

CHAPTER XIX : MINISTRY OF YOUTH AFFAIRS AND SPORTS

19.1 Release of excess grant

The Ministry of Youth Affairs and Sports continued to release grants to the Nehru Yuva Kendra Sangathan year after year without taking into account the unspent balances of the previous years resulting in the accumulation of funds of Rs. 63.91 crore as of March 2006.

The examination of records of the Ministry and the accounts of Nehru Yuva Kendra Sangathan (NYKS) disclosed that Ministry of Youth Affairs and Sports had been releasing grants to NYKS, far in excess of their requirement year after year ranging between Rs. 4.67 crore to Rs. 8.35 crore from 2002-03 to 2005-06. The Ministry did not take into account the unspent balances of the previous years while releasing the grants resulting in excess release of grants in all the subsequent years. The persistent excess release of the grants resulted in accumulation of funds between Rs. 57.59 crore to Rs. 77.17 crore during 2002-03 to 2005-06, which was retained by NYKS in a fund termed as 'Endowment fund (NYKS)', created without the approval of the Ministry.

The following table indicates the internal receipts, grant released, expenditure incurred and the unspent balances each year:

(Rupees in crore)

Year	Internal receipts	Grant released	Total	Expenditure	Unspent balances
1	2	3	4 (2+3)	5	6
2002-03	2.13	48.57	50.70	44.60	6.10
2003-04	2.89	46.80	49.69	41.67	8.02
2004-05	2.99	49.06	52.05	47.38	4.67
2005-06	4.02	54.89	58.91	50.56	8.35
Total	12.03	199.32	211.35	184.21	27.14

All premature and unnecessary release of funds result in avoidable increase in the fiscal deficit and interest cost.

On being pointed out by Audit in February 2007, the Ministry while admitting the lapses in the system stated in November 2007 that the entire unspent balance of Rs. 63.91 crore has been adjusted against the grants-in-aid for the current financial year i.e. 2007-08.

The Ministry should strengthen internal control to reckon the actual utilisation of previous grants by the grantee institutions and internally generated amount while releasing the grants to a body or authority.