

CHAPTER-I

SOCIAL SECTOR

CHAPTER I : SOCIAL SECTOR

1.1 Introduction

This Chapter of the Audit Report for the year ended 31 March 2012 deals with the findings on audit of the State Government units under Social Sector¹.

The names of the major State Government departments and the net budget provisions and expenditure of the State Government under Social Sector during the year 2011-12 are given in the table below:

Table 1.1.1

(₹ in crore)

Sl. No.	Name of Department	Budget Provisions (Original and Supplementary)	Expenditure
1.	Education, Sports & Youth Affairs & Arts and Culture	1183.93	1023.33
2.	Health & Family Welfare	359.97	322.25
3.	Public Health Engineering	287.14	255.60
4.	Housing	13.43	11.65
5.	Urban Development	188.62	144.40
6.	Labour	37.69	30.50
	Total	2070.78	1787.73

Source: Budget Estimates, Appropriation Acts and Appropriation Accounts

Besides the above, the Central Government has been transferring a sizeable amount of funds directly to the Implementing agencies under the Social Sector to different departments of the State Government. The major transfers for implementation of programmes of the Central Government are detailed below:

Table 1.1.2

(₹ in crore)

Name of the Department	Name of the Scheme/Programme	Implementing Agency	Amount of funds transferred during the year
Health and Family Welfare	National Rural Health Mission	State Health Society, Meghalaya	70.12
		Meghalaya State TB Control Society	1.50
Public Health Engineering	National Rural Drinking Water Programme	SWSM, Meghalaya	95.89
Education	Rashtriya Madhyamik Shiksha Abhiyan	State Education Mission Authority of Meghalaya	1.78
		Sarva Shiksha Abhiyan State Mission Authority of Meghalaya	10.61
	Sarva Shiksha Abhiyan	Sarva Shiksha Abhiyan State Mission Authority of Meghalaya	144.11
	Scheme for setting up of 6000 model schools at block	State Education Mission Authority of Meghalaya	15.03
Community & Rural Development	Rural Housing – Indira Awaas Yojana	District Rural Development Agencies, West Garo Hills, West Khasi Hills, South Garo Hills, Ri Bhoi, Jaintia Hills, East Garo Hills, East Khasi Hills	55.13

Source: Central Plan Scheme Monitoring System of CGA website

¹ Categorised considering the activities of the departments concerned.

1.1.1 Planning and conduct of Audit

Audit process starts with the assessment of risks faced by various departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns. The audits were conducted during 2011-12 involving expenditure of ₹ 984.69 crore (including expenditure pertaining to previous years audited during the year) of the State Government under Social Sector. The chapter contains one Performance Review on Development of Sports and Youth Activities in Meghalaya and four Transaction Audit Paragraphs.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the departments. The departments are requested to furnish replies to the audit findings within one month of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of State under Article 151 of the Constitution of India.

The major observations under Social Sector detected in audit during the year 2011-12 are given below.

SPORTS AND YOUTH AFFAIRS DEPARTMENT

1.2 Development of Sports and Youth Activities in Meghalaya

Highlights

Sports is essential component of human resource development and helps to inculcate comradeship and a healthy spirit of competition. Excellence in sports enhances the sense of achievement, national pride and patriotism. In Meghalaya, the development of sports activities did not get priority inasmuch as only 0.32 per cent to 0.42 per cent of the State's budgetary outlay were earmarked for these activities.

The State does not have a sports policy or any long term plan for the development of sports.

(Paragraph 1.2.7)

Sports infrastructure like outdoor stadia, swimming pools and indoor stadia, crucial to sports development were lacking in districts.

(Paragraph 1.2.9.1)

Taking up of projects for sports infrastructure without ensuring availability of land and funds resulted in non-completion of 23 sports infrastructure.

(Paragraph 1.2.9.1)

Thirteen sports infrastructure were in dilapidated condition due to lack of seriousness in maintenance of these infrastructures.

(Paragraph 1.2.9.6)

Coaching activities were entirely left to the discretion of the individual coaches and the Director of Sports and Youth Affairs was not monitoring their work in any manner.

(Paragraph 1.2.10.1)

The National Sports Policy of providing scientific and technical support to sports coaching had not been implemented in the State.

(Paragraph 1.2.10.3)

1.2.1 Introduction

Sports today is an integral part of the all round development of the human personality and achieving excellence in sports has great bearing on the State's prestige and morale. It also promotes good health, camaraderie and a spirit of friendly competition which has a positive impact on the overall personality development of youth. 'Sports' is a subject under the State list of Seventh Schedule of the Constitution of India and

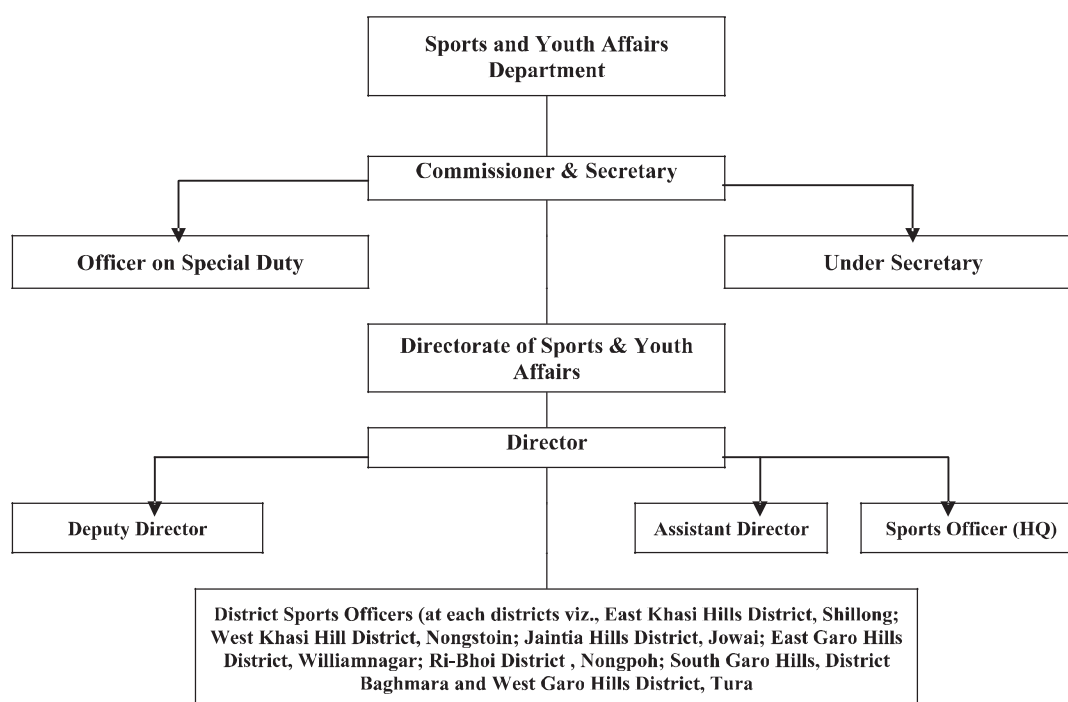
thus the State Government has to play a major role in the development of sports with the Government of India (GOI) supporting its efforts.

