FCRA

NEW RULES.
NEW QUESTIONS.

Decoding Recent Amendments and Regulatory Developments

CA JACOB BABOO
Chartered Accountant

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Jacob Baboo

Acknowledgment

- For taking time out of your busy professional schedule to be here.
- Grateful to the Kottayam Branch (SIRC) of ICAI for the opportunity to share and learn together.
- Let's make these three hours practical, interactive and worthwhile.

SHARE • LEARN • INTERACT

TODAYS ROAD MAP

1. WHAT CHANGED?
2. WHAT DOES IT REALLY MEAN?
3. WHERE CAN THINGS GO WRONG?
4. WHAT MAY COME NEXT?
5. WHAT SHOULD WE DO DIFFERENTLY?

CASES. QUESTIONS. LAW. PRACTICAL TAKEAWAYS.

WHY THIS SESSION IS DIFFERENT

FCRA — FROM THE FILE, NOT JUST THE ACT.

70+

FCRA matters handled

WORK

Registration • Renewal • Revision • Compounding

REAL FILES

Scrutiny • Clarifications • Compliance reconstruction

CASES THAT SUCCEEDED. CASES THAT FAILED. LESSONS FROM BOTH.

The Promise

BY THE END OF THIS SESSION, YOU SHOULD BE ABLE TO ASK BETTER FCRA QUESTIONS.

SEE
THE CHANGE

SPOT
THE RISK

ADVISE
WITH CONTEXT

KNOW
WHAT'S NEXT

NOT JUST "WHAT DOES THE RULE SAY?" — BUT "WHAT DOES THIS MEAN FOR MY CLIENT?"

Case 1 ₹25 LAKH FROM A FORMER STUDENT IN USA

Bright Future Educational Trust receives ₹25 lakh from a former student in the USA for a classroom. The remittance comes through normal banking channels.

IS IT FOREIGN CONTRIBUTION?

- A. Yes — money came from abroad
- B. No — it came through banking channel
- C. Depends on purpose
- D. Ask the donor's citizenship first

CASE 01 | REVEAL

INDIAN CITIZEN / NRI

Personal savings through normal banking → NOT FC

FOREIGN CITIZEN / OCI

Donation → FOREIGN CONTRIBUTION

DON'T ASK ONLY "WHERE DID THE MONEY COME FROM?" ASK "WHO DID IT COME FROM?"

FCRA FUNDAMENTALS

WHAT EXACTLY IS FOREIGN CONTRIBUTION?

- **ARTICLE — donation, delivery or transfer by a foreign source**
- **CURRENCY — Indian or foreign currency**
- **SECURITY — foreign security / securities within the definition**
- **INTEREST / INCOME derived from FC also remains FC**
- **Ordinary commercial consideration / fee for services is excluded where applicable**

FIRST IDENTIFY THE SOURCE. THEN IDENTIFY WHAT HAS BEEN RECEIVED.

FCRA — THE JOURNEY

HOW DID WE GET HERE?

1976
First FCRA

2010
New FCRA enacted

01 MAY 2011
New regime operational

1976 → 2010 → 2011

FCRA – THE JOURNEY

HOW DID WE GET TO 2026?

2011	2020	2022-25	2026
Foundation of current regime	Major tightening: transfer ban • SBI NDMB • 20% admin cap	Refinement & scrutiny	New Rules + proposed Bill

DEEPER CONTROL OVER UTILISATION, GOVERNANCE & ACCOUNTABILITY

FCRA – VALIDITY & RENEWAL

FROM CONTINUING REGISTRATION → PERIODIC RENEWAL

1976
No five-year renewal cycle

2010 ACT
Registration valid 5 years

2011
Legacy registrations transition

2016
First major renewal gate

RENEWAL IS NOW PART OF THE FCRA LIFE CYCLE

FCRA – TRANSFER

TRANSFER HISTORY

1976	2010	2020
Restricted	Structured transfer framework	TRANSFER TO ANY OTHER PERSON PROHIBITED

