OFFICE MEMORANDUM

Subject: Execution of Bond by the grantee while receiving Grants-in-aid under Khelo India scheme.

2. As per Rule 231 (2) of General Financial Rules (GFRs), 2017, a Bond is required to be executed by the grantee while receiving Grants-in-aid from Central Govt.,

3. Accordingly, a format of the Bond is enclosed. However, as per Rule 231 (3) of GFRs, 2017, execution of Bond will not apply to Quasi-Government Institutions and Central Autonomous Organizations and Institutions whose budget is approved by the Central Govt.

4. While issuing the sanction to the grantee to whom execution of the Bond is applicable, suitable endorsement may be made in the sanction letter to the effect : -

"The grantee is requested to execute a Bond in the prescribed format enclosed which shall be typed on Rs. 100/- worth non-judicial paper issued by Govt. of NCT of Delhi”.

Encl: As stated.

(Rakesh Kumar)
Under Secretary to the Govt. of India
Tel. No. 24361823

To

All Officers of Mission Directorate – Sports Development.
the unutilised amount of Grant-in-aid with interest thereon should be brought out clearly in the letter sanctioning the Grant as well as in the bond so required to be executed.

Rule 230. (17) (i) As a precondition to the sanction of Grants-in-aid to the agencies where:
(a) the recipient body employs more than twenty persons on a regular basis and at least fifty per cent of its recurring expenditure is met from Grants-in-aid from Central Government; and
(b) the body is a registered society or a co-operative institution and is in receipt of a general purpose annual Grants-in-aid of Rupees twenty lakhs and above from the Consolidated Fund of India;
the Grant sanctioning authority should ensure that a suitable clause is invariably included in the terms and conditions under which the Grants-in-aid are given, to provide for reservation for Scheduled Castes and Scheduled Tribes or OBC in posts and services under such organizations or agencies. The relative provision may be on the following lines:

"......... (Name of Institution or Organization etc.) agrees to make reservations for Scheduled Castes and Scheduled Tribes or OBC in the posts or services under its control on the lines indicated by the Government of India".

(ii) While sanctioning Grants-in-aid to Institutions or Organisations referred to in (a) above, the Grant sanctioning authority should keep in view the progress made by such Institutions or Organisations in employing Scheduled Castes and Scheduled Tribes or OBC candidates in their services.

Rule 231 (1) Grants-in-aid to "Voluntary Organisations" Subject to the following terms and conditions, Grants-in-aid towards administrative expenditure may be sanctioned to voluntary organizations to ensure a certain minimum staff structure and qualified personnel to improve their effectiveness and expand their activities under the following conditions:

(i) The Grants-in-aid should not exceed twenty-five per cent. of approved administrative expenditure on pay and allowances of the personnel of the voluntary organisation concerned;
(ii) Grants-in-aid to meet administrative expenditure to any private institutions other than the voluntary organizations should not ordinarily be sanctioned. In exceptional cases such Grants can be considered for sanction in consultation with Internal Finance Wing.

Rule 231 (2) Before a Grant is released, the members of the Executive Committee of the Grantee should be asked to execute Bonds in a prescribed format binding themselves jointly and severally to:

(i) abide by the conditions of the Grants-in-aid by the terms dotes, if any, specified therein; and
(ii) not to divert the Grants or entrust execution of the scheme or work concerned to another Institution(s) or Organization(s); and
(iii) abide by any other conditions specified in the agreement governing the Grants-in-aid.
(iv) In the event of the Grantee failing to comply with the conditions or committing breach of the conditions of the Bond, the signatories to the Bond shall be jointly and severally liable to refund to the President of India, the whole or a part amount of the Grant with interest at ten per cent. per annum thereon or the sum specified under the Bond. The stamp duty for this Bond shall be borne by the Government.

Rule 231 (3) Execution of Bond will not apply to Quasi-Government Institutions, Central Autonomous Organisations and Institutions whose budget is approved by the Government.

