

**No. 11018- 24/2010CWG-I**  
**Government of India**  
**Ministry of Youth Affairs and Sports**  
**(International Sports Division)**

**STEPS TAKEN FOR STRENGTHENING OF FINANCIAL SUPERVISION OF**  
**OC INCLUDING SYSTEMS FOR FINANCIAL ACCOUNTABILITY AND AUDIT**

1) This Ministry has taken all necessary measures to strengthen financial system of the Organizing Committee (OC) including systems for public financial accountability, transparency and Audit. These are as below:

i) From the very beginning, there have been two representatives of the Government of India viz. Secretary (Sports) and Secretary (Urban Development and two representatives of Govt. of National Capital Territory of Delhi (GNCTD), viz. Chief Secretary and Principal Secretary to the Chief Minister, as the members of the Executive Board of the OC.

ii) There has been an **Audit Committee** of the EB of the OC, headed by Secretary, Urban Development, Government of India who is a member of the Executive Board of the OC. Later, Principal Secretary to the Chief Minister, GNCTD was made the chairperson of this Audit Committee of the EB of the OC.

iii) Keeping in view the sensitive/critical nature of the functioning of the OC, this Ministry, with each sanction order, releasing funds to OC for Conduct of the Commonwealth Games, 2010, **right from June, 2004**, has been **repeatedly requesting CAG** ( through the following release orders ) for conducting audit of the accounts of the OC. The details of these sanction orders are given below:

S. No.	Date of the sanction	Amount released to OC (Rs. in crore)	Condition Conveyed
1.	No. F.70-11/2004 – SP – II dated <b>17.06.2004</b>	Rs. 10.51	The account <b>shall</b> be audited by the Internal Auditors of the grantee and <b>finally by the Comptroller and Auditor General of India under Section 14 of the CAG of India (Duties, Power and conditions of Service) Act, 1971</b>
2.	No. F.70-47/2005 SP-II dated <b>18.07.2005</b>	Rs. 10.00	The account <b>shall</b> be audited by the Internal Auditors of OC and <b>finally by the Comptroller and Auditor General of India under Section 14 of the CAG of India (Duties, Power and conditions of Service) Act, 1971</b>
3.	No. F.70-47/2005 SP-II dated <b>07.02.2006</b>	Rs. 23.05	The account <b>shall</b> be audited by the Internal Auditors of OC and <b>finally by the Comptroller and Auditor General of India under Section 14 of the CAG of India (Duties, Power and conditions of Service) Act, 1971</b>
4.	No. F.70-47/2005 SP-II dated <b>18.07.2006</b>	Rs. 32.83	The account <b>shall</b> be audited by the Internal Auditors of OC and <b>finally by the Comptroller and Auditor General of India under Section 14 of the CAG of India (Duties, Power and conditions of Service) Act, 1971</b>
5.	No. F.70-47/2005 SP-II dated <b>28.08.2006</b>	Rs. 23.00	The account <b>shall</b> be audited by the Internal Auditors of OC and <b>finally by the Comptroller and Auditor General of India under Section 14 of the CAG of India (Duties, Power and conditions of Service) Act,</b>

			<b>1971</b>
6.	No. F.70-47/2005 SP-II dated <b>22.12.2006</b>	Rs. 12.75	The account <b>shall</b> be audited by the Internal Auditors of OC and <b>finally by the Comptroller and Auditor General of India under Section 14 of the CAG of India (Duties, Power and conditions of Service) Act, 1971</b>
7.	No. F.70-47/2005 SP-II dated <b>30.03.2007</b>	Rs. 15.00	The account <b>shall</b> be audited by the Internal Auditors of OC and <b>finally by the Comptroller and Auditor General of India under Section 14 of the CAG of India (Duties, Power and conditions of Service) Act, 1971</b>
8.	No. F.70-47/2005 SP-II dated <b>23.10.2007</b>	Rs. 25.00,	The accounts of OC shall be open to inspection by the Ministry of Youth Affairs and Sports and Comptroller & Auditor General of India whenever the OC is called upon to do so.
9.	No. F.70-47/2005 SP-II dated <b>13.12.2007</b>	Rs. 20.00	The accounts of OC shall be open to inspection by the Ministry of Youth Affairs and Sports and Comptroller & Auditor General of India whenever the OC is called upon to do so.
10.	No. F.70-47/2005 SP-II dated <b>26.03.2008</b>	Rs. 50.21	The accounts of OC shall be open to inspection by the Ministry of Youth Affairs and Sports and Comptroller & Auditor General of India whenever the OC is called upon to do so.