1976: RESTRICTED → 2010: OPENED → 2020: CLOSED

FCRA – THE NUMBERS

FROM 42,569 TO ~13513

16 JUL 2014	05TH SEP 2026
42,569 registered associations source PIB	13513 active certificates reported by FCRA online Portal

ROUGHLY TWO-THIRDS OF THE 2014-SCALE BASE IS NO LONGER ACTIVE

FCRA – SCRUTINY

THE GREAT FILTER

BASIC COMPLIANCE

2015 clean-up: non-filing / non-response

RENEWAL

Jan 2023–Mar 2024: 8,306 disposed; 2,013 denied

ENFORCEMENT

High-profile cancellations / restrictions across different facts

NON-FILING • EXPIRY • RENEWAL SCRUTINY • CANCELLATION • ENFORCEMENT

RENEWAL

THE NEXT RENEWAL WAVE

2027	2028	2029
More active registrations return to gate	Renewal scrutiny continues	Another cycle of renewal decisions

TODAY'S ACTIVE FCRA BASE WILL FACE ANOTHER ROUND OF RENEWAL SCRUTINY.

Case 2

WE ALREADY HAVE FCRA.

Hope Community Trust has broad purpose SOCIAL. It runs child-care, old-age care, vocational training, medical camps and relief. It works in Kerala and now wants Karnataka.

WHAT CHANGED ON 22 JUNE 2026?

- **A. Nothing**
- **B. Only Karnataka matters**
- **C. Specific purposes + States/UTs matter**
- **D. Wait until renewal**

CASE 2 | REVEAL

"SOCIAL" IS NO LONGER THE END OF THE QUESTION.

5 BROAD HEADS

Religious • Cultural • Economic • Educational • Social

2026

Specific prescribed purposes / activities

GEOGRAPHY

State(s) / UT(s)

WHAT EXACTLY WILL YOU DO? AND WHERE WILL YOU DO IT?

Case 3

THE SPECIAL SCHOOL

Grace Special School works with autism and developmental disabilities: special education, hostel, therapy/rehab, vocational training and family support. Existing certificate says EDUCATIONAL.

HOW WOULD YOU MAP THIS?

A. Educational only

B. Social only

C. Both may be relevant

D. Objects clause alone decides

CASE 3 | REVEAL

DON'T CLASSIFY THE ORGANISATION.
CLASSIFY THE ACTIVITIES.

EDUCATIONAL	Special education / training streams
SOCIAL	Rehabilitation / welfare / support streams

ONE ORGANISATION. MULTIPLE ACTIVITIES. POSSIBLY MULTIPLE PURPOSES.

Case 4

THE THEOLOGICAL COLLEGE

Faith Theological Seminary: theological education, pastor training, Bible translation/publication, mission programmes, pastor support, scholarships and community welfare. Existing certificate: EDUCATIONAL + SOCIAL.

WHAT SHOULD THE CA DO?

- A. Treat all as Educational
- B. Add Religious immediately
- C. Map each activity first
- D. Wait for renewal

CASE 4 | REVEAL

"THEOLOGICAL" DOESN'T AUTOMATICALLY MEAN ONLY "EDUCATIONAL."

MAP

Existing Educational activity streams

MAP

Existing Social activity streams

TEST

Whether Religious broad purpose is additionally required

READ THE QUALIFIERS TOO — SOME RELIGIOUS ENTRIES EXPRESSLY EXCLUDE PROSELYTISATION.

Case 5 EXISTING REGISTRATION

Helping Hands Society already has SOCIAL registration. It operates in Kerala + Tamil Nadu. No renewal is due in 2026. Secretary says: "We can wait until renewal."

DOES THE 2026 MAPPING RULE REACH EXISTING REGISTRATIONS?

- **A. No**
- **B. File only at renewal**
- **C. Yes — transition applies**
- **D. Only new applicants are affected**

CASE 5 | REVEAL

EXISTING FCRA REGISTRATIONS ARE ALSO BEING REMAPPED.

