

# The Grants-in-Aid (Cultural and Sports Institutions) Rules, 1986

ODISHA

India

## The Grants-in-Aid (Cultural and Sports Institutions) Rules, 1986

### Rule

### THE-GRANTS-IN-AID-CULTURAL-AND-SPORTS-INSTITUTIONS-RULES of 1986

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The Grants-in-Aid (Cultural and Sports Institutions) Rules, 1986Published vide Notification Orissa Gazette No. 8/21.2.1986, SupplementResolution dated the 30th January, 1986 - The question of streamlining the provisions of the Grants-in-aid Rules applicable to Cultural and Sports Institutions has been engaging the attention of the Government for sometime past. A set of rules were framed in the year 1973 laying down the procedure and the principles for sanction of grants-in-aid to these institutions. With the passage of time and the renewed emphasis laid on the development of various cultural, sports and youth activities, Governor has been pleased to lay down a revised set of rules and a procedure (as appended herewith) to regulate payment of grants-in-aid in supersession of the rules framed in 1973 vide Resolution No. 4264-CA., dated the 24th November, 1973. These rules shall come into force with immediate effect.

#### 1.

These rules may be called the Grant-in-aid (Cultural and Sports Institutions) Rules, 1986.

#### 2.

In these rules, unless the context otherwise require-(a)"Cultural institution" means any non-official voluntary association or Organisation other than the Orissa Sahitya Academy, the Orissa Sangeet Natak Academy, the Orissa Lalit Kala Academy and the Orissa Council of Sports functioning to foster and develop activities in the fields of dance, drama, music, fine arts, literature, games, sports, gymnastics or one or more of these;(b)"Director" means the Director of Sports and Director of Culture;(c)"Government" means the Government of Orissa in the Department of Tourism, Sports and Culture (Sports), and Tourism, Sports and Culture (Culture) Department; and(d)"Collector"

means the Collector of the district.

### **3.**

Soon after approval of the budget estimates for a financial year, the Director shall invite applications in Form No. 1 from Cultural Institutions desirous of financial assistance from Government. He shall specify a date by which the application should reach him. Applications received beyond the prescribed date shall not be entertained :Provided that the Government may authorise the Collectors of the districts to invite applications in Form No. 1 from Cultural Institutions desirous of financial assistance from the Government situated within the jurisdiction of the district concerned and take such action on them as may be authorised by the Government in this behalf from time to time.

### **4.**

(1)No Cultural Institution shall be eligible to any grant unless it is registered under the Societies Registration Act, 1860.(2)Subject to the conditions laid down in these rules the Cultural Institutions shall be eligible to grants-in-aid for recurring expenses such as pay and allowances, etc. of the staff, expenditure in respect of seminars, conference, etc. and for non-recurring expenditure viz.; expenditure on buildings, telephones, purchase for equipments, books for libraries, Organisation of games and sports, etc.Subject to the conditions laid down in these rules, recurring and nonrecurring grants will be sanctioned by the competent authority for such purposes as may be specified in the sanction orders.

### **5.**

(1)If any Cultural Institution is in receipt of Government assistance from any other Department of Government during the preceding year, applications of such institutions will receive low priority in the matter of sanction of financial assistance under these rules. Certificate indicating the details of the grants received from other Departments of Government shall be furnished along with the application made under Rule 3.(2)The restriction in Sub-rule (1) may be waived by the Director/Collectors of the districts, if the assistance received for any purpose other than that for which the grant is applied for.

### **6.**

No grant shall be given to a Cultural Institution, the assets of which have been mortgaged or encumbered.