1.2.2 Administration of sports in Meghalaya

1.2.2.1 Sports and Youth Affairs Department

A full fledged Directorate of Sports & Youth Welfare was formed in March 1985 with the objectives of creating necessary infrastructure for Sports and Games and also to take up related youth welfare activities. Subsequently in pursuance of Government policy a separate department was created known as the Sports & Youth Affairs Department. The Sports and Youth Affairs Department (SYAD), Government of Meghalaya (GOM) is headed by the Commissioner and Secretary. A Directorate of Sports and Youth Affairs (DSYA) functions under the Department and is headed by a Director who is assisted by District Sports Officers (DSO) posted in every district headquarters of the State. The DSOs are in turn assisted by junior coaches, physical training instructors and other ministerial staff. The organisational set up of the SYAD/DSYA is shown below:

Chart 1.1



Besides the Department/DSYA, the Government in December 1971 established a State Sports Council of Meghalaya (SSCM) with headquarters at Shillong, to promote the growth and development of sports and games in the State. The SSCM is an autonomous body registered under the Indian Societies Registration Act, 1860 and comprises of 12 members as under:

- President, SSCM: Minister in-charge, SYAD;
- Vice-President, SSCM: Principal Secretary/Commissioner & Secretary, SYAD;
- Secretary, SSCM: Director, DSYA;
- Members, SSCM:
 - Chief Engineer, SSCM;
 - Two representatives from the Meghalaya State Olympic Association (MSOA);
 - One member each to be nominated by the Government from the Departments of Finance/Planning/Education; and,
 - Three other members to be co-opted by the SSCM.

The day-to day functioning of the SSCM vests with the Secretary, SSCM and he is assisted by one Chief Engineer, two Project Engineers, three Assistant Engineers, five Junior Engineers and 38 ministerial staff.

❖ ***Functions of the SSCM***

The functions of the SSCM *inter alia* are:

- to advise the sports organisations in the State and to act as the co-ordinating agency amongst them;
- to act as liaison between its constituent bodies and the Government;
- to grant recognition to such sports organisations established in the State as it may deem worthy of recognition;
- to receive grants from the State Government and donations/contributions from any other sources and to utilise funds for the purpose for which the same are received; and,
- to conserve or protect against loss or damage to its buildings, grounds, stocks and other assets and to regulate their use.

1.2.3 Scope of Audit and Coverage

A performance review covering the period 2007-08 to 2011-12 was conducted during March-May 2012 through a test-check of records of the DSYA, DSOs of the seven districts and the SSCM.

The review covered planning, funding, construction and management of sports infrastructure, coaching activities, *etc.* during the period under review.

1.2.4 Audit Objectives

The broad objectives of the performance review were to assess whether:

- The State Government had a policy for development of Sports and Youths in the State and extent to which the same was implemented;
- The funds allocated for development of Sports and Youth activities in the State were effectively and efficiently utilised;
- The creation of sports infrastructure was efficacious/effective and maintenance of existing sports facilities was proper.
- The existing coaching arrangement was efficient and effective.

1.2.5 Audit Criteria

The criteria to measure the departmental performance were derived from the following sources.

- financial rules and manuals,
- scheme guidelines,
- Government orders, *etc.*

1.2.6 Audit Methodology

The performance review commenced with an ‘entry conference’ held on 06 March 2012 with the Director, DSYA, Chief Engineer, SSCM and other officers of the DSYA and the SSCM in which the audit approach, audit objectives, criteria and audit methodology were explained.

The audit evidences were collected through questionnaires issued to the DSYA and the SSCM, audit memos/queries, examination of records, analysis of the data collected, discussion with the concerned authorities at various levels and joint inspection of some sport facilities. The audit findings were discussed with the DSYA and the representative from the Finance Department at an ‘exit conference’ held on 24 September 2012 and their views incorporated in this review at appropriate places.

1.2.7 Policy and Planning

Audit Objective 1: Whether the State Government had a policy for development of Sports and Youths in the State and extent to which the same were implemented

(a) State Sports Policy

Activities relating to Sports and Physical Education are essential components of human resource development, helping to promote good health, comradeship and a spirit of friendly competition, which, in turn, has positive impact on the overall development, national pride and patriotism. Sports also provide beneficial recreation,

improve productivity and foster social harmony and discipline. As per National Sports Policy, 2001, the Central Government, in conjunction with the State Government, the Olympic Association and the National Sports Federation would concertedly pursue the twin objectives of ‘Broad-basing’ of Sports and ‘Achieving Excellence in Sports at the National and International levels’. The broad-basing of Sports was primarily the responsibility of the State Governments, the Union Government was to actively supplement the efforts in this direction and for tapping the latent talent, including in the rural and tribal area. National Sport Policy, 2001 accorded high priority to the development of Sports in the rural areas to harness the available talent and potential. It was found imperative to ensure that educational institutions, Schools and Colleges both in rural and urban areas, the Panchayati Raj Institutions, Local bodies, Sports associations and Industrial Undertakings as well as the various Youth and Sports Clubs are fully associated with this programme.

The State Sports Policy (SSP) should *inter alia*, have the following objectives

- To achieve mass participation in physical education in order to promote the overall sports culture in the State and to achieve good health;
- To identify and groom young sports talents in order to achieve excellence in sports and also youth activities and games in all districts of the State;
- To broad base sports, games and physical education right from block level up to the State Headquarters so that every youth is afforded a chance to exhibit inherent talents;
- To undertake required infrastructure development for promotion of sports, games and youth activities with efforts to spread such infrastructure right from State Headquarters to District, Block and village headquarters; and
- To harness the overall talents to make them become effective youth and community leader and useful citizens of the State.

It was noticed in audit that even after 40 years of attaining statehood, Meghalaya has not formulated a SSP.

The State Government constituted a committee in April 2003 to finalise the SSP. In May 2007 a fresh committee was again constituted for the purpose followed by yet another committee in June 2009. In July 2010, the State Government constituted a sub-committee to draft the SSP. The draft SSP was submitted to the SYAD in June 2011. However, as of July 2012, the SSP was yet to be notified.

Consequently, sports related activities and creation of sports infrastructure in all these years were bereft of the benefit of a medium or long term plan.

During exit conference, the Department stated that the sports policy was under final state of preparation.

