

**Central Sector Scheme of  
Assistance to Voluntary Organizations working for welfare of OBCs**

**Scheme Guidelines:**

**1. OBJECTIVES:** The aim of the scheme is to involve the voluntary sector to improve educational and socio- economic conditions of the target group i.e. OBCs, with a view to upgrade skill to enable them to start income generating activities on their own or get gainfully employed in some sector or the other.

**It has been felt that the process of sanctioning of GIA manually is cumbersome and it discourages NGOs for participation.** The principle that good voluntary organisations should not only be assisted but also be consciously built up in their capacity. This has been the guiding spirit behind the formulation of the scheme from 1988 onwards.

**2. SCOPE AND ELIGIBILITY:**

2.1. Assistance under this Scheme will be given to eligible voluntary and other organizations fulfilling the conditions as under:

- a. The organisation should be registered under the Societies Registration Act, 1860 (XXI of 1860) or any relevant Act of the State / Union Territory; or a public trust registered under the law for the time being in force; or a charitable company licensed under Section 25 of the Companies Act, 1958; or any other public body or institution having a legal status of its own.
- b. It has an appropriate administrative structure and a duly constituted managing / executive committee.
- c. The aims and objectives of the organisation and programmes are in line with those aims and objects which are precisely laid down for the scheme.
- d. The organisation should be initiated and governed by its own members on democratic principles, without any external control; and
- e. The organization should have been registered for, at least three years, at the time of applying for grant under the scheme. This can, however, be waived by the Secretary, Ministry of Social Justice and Empowerment, for reasons to be recorded in writing, in exceptional cases.
- f. The organization must have a Bank Account maintained and operated in the name of the same organisation for the last three years.
- g. It is not run for profit to any individual or a body of individuals.

In addition to the above eligibility conditions, the following criteria would be kept in view while selecting the VOs/NGOs:

- a. Two years' experience in the relevant field.
- b. The location of the Projects proposed by the organization should be in the Backward Districts identified by the Planning Commission.

2.2 The NGOs/Organisations will select only such OBCs as indicated below:-

(a) Those that belong to OBCs at least as per notified list in the Central List of Backward Classes or to the notified list of the concerned state/UT list of OBCs are also eligible.

(b) The beneficiaries whose parents / guardians income from all sources including the income of the beneficiary does not exceed Rs. 1.00 Lakhs annually will be eligible for availing the benefit under the scheme.

2.3 The projects admissible under the Scheme of Grant-in-Aid to Voluntary Organizations working for welfare of OBCs can also be taken up in the villages under the Saansad Adarsh Gram Yojana (SAGY) provided an eligible NGO is willing to locate the project in the Adarsh Gram or if the Gram Panchayat is willing to implement the project in that village subject to the condition that the rates, guidelines and modalities are followed as provided under the Scheme.

### **3. TYPE OF ACTIVITIES COVERED:**

Assistance under the Scheme is admissible for establishing centres and developing and delivering services, which may equip the OBCs, by upgrading their skills to enable them to start income generating activities either through self-employment or wage employment.

Indicative categories of projects for which grants-in-aid may be considered under the scheme is at **Annexure-I**. This is just an introductory list and any project can be taken up for grant-in-aid for skill up gradation. There is no upper limit of the beneficiaries in each category of project and it will depend on the demand duly recommended by the State Committee subject to availability of funds. The number of beneficiaries shown in financial norms is only for the calculation purpose. Any project pertaining to Skill up gradation will be accorded priority

### **3. APPLICATION:**

3.1 Procedure for Submission of application:

The organisations which have been duly recommended by the concerned State Government/Government of India are eligible to apply under the scheme. This process in case of individual NGOs has to be carried out online right from filing application by the NGO to forwarding by the district level officials and thereafter by the directorate of the state and the secretariat also. ***This has been done to bring transparency, efficiency and involvement of robust NGOs in the programme.***

The application will be dealt online in the Ministry. The eligible NGOs shall submit the online application, manual and other details of which are available in the website of the Ministry of Social Justice & Empowerment, i.e. [www.socialjustice.nic.in](http://www.socialjustice.nic.in). The organization receiving grants from the Ministry shall regularly submit quarterly Progress Report within a month of end of each quarter.