22 JUN 2026	12 MONTHS	21 JUN 2027
Transition starts	One-year window	Practical end-date

DON'T WAIT FOR RENEWAL. THE TRANSITION HAS ITS OWN CLOCK.

Case 6

WHY NOT SELECT EVERYTHING?

Helping Hands Society already has SOCIAL registration. It operates in Kerala + Tamil Nadu. No renewal is due in 2026. Secretary says: “We can wait until renewal.”

IS MORE NECESSARILY SAFER?

- **A. Select widely**
- **B. All States only**
- **C. All purposes only**
- **D. Map what can genuinely be supported**

CASE 6 | REVEAL

THE FEE IS SMALL. THE DECLARATION IS NOT.

PURPOSES

First included; each additional purpose ₹300

STATES / UTs

First included; each additional State/UT ₹300

EXAMPLE

4 purposes + 5 States/UTs → ₹2,100 additional

MORE PURPOSES. MORE STATES. MORE SPECIFICITY.

Case 7 KNOW WHICH EXERCISE YOU ARE DOING

Faith Seminary has EDUCATIONAL + SOCIAL. Mapping identifies existing activities under those heads. Review also identifies RELIGIOUS activities, but Religious is not on the certificate.

WHAT NOW?

- **A. Add Religious in transition mapping**
- **B. Ignore it**
- **C. Distinguish retention mapping from scope expansion**
- **D. Wait for renewal**

Case 7

THE SECOND ROUTE

Existing certificate: EDUCATIONAL ✓ SOCIAL ✓ RELIGIOUS ✕. Continuing activities genuinely require Religious purpose.

HOW DO WE ADD IT?

- A. Use transition as automatic addition
- B. Start using FC and regularise later
- C. Apply through prescribed change route
- D. Only at renewal

CASE 7 | REVEAL

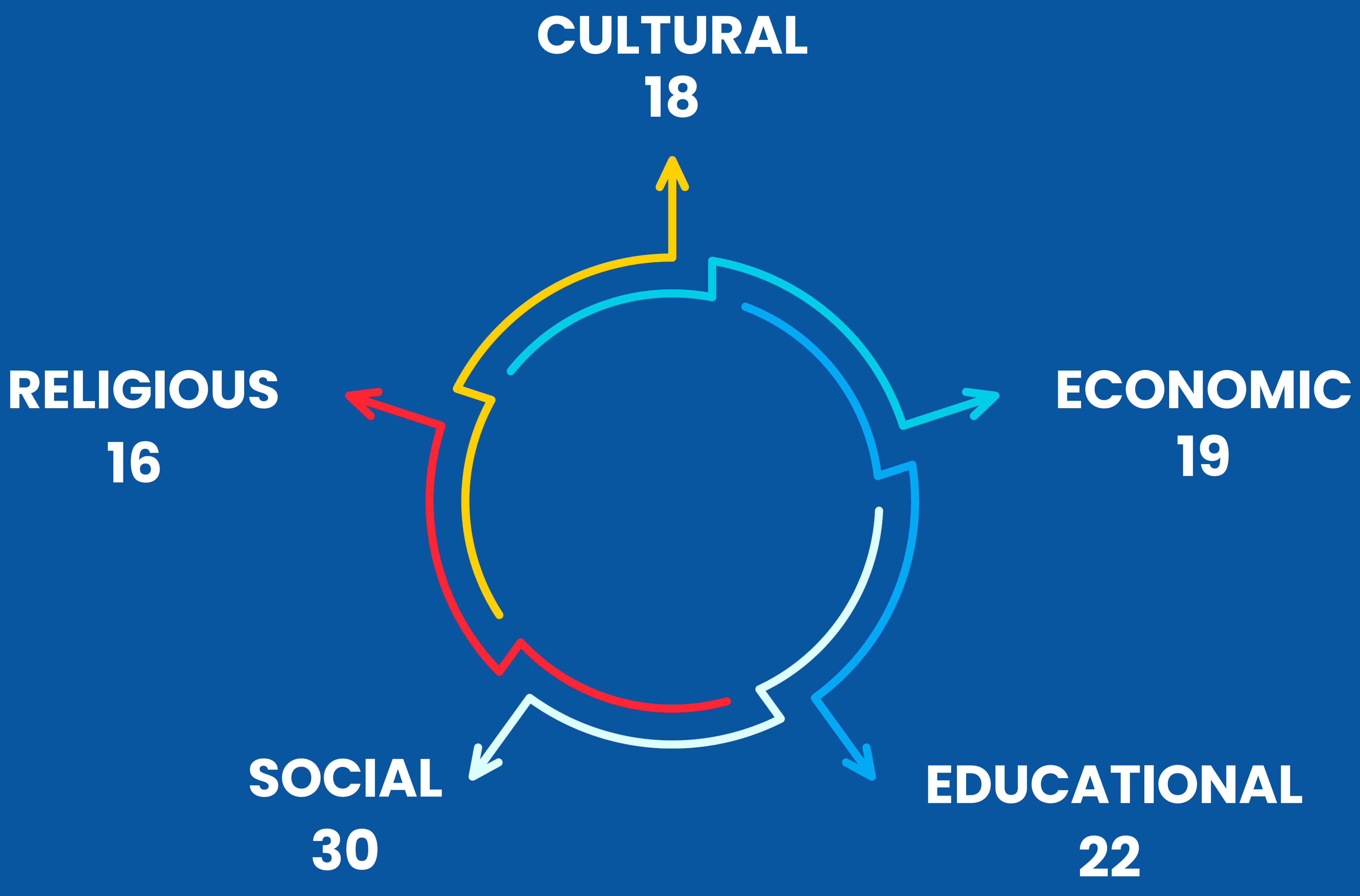
WANT TO CHANGE YOUR APPROVED SCOPE?

