

## CHAPTER XII : MINISTRY OF LAW & JUSTICE

### Department of Legal Affairs

#### 12.1 Grant for construction of Auditorium not used since January 2000

**Grant of ₹ One crore sanctioned for the purpose of construction of Golden Jubilee Auditorium in January 2000 to Supreme Court Bar Association was neither utilised for the purpose for which it was sanctioned nor refunded, along with interest, even after lapse of 19 years, in violation of the GFRs governing the grant.**

On the occasion of Golden Jubilee Celebration of Supreme Court of India (2010), Department of Legal Affairs (DoLA) sanctioned to the Supreme Court Bar Association (SCBA), based on its request, a grant of ₹ One crore for construction of Golden Jubilee Auditorium, in January 2000. As per the conditions of the grant, unspent grant which is not spent for the purpose for which the grant is sanctioned during the financial year ending 31 March had to be refunded to the Government at the end of the year.

The amount was kept in a term deposit account of a Bank by SCBA (2000) pending construction of the auditorium. On SCBA's request, DoLA permitted, in consultation with Ministry of Finance (MoF), to utilise the grant (February 2002) for construction of additional Lawyers' Chambers stipulating that SCBA deposit the interest earned so far in Government account. Two extensions were also allowed stretching completion time to December 2008.

DoLA's repeated requests (February 2009 to October 2012) to SCBA to submit Utilisation Certificates yielded no result. Thereafter, SCBA did not abide by an agreed decision in a meeting held at the level of Minister of Law and Justice (June 2013) to return the Grant of ₹ One crore along with interest thereon. Instead, it requested (September 2017) the MoLJ to utilise the grant-in-aid and interest thereon to construct an auditorium in the New Appu Ghar Complex. Subsequently, SCBA (May 2019) approached DoLA for changing the purpose of utilisation of the grant from auditorium to library upgradation in Supreme Court Additional Building Complex.

Audit observed that:

- The General Financial Rules<sup>1</sup> (GFR) provide that the grantee shall execute bonds to abide by the conditions of the grants-in-aid by the target dates, failing which the amount of the grant along with interest has to be refunded. DoLA released full grant to SCBA in January 2000 without executing bonds binding SCBA to abide

<sup>1</sup> GoI's decision (5) under Rule 149(1) (a) and GoI Decision 1 below Rule 150 of GFR-1963 (which was applicable at the time when the grant was sanctioned/released i.e. January 2000), Rule 209 of GFR-2005 and Rule 230 of GFR-2017 contain the similar provisions for providing Grant-in aid.

by the conditions of the grants-in-aid failing which the amount of the grant along with interest has to be refunded, as required under the Rules *ibid*.

- Further, the Rules also provide that a certificate of actual utilisation of the grants shall be submitted by the grantee within twelve months of the closure of the financial year. DoLA, instead of recovering the unspent grant as per the terms of the sanction, continued to give multiple extensions to SCBA, which was not strictly keeping in with the financial rules governing grants.
- SCBA had neither utilised the grant of ₹ One crore nor remitted ₹ 1.28 crore on account of accrued interest (as of April 2019) in Government account, despite specific instructions given by Ministry of Finance while extending the period of utilisation of the grant.

The matter was reported to DoLA in April 2018. In response, DoLA stated (August 2019) that the request of SCBA for utilisation of the Grant and interest accrued thereon has been referred for financial advice to Department of Expenditure (DOE). The DOE had sought the status of utilisation of grant and purpose for which the SCBA wants to utilise the grant. The queries of DOE were communicated to SCBA; their response awaited as of August 2019.

Thus, the grant of ₹ One crore sanctioned for the purpose of Golden Jubilee Celebration of Supreme Court of India to Supreme Court Bar Association was neither utilised for the purpose for which it was sanctioned nor refunded along with interest, even after lapse of 19 years.