

**GRANT-IN-AID SCHEME FOR FINANCIAL ASSISTANCE TO ORGANISATION (VOLUNTARY AND NON GOVERNMENTAL) FOR TAKING UP ACTION PROGRAMMES/PROJECTS FOR THE BENEFIT OF CHILD LABOUR & WOMEN LABOUR (REVISED – 2003).**

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**1. INTRODUCTION**

- 1.1 The Ministry of Labour has been financing, since 1981-82, voluntary organizations by way of grant-in-aid for taking up action oriented projects for the benefit of child labour and women labour.
- 1.2 The phenomenon of child labour is due to socio-economic compulsions. Government's policy is, therefore, to prohibit child labour in hazardous employment and regulate their working conditions in other employment/occupations. The working children are deprived of the basic requirements for their development, such as, education, health-care, nutrition etc. The purpose underlying the Scheme is to identify child labour and to make available welfare inputs to them through voluntary organizations.
- 1.3 Economic independence of women is one of the basic factors which can ensure equal status for women. A clear cut and well defined policy relating to women's employment was, for the first time, embodied in the Sixth Five Year Plan. This has been repeated in the Seventh Plan which emphasis income generating schemes for women to enable them to participate actively in socio-economic development.

To achieve the above objective, Government have also been laying stress on the involvement of voluntary organizations in the development process. The women's cell in the Ministry of Labour, thus encourages voluntary agencies and non-governmental agencies to formulate income-generating schemes and other action projects for women labour and renders financial assistance to such agencies for executing these projects.

**2. SCOPE OF ASSISTANCE:**

- 2.1 The amount of assistance given by the Ministry of Labour for taking up action-oriented projects aimed at benefiting child labour and women labour will be restricted to 75% of the recurring cost of the project as per the approved budget.

- The remaining 25% of the cost including the non-recurring cost, if any, will have to be borne by the organization concerned.
- 2.2 Duration of assistance will depend on each project and will be for a maximum of 5 years and will be generally restricted to the currency of the Five Year Plan. Sanction will, however be accorded for a maximum period of three years at a time. Releasing of grants for the project after a year will be subject to fulfillment of prescribed terms and conditions.
- 2.3 In the event of assistance being available from any other source including international organizations like ILO, UNICEF, etc. for taking up the action programme on a multi-aided approach, total assistance will not exceed the ceiling mentioned in Annexure-I.

3. **ELIGIBILITY:**

- 3.1 The organization should be :
- i. A society under the Societies Registration Act, 1860, or
  - ii. A public trust registered under any law for the time being in force, or
  - iii. A registered trade union, or
  - iv. A Charitable Company licensed under Section 25 of the Companies Act, or
  - v. University/Institutions of higher learning.
- 3.2 In the case of a voluntary organization:
- i. The organization should be such that its welfare and other programmes relating to child labour and women labour are accessible to the target group without any distinction or caste, religion or language.
  - ii. The organization should be in a sound financial position and it should have the capability of executing programmes effectively and smoothly. A minimum annual expenditure on items of recurring nature of the order of Rs. 50,000/- approximately during the last 3 years would, interalia, be considered indicative in this respect.
  - iii. The organization should have three years of practical experience in the implementation of welfare programmes.

4. **TYPE OF ACTIVITIES FOR WHICH FINANCIAL ASSISTANCE MAY BE GIVEN:**

A. **CHILD LABOUR**

i) Welfare of child labourers through Special Schools (in Non-National Child Labour Project Districts) providing welfare inputs like formal education, stipend, vocational training, provision of health care and nutrition.

ii) Preventive measures to discourage further accretion of children into employment.

B. **WOMEN LABOUR**

i) Organising working women and educating them about their rights duties. Legal aid to working women.

ii) Training and skill development with a view to provide gainful self-employment, encouraging formation of co-operation societies of women workers.

iii) Seminars, workshops etc. aiming at raising the general consciousness of the society about the problems of women labour.

5. **PROCEDURE:**

5.1 Organisations desirous of taking up projects for child labour or women labour shall send their applications (**Form I**) for central assistance to the concerned State Government, (Department of Labour). The State Government shall send their views & comments about the experience, financial capability, suitability of the organization, feasibility and viability of the project to be undertaken to the Ministry of Labour, on receipt of which only, the Ministry of Labour will consider the proposal. The recommendation of the State Government should be clear and unambiguous and should be furnished in the prescribed format (**Form II**).

5.2 The proposals shall be examined by a Committee with reference to all relevant factors such as eligibility, nature of activity proposed etc. If necessary, the applicant may be called to make suitable modification of the proposal w.r.t. size, scope, duration etc. This committee shall be headed by the Joint Secretary, Incharge of Women & Child Labour, Ministry of Labour and would include representatives from the Departments of Women & Child Development and Elementary Education, Government of India and the Financial Advisor (Ministry

of Labour ) or his representative. The committee shall meet as often as necessary and at least twice in a year preferably during the months of April and August. The decision of the committee will be conveyed to the organization in the form of an offer of Grant-in-Aid after seeking the approval of IFD so that budget finally approved/agreed upon by Finance may be conveyed to the Organisation. On receipt of this offer, the organization has to submit acceptance. The maximum duration of the project shall be 3 years.