(b) State Youth Policy

The National Youth Policy, 2003 reiterated the commitment of the entire nation to the composite and all-round development of the young sons and daughters of India and sought to establish an All-India perspective to fulfil their legitimate aspirations so that they are all strong of heart, body and mind in successfully accomplishing the challenging tasks of national reconstruction and social changes that lie ahead. The National Youth Policy, 2003 enunciates that

- Sports and games be promoted as a mass movement by making it a way of life;
- Sports, games and physical education including yoga, should be compulsory in all educational institutions;
- Every educational institution should have adequate facilities for recreation, adventure and sports activities, including playgrounds;
- Provision should be made for common play grounds in the master plans of all civic and municipal areas;
- At least one-fifth of the time spent by a student in an educational institution should be earmarked for outdoor activities;
- Adventure activities among the youth be promoted to inculcate qualities of leadership, resilience, courage, discipline and love for nature and the environment.

As per 2001 census, about 41 *per cent* of the population of Meghalaya (23.19 lakh) were in age bracket of 13 to 25 years (9.48 lakh). Given this youthful demographic profile and since sports is important for human resources development as it promotes active lifestyle, child and youth development, social inclusiveness, employment opportunities, peace and development and channels the energy of youth for productive and meaningful purposes, it is essential that Meghalaya has a State Sports Policy and a separate State Youth Policy.

Recommendation

Government should approve and put in place sports and youth policies and a target oriented long-term plan.

1.2.8 Financial Management

Audit Objective 2: Whether the funds allocated for development of Sports and Youths in the State were effectively and efficiently utilised

1.2.8.1 Budget Provisions and Expenditure

The budget allocation and expenditure of the DSYA, Meghalaya, Shillong during 2007-08 to 2011-12 are given below:

Table 1.2.1

(₹ in crore)

Year	Budget provision		Expenditure	
	Plan	Non-plan	Plan	Non-plan
2007-08	12.00	1.82	11.28	1.46
2008-09	15.75	1.96	15.08	1.67
2009-10	13.50	2.37	15.71	2.78
2010-11	16.50	2.42	16.70	2.50
2011-12	22.50	2.56	8.87	2.41
Total	80.25	11.13	67.64	10.82

Source: DSYA

The total budgetary outlay (Plan *plus* Non-plan) of the DSYA as a percentage of the total budgetary outlay of the State during 2007-08 to 2011-12 ranged from 0.32 *per cent* to 0.42 *per cent* as shown in the table below:

Table 1.2.2

(₹ in crore)

Year	State's budgetary outlay	DSYA's budgetary outlay	Column 3 as a percentage of column 1
(1)	(2)	(3)	(4)
2007-08	3626.93	13.82	0.38
2008-09	4228.98	17.71	0.42
2009-10	4899.58	15.87	0.32
2010-11	5758.81	18.92	0.33
2011-12	6871.27	25.06	0.36
Total	25385.57	91.38	0.36

Allocation of negligible resources for sports and youth activities indicated the low priority accorded by the State towards the development of these activities in the State.

Some instances where the funds meant for specific purpose were either diverted or not properly disbursed were noticed in audit. These cases are discussed in the following paragraphs.

1.2.8.2 Diversion of funds meant for procurement of sports equipment

Scrutiny of records of Director, DSYA revealed that the Director, DSYA in August 2009 sanctioned ₹ 21 lakh to the DSOs (₹ three lakh to each of the seven DSOs) for procurement of sports equipment for each District Training Centres set up in May 2009. However, instead of releasing the amount to the DSOs concerned, the Director purchased digital cameras, handy cams and PA systems out of the amount sanctioned and issued these articles in October 2010 to the DSOs. Thus, the purpose of procurement of sports equipment for which the amount was sanctioned was not achieved and expenditure incurred on procurement of items other than for which it was meant has been rendered wasteful.

1.2.8.3 Disbursement of Grants-in-Aid to various organisations/establishments for promotion of sports and games

Grants-in-Aids are provided to various clubs/ associations/NGOs/schools, *etc* for promotion of sports and games in the State, especially for the purchase of sports equipment. Rule 6 (VI) of the 'Grants-in-Aid for the Development of Sports & Games and Youth Welfare Activities Rules, 1990' (Rules) provides for the DSYA to give this assistance in kind only. In contravention of the aforesaid Rules, DSYA disburses the Grant-in-Aids in cash instead of kind as stipulated in the Rule. Scrutiny of the 'Cheque Issue Register' of the DSYA revealed that 323 cheques (173 undated cheques and 150 dated cheques) for ₹ 43.38 lakh (**Appendix 1.2.1**) meant for disbursement to various clubs/ associations/NGOs/schools, *etc.* during 2004-05 to 2010-11 as grants-in-aid were still lying with the DSYA. The summarised year-wise position of these cheques was as under:

Table 1.2.3

Year in which cheque issued	Number of cheque	Amount (₹ in lakh)
2004-05	59	5.10
2006-07	22	1.18
2007-08	41	5.59
2008-09	32	3.41
2009-10	6	1.35
2010-11	163	26.75
Total	323	43.38

A scrutiny of 81 cheques (25 *per cent*) of the 323 cheques selected on a random basis revealed that 51 cheques (63 *per cent*) for ₹ 4.21 lakh (50 *per cent*) were to 51 clubs/ associations/NGOs/schools, *etc.* for purchase of sports equipment.

In addition another 21 cheques for ₹ 2.80 lakh (**Appendix 1.2.2**) shown in the 'Cheque Issue Register' as issued/disbursed in 2010-11 to the payees were not supported by an acknowledgement of the payees (signature/date/seal of organisation). Audit also confirmed from the bank statements that these cheques had not been encashed thereby suggesting that these cheques had also not been collected by the respective payees from the DSYA. The DSYA however, could not produce these cheques to Audit.

As a result, those clubs/ associations/NGOs/schools, *etc.*, in whose favour the cheques were drawn but not collected by them, could not benefit from the Grants-in-Aid sanctioned to them and the purpose for the grants-in-aid was defeated to that extent. This was also bound to adversely impact the promotion of sports and games.

During exit conference, the DSYA stated that cheques were prepared at random and in most cases, beneficiaries were contacted belatedly or they did not turn up.

1.2.8.4 Diversion of cash awards given to sports persons/coaches

The SYAD in March 2008 sanctioned ₹ 19 lakh to be paid as cash awards to 27 medal-winning sports persons and four coaches who participated in the 33rd National Games, Guwahati and to 41 medal-winning sports persons who participated in the 21st North East Games, Gangtok (**Appendix 1.2.3**) at the following rates:

Table 1.2.4

33 rd National Games, Guwahati						
Discipline	Cash Award sanctioned per medal - winning sports person (in ₹)		No. of medallists		Cash Award sanctioned for coaches (in ₹)	
	Silver	Bronze	Silver	Bronze		
Karate	2,00,000	-	01	-	2,00,000	
Boxing	-	1,00,000	-	2	1,00,000	
Equestrian	-	1,00,000	-	4	1,00,000	
Football	-	20,000	-	20	1,00,000	
21 st North East Games, Gangtok						
Discipline	Cash Award sanctioned per medal - winning sports person (in ₹)			Number of medallists		
	Gold	Silver	Bronze	Gold	Silver	Bronze
Karate	7,500	5,000	3,000	4	3	5
Archery	7,500	5,000 4,000 (Team)	-	1 -	1 3	- -
Athletics	7,500	-	-	1	-	-
Football	5,000	-	-	16	-	-
Taekwondo	-	5,000	3,000	-	1	4
Boxing	-	-	3,000	-	-	2

Source: Record of DSYA

Rule 173 of the Meghalaya Treasury Rules stipulates that for every payment made, a voucher bearing an acknowledgement of the payment signed by the person to whom the payment is made (i.e., a ‘payee receipt’), must be obtained.

