

## **Checklist of important points that need to be considered when filling FC-3 returns**

NGO's are required to file their returns every year under Societies/Trust Registration Act, Income Tax Act 1961, For-eign Contribution Regulation Act, 1976 and any other applicable legal regulation. We hereby bring out a checklist of important points that need to be taken care of while filling up the Form FC-3 with the Ministry of Home Affairs.

Under point 1 A in Form FC-3, the total amount of foreign contribution received during the year should be the same as reported under column '9'. Ensure that the interest earned on investments made as reported in point (b) is out of Foreign Contribution only.

Please take specific note on "appropriate action " given after point 2 against item, "Caution".

Under point no. 4-each individual receipt has to be shown separately irrespective of the amounts in the case of donors above rupees one lakh and institutional donors. Also the details should be furnished in the case of first and also second and subsequent recipient.

Similarly, in the case of contributions made below rupees one lakh by individual donors, it would be advisable if a separate statement is prepared and kept in record. Only the total amounts than needs to be furnished in Column 6.

Finally, the figures as reported in the FC-3 format, auditors certificate and the receipt and payment account should all be the same and not vary. In case there are any differences it may give room to doubt the intention of the NGOs to conceal information. Please do also note that details of expenditure is attached in all cases, especially so, if the amount exceeds rupees one lakh.

The above-mentioned points are only the guidelines that need to be followed when filing returns.

Most important of all, adequate steps must be taken to ensure that the form is reaching the Home Ministry latest by 31 st July.

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