1. Governing Body Resolution
2. Application in FC-6F
3. Prescribed Fee
4. MHA Inquiry / Examination
5. Approval or Rejection

FILING THE FORM DOES NOT ITSELF CHANGE THE SCOPE.

2026 AMENDMENT | CONSOLIDATION

FROM 5 BROAD PURPOSES TO 105 SPECIFIC PURPOSES



16 + 18 + 19 + 22 + 30 = 105 • PLUS STATE(S) / UT(S)

Case 8 NEW NGO. SAME PERSON.

Organisation A loses FCRA. Mr X was a key person. Organisation B has a different name, PAN and governing-body structure — but Mr X continues to manage its affairs and B applies for FCRA.

WHAT SHOULD MHA LOOK AT?

- A. Only new entity name
- B. Only PAN
- C. Only governing body list
- D. People behind control too

KEY FUNCTIONARY

THE ORGANISATION IS NOT THE ONLY THING FCRA LOOKS AT.

IDENTITY	GOVERNANCE	CONTROL	RESPONSIBILITY
Who are the people?	What positions do they hold?	Who actually manages?	Who is answerable?

THE PERSON NOW FOLLOWS THE FCRA COMPLIANCE JOURNEY.

2026 AMENDMENT

"KEY FUNCTIONARY" IS NOW EXPRESSLY DEFINED.

FORMAL POSITIONS

Director • Partner • Trustee • Karta

GOVERNANCE

Office bearer • GB / managing committee / controlling authority

CATCH-ALL

Any person with control over or responsibility for management / affairs

FORMAL POSITION + ACTUAL CONTROL / RESPONSIBILITY

Case 9

11-MEMBER GOVERNING BODY

A society has Chairperson, Secretary, Treasurer + 8 other Governing Body members. Client says only three actually run the NGO.

WHO ARE KEY FUNCTIONARIES?

A. Only three office bearers

B. Only bank signatories

C. All GB members are expressly relevant

D. Only paid members

Case 10 NOT ON THE BOARD

CEO is not trustee, GB member or office bearer — but exercises substantial management, programme and financial authority.