The amount of ₹ 19 lakh was drawn by the Director, DSYA on 31 March 2008 and deposited under the accounting head “8443 Civil Deposit” and was subsequently redrawn on 12 May 2008 against which the disbursement recorded in the DSYA cash book was as under:

Table 1.2.5

Date	Amount (₹ in lakh)	Particulars
04 March 2009	3.00	Payment to Shri B.T. Kharpran and Shri Vijay Thapa (both Boxers)
20 March 2010	16.00	Award of Sports persons

The following irregularities were noticed in audit:

- the two boxers to whom ₹ 3 lakh was given as cash incentives did not figure in the list of sports persons and coaches to whom ₹ 19 lakh was sanctioned by the SYAD; and
- payee receipts in respect of the entire amount of ₹ 19 lakh stated to have been disbursed was not produced to Audit.

Reasons for disbursement of ₹ 3 lakh to sport persons who were not eligible for cash award was neither available on record nor furnished to Audit on request. In the absence of payee receipt, the claimed expenditure of ₹ 19 lakh could not be vouched-safe by Audit. Thus, the purpose of sanctioning cash award to encourage the medal winning participants was not achieved.

During exit conference, the DSYA stated that the matter was being re-examined.

Recommendation

Diversion of funds meant for development of sports activities should be avoided and the funds should be utilised for the purpose for which these were sanctioned to achieve the desired objective.

1.2.9 Creation and maintenance of Sports infrastructure

Audit Objective 3: Efficacy in creation of sports infrastructure and maintenance of existing sports facilities

1.2.9.1 Creation of sports infrastructure

It is essential to create and maintain high quality sports infrastructure and to ensure their optimal utilisation to achieve excellence in sports. It is crucial that required infrastructure development for promotion of sports, games and youth activities are spread right from State Headquarters to District, Block and village level. In Meghalaya, the creation and maintenance of sports infrastructure throughout the State is undertaken by the SSCM which receives yearly grants for this purpose from the DSYA.

It was noticed in audit (March-May 2012) that neither DSYA nor SSCM maintained an Asset Register wherein details of infrastructure created and maintained by them are recorded. However, DSYA provided a list containing details of infrastructure created by the Department. As of March 2007, 139 different types of sports infrastructure existed in the State as under.

Table 1.2.6 : District-wise position of Sports infrastructures as of March 2007

Sl. No.	Name of the Infrastructure	District-wise ² position							Total
		EKH	WKH	WGH	EGH	SGH	Ri-Bhoi	Jaintia Hills	
1.	Outdoor Stadium	1	1	1	1	-	-	1	5
2.	Playground with Sitting Gallery, VIP Rostrum etc.	24	4	3	3	1	7	3	45
3.	Playground only	8	-	1	-	3	-	8	20
4.	Indoor Sports Halls (ISH)	14	7	8	3	3	1	4	40
5.	Basket Ball Courts	13	-	3	1	-	2	-	19
6.	Community Hall cum Mini Indoor Sports Halls	3	-	-	-	-	-	-	3
7.	Swimming pools	1	1	1	-	-	-	-	3

² EKH: East Khasi Hills District; WKH: West Khasi Hills District; WGH: West Garo Hills District; EGH: East Garo Hills District and SGH: South Garo Hills District

Sl. No.	Name of the Infrastructure	District-wise ² position							Total
		EKH	WKH	WGH	EGH	SGH	Ri-Bhoi	Jaintia Hills	
8.	Outdoor Badminton courts	1	-	-	-	-	-	-	1
9.	Squash Courts Buildings	1	-	1	-	-	-	-	2
10.	Cricket Ground	1	-	-	-	-	-	-	1
Total		67	13	18	8	7	10	16	139

As could be seen from the above table, East Khasi Hills District with the highest population had the maximum number of sports infrastructure as compared to other districts of the State.

For creation of new infrastructure, funds are provided by the State Government as well as Central Government in the form Special Plan Assistance. Usually, funds for the maintenance of the sports facilities/assets are provided by the State Government.

During 2007-12, grants totalling ₹ 37.99 crore was released to SSCM for construction of new sports infrastructure, improvement/upgrading of existing sports infrastructure and maintenance of the various sports facilities in the State. The amount of grant received by SSCM *vis-à-vis* expenditure incurred thereagainst during the period 2007-12 are indicated in the table below:

Table 1.2.7

(₹ in lakh)

Year	Grants received from the DSYA for			Expenditure			Balance		
	New	Ongoing	Maintenance	New	Ongoing	Maintenance	New	Ongoing	Maintenance
2007-08	11.15	405.22	1.72	11.15	405.22	1.72	-	-	-
2008-09	60.51	720.00	13.52	60.51	720.00	13.52	-	-	-
2009-10	104.19	686.12	-	104.19	686.12	-	-	-	-
2010-11	500.00	395.02 ³	-	38.00	395.02	-	462.00	-	-
2011-12	595.01	300.00	6.91	550.00	300.00	6.91	45.01	-	-
Total	1270.86	2506.36	22.15	763.85	2506.36	22.15	507.01	-	-

Source: Information furnished by SSCM

Out of the funds provided, 114 works at a total estimated cost ₹ 28.56 crore relating to creation of new sports infrastructure and improvement to existing facilities were to be executed. Of these, only 82 works were completed at a total cost of ₹ 13.53 crore as of March 2012 against 98 works scheduled for completion. Remaining 16 works were in progress as of July 2012. Besides, seven projects pertaining to creation of new infrastructure, estimated to cost ₹ 3.39 crore, sanctioned prior to 2007-08 for completion between May 2002 and November 2007 were also not completed till July 2012. The SSCM, who was executing these projects, attributed (July 2012) the delays to fund constraints and land problems. The contention is not convincing because these aspects should have been taken into consideration before taking up the projects.

³ ₹ 174.60 lakh under Special Plan Assistance released by GOI in February 2010, was released by GOM to SSCM in May 2010 with State's share of ₹ 19.40 lakh.