### **7.**

For purposes of eligibility for consideration for sanction of grant, a Cultural Institution must-(a)be a body with a definite objective and must have a sound Organisation;(b)possess a Constitution or a

Memorandum of Association specifying the aims and objects and the method of execution with definite rules of administration of funds and maintenance of accounts;(c)have a governing body or a managing committee or any other executive body by whatever name it may be called to look after the management of its affairs;(d)have a Secretary or a Principal executive described by any other name, who shall be held responsible for proper management of funds and control of the affairs of the institution;(e)not be engaged directly or indirectly in political activities or activities likely to promote communal or regional sentiments; and(f)be located in a building of its own or in an independent building hired by the institution.

## **8.**

(i)The application for grant shall be accompanied by copies of the Constitution/Memorandum of Association and rules of the institution.(ii)Copies of audited accounts showing its financial position along with annual reports indicating therein the receipt and expenditure of the year.(iii)A scheme explaining the purpose for which money is required.(iv)Statement giving details of grant, if any, received during the previous three years from the Central Government and/or other Departments of the State Government.(v)If the grant applied for is in connection with construction of buildings or for extension of existing accommodation, copy of plan with estimates worked out by a qualified Engineer and a copy of letter of approval of the plan by the competent and local authority where such approval is necessary under any law for the time being in force.(vi)Specimen signature, duly attested by a Gazetted Officer of the applicant, who shall be the Secretary or the principal executive authorised by the Constitution of the institution to execute financial transactions; and(vii)an undertaking signed by the Secretary or Principal executive of the institution to abide by the provisions of these rules.

## **9.**

(1)The Director/Collectors of the districts shall consider the applications received by him under Rule 3 and submit to Government before the end of August every year his recommendations in the matter of grant-in-aid to Cultural Institutions during the financial year. The cases of institutions which have defaulted in submitting utilisation certificates in respect of grants made in previous years shall not be recommended.(2)The recommendation shall contain details viz., the name of the Cultural Institution, the area which the institution serves, the purpose of application for grant, the amount of grant to be paid to each and details of amounts granted during the previous three years.

## **10.**

The quantum of grant to be paid shall be determined by Government on the merit of each case. Every order sanctioning the grant shall specify clearly the object for which it is given, the nature of the grant, the financial year for which the grant is payable, the date by which the grant should be utilised, the date of submission of the utilisation certificate to the Director/ Collectors and such conditions as may be decided.

**11.**

Grants shall be sanctioned in favour of the Secretary or the Principal executive of the institution, who is duly authorised by the Constitution of the institution to execute financial transactions and contracts on behalf of the institution and under whose seal and signature the application for grant has been made to the Director/Collectors of the districts.

**12.**

On receipt or orders of sanction, the grantee shall submit a bill in the prescribed form (O.T.C. Form No. 40) to the Director/ Collectors of the districts along with the voucher slip in O.G.F.R. Form No. 25. The bill shall bear the full dated signature and official seal of the grantee.

**13.**

The Director/Collectors of the districts shall be the countersigning authority of bills. He shall maintain a register in O.G.F.R. Form No. 32 in respect of all bills received by him for countersignature.

**14.**

The Director/Collectors of the districts shall, before countersigning the bill ensure that the conditions attached to the grant and this stipulated under these rules have been accepted by the grantee without any reservation. An agreement in Form No. 11 shall also be executed by the Society/Institution that they agree to be governed by the conditions of the grant and to abide by the provisions of these rules. No funds shall be released unless the grantee executes the agreement.

**15.**

(a)After countersignature, the bill shall be sent to the grantee for encashment. It may be made over to the grantee or to the person duly authorised by him to receive the bill.(b)The grantee shall immediately after encashment of bill send intimation to the Director/Collectors of the districts about the date of encashment together with the Treasury/Sub-treasury voucher number and date.

**16.**

Government may, in specific cases, authorise the Director/ Collectors of the districts to draw the amount of the grant and disburse the same to the grantee. In such cases, the Director/Collectors of the districts shall cause maintenance of a Register in O.G.F.R. Form No. 33. Payment shall be made by postal money-order or by bank draft deducting the money order commission or bank draft commission, as the case may be, unless the grantee intimates in advance that he intends receiving payment in cash in the office of Director/ Collectors of the districts within three days of drawal.