CAN THE CEO STILL BE A KEY FUNCTIONARY?

- A. No formal title = no
- B. Potentially yes — actual control/responsibility
- C. Only if paid
- D. Only if bank signatory

KEY FUNCTIONARY

WHERE DO KEY FUNCTIONARIES ENTER THE FCRA FILE?

1. **FC-3A** Registration
2. **FC-3B** Prior Permission
3. **FC-3C** Renewal
4. **FC-6E** Changes
5. **FC-4** Certain annual disclosures

THIS IS NOT JUST A DEFINITION.

CHANGE IN GOVERNANCE

Governing Body members resign and new members join. The client has updated the Registrar of Societies and asks: “Is that enough?”

WHAT ELSE SHOULD WE CHECK?

- A. Nothing
- B. Only bank mandate
- C. FCRA-specific Rule 17A / FC-6E
- D. Only at renewal

ONE OF OUR TRUSTEES IS A FOREIGN NATIONAL.

An association has a foreign national — not a person of Indian origin — as a Key Functionary and wants registration / Prior Permission.

WHAT IS THE 2026 POSITION?

- A. Absolute statutory ban
- B. No issue
- C. Ordinarily not eligible, subject to specified exceptions
- D. Only renewal is affected

KEY FUNCTIONARY | CONSOLIDATION

LEGAL STRUCTURE + ACTUAL CONTROL = THE GOVERNANCE PICTURE

FORMAL LENS

Director • Partner • Trustee • Karta • Office bearer • GB

ACTUAL LENS

Control over / responsibility for management or affairs

OTHER CONSEQUENCES

Rule 5 admin-expense classification + affidavit/identification references

CONSTITUTION → GOVERNING BODY → AUTHORITY → ACTUAL DECISION-MAKERS → FCRA FILE

Case 11 FOREIGN ACTIVITY

Global Education Foundation receives FC correctly in India and proposes to fund a training programme in Nepal within its charitable objects.

IS IT PERMITTED?

- A. Yes — received in India
- B. Yes — within objects
- C. Yes — if GB approves
- D. Stop and examine the 2026 utilisation rule

CASE 11 | REVEAL

FOREIGN CONTRIBUTION MUST FOLLOW THE ACTIVITY.

WHERE?	OBJECTS?	PURPOSE?
Activities carried out in INDIA	In accordance with stated objectives	For the purpose for which FC was received

WHERE? → OBJECTS? → PURPOSE?

Case 12 WE ARE VERY ACTIVE.

Little Flower Charitable Trust is very active, largely with Indian donations. FC utilised: FY 2024–25 ₹3.50 lakh; FY 2025–26 ₹4.50 lakh. Total FC utilisation ₹8 lakh.

DOES TOTAL CHARITABLE ACTIVITY SAVE THE RENEWAL TEST?

- A. Yes
- B. Indian activity can make up difference
- C. ₹8 lakh is enough if genuine
- D. 2026 Rules create an FC-utilisation benchmark

CASE 12 | REVEAL

"REASONABLE ACTIVITY" NOW HAS A NUMBER.

THRESHOLD	PERIOD	TEST	RELEVANCE
₹10 LAKH	Last two financial years	Foreign contribution utilised for such purpose	Cancellation + Renewal

₹8 LAKH ≠ ₹10 LAKH • PLAN THE PROGRAMME. DON'T MANUFACTURE THE EXPENDITURE.

Case 13

WE DON’T HAVE FCRA.

Karunya Community Foundation has no FCRA registration. A UK foundation offers ₹1.50 crore for an identified community-health project in Kerala. Donor, project and amount are known.

MUST IT FIRST GET REGULAR REGISTRATION?

A. Yes

B. Receive first, apply later

C. Explore Prior Permission

D. Route through another FCRA NGO

PRIOR PERMISSION

TWO GATEWAYS. VERY DIFFERENT PERMISSIONS.