During the period 2007-12, nine playgrounds with sitting gallery, VIP Rostrum, three Indoor Sports Halls, 24 basketball courts, one Lawn Tennis complex with three courts, Sepak Takraw complex having two synthetic courts, training hall for karate, judo, *etc.* at JNS complex and one community hall with among other have been newly constructed.

Different types of sports infrastructure that were available in various districts as of March 2012 are tabulated below:

Table 1.2.8 : Sports infrastructure as on 31 March 2012

Sl. No.	Name of the Infrastructure	District-wise ⁴ position							Total
		EKH	WKH	WGH	EGH	SGH	Ri-Bhoi	Jaintia Hills	
1.	Outdoor Stadium	1	1	1	1	-	-	1	5
2.	Playground with Sitting Gallery, VIP Rostrum <i>etc.</i>	27	5	3	4	2	9	4	54
3.	Playground only	8	-	1	-	3	-	8	20
4.	Indoor Sports Halls (ISH)	15	8	8	3	3	2	4	43
5.	Basket Ball Courts	17	3	13	2	-	4	4	43
6.	Community Hall cum Mini Indoor Sports Halls	4	-	-	-	-	-	-	4
7.	Swimming pools	1	1	1	-	-	-	-	3
8.	Squash Courts Buildings	1	-	1	-	-	-	-	2
9.	Outdoor Badminton courts	1	-	-	-	-	-	-	1
10.	Cricket Ground	1	-	-	-	-	-	-	1
11.	Multi Training Hall	1	-	-	-	-	-	-	1
12.	Synthetic Sepak Takraw Courts (Two courts) at JNS complex	1	-	-	-	-	-	-	1
13.	Lawn Tennis Complex with three courts	1	-	-	-	-	-	-	1
Total		79	18	28	10	8	15	21	179

Source: Information furnished by SSCM

Though the Department was able to add new infrastructure, there were instances of delay in execution/completion of the projects. Some of the projects were not even taken up for execution as discussed in the subsequent paragraph.

1.2.9.2 Execution of projects out of Special Plan Assistance

Special Plan Assistance of ₹ 5 crore was released by GOI in March 2011 for creation of following new infrastructure *viz*,

- (i) Construction of 51 basketball courts at various locations in the State (₹ 2.21 crore);
- (ii) Construction of Outdoor Stadium at Nagraasket, Bandar Raja, West Garo Hills (₹ 1 crore);
- (iii) Construction of Mini Outdoor Stadium at Rabukong (₹ 0.50 crore);

⁴ EKH: East Khasi Hills District; WKH: West Khasi Hills District; WGH: West Garo Hills District; EGH: East Garo Hills District and SGH: South Garo Hills District

- (iv) Construction of sitting gallery *etc.* and playground at Munaibari (₹ 0.91 crore); and,
- (v) Construction of two Sepak Takraw Courts at JNS Complex (₹ 0.38 crore).

As of March 2012, except project at Serial (v) above, none of the other projects has been completed. Even the construction work in respect of three projects at Serial (ii) to (iv) have not commenced. As regards construction of 51 basketball courts, no expenditure has been booked in respect of construction of these courts. However, it was noticed that no proper land had been identified for the execution of basketball courts at nine locations. Consequently, the purpose for release of Special Plan Assistance by GOI remained unachieved.

1.2.9.3 Non-commencement of sports infrastructure and parking of funds meant for construction

Apart from the above projects, GOI, Ministry of Youth Affairs & Sports accorded in-principle approval between November 2002 and July 2004 for Central financial assistance for construction of 13 sports infrastructures estimated to cost ₹ 19.93 crore, as listed below:

Table 1.2.9

(₹ in lakh)

Sl. No.	Name of the project/work	Date of approval	Estimated cost	Central/State share		Central Share released
				Centre	State	
1.	District Sports Complex at Baghmara, SGH	21.11.02	228.57	150.00	78.57	50.00
2.	Playfield at Gulpani Bibra, SGH	21.11.02	4.85	3.63	1.22	3.63
3.	Playfield at Rewak Songmany, SGH	14.05.03	6.00	4.49	1.51	4.49
4.	Playfield at Rongsuagal, South Garo Hills	14.05.03	6.00	4.49	1.51	4.49
5.	Water Sports infrastructure at Barapani	20.09.03	51.17	37.50	13.67	37.50
6.	State Sports Complex at Shillong	30.09.03	433.23	311.25	121.98	82.50
7.	District Sports Complex at Smit, EKH	13.10.03	144.90	108.68	36.22	26.93
8.	District Sports Complex at Jowai	24.12.03	220.01	150.00	70.00	41.90
9.	Outdoor stadium at Pynthor, Shillong	05.02.04	45.11	27.00	18.11	0.00
10.	District Sports Complex at Umbuda, Ribhoi	20.02.04	207.50	150.00	57.50	41.32
11.	District Sports Complex at Nongstoin	20.02.04	218.21	150.00	68.21	41.90
12.	District Sports Complex at Williamnagar	29.07.04	223.21	150.00	73.21	0.00
13.	District Sports Complex at Tura	29.07.04	203.97	147.41	56.56	0.00
Total			1992.73	1394.45	598.27	334.66

Source: Records of DSYA

The release of Central share was subject to the condition that the State Government was to submit a progress report indicating that it had incurred its share of the project.

The first instalment of central grant was to be transmitted to the executing agency (SSCM) within four months of the date of the sanction and were to be utilised within one year from the date of issue of the sanction; unspent balance(s) if any, was to be refunded immediately thereafter. The second instalment was to be released on submission of the completion certificate duly signed by the competent authority along with detailed audited statement of accounts showing that the grant had already been made and paid towards the project.

After Government of Meghalaya submitted proposal indicating that an expenditure of ₹ 5.10 crore on 10 out of the 13 projects had been incurred by it and sought funding from the Central Government, GOI accorded sanction for payment of ₹ 3.35 crore (₹ 1 crore in March 2004, ₹ 1.10 crore in October 2004 and ₹ 1.25 crore in March 2005) and released the amount to the GOM during March 2004 to April 2005.

Scrutiny of the records revealed that the expenditure stated to have been incurred by the State Government as its share of expenditure was the expenditure incurred on creation of various sports infrastructure in that area/locality and not exclusively spent on the infrastructure for which the fund was sought.

Further, it was noticed that the entire amount of ₹ 3.35 crore released by the GOI was parked at different levels. GOM released ₹ 2.52 crore only to the DSYA after a delay of over two years in March 2007. The balance amount of ₹ 0.83 crore meant for construction of 'State Sports Complex at Shillong' was not released to the DSYA till date (July 2012). In turn, the DSYA released ₹ 3.50 crore (Central grants: ₹ 2.52 crore in March 2007; State share: ₹ 0.98 crore in June 2006) to the SSCM for execution of the sanctioned projects. Instead of executing the projects, the Secretary, SSCM kept the Central funds of ₹ 2.52 crore as fixed deposit. Retention of funds in fixed deposit was contrary to the GOI's instructions that the unutilised funds were to be refunded immediately.