Rule 232 General Principles for award of Grants-in-aid for Centrally Sponsored Schemes. The following principles should be kept in view by Ministries/Departments of the Central Government at the time of designing Centrally Sponsored Schemes for implementation in State Governments or Union Territories and approving and releasing assistance to State Governments or Union Territories for such schemes:

(i) Every Centrally Sponsored Scheme
(To be executed on non-judicial stamp paper of Rs. 100/- issued by Govt. of N.C.T. of Delhi)

BOND

KNOW ALL MEN BY THESE PRESENTS THAT we, the ________________________________ (name of the organization as in Registration Certificates) an association registered under the ________________________________ Act, having been registered by the office of ________________________________ (Name and full address of Registering Authority), vide Registration Number _______ dated _______ in the State of ________________________________, (hereinafter called the obligor/obligors) are held and firmly bound to the President of India (hereinafter called the Government) in the sum of Rs. ________________________________ (Rupees in figures) Rupees ________________ (Rupees in words) with interest thereon @ 10% per annum well and truly to be paid to the President of India on demand and without demur, for which payment we bind ourselves and our successors and assigns by these presents.

10. WHEREAS the obligors have sent a request proposal to Ministry of Youth Affairs & Sports, Government of India, through Govt. of ________________________________ (Name of the State) for Grant of Rs. ________________ (Rupees in figures) Rupees ________________ (Rupees in words) for the purpose of ________________________________ (details of the project proposal) vide Govt. of _______ (Name of the State) letter No. ________________ dated _______ the obligors have agreed to execute this bond in advance, in favor of the President of India, represented by the Ministry of Youth Affairs & Sports, Govt. of India for the entire amount of Rs. ________________ (Rs. in figures) as requested in the proposal sent to the Government of India in the Ministry of Youth Affairs & Sports. The obligors are willing to accept the proposed amount or any other amount approved/sanctioned by the Government. The obligors are willingly executing this bond of proposed amount with the stipulation that obligors shall be bound upto this amount or by the actual amount approved/sanctioned by the Government, whichever is less. The obligors agree to receive the sanctioned grant in such instalments as the Govt. may specifically stipulate. The Obligors are aware that this Bond will remain in force when each and every instalment of the grant is released till the last instalment is released and utilized. The obligors are also willing to accept all terms and conditions mentioned in the "Letter of Sanction" to be issued by Ministry of Youth Affairs & Sports, Govt. of India in respect of the said project from time to time as and when instalment(s) of the grant is released.

11. Now, the obligors fully understand that condition of the above written obligation is that if the obligors duly fulfill and comply with all the conditions mentioned in the letter of sanction, then this present written bond or obligation shall not be enforceable. But otherwise it shall remain in full force and virtue.

__________________________

Contd....2/-
12. Each of the members of the Executive Committee of the obligors hereby undertakes that he shall:

(g) abide by all the conditions of the grants in aid specified in the letter of sanction;
(h) not divert the grants or entrust execution of the scheme or work concerned to any other institution(s) or organization(s); and

(i) abide by any other conditions specified in the agreement governing the grants-in-aid.

In the event of grantee (Obligors) failing to comply with the conditions or committing breach of any of the conditions of the grant, the signatories to the bonds shall be jointly and severally liable to refund to the President of India, the whole or such part amount of the grant as the Govt. may specify with interest @10% per annum thereon, within ten (10) days of such demand being made by the Govt.,

13. AND THESE PRESENTS ALSO WITNESS THAT

The decision of the Secretary to the Government of India in the Ministry of Youth Affairs & Sports on the question whether there has been breach or violation of any of the terms and conditions mentioned in the sanction letter shall be final and binding on the obligors.

The courts of New Delhi shall have the exclusive jurisdiction to try any dispute which may arise out of this Bond.

In witness whereof these presents have been executed as under on behalf of the obligors and day herein below written in pursuance of the Resolution No. __________________________ passed by the Governing Body/Executive Committee of the obligors, a copy whereof is annexed hereto.

SIGNED this _____ day of _____ in the year Two thousand and _______

(____________________)
Signed for and on behalf of the grantee
Organization
Name of the Grantee Association,
Full Mailing Address
Telephone No./Mobile No.
E-Mail address
Fax No. (If available)
(In the presence of) Witness with name, address and signature
(k) Witness -1.

(Signature)
Accepted for and on behalf of the President of India
Designation
Date
Name & Address