

CHAPTER XVIII : MINISTRY OF YOUTH AFFAIRS AND SPORTS

18.1 Blocking of unspent grant

The Ministry failed to recover the unspent grant from the First Afro-Asian Games-2001 Organising Committee despite indefinite postponement of the Afro-Asian Games in September 2001, resulting in blocking of Rs. 5.82 crore for 22 months. It still retained Rs. 1.06 crore (March 2004) even after 30 months of postponement of games.

A registered society named “First Afro-Asian Games 2001 Organising Committee” was formed in May 2001 for organising the Afro Asian Games in Delhi in November 2001, with the Union Minister for Youth Affairs and Sports as its Chairperson, the Director General, Sports Authority of India as its Director General and representatives of various sports organisations as members.

The Ministry of Youth Affairs and Sports agreed in principle (June 2001) to sanction a grant not-exceeding Rs. 20 crore payable in two instalments to the society for organising the Afro-Asian Games. The Ministry released Rs. 10 crore in June 2001 as the first instalment of the grant subject to the condition that the unutilised amount would be refunded by the grantee with the least possible delay and in any case not later than 15 days from the date of issue of the letter from the Ministry calling for refund of the amount. The sanction letter also stipulated that unspent balance, if any, would be refunded by the grantee before the close of the financial year.

Government postponed the Games indefinitely in September 2001. The Ministry in October 2001 called for refund of the unspent balance alongwith accounts of expenditure and utilisation certificate in terms of the conditions of the grant. After issuing a reminder in December 2001, no follow up action was taken. After the matter was pointed out by audit in February 2003, the Ministry asked the Organising Committee to refund the unspent balance and furnish the details of expenditure along with the utilisation certificate. Accounts of expenditure and utilisation certificate upto March 2003 as furnished by the Organising Committee revealed that the committee spent Rs. 4.18 crore on various activities relating to conduct of the games and kept the unspent balance of Rs. 5.82 crore in a saving bank account which had accumulated to Rs. 6.40 crore upto July 2003. The Organising Committee

refunded Rs. six crore in August 2003 after retaining Rs. 0.40 crore to discharge their liability towards payment of audit fee and organising the final meeting of the Organising Committee for approval of accounts and its dissolution.

In April 2004, the Organising Committee furnished the details of expenditure and balances as of March 2004. Audit observed that the expenditure figures had been reduced to Rs. 3.43 crore as of March 2004. After refund of Rs. six crore, the committee still retained Rs. 1.06 crore including interest and miscellaneous receipt of Rs. 0.49 crore even after 30 months of postponement of games. It was seen that the Organising Committee had spent only Rs. 2.12 crore upto October 2001. After postponement of games, a further Rs. 1.31 crore was spent upto March 2004 on purchase of furniture, renovation of camp office (official residence of Chairperson), telephone bills, meetings, hospitality and entertainment, office expenses etc.

Thus, failure of the Ministry to ensure refund of the balance amount immediately after indefinite postponement of the games in September 2001 resulted in unnecessary blocking of funds for almost two years.

In response, Ministry stated (February 2005) that the decision to hold the games at a later date after their postponement in September 2001 was under consideration of Government at various levels. It also stated that in October 2001 Government immediately after postponement of games asked the Organising Committee to submit the account of expenditure, utilisation certificate and also to return the unspent balance immediately and a reminder was also issued in December 2001. In response, the Organising Committee informed the Ministry that the accounts had not been finalised because certain financial liabilities could not be discharged for want of approval of budget estimates of the Games secretariat. Ministry also clarified that the figure of expenditure of Rs. 4.18 crore was changed to Rs. 3.43 crore due to the reason that an amount of Rs. 75.00 lakh was refunded by ITDC out of advance of Rs. 3.00 crore. It also informed that unspent grant had been refunded to the Government after retaining a small amount of Rs. 35.31 lakh to meet the expenditure on last meeting of the Organising Committee for adoption and approval of dissolution of society and for audit fee of Chartered Accountant. The reply of the Ministry is not tenable as according to the condition of grant the unutilised amount was to be refunded by the grantee in any case not later than 15 days from the date of issue of letter from the Ministry calling for refund of the amount.