REGISTRATION	Continuing FCRA framework
PRIOR PERMISSION	Specific donor • amount • purpose / project • approved scope

PRIOR PERMISSION IS TRANSACTION / PROJECT SPECIFIC.

Case 14 ₹3 CRORE PRIOR PERMISSION

MHA permits receipt of ₹3 crore PP in instalments. First instalment ₹1 crore; ₹70 lakh utilised; donor is ready with second ₹1 crore.

CAN THE SECOND INSTALMENT COME?

- A. Yes — total already approved
- B. Donor decides
- C. Bank can receive
- D. Check the 2026 subsequent-instalment condition

2026 AMENDMENT

BEFORE THE NEXT INSTALMENT: ≥75%

PREVIOUS INSTALMENT	UTILISED	REQUIRED	RESULT
₹1.00 crore	₹70 lakh = 70%	₹75 lakh = 75%	Threshold not met

TOTAL PRIOR PERMISSION APPROVED DOES NOT BY ITSELF OPEN THE NEXT TRANCHE.

2026 AMENDMENT | FC-3BB

75% UTILISATION IS NOT THE FINISH LINE.

1. ≥75% utilisation
2. FC-3BB
3. CA certificate + bank / activity evidence
4. Field inquiry / verification
5. Second / subsequent instalment

75% → APPLICATION → VERIFICATION → RELEASE

PRIOR PERMISSION IN ONE VIEW

BEFORE RECEIPT	Donor → Amount → Purpose / Project → FC-3B → PP
IF INSTALMENTS ARE PERMITTED	First tranche → ≥75% → FC-3BB → verification → next tranche

PERMISSION → UTILISATION → EVIDENCE → VERIFICATION → NEXT TRANCHE

Case 15 SPECULATIVE ACTIVITY

An NGO invests ₹10 lakh of FC in a transaction falling within speculative activity and earns ₹2 lakh return. Treasurer says: "There is no loss — we made a profit."

DOES PROFIT CURE THE ISSUE?

- **A. Yes**
- **B. Only if returned to FC account**
- **C. Only loss matters**
- **D. No — prohibited activity remains prohibited**

CASE 15 | REVEAL

NEW SPECIFIC COMPOUNDING ENTRY

BASE	PLUS	CASE
₹1 lakh OR 30% of amount invested — whichever higher	100% of returns earned	₹10L × 30% = ₹3L + ₹2L return = ₹5L

PROFIT DOES NOT CONVERT A PROHIBITED ACTIVITY INTO A PERMITTED ONE.

Case 16

TWO GENUINE CHARITABLE EXPENDITURES

A: ₹20 lakh received for education but used for another genuine charitable purpose. B: registered for Kerala but uses ₹20 lakh FC for genuine activity in Karnataka outside approved State/UT scope.

WHICH CAN CREATE A COMPOUNDING ISSUE?

A. A only

B. B only

C. Both

D. Neither

CASE 16 | REVEAL

TWO DIFFERENT LEGAL PROBLEMS

WRONG PURPOSE	₹1 lakh OR 30% of amount wrongly utilised — higher
OUTSIDE APPROVED PURPOSE / STATE / UT	₹1 lakh OR 30% of amount so utilised — higher

GENUINE CHARITY DOES NOT ITSELF EQUAL COMPLIANT UTILISATION.

WHAT ACTUALLY CHANGED?

RETAINED

Admin expenses >20% framework; Section 11 acceptance/utilisatio n framework

NEW SPECIFIC ENTRIES

Speculative activity; wrong-purpose utilisation

NEW SCOPE CONSEQUENCE

Outside approved purpose / State / UT

PROSPECTIVITY

Disposed cases before notification are not reopened

THESE ARE THE 2026 CHANGES — NOT THE COMPLETE LIST OF ALL COMPOUNDABLE FCRA OFFENCES.

Case 17

WHY DOES MHA WANT THIS?

Hope India Foundation is applying for FCRA. Objects, activities, financials, donor information and Key Functionaries are ready. Then the team encounters digital / social-media disclosure.