5.3 The organizations shall request the Ministry of Labour, directly for release of grant of instalments from year to year and a copy of this request/application shall be sent to the State Government by Registered Post. The State Government will evaluate the work of the voluntary organization/agency and will intimate the Ministry of their views from time to time. If it is felt by the State Government that release of grants is not proper to a particular organization, then the State Government shall send their views in this respect to the Ministry of Labour for their consideration.

5.4 The Grant-in-aid amount for the Project shall be released, subject to the terms and conditions mentioned. Renewal is automatic unless specifically terminated on ground of breach of conditions as prescribed in para 6. The committee referred to para in 5.2 shall have such powers to recommend termination of the Grant-in-Aid after due process.

5.5 I) Release of funds would be on annual basis wherein 75% of the amount of assistance would be released as first instalment after the receipt of acceptance from the organization. Balance 25% amount for the first year and 1<sup>st</sup> instalment for the 2<sup>nd</sup> year (i.e. 75% of the sanctioned annual assistance) would be released on receipt of the Quarterly Progress Report, Audited Statement of Accounts (including Balance Sheet, Income & Expenditure Accounts and Receipt & Payments Account) & Utilisation Certificate for the previous Financial Year and Inspection Report of an officer nominated by the Ministry of Labour.

II) In the 3<sup>rd</sup> Year, grants (i.e. 75% of the sanctioned annual assistance) and balance 25% amount for the 2<sup>nd</sup> year would be released on submission of the Progress Report, Audited Statement of Accounts, Utilisation Certificate and

Inspection Report for the 2<sup>nd</sup> Year. Balance amount of grant shall be released after completion of the project and submission of all related documents, as mentioned above, for the 3<sup>rd</sup> Year.

**6. TERMS AND CONDIITONS OF THE GRANT-IN-AID:**

- i) Grant-in-aid shall be used for the purpose for which sanction is given. An annual Utilisation Certificate (in form GFR 19A) shall be furnished by the organization concerned that the grant-in-aid has been utilized for the purpose for which it was sanctioned.
- ii) The special schools (for child labour) should run for duration of 6 hours per day.
- iii) The NGO/VO concerned should make proper disbursement of 'Stipend' to the children through an account/passbook to be opened in the name of each child & mother/father in the nearest Post Office/Nationalised Bank.
- iv) The organization shall submit a progress report after every three months for scrutiny by the Ministry. It would be open to the Ministry to stop further grants-in-aid, if Government feels that the desired objectives are not being achieved or if the conditions or terms of the Government of India are not adhered to.
- v) An officer/authorized representative of the Ministry shall physically check at least once in a financial year, the work of the organization in so far as it relates to the project financed by the Ministry.
- vi) The accounts of the organization concerned shall be open to audit check by the Comptroller and Auditor General of India or by the representatives from this Ministry's Internal Audit Division. The accounts shall be open to verification by officers of the Ministry or of State Government at any point of time.
- vii) The amount of grant-in-aid released shall be credited to the account of the organization from where the drawal will be by cheque/draft according to the procedure prescribed by General Financial Rules.
- viii) An audited statement of accounts (in duplicate) shall be furnished to this Ministry within 3 months of the expiry of the time prescribed for which grant was released.
- ix) A Utilization Certificate as per Form General Financial Rule 19A in respect of the total grant-in-aid paid duly countersigned by a Chartered Accountant shall be furnished to this Ministry within three months of the expiry of the time period for which grant-in-aid was released.
- x) Before a grant is released, the grantee shall execute an Agreement Bond on Stamp Paper of requisite value with two sureties in favour of the President of India that :

- a) the grantee will abide by the conditions of the grant by the target dates, if any, specified therein, and
  - b) that he will not divert the grants and entrust execution of the scheme or work concerned to another institution(s) or organization(s) and
  - c) he shall abide by any other conditions specified in the agreement and in the even of his failing to comply with the conditions or committing breach of the bond, the grantee and the sureties individually and jointly will be liable to refund to the President of India, the entire amount with interest thereon or the sum specified under the bond.
- xi) The Rate of Interest to be charged in the event of breach of the above terms & conditions will be 6% per annum on the amount of grant-in-aid ordered to be refunded.
  - xii) The release of grants will be subject to the General Financial Rules, 1968 as applicable.