### 3.2. Constitution and Role of State Committees:

- a. Each State Government/UT Administration shall constitute a multidisciplinary State Committee, under the chairpersonship of Principal Secretary/Secretary, State Social Welfare Department.
- b. State Government would be responsible to examine the project proposals online of VOs/NGOs in accordance with the procedure/ guidelines as laid down by the Ministry from time to time and on the basis of inspection reports and performance reports furnished by the field functionaries.
- c. The states are also expected to satisfy themselves about the necessity and viability of funding the project, keeping in view its performance by making inspection visits as per the requirements.

## **4. EXTENT OF ASSISTANCE:**

4.1. The quantum of assistance shall be determined in each case on merit. The Government of India may, however, meet 90% of the approved expenditure on any or all of the items of an approved project. The remaining expenditure is to be met by the concerned voluntary organisation from its own sources.

4.2 In case of PSUs or other organisations like NBCFDC, GIA under the scheme for Skill Development Programmes shall be limited to 30% of the total project cost.

4.3 In the event of Ministry of Social justice & Empowerment itself executing any element of the programme i.e. engagement of Consultants, for project formulation, monitoring and evaluation, as well as expenses towards cost of training of NGO functionaries etc., full cost shall be borne from the budgetary provision of the scheme.

4.4. In case of the projects already approved i.e. continuing projects, first instalment up to extent of 75% of the estimated expenditure may be released as soon as possible on receipt of the following documents:-

- (i) An application in the prescribed Performa together with the required documents;
- (ii) Utilisation Certificate of the grant last released, in the format prescribed under GFR-19A. Audited / Unaudited accounts for the previous year indicating the expenditure incurred vis-a-vis the grant sanctioned;
- (iii) Budget Estimates for the financial year for which grant-in-aid is required; and
- (iv) Performance, with statistical data, of the projects during the previous year.

4.5. The second instalment will be released on receipt of the audited statement of accounts, together with utilization certificate, and inspection report from the prescribed agency.

## **5. NORMS FOR RELEASE OF ASSISTANCE:**

5.1 NGOs having presence in more than one State and having more than one branch will be eligible to receive for each of its branches grants for meeting expenditure on administrative overheads involving supervision and monitoring of the performance of its various branches. Each branch can apply separately or under the parent body.

5.2 Under the scheme, grants shall be sanctioned in favour of VOs/NGOs/ Government Organisations subject to prescribed financial norms, terms & conditions as stipulated by this Ministry and revised from time to time. Further, while sanctioning the project and releasing the grant, following norms shall be followed by the Ministry:

- a. After following the due process, the Ministry will sanction the eligible amount online and transfer the funds to the bank account of the organization which should be under joint operation of its President and Secretary in case of a NGO and to the MD in case of Government Organisations.
- b. The grant shall be sanctioned as per the procedure laid down under General Financial Rules, 2005 as amended from time to time.
- c. The extent of financial assistance to a VO/NGO for a particular category of project would be limited to the financial norms prescribed for that category of project by the Government and may be revised from time to time.

## **6. EXPENDITURE AND ACCOUNTS:**

6.1 The Organization/VOs must exercise reasonable economy in the expenditure on the approved items.

6.2 The Organizations/VOs shall maintain separate accounts of the grants received under this scheme. These shall always be open to check by an officer deputed by the Government of India or State Government. These shall also be open to test check by the Comptroller and Auditor General of India.

6.3 The organizations/VOs shall maintain Register of Assets in the proforma prescribed under GFR wherein all assets of permanent value and machinery and equipment having a life of not less than that 5 years and costing Rs.10,000 and above (each item) should be enclosed.

6.4 In case of the actual expenditure on the items for which assistance was sanctioned fall below the level at which the grant was determined, the organization shall be liable to refund unutilized portion of the grant to the Government of India or the unutilized portion of grant shall be adjusted against the grant admissible for the subsequent financial year.

6.5 After the close of the financial year the aided Organizations/VOs will submit audited statement of accounts with utilization certificate for all expenditure incurred.

6.6 If an organization has already received or is expected to receive grant-in-aid from some other official sources for the same purpose for which an application is being made under the scheme, an assessment of Central grant-in-aid will normally be made after taking into account grant-in-aid from other such official sources.

