

Centre suspends foreign-funding licence of 156 NGOs

The Times Of India - Mumbai, 11/12/2018; Section: Times Nation, Page: 10

TIMES NEWS NETWORK

New Delhi:

The MHA has suspended foreign-funding licence of 156 NGOs and associations issued under Foreign Contributions Regulation Act, 2010, for their failure to open bank accounts in one or more banks linked to the public financial management system (PFMS).

Among the associations barred from receiving foreign contributions for a period of 180 days, pending consideration of cancellation of their certificates, is Alliance Francaise de Bombay, a Mumbai-based NGO that is part of an international network and works under the triple umbrella of the French government, Paris-based Alliance Française Foundation and an Indian board.

Though the defaulting NGOs were served show-cause notice on June 29 this year for not complying with a central government notice of December 6, 2017, asking FCRA-registered NGOs to open accounts, as mandated in Section 17 of the Act, in one or more banks integrated with PFMS, they had failed to file a response within the prescribed 15-day time limit.

Integration of an FCRA-registered NGO's bank account with PFMS, a web-based application for payment, accounting and reconciliation of government transactions, is aimed at keeping the government up to date about the frequency, number and quantum of foreign contributions made to and utilised by such an NGO.

"...The said associations have neither given any reply/response to the show-cause notice nor opened their bank accounts in PFMS-integrated banks. Therefore, their certificates are liable to be cancelled as per the provision of Section 14(1)(d) of the FCRA, 2010," the home ministry stated in an order dated December 6.

However, the 156 NGOs did not open their bank account in PFMS-integrated banks which, in December 2017, totalled 32 with the number now going up to

59. "Now, therefore, in exercise of the power conferred by Section 13 of FCRA, pending cancellation of their certificates, the central government hereby suspends the registration under FCRA, of the said associations (including their branches and units) for a period of 180 days with effect from the date of this order..." the home ministry said in its order.