

## CHAPTER XVI: MINISTRY OF YOUTH AFFAIRS AND SPORTS

### 16.1 Ineffective monitoring of grants

**The Ministry failed to effectively monitor the release of the grants related to Commonwealth Games- 2010. As a result funds amounting ₹ 191.22 crore were parked with SAI for periods ranging from 17 to 26 months. This contravened the provisions of the sanctions governing the utilization of the grants. Besides, the Ministry failed to take into account the interest earned on the unspent grants amounting ₹ 22.12 crore before releasing subsequent grants to SAI.**

The Performance Audit report of the Comptroller and Auditor General of India on the XIX Commonwealth Games had noted (August 2011) that releases to SAI were treated as expenditure in the books of Government of India. However, the final cost would be known only after the settlement of bill/receipt of Utilization Certificates with detailed Statements of Expenditure. Subsequent audit findings with regard to the grants released by the Ministry of Youth Affairs to the Sports Authority of India (SAI) are discussed in the succeeding paragraphs.

The Ministry while releasing grants for the Commonwealth Games 2010 to SAI had stipulated the following conditions:

- SAI on receipt of the funds would immediately release these to the implementing agencies viz. Central Public Works Department etc. and a compliance report be furnished to the Ministry to this effect.
- The unspent grant at the end of the financial year if any, would have to be refunded by SAI to the Ministry within 15 days of the close of the financial year or on being pointed out by the Ministry.
- Parking of funds by SAI (as observed by Ministry in March 2008) out of the grants released by the Ministry would be strictly avoided.

Examination of the records of the Ministry and the SAI revealed that in the following instances the grants released by the Ministry to SAI for CWG-2010 were lying unspent for significant periods.

Purpose of grant	Date of release of grant to SAI	Amount released (₹ in crore)	Amount lying unspent (₹ in crore)	Period of funds parked with SAI (in months)
			As of November 2012	
For the year 2010-11 the funds released for CPWD for upgration/ renovation of stadium	September 2010	200.00	100.00	26
	March 2011	72.40	22.40	20
For the year 2010-11 the funds released for CPWD/DPS RK Puram for projects other than SAI stadium.	June 2011	1.08	0.65	17
	April 2011	17.25	17.25	19
	March 2011	0.14	0.14	20
	April 2011	0.05	0.05	19
<b>Total</b>		<b>290.92</b>	<b>140.49</b>	

Audit noted that out of the grant of ₹ 290.92 crore released to SAI during the year 2010-12 an amount of ₹ 140.49 crore i.e., 48.30 per cent was lying unspent with SAI for periods ranging between 17 to 26 months. This was in contravention of the conditions stipulated in the sanction orders. The funds were parked with SAI despite specific instructions of the Ministry to refund the unspent grant within 15 days of the close of the financial year.

#### **Scheme for preparation of Indian team for CWG-2010**

Audit noted that in case of specific grants released for the purpose of preparation of Indian team for CWG-2010, very significant unspent balances had been retained by SAI. The year wise details are given in table below:

Financial year	Grant released (₹ in crore)	Unspent grant at the end of the F.Y. (₹ in crore)
2008-09	25	3.98
2009-10	223.77	110.02
2010-11	-	54.93
2011-12	-	50.73

Examination of the utilization certificates furnished by SAI revealed that the unspent balances of ₹ 54.93 crore and ₹ 50.73 crore as on 31 March 2011 and 31 March 2012 respectively, lying with SAI, were sought to be revalidated for the next financial year. However, Audit noted that the grants were specifically released for CWG-2010 and there was no justification for revalidation of the unspent grants by the Ministry as the games had concluded in October 2010.

Audit noted that SAI had earned interest of ₹ 22.12 crore on investments made as fixed deposits on the parked funds, however, the Ministry did not take this into account while releasing subsequent grants.

Audit further noted that SAI had treated the interest earned as its own income. Out of the total interest of ₹ 22.12 crore, ₹ 6.30 crore were transferred (March 2012) into the main account of SAI. The SAI justified this action on the grounds that it receives non-plan grants from the Ministry on deficit basis i.e., after factoring the anticipated internal receipts of SAI. However, this reply is not valid because the funds were provided to be utilized for the specific purpose of athlete preparation. Thus their retention with interest earned thereon, post CWG-2010, was irregular.

Therefore, the Ministry failed to effectively monitor the utilisation of the grants released to SAI. As a result, the funds were parked with SAI for significant periods.

The matter was referred to the Ministry in May 2013; their reply was awaited as of June 2013.