6.7 No grants in aid will be sanctioned where there is a reasonable suspicion or suggestion of corrupt practices unless the organisations concerned are cleared of the allegations. The Government reserves its right to nominate its representations on any grantee institution, which depends upon the Central Government grant-in-aid for more than 50% of its annual recurring expenditure.

6.8 The accounts of the organisation will be subjected to the test check by the Comptroller and Auditor General of India at his discretion.

6.9 Financial norms for the projects wherever not specified under the Scheme would be decided by the Ministry on case to case basis.

6.10 Financial norms for releasing the grants to the companies licensed under Section 25 of the Company's Act 1958 under the Administrative control of M/o Social Justice & Empowerment would be decided on case to case basis as per the guidelines of the Department of Public Enterprises.

## **7. OTHER MISCELLANEOUS CONDITIONS:**

7.1 No capitation or other similar fees or donation in any form shall be charged from any beneficiaries.

7.2 If it is found at a later stage that the organization had withheld or suppressed information regarding the grant-in-aid from other official sources or otherwise had given factually incorrect information, the grant-in-aid of the Government of India may either be cancelled or reduced and the organization may be asked to refund the grant already given with interest thereon.

7.3 It is mandatory for NGO to furnish list of beneficiaries online indicating therein Voter ID No. Details like name, address etc. shall be as per Voter ID issued by Government of India/Election Commission.

7.4 The agencies running the vocational training centres shall also arrange for loan and subsidy either from the commercial banks or RRBs or from State Channelising Agencies of National Backward Classes Finance & Development Corporation or through any other Agency for enabling each successful trainee for starting his / her new job.

7.5 The Organisation/VO should be agreeable to occasional visit of the Government officers and consider their suggestions for improvement in the working of the scheme.

7.6 The agencies will have no authority to dispose of any capital equipment and property purchased out of grant-in-aid, sanctioned, without prior approval of the Government. In the event of the organisation discontinuing the scheme or being wound up, the ownership of such equipment and property would vest in Government of India. The organisation will also maintain the audited record of all

assets acquired wholly or substantially out of the Government grants (property of a capital nature where the value exceeds Rs. 5000/-).

7.7 The organisation shall make reservations for the Other Backward Classes (OBCs) in the posts on the lines of reservations provided in the services under the Central Government for these communities if they are selecting personnel on contract basis for the aided project.

7.8 The Chief Instructor / Instructors / Master Craftsman to be engaged under the Scheme to impart training should be technically trained in the respective trades adequately and preferably on the pattern being adopted in the like institutions by the Government.

7.9 The Government of India is free to make any modification in the aforesaid conditions whenever deemed necessary. The Central Government Organisations like NBCFDC will not transfer the grant to their state level channelizing agencies. In case NBCFDC wants to carry out any skill development training through the state agencies, 50% of the project should be first deposited with the NBCFDC. Corporations like NBCFDC may enter into MOU with reputed institutes recognised by GoI/state Governments for undertaking the skill development initiatives.

7.10 The trainees should compulsorily be provided the NCVT (National Council of Vocational Training) certificate as mandated by the National Commission for Skill Development. 50% of the trainees should be women.

7.11 The status about wage/self-employment gained through the scheme has to be maintained on the website of the organisation. Tracking of the beneficiaries is must and the organisation would be eligible next year only when at least 70% of the trainees attain employment.

7.12 Selection of the courses/streams by the agencies would be such that the imparted skills match with the job demand of the specific area. Quarterly survey/report would be provided to the Ministry in order to ascertain the quality of the training and employability.

7.13 In case of dispute, the decision taken by the Ministry shall be binding on the agencies.

7.14 Review of the scheme will be done in every quarter of the year at the level of Joint Secretary dealing with the subject in the Ministry to add more courses and augment employability of OBC population particularly the youth including the women.

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**LIST OF INDICATIVE ACTIVITIES**

1. Carpentry
2. Computer Education
3. Craft Centre
4. Dari making Training
5. Diesel Pump set repairing
6. Electrical training
7. Fruit Preservation Training
8. Gem cutting
9. Welding and Fitter training
10. Photography
11. Plumbing
12. Printing, composing and book binding
13. Scooter, motorcycle and auto rickshaw repairing
14. Spinning and weaving
15. Typing and shorthand
16. Tie and dye training
17. Leather art
18. Denting and spray painting
19. TV, VCR and radio repair