the MHA, however the list uploaded on the MHA website has not been updated.
- NGO partners are requested not to rush up for opening of new bank accounts, they should seek clarifications from their banks in case the banks have been able to integrate with the PFMS and demand copy of the letter issued by MHA;

**Annexure 1: List of banks notified by the Ministry of Home Affairs**

1. Abu Dhabi Commercial Bank
2. ICICI Bank
3. The Cosmos Co-Operative Bank
4. BANK OF BARODA
5. State Bank Of India
6. South Indian Bank
7. IDBI Bank
8. Central Bank of India
9. Corporation Bank
10. Karur Vysya bank
11. Tamilnad Mercantile Bank Ltd.
12. The Catholic Syrian Bank Ltd
13. HDFC Bank
14. UCO Bank
15. IndusInd bank limited
16. City Union Bank
17. Syndicate Bank
18. Allahabad Bank
19. The Jammu and Kashmir Bank Ltd
20. Punjab National Bank
21. Allahabad UP Gramin Bank
22. DCB Bank Ltd.
23. Manipur state Co-op Bank
24. Vijaya Bank
25. Bombay Mercantile Co-operative Bank Ltd.
26. Yes Bank
27. Oriental Bank Of commerce
28. Dena Bank
29. Bank of Maharashtra
30. Canara Bank
31. Andhra Bank
32. Axis Bank