**17.**

The grant-in-aid sanctioned by Government shall be spent within the period specified in the order of sanction and utilisation certificate shall be furnished by the grantee institution in O.G.F.R. Form No. 7-A immediately thereafter.

**18.**

If the grantee institution considers that the grants cannot be spent within the financial year in which the grant has been sanctioned, the institution concerned shall move the Director/Collectors of the districts with sufficient justification to extend the period for utilisation of grant.

**19.**

The Director/Collectors of the districts may at his/their discretion issue orders for retention or utilisation of the grant for any further specific period which shall not be beyond the date of expiry to the period of one year from the date of sanction. If the Director/ Collectors of the districts considers that there is no justification for retaining the amount he may direct the grantee institution to refund the amount in full or the unspent balance thereof, as the case may be, within a period to be specified by him/them.

**20.**

(1)The grant shall be utilised only for the purpose for which it has been sanctioned and no diversion shall be admissible without prior approval of the Government.(2)If at any stage the Director/Collectors of the districts is not satisfied about the proper utilisation of the grant, he may direct that the grant paid shall be refunded within such time as he may specify.

**21.**

If the grant is not utilised for the purpose for which it is sanctioned, or a portion of the grant remains unspent, it shall be refunded within the period contemplated in Rules 17 or 19 failing which it shall be recovered from the concerned Cultural Institution as a public demand under the provisions of the Orissa Public Demands Recovery Act, 1962.

**22.**

The Director/Collectors may at any time get the accounts of the Cultural Institution audited and take any other action in order to satisfy himself/ themselves that the grant has been utilised for the purpose for which it has been sanctioned.

**23.**

All registers and documents connected with the receipts, expenditure and utilisation of the grant sanctioned under these rules shall be open to inspection by the Director/Collectors or other officer authorised by the Director/Collectors in this behalf, by the Internal Auditors of Government and also by the Accountant-General.

**24.**

The assets created wholly or substantially out of the grant shall be subject to the condition that the same cannot, without prior sanction of the Government be disposed of, encumbered or utilised for purpose other than those for which the grant was sanctioned. Note - Assets for the above purposes shall mean (a) immovable property, and (b) movable property of a capital nature where the value exceeds Rs. 1,000.

**25.**

The building equipment and furniture acquired with the grant shall be kept in good repair by the institution at its own expense.

**26.**

Every Cultural Institution in receipt of grant shall exercise reasonable economy in its working. It shall maintain complete accounts in respect of the grant and matching contributions attached to the grant in accordance with these rules and the rules of the institution regulating administration of funds and maintenance of accounts.

**27.**

The grantee institutions should maintain a register in O.G.F.R. Form No. 30 showing the permanent and semi-permanent assets acquired wholly or substantially out of the grant. The register should be maintained by the grantee institutions separately in respect of each sanctioning authority and a copy thereof furnished at the sanctioning authority annually. The register of assets should be open to scrutiny by audit.

**28.**

(1) Notwithstanding anything contained in these rules, Government with the concurrence of Finance Department may in specific cases (1) sanction a recurring or non-recurring grant to a Cultural Institution located outside the State and engaged in an activity of national utility or welfare on such conditions as they determine, or (2) relax or modify the provisions of any of these rules in any case where, in their opinion, the operation of these rules would not be in public interest. Form No. II [Rules 14 and 21] An Agreement made on the.....day of.....between the Governor

of Orissa (hereinafter called "the Governor") of the one part and the Cultural Society, a Society registered under the Societies Registration Act, 1860 (hereinafter called the Society), represented by the Secretary, Shri.....aged of the other part. Whereas the Society has made an application to the Government of Orissa (hereinafter called the State Government) for a grant.....:.....of (Rupees.....) for the purpose of.....of the Society; And whereas the State Government after considering the application granted (Rupees.....) for the purpose of the Society; Now, it is hereby agreed as follows :