Thereafter this Ministry took up strongly through the Expenditure Finance (EFC) Committee, chaired by Finance Secretary, in its meeting held on 13.09.2006, while discussing the budget of the OC, to get the EFC to recommend that **Concurrent Audit of OC should be done by the Comptroller and Auditor General of India (CA& G)**. This was also placed before the Cabinet in its meeting held on 15.03.2007. The CAG was requested by letter dated **31.05.2007** of this Ministry to **conduct Concurrent Audit of the OC**. It was only thereafter that the CAG commenced Audit of the OC **for the first time**, that too only from November, 2008.

iv) The Ministry of Youth Affairs and Sports, on 29<sup>th</sup> May, 2007, had issued directions, bringing the OC under the preview of the **Right to Information Act**. This was challenged by OC before the Delhi High Court. The Ministry filed a Strong affidavit in 2008 and pressed continuously since 2008 in favour of brining OC under the ambit of RTI Act. The Hon'ble Delhi High Court, on **7<sup>th</sup> January, 2010** ruled in favour of the Ministry. Accordingly, on **1<sup>st</sup> February, 2010**( copy is annexed ) a fresh order was issued by the Ministry, reaffirming the position. Similar orders were issued in respect of National Sports Federations and the Indian Olympic Association.

In order to further strengthen the financial control and supervision of OC, the OC has been advised, with the approval of the Cabinet, to strengthen its institutional mechanism by :

- (a) Constituting, on 8<sup>th</sup> December 2008 a Standing Finance Committee (SFC) of the OC with Financial Adviser (Ministry of Youth Affairs and Sports), and a representative of the Department of Sports, as members. All proposals having financial implications, would be first examined by the SFC of the OC, before they were put up for consideration of the Executive Management (EMC), or the Executive Board (EB) of the OC.
- (b) Making, Additional Secretary (Expenditure), Ministry of Finance, GOI, a permanent invitee on the Executive Board (EB) of the OC, by Cabinet

decision of 03<sup>rd</sup> October 2008. The EB of the OC already has 2 representatives of Government of India – Secretary, Urban Development and Secretary, Sports as members as also Chief Secretary, Delhi and Principal Secretary to CM, Delhi as members.

- (c) A Finance Sub-committee of the Executive Board of the OC has been formed, as per decision of Union Cabinet dated 5<sup>th</sup> November, 2009 to examine all matters before they are put up before the Executive Board. It comprises of Secretary (Urban Development), GOI, Secretary (Sports), GOI, Additional Secretary (Expenditure) Ministry of Finance GOI, and Chief Executive Officer, OC.
- (d) The Audit Committee of the EB of the OC is chaired by the Principal Secretary to CM, Delhi. Earlier, it was chaired by Secretary, Urban Development, Government of India.

This Ministry has also been making efforts to strengthen the administration of the OC, which, inter-alia, included the following :

- (a) The Government deputed Sri Jarnail Singh, Secretary to the Government of India (Retd.) as CEO of OC. Two Additional Secretary rank officers – Shri G.C. Chaturvedi and Shri Sudhir Mittal and two Joint Secretary rank officers – Shri Jiji Thomson and Shri Sanjeev Mittal, **two of whom are Finance experts**, were placed at suitably senior positions in the OC.
- (b) The Cabinet Secretary also deployed 11 Senior Officers of the rank of Joint Secretary and above, in the final run up to the Games to assist and support OC in getting the Venues ready for the Games Time.

\*\*\*\*\*