**Funding Norms under Grant-in-Aid**

**Categories of expenses for which  
Grant-in-Aid will be available**

**Normal level of ceiling  
on funding under G.I.A.**

- |   |     |
|---|-----|
| 1. All activities and infrastructure approved | 75% |
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**Categories of expenses for which  
Grant-in-Aid will NOT be available**

1. Acquisition of Land and Building.
2. Purchase of vehicles, computers, typewriters, Plant and Machinery etc.

**FORMAT IN WHICH ORGANISATION SEEKING FINANCIAL ASSISTANCE FOR ACTION ORIENTED PROJECTS ARE TO APPLY/ FORM IN WHICH THE PROJECTS ARE TO BE PLACED BEFORE THE GRANT-IN-AID COMMITTEE.**

**1. ABOUT THE ORGANISATION**

1. Name and address of the organization.
2. Nature of the Organisation  
(e.g a society, trust, co-operative, etc.)
3. Date of voluntary organization's constitution, registration alongwith the following papers
  - Copy of Certificate of Registration
  - Copy of Prospectus
  - Constitutions of the Board of Management
  - Annual Report of the Previous Year
  - Copy each of the Receipts and Payments Accounts And/or Income & Expenditure Account and the Balance Sheet for the previous 3 financial years Certified by a Chartered Accountant or a Government Auditor.
4. Brief history and a brief account of the activities of the organization since inception particularly in the field of child/women labour and whether similar programmes, have been taken up on behalf or other Government Department.
5. Whether recognized or recommended by any State Government
6. Additional information, if any
7. List of additional papers, if any



## **II. ABOUT THE PROJECT:**

1. Name of the Project
2. Objectives of the Project
3. Duration of the Project
4. Target Group  
(List of beneficiaries with name, father's name, age, sex and occupation from where withdrawn, in case of child labour)
5. Trades in which vocational training proposed to be imparted:  
(in case of child labour)
6. Total cost of the project  
(Project budget with item-wise break-up)
7. Cost (with item-wise break-up) of any similar project financed by the Ministry of Labour.
8. Extent of financial assistance sought from the Ministry of Labour for this project.
9. Other sources of finance for the project  
(e.g. own funds, other organizations etc.)
10. Per beneficiary cost:-
  - Per Year
  - Per month
11. Output in measurable terms  
(e.g. number of child workers educated upto primary level, formation of groups of women workers etc.)
12. Any other relevant information.

(Annual Budget for one Special School of 50 children under  
Grant-in-aid Scheme)

	Item of Exp.	Annual Budget (Amount)	At the rate of
1.	Instructors: i) Educational (2) ii) Vocational(1)	36,000 18,000	(2x1500x12) (1x1500x12)
2.	Stipend	60,000	(100x50x12)
3.	Nutrition	39,000	(2.50x26x50x12)
4.	Rent, Water & Electricity	12,000	(1000x12)
5.	Educational & Voc. Material	8,000	
6.	Clerk cum Accountant (1)	16,800	(1x1400x12)
7.	Peon (1)	9,600	(1x800x12)
8.	Contingency	4,000	
	<b>Budget for one School</b>	<b>2,03,400</b>	
	<b>Ministry's Share 75%</b>	<b>1,52,550</b>	

**PROFORMA FOR REPORT FROM STATE GOVERNMENTS ON PROJECT PROPOSALS SUBMITTED BY VOLUNTARY ORGANISATIONS UNDER THE GRANT-IN-AID SCHEME FOR PROJECTS FOR THE BENEFIT OF CHILD LABOUR AND WOMEN LABOUR.**

1. Name & address of the organisation
2. Title of the Project
3. Year of registration of the organisation
4. Place of registration
5. Registration valid upto
6. Objectives of the organisation
  - (i)
  - (ii)
  - (iii)
  - (iv)
7. Experience of the organization in undertaking welfare projects
8. Activities taken up by the organization in the preceeding 3 years:
  - (i)
  - (ii)
  - (iii)
9. Financial status of the organization
10. Details of assets and liabilities (Last one year only)

	Amount in Rupees	Year
1. Land and building		
2. Equipment, furniture etc.		
3. Fixed Deposits, investments made, loans given.		
4. Cash in hand and cash at bank		
5. Borrowings		
6. Other liabilities, if any		

11. Sources of funding of activities taken up in the previous 3 years (Central Govt./ State Govt./Other Govt. Deptts./other Organizations).  
Please specify year, amount & source.
  - (i)
  - (ii)
  - (iii)
12. Details of funding from external sources.  
Please specify year, amount and source.
  - (i)
  - (ii)
  - (iii)
13. Area in which the organization wishes to take up work. (District, Block, Village)
14. Whether the organization has undertaken work in the area previously. (Please mention period since when the agency has been working in the area and the nature of work taken up)
15. Persons involved with the project (Names, residential addresses, education & other qualification, occupations & Institutions to which they belong).
16. Whether the organization has the experience/ability to take up the present project.
17. Whether the project is complete in all respects in accordance with the requirements of the scheme.
18. Whether there is any other child labour project being implemented in the area/women labour project of similar nature being implemented in the area.

Certified that the above facts have been verified. The Project proposal is duly recommended for consideration by the M/o Labour.

Stamp and signature of officer of the  
State Govt. not below the rank of Joint Secretary