Thus, even after 7-8 years of release of funds by the GOI, construction of the sport infrastructure for which the funds were sanctioned was yet to commence, thereby depriving the sports persons of the State the proper infrastructure.

From the records made available to Audit it was noticed that in a meeting held on 7th August 2006 under the chairmanship of the Minister in-charge SYAD, the Chief Engineer, SSCM pointed out that the amount sanctioned by the GOI for the 10 projects was based on the Schedule of Rates (SOR) of Central Public Works Department for the year 1997-98, which was lower than the SOR of State Government and it would not be possible to take up and complete the construction of the projects in their entirety as per sanctioned cost due to cost escalation.

In reply to an Audit query, the Chief Engineer, SSCM stated (May 2012) that since the projects were unworkable with the available funds, the same were kept in fixed deposit. The fact remained that none of these projects was taken up for execution and the amount was parked at various levels. The Department had not even once in the course of seven years had taken up this issue with the GOI.

1.2.9.4 Construction of playgrounds in rural areas/schools funded by NEC

The North Eastern Council (NEC) in February 2005 approved the construction of 100 playgrounds in the rural areas/schools in the State and sanctioned ₹ 1 crore (₹ 90 lakh as Grant and ₹ 10 lakh as Loan). The NEC released ₹ 1 crore in March 2005 to the GOM. The GOM in turn released ₹ 50 lakh in March 2006 and the balance in March 2008 to the DSYA with the following terms and conditions:

- the work shall be executed by constituting a committee after inviting tenders from at least three registered contractors/firms;
- the NEC's contribution towards construction of the playgrounds shall be limited to ₹ 1 lakh per playground and the balance amount required for construction was to be met from scheme funds placed at the disposal of MLAs/MPs and local institutions;
- proper monitoring of the works shall be carried out by the DSYA so as to complete the work within the estimated amount and time; and,
- the DSYA shall submit to the NEC utilisation certificates, a statement of expenditure audited by a Chartered Accountant and vouchers/documents, photographs of works in progress/completed.

Scrutiny of records revealed that DSYA in July 2006 approached NEC to waive the condition that work shall be executed by constituting a committee after inviting tenders from at least three registered contractor/firm on the ground that it would be a time consuming process and also approximately 25 *per cent* of the amount go towards contractors' profit, VAT and forest royalty. The request of DSYA was turned down by the NEC stating that other NE States had already implemented the Scheme in its present form. However, a decision was taken in a meeting held on 8th September 2008 chaired by the Commissioner and Secretary, SYAD to place the fund provided by NEC at the disposal of Block Development Officers (BDO). Accordingly, the funds were allocated between May 2009 and November 2011 to 29 BDOs and four beneficiary organisations (details in **Appendix 1.2.4**) for constructing 100 playgrounds. The decision to allocate funds was in contravention of the terms and conditions for grant of funds.

Except utilisation certificates (UC) for ₹ 26 lakh from seven C&RD Blocks, no utilisation certificate to the effect that the work of construction of the playground had been completed was on record or produced to Audit on demand. In the absence of UCs the construction of playgrounds out of the grant given to BDOs and four beneficiary organisations could not be vouchsafed in Audit.

During exit conference, the DSYA stated that relevant records were not available in the Directorate and utilisation certificates in all cases had been received.

1.2.9.5 Occupation of sports facility by police personnel

The SYAD in March 2002 accorded administrative approval for construction of a squash court at Tura at an estimated cost of ₹ 21.50 lakh. The same was completed in March 2003 at a cost of ₹ 21.50 lakh.

It was noticed that immediately after its completion, the facility was occupied by police personnel and continues to this day. Consequently, the purpose of constructing the sports infrastructure was frustrated thereby rendering the investment of ₹ 21.50 lakh unfruitful. Besides, the sports persons of Tura were deprived of the benefit of a squash court for nine years.

During exit conference, the DSYA stated that the Directorate could not initiate any action as the concerned Deputy Commissioner had been empowered to take possession of the facility.

1.2.9.6 Maintenance of sports facilities

In a meeting held on 12th September 2005 under the chairmanship of the Minister in-charge SYAD, GOM, it was decided that “*DSYA should formulate a clear cut policy for maintenance of such buildings constructed by SSCM. The Department may therefore explore the possibility of forming of Apex body at each and every district who will be responsible for the maintenance and up keep of the building*”. Audit observed that after lapse of seven years, the SYAD/DSYA was yet to come out with such a policy.

As of 31 March 2012, the SYAD, through the SSCM, had created 179 different sports infrastructure in the State, such as indoor sports halls, outdoor stadiums, basketball courts, swimming pools *etc.* For running and maintenance of Indoor Sports Halls/Stadiums, a budgetary outlay of ₹ 1.94 crore was provided by the SYAD during 2007-12.

- Out of ₹ 1.94 crore, DSYA released ₹ 44.17 lakh to the SSCM and ₹ 51.33 lakh to the seven DSOs during the period.
- Of ₹ 44.17 lakh received by SSCM, ₹ 28 lakh was utilised on payment of salaries to the security personnel⁵ deployed at JNS complex, Polo, Shillong and ₹ 16.17 lakh was spent towards repairing/renovation of sports infrastructures *viz* U Tirot Sing ISH, Caroline Swimming Pool and Squash court at Shillong.
- Of ₹ 51.33 lakh released to the seven DSOs, ₹ 30.40 lakh was utilised towards repairing of ISHs and ₹ 20.93 lakh for construction of approach roads/repairing of DSOs’ office buildings *etc.*
- Out of ₹ 98.50 lakh available with the DSYA, ₹ 16.53 lakh only was utilised for repairing/maintenance of sports infrastructure while ₹ 51.47 lakh was utilised for other works such as construction of stair case canopy with glass, garage, logo, additional toilets, steel gate, parking, *etc.* at DSYA office, Shillong and improvement/renovation of MSOA’s conference hall and Shillong Sports Association office.

Thus, out of the budget outlay of ₹ 1.94 crore meant for running and maintenance of ISHs/outdoor stadium for the period 2007-12, ₹ 63.10 lakh (33 *per cent*) only was actually spent for the purpose for which it was sanctioned. Lack of seriousness in maintenance of sports infrastructure resulted in deterioration of many of these infrastructure, as discussed below.

⁵ Ranger Security and Service Organisation, Mawlai Shillong

To ascertain the state of maintenance and upkeep of sports facilities in the State, Audit along with DSYA officials and Project Engineer, SSCM in April-May 2012 inspected 39 sports facilities in the districts.