WHY SHOULD SOCIAL MEDIA MATTER?

- A. Optional background only
- B. Only website matters
- C. 2026 forms deepen digital/public-profile disclosure
- D. Social media has nothing to do with scrutiny

CASE 17 | REVEAL

MHA NOW WANTS A DEEPER VIEW OF THE ORGANISATION.

DIGITAL IDENTITY

Website • social-media accounts

ACTIVITY TRAIL

Activities undertaken • funding utilised

PROJECT & LOCATION

Activity • location • amount utilised

DONOR TRAIL

Intermediary / DAF • ultimate foreign donor

APPLICATION → PUBLIC PROFILE → ACTIVITY → MONEY — THEY SHOULD TELL A CONSISTENT STORY.

Case 18

WE FILE FC-4 EVERY YEAR. WHAT ELSE IS REQUIRED NOW?

An FCRA association has FC-4, audited FC statements and CA certificate ready. The accountant says: “The annual reporting package is complete.”

IS SOMETHING NEW MISSING?

- A. Nothing — FC-4 is sufficient
- B. Only additional bank statements
- C. A Detailed Activity Report
- D. Only if MHA asks

2026 AMENDMENT

DETAILED ACTIVITY REPORT — NOW TRAVELS WITH FC-4.

ANNUAL RETURN	Rule 17(1): scanned Detailed Activity Report accompanies FC-4
RENEWAL	Amended FC-3C asks year-wise Detailed Activity Reports for last 3 financial years

I AM DELIBERATELY NOT OPENING FC-4 TODAY. THE AMENDED ANNUAL RETURN DESERVES A SEPARATE SESSION.

LEGAL STATUS DIVIDER

EVERYTHING WE HAVE DISCUSSED SO FAR IS LAW TODAY.

22 JUNE 2026 RULES — IN FORCE

BUT WHAT COMES NEXT?

FCRA AMENDMENT BILL, 2026 — PROPOSED LAW • NOW BEFORE JPC

Case 19 THE FCRA EXPIRED. BUT THE HOSPITAL REMAINS.

Mercy Health Trust built a hospital using foreign contribution years ago. Later its FCRA registration ceased / was not renewed. The hospital continues entirely with Indian funds.

WHY SHOULD THE HOSPITAL BE AFFECTED?

A. Nothing happens

B. Only unutilised FC is affected

C. Only future foreign funding is prohibited

D. The Bill proposes consequences for FC-created assets

PROPOSED LAW | BEFORE JPC

THE CERTIFICATE MAY END. THE ASSET QUESTION MAY NOT.

TRIGGERS

Cancellation • Surrender • Cessation

PROVISIONAL

FC + assets created out of FC vest in Designated Authority

RESTORATION

Renewed / restored / fresh registration → prescribed return mechanism

PERMANENT

If not restored within prescribed period

FCRA EXIT MAY BECOME AN ASSET QUESTION — NOT MERELY A FUNDING QUESTION.

GREY AREA #1 | BEFORE JPC

"PROVISIONAL" — BUT FOR HOW LONG?

START	THE BILL SAYS	END
Provisional vesting	"within such period as may be prescribed"	Restoration / return OR permanent vesting

THE BILL CREATES THE CONSEQUENCE. THE TIME WINDOW IS YET TO BE PRESCRIBED.

GREY AREA #2 | BEFORE JPC

WHAT ABOUT HISTORICAL FCRA ASSETS?

EXPRESS TRANSITION	Proposed Section 16B covers FC/assets already vested under existing Section 15 / rules
OPEN QUESTION	Does that fully answer every historic cessation / non-renewal situation where assets had not already vested?

THE BILL ADDRESSES TRANSITION — BUT ITS FULL HISTORICAL REACH MAY STILL REQUIRE CLARITY.

PROPOSED LAW | BEFORE JPC

OTHER IMPORTANT PROPOSALS

MIXED-FUND ASSETS

Even partly FC-funded assets can enter vesting framework; domestic portion may be claimed if distinct / ascertainable

KEY FUNCTIONARIES

Proposed responsibility / due-diligence framework

PROCEDURE

Prior approval for investigation • penalty rationalisation

JUDICIAL APPEAL

District Judge / prescribed specified judicial officer

STRONGER ASSET GOVERNANCE + PROCEDURAL / PENAL CHANGES

WHAT SHOULD A CA DO TODAY?

WATCH	MAP	DOCUMENT	ADVISE
Track the JPC / Bill	Identify significant assets wholly or partly created from FC	Preserve historical funding and governance evidence	Clearly separate law today from proposed law

THE BILL GIVES US A DIRECTION. THE JPC MAY STILL CHANGE THE DESTINATION.

FROM LAW →
TO PRACTICE

SO, WHAT CHANGES ON OUR DESK FROM MONDAY?

PURPOSE
What exactly is approved?

PEOPLE
Who are the Key Functionaries / actual controllers?

PLACE
Where is activity carried out?

MONEY
Can receipt and utilisation be traced?

ACTIVITY
Was FC used for permitted purpose / activity?

EVIDENCE
Can the entire story be proved?

FCRA COMPLIANCE IS MOVING FROM FILING → TO CONTINUOUS READINESS.

FROM LAW → TO PRACTICE

THE FCRA HEALTH CHECK

PURPOSE
Do certificate, objects and actual activities align?

PEOPLE
Are Key Functionaries correctly identified and updated?

PLACE
Is FC used within approved geographical scope?

MONEY
Can every receipt and utilisation be traced and reconciled?

ACTIVITY
Used for the purpose received and permitted activities?

EVIDENCE
Can the organisation prove all of the above?

DON'T BEGIN WITH THE FORM. BEGIN WITH THE FACTS.

FROM COMPLIANCE → TO READINESS

DON'T START AT RENEWAL.

TODAY	RECONCILE	EVIDENCE	RENEWAL WINDOW
Continuous compliance	Books • bank • activities	Keep the record ready	The file should already be ready

RENEWAL IS AN EVENT. READINESS IS A PROCESS.

THE MONDAY-MORNING CHECKLIST

IF I HAD AN FCRA CLIENT TOMORROW MORNING...

1. Current FCRA certificate
2. Objects vs actual activities
3. 2026 purpose/activity mapping
4. Approved vs actual State/UT footprint
5. Current Key Functionaries / Governing Body
6. FC utilisation — purpose + activity + geography
7. Prior Permission conditions, if applicable
8. Reporting, books, bank and supporting evidence
9. Renewal date and readiness
10. Significant assets wholly / partly created from FC — BILL WATCH

ONE CLIENT. ONE FILE. ONE HEALTH CHECK.

THE NEXT CONVERSATION

ONE IMPORTANT FILE IS STILL CLOSED.

FC-4

FCRA ANNUAL RETURN

WE DELIBERATELY DIDN'T OPEN IT TODAY.

What exactly changed? • What should the CA reconcile before certification? • Where can FC-4 itself create regulatory questions?

THAT IS A CONVERSATION FOR ANOTHER DAY.

Jacob Baboo

FINAL TAKEAWAYS

NEW RULES. NEW QUESTIONS. BETTER QUESTIONS.

1. Broad purpose is no longer enough.
2. Know the people behind the organisation.
3. Follow utilisation — not just receipt.
4. Don't wait for renewal.
5. LAW TODAY ≠ PROPOSED LAW.
6. Ask better questions.

ARE WE READY TO DEFEND THE ENTIRE FCRA STORY?

Thank You

FOR YOUR TIME & PARTICIPATION.

CA Jacob Baboo

JACOB & ASSOCIATES

Kottayam Branch (SIRC) of ICAI | 05 September 2026

Jacob Baboo

NOW IT'S YOUR TURN.

Questions

CASES •DOUBTS • DIFFERENT VIEWS

Let's discuss.