

MHA lists 32 banks for foreign-funded NGOs

30-Day Deadline To Integrate With Govt's Financial Mgmt System

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New Delhi: The home ministry has directed all NGOs and entities receiving foreign funding to open accounts in any of the 32 designated banks integrated with the government's public financial management system (PFMS) within a month.

The ministry, in an order issued on December 21, said this would ensure a higher level of transparency in their foreign contribution receipts.

"The central government has decided that all banks where FCRA registered persons/organisations have opened their FC (foreign contribution) account would be integrated with the PFMS for providing a higher level of transparency and hassle-free reporting compliance," the order said.

The Foreign Contribu-



ENSURING TRANSPARENCY?

tion (Regulation) Act, 2010, provides for regulation of acceptance of foreign funds or foreign hospitality by certain individuals, associations, organisations and companies "to ensure that such contributions or hospitality is not being utilised for activities detrimental to the national interest", the ministry said.

"Therefore, in exercise of the powers conferred under the FCRA, 2010, the central government hereby directs all persons who are either registered or who have sought prior permission under the FCRA, 2010, to open their bank accounts as mandated

in one or more banks in the list of the 32 banks," it added.

This exercise shall be completed within one month (by January 21) with intimation of details of bank accounts to the ministry under a prescribed form, the order said.

Among the 32 designated banks where individuals, NGOs and other entities can open their accounts are Abu Dhabi Commercial Bank, ICICI Bank, Cosmos Co-Operative Bank, Bank of Baroda, State Bank of India, South Indian Bank, IDBI Bank, Central Bank of India, Corporation Bank, HDFC Bank, UCO Bank and IndusInd Bank.

The PFMS, which functions under the Controller General of Accounts in the finance ministry, provides a financial management platform for all plan schemes, a database of all recipient agencies, integration with core banking solution of banks handling plan funds, integration with state treasuries and efficient and effective tracking of fund flow to the lowest level of implementation for plan scheme of the government.