Out of the 39 inspected, condition, upkeep and maintenance of 26 facilities were found satisfactory. The remaining 13 facilities were found in a dilapidated condition and a majority of them were not in a position to be put to use for the purpose for which they were created. District-wise position is given below:

- Of the three ISHs of SGH District, two were inspected and both of these (100 *per cent*) were found in a dilapidated condition. Similarly, six out of seven ISHs of WKH District were also inspected, of which four (67 *per cent*) were found in a dilapidated condition.
- the only swimming pool in the WKH District was also found in a dilapidated condition.

Thus, there was no scope for use of these facilities by the sports persons of the districts concerned. Some photographs taken for nine sports infrastructures during the inspection of some of the facilities are given below, which would indicate the actual state of affairs:

	<p>Name: Sohryngkham ISH, East Khasi Hills</p> <p>Cost: ₹ 48.88 lakh</p> <p>Year of completion : 2005</p> <p>Handed over to: Rangbah Shnong, Sohryngkham Village on 15.11.2005</p> <p>Status: (i) The ISH was being utilised for storage of timbers. (ii) Electric fittings were lying on the floor of the hall. (iii) There was no indication that the Hall was utilised for sporting events.</p>
	<p>Name: Amlarem ISH, Jaintia Hills</p> <p>Cost: ₹ 29.57 lakh</p> <p>Year of completion : 2001</p> <p>Handed over to: Amlarem Sub-divisional Sports Association on 30.09.09</p> <p>Status: The main door of the ISH was broken as a result of which it appeared that animals are moving inside the Hall freely as animal dung were found on the floor.</p>

	<p>Name: Ranikor ISH, West Khasi Hills</p> <p>Cost: ₹ 45.73 lakh</p> <p>Year of completion: 2010</p> <p>Handed over to: Secretary, Border Area Sports Association on 29.9.09</p> <p>Status: (i) Stagnant rain water leaking from the roof was found on the floor of the ISH. (ii) There was no sign indicating the ISH was being utilised for any sporting events.</p>
	<p>Name: Ranikor Swimming Pool, West Khasi Hills</p> <p>Cost: ₹ 10.82 lakh</p> <p>Year of completion: 1995</p> <p>Handed over to: Border Area Sports Association, Ranikor on 26.11.1997</p> <p>Status: (i) No water in the swimming pool. (ii) The facility is lying un-utilised.</p>
	<p>Name: Rangalsora ISH, West Khasi Hills</p> <p>Cost: ₹ 19.56 lakh</p> <p>Year of completion : 1995</p> <p>Handed over to: Information not available with the SSCM.</p> <p>Status: (i) The facility is in a dilapidated condition (ii) No electric/water connection. (iii) Doors and windows are missing. (iv) Grasses were growing inside the ISH.</p>
	<p>Name: Kynshi ISH, West Khasi Hills</p> <p>Cost: ₹ 19.98 lakh</p> <p>Year of completion: 1998</p> <p>Handed over to: Information not available with the SSCM.</p> <p>Status: (i) The main entrance door was barricaded for safety reasons as wooden floor of the ISH was decayed. Portions of the CGI roofing are missing. (ii) No electric/water supply connection was available.</p>

	<p>Name: Williamnagar ISH, East Garo Hills</p> <p>Cost: ₹ 62.20 lakh</p> <p>Year of completion: 1997</p> <p>Handed over to: Information not available with the SSCM.</p> <p>Status: (i) Ceiling over the VIP sitting gallery found in a dilapidated condition, could fall down any time</p> <p>(ii) Electric supply was disconnected due to non-payment of arrear electric bill of ₹ 6.08 lakh (February 2012).</p>
	<p>Name: Jowai (Ladthalaboh) ISH, Jaintia Hills</p> <p>Cost: ₹ 45.49 lakh</p> <p>Year of completion: 1992</p> <p>Handed over to: Information not available with the SSCM.</p> <p>Status: (i) VIP Sitting Gallery was found not only unusable but also unsafe as the wooden floor was damaged.</p> <p>(ii) The ceiling over the VIP sitting gallery was in a dilapidated condition.</p>
	<p>Name: Mairang ISH, West Khasi Hills</p> <p>Cost: ₹ 29.57 lakh</p> <p>Year of completion : 2001</p> <p>Handed over to: Information not available with the SSCM.</p> <p>Status: (i) The playing area was found flooded with rain water due to leakage from the roof</p> <p>(ii) No power or water supply available.</p>

The Chief Engineer, SSCM stated, in March 2012, that except for a few facilities⁶ in the State directly maintained by the SSCM, the rest were handed over to sports organisations/clubs/ schools/colleges/Dorbars *etc.* The fact that 13 (33 *per cent*) out of 39 facilities inspected were in a dilapidated state indicated that DSYA's policy of handing over of completed sports facilities to local bodies/ organisations was not entirely satisfactory.

Audit further observed that agreement between the SSCM and the local body/organisation when handing over a facility stipulates that the maintenance of the facility shall be the responsibility of the local body/organisation. The agreement

⁶ JNS complex, Shillong; Tirot Sing ISH, Shillong; Crinoline Swimming Pool, Shillong and four ISHs at Nongpoh, Tura, Baghmara and Williamnagar.

however, does not spell out the action to be taken by the DSYA if the local body/organisation fails to properly maintain the facility.

Recommendations

- **A comprehensive plan for creation of sports infrastructure has to be drawn up for each district and necessary infrastructure has to be created after assessing the extent of utilisation of existing infrastructure.**
- **Projects should be approved only after finalising the site required for construction.**
- **The ongoing projects should be completed in a time bound manner to avoid cost escalation.**

1.2.10 Coaches

Audit Objective 4: Whether the existing coaching arrangement was efficient and effective

Regular and effective coaching plays a very important role in the scientific and overall development of sports persons. As of 31 March 2012, the sanctioned strength (SS) and persons-in-position (PIP) of Coaches and Physical Training Instructors in the DSYA were as under:

Table 1.2.10

	Sanctioned strength	Personnel in position
Senior Coaches	06	06
Junior Coaches	18	18
Physical Training Instructors	07	07
Total	31	31

Source: Record of DSYA and DSOs

The deployment of the coaches and physical training instructors (PTI) as on 31 March 2012 was as under:

Table 1.2.11

	As DSO i/c	Athletics	Basketball	Football	Archery	Badminton	Boxing	Karate	Table Tennis	Others	PTI	Total
DSYA	-	-	02	01	01	01	-	-	-	02	-	07
DSO, EKH	-	-	-	01	-	-	01	01	01	-	01	05
DSO, WKH	01	01	-	-	-	-	-	-	-	-	01	03
DSO, Ri-Bhoi	-	01	-	01	-	-	-	-	-	-	01	03
DSO, Jaintia Hills	-	01	-	-	-	-	-	-	-	-	01	02
DSO, EGH	01	01	-	-	-	-	-	-	-	-	01	03
DSO, WGH	01	01	-	01	-	-	-	01	01	-	01	06
DSO, SGH	-	-	-	01	-	-	-	-	-	-	01	02
Total	03	05	02	05	01	01	01	02	02	02	07	31

Source: Records of DSYA and DSOs

From the above it will be seen that seven coaches (29 *per cent*) out of a total strength of 24 were posted in the DSYA. Further it was noticed that the lone coach in archery and badminton and available two basketball coaches were also posted with the DSYA.

