Banks and Banking related issues

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> **Got questions about FCRA or FCRR?** Ask them on the forum, or browse other FCRA-related questions here.

Q1. Are there any specified banks for the purpose of FCRA,2010?

The “FCRA Account” under Section 17(1) of the Act can be opened only in the New Delhi Main Branch of SBI. “Another FCRA Account” and utilization account/accounts can be opened in any scheduled bank. It should be a PFMS integrated Bank.

Q2. Does an association need to open an exclusive FC account before submission of an application for registration or prior permission?

Yes. Since the FCRA account through which foreign contribution is proposed to be received and utilized is to be mentioned in the application seeking registration or prior permission, as the case may be, the association has to open such an exclusive “FCRA Account” in the New Delhi Main Branch of SBI. This A/c number would be mentioned in the letter granting registration or prior permission to the association.

Q3. Can banks allow an association which is applying for registration or prior permission under FCRA, 2010 to open an FCRA account with

INR?

Yes. However, New Delhi Main Branch of SBI shall not allow any foreign inward remittance in that A/c till such time the association is granted registration or prior permission, as the case may be.

Q4. Should the Banks report transactions pertaining to foreign contributions which are returned to the remitter by the beneficiary Association for want of registration/prior permission from MHA?

It is not necessary for the bank to report such foreign contribution that is returned to the donor without crediting in the account of the recipient.

Q5. What is the Minimum Balance requirement in FC Accounts?

There is no such requirement under FCRA, 2010.

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