**1. (i) The amount of grant sanctioned aforesaid shall be specifically utilised for fully on or before and certificates of utilisation shall be submitted to the Director/Collectors along with audited accounts duly certified either by the Departmental Auditor or by a Chartered Accountant within three months thereafter;**

(ii) The cultural institution aforesaid shall send intimation to the Director/Collectors about the date of encashment of the bill of grants-in-aid together with Treasury/Sub-Treasury Voucher number and date immediately after encashment of the bill; (iii) The cultural institution aforesaid shall refund the amount of grants in full or the unspent balance thereof in accordance with the Direction of the Director/Collector after expiry of the date specified in Clause (i) above; (iv) The grant sanctioned aforesaid shall be utilised for the purpose for which it has been sanctioned and no diversion shall be made by the cultural institution aforesaid without prior approval of the Government; (v) The cultural institution aforesaid shall render all facilities for causing audit of its accounts by the Director/Collector for the purpose of ensuring that the grant has been utilised properly for the purpose for which it is sanctioned; (vi) All registers and documents connected with the receipt, expenditure and utilisation of the grant sanctioned aforesaid shall be opened to inspection of the Director/Collector of the district or other officer authorised by the Director/Collector; (vii) The assets created wholly or substantially out of the grant aforesaid by the grantee institution shall not be disposed of, encumbered or utilised for purposes other than that for which the grant is sanctioned without prior consent of Government; (viii) The cultural institution aforesaid shall ensure that the building equipment/furniture acquired with the grant sanctioned aforesaid is/are kept in good repair; (ix) The cultural institution aforesaid shall maintain complete accounts in respect of the grant aforesaid and matching contributions attached to it and also a register showing the permanent and semi-permanent assets acquired wholly or substantially out of the said grant :

**2. In case the amount due for refund under Clause (iii) above is not refunded within the period stipulated herein, it shall be recoverable as a public demand under the provisions of the Orissa Public Demands Recovery Act, 1962 (Orissa Act of 1963).**

In witness whereof the parties hereto have executed this against on the dates specified under their respective signatures.

In the presence of witnesses :

Signature of.....

1.....

Acting in the premises for and on behalf of the Governor of Orissa

2.....

Signature of the Secretary and Principal Executive of

Form No. II[Rules 14 and 21]I.....son of.....of having been elected by the General Council/Governing Body of the.....(hereinafter called the cultural institution) as the Secretary and Principal executive of the aforesaid cultural institution under its Constitution to execute financial transactions and contracts on behalf of the said cultural institution hereby accept on behalf of the said cultural institution in the grant-in-aid of Rs sanctioned by Government of Orissa in Sports and Culture Departments Letter No.....dated.....for the purpose of..... on the conditions laid down in the said letter and under the conditions stipulated in the Grant-in-aid (Cultural and Sports Institutions) Rules, 1986 (hereinafter called "the Rules") and in consideration of such grant, I hereby individually and also with the intent of binding my successors in office of the said cultural institution agree that the said cultural institution shall be bound by the following terms and conditions laid down in the aforesaid letter of Government and in the aforesaid mentioned rules, namely :

**2. I further hereby undertake that if the said grants of Rs..... is not utilised for the purpose for which it is sanctioned or a portion of the grant remains unspent it shall be refunded within the period contemplated under Rule 19 of the aforesaid rules. In case the amount due for refund under this instrument is not refunded within the period stipulated therein, I on behalf of the said cultural institution hereby agree that the said amount refundable under the rules shall be recoverable as a public demand under the provision of the Orissa Public Demands Recovery Act, 1962 (Orissa Act of 1962). In witness thereof I on behalf of the said cultural institution sign this agreement in the date specified under the signature.**

In the presence of witnesses :

1. ....

.....Signature of the Secretary and Principal Executive of.....