Since the DSYA is basically an administrative office, the posting of these coaches with the DSYA was not prudent. These coaches should have instead been posted under the DSOs where their services could have been more gainfully utilised.

In November 2010, the DSYA had proposed to the GOM to sanction another 20 posts of junior coaches, seven posts of PTIs and five posts of Physiotherapists which however, was yet to be approved.

In addition to the regular coaches and PTIs, the DSYA also employed five to nine coaches on contractual basis during the period under review except during the year 2008-09. Such coaches were each paid ₹ 5,000 pm. Coaches in the discipline of Archery, Table Tennis, Football, Karate and Wushu were engaged on contractual basis. However, it is observed that the coaches engaged on contractual basis were under the control of SSCM from the period 2009-10 onwards. Reasons for placing the services of the coaches engaged on contractual basis with the SSCM, which is basically an organisation engaged in the construction/maintenance of sports infrastructure in the State, were neither on record nor furnished by DSYA as of July 2012.

1.2.10.1 Utilisation of coaches

It was observed that the DSYA had not prescribed any norm or guidelines with respect to the coaches/instructors under its employment. The coaching activities were entirely left to the discretion of the individual coaches and DSYA was not monitoring their work. DSYA had no information about the coaching activities undertaken by the coaches, number of persons being coached, the training schedule, *etc.*

DSYA could have adopted similar lines as stipulated in guidelines issued by the Sports Authority of India (SAI) to all States/Union Territories (UT) in February 1998, in order to utilise the services of SAI coaches for coaching work to the maximum extent such as

- **Drawing up Sports Calendar:** Every State/UT was to draw up a calendar for coaching and competition programmes in the month of April every year which was to be circulated to the sports clubs, educational institutes *etc.* and to the coaches well in advance.
- **Preparation of Coaching Plan:** Each coach was to prepare a coaching plan for the year with reference to the Sports Calendar and submit a monthly report about work done in each week.
- **Setting up of Targets:** While preparing the coaching plan each coach was required to indicate the targets to be achieved by the trainees during the sports

season of the current year which should be submitted in March-April after conclusion of sports season.

- **Conducting surprise check:** To ensure that the coaches do their work regularly, surprise checks were to be carried out by senior officers.
- **Meeting with coaches:** Hold meetings with coaches once every three months, to acquaint with their problems and to make coaches work effectively by sorting them out promptly.

During exit conference, the DSYA agreed to consider the guidelines in this regard.

1.2.10.2 Training of coaches

In order to upgrade coaching skills, it is necessary that Coaches and PTIs attend training programmes at regular intervals organised by the SAI, individual sports bodies, College of Physical Education (Gwalior), Netaji Subhash National Institutes of Sports (Patiala, Bangalore and Thiruvananthapuram), *etc.*

It was noticed that in the five-year period 2007-12, 12 out of the 24 Coaches of the DSYA were deputed to attend a 'Coach Development Programme' at the Netaji Subhash National Institute of Sports at Patiala, Bangalore and Thiruvananthapuram only once in February 2012. None of the seven PTIs of the DSYA had attended any training programme during 2007-08 to 2011-12. Thus, opportunities for upgrading the knowledge and skill of coaches were not provided to 12 coaches and all the seven PTIs during the period under review.

During exit conference, the DSYA stated that the senior coaches were reluctant to attend coaches' training. This indicated the casual approach of the DSYA for upgrading the knowledge and skill of the coaches through proper training.

1.2.10.3 Scientific backup to sportspersons in the State

The significance of scientific back up to sports stands well established as it substantially contributes to promoting the health and competition spirit of sports persons. Accordingly, the National Sports Policy (2001) of the GOI emphasises the need to provide scientific and technical support to sports coaching by associating experts in nutrition, psychology, medicine, pharmacology, biomedicine and anthropometrics as well as other branches of sports science.

The DSYA was yet to implement this aspect of the National Sports Policy.

Recommendation

Requisite number of coaches should be provided in all discipline to give effective coaching. The knowledge of coaches should be enhanced through scientific and updated training.

1.2.11 Monitoring mechanisms

To ensure transparency, accountability, proper and effective monitoring of infrastructure development, the SYAD in August 2009 constituted a monitoring committee comprising of six members under the chairmanship of Director, DSYA. As per terms of reference, the monitoring committee was to carry out physical inspection/verification of sports infrastructure throughout the State based on sanctions issued; furnish progress report (physical and financial) at quarterly intervals to the Administrative Department, see that the implementations of schemes are progressing as per the original time-schedule, meet at quarterly intervals or more frequently as required and report to the Principal Secretary/Commissioner and Secretary/Secretary of the Administrative Department.

It was noticed that the committee had neither inspected/verified any of the construction works executed by the SSCM nor the progress of the projects monitored. Besides, the committee which should have met at least 10 times since its formation had met only four times. As evident from the minutes of those meetings, the committee could not carry out its assigned duties due to failure of the SSCM to provide information relating to proper and correct list of all the schemes (both completed and on-going) being undertaken by them and the details information of handing and taking over of completed infrastructures. As a result, the committee could not submit even a single report to the Administrative Department till date. Thus, all projects/schemes (whether completed/on-going), undertaken by the SSCM were not monitored by any agency.

As per clause 10 (a) of the Articles of Association of the SSCM, “the Council shall meet at least four times a year to take up matters concerning the progress and activities of various schemes/ projects entrusted with the Council”. But the Council did not meet even once during 2007-12. Consequently, the members of the Council did not get any opportunity to monitor the schemes being implemented by the SSCM. Further, SSCM has no system of reporting its activities including physical and financial performance achieved under various schemes. As such, there was no scope to have a comprehensive view of the programmes/schemes implemented by SSCM.

1.2.12 Conclusion

Government’s outlay on sports and youth affairs was paltry. Even after 40 years, the SYAD, responsible for development of sports in the State, did not have a sports policy and any long term plan for the development of sports. Consequently, sports related activities and creation of sports infrastructure undertaken by the DSYA were bereft of the benefit of a medium or long term plan. Sports infrastructure like outdoor stadia, swimming pools and indoor stadia, crucial to sports development, were lacking in districts. While SSCM was unable to spend budget outlay meant for maintenance of ISHs/outdoor stadium, abnormal delays were noticed in both taking up and completing many works. Lack of seriousness in maintenance of sports infrastructure resulted in deterioration of many of these infrastructure. 13 sports facilities like

outdoor stadium, sports complex, playfield, *etc.* were yet to come up after seven-eight years of release of funds by GOI. Further, the sports persons of the State lack a scientific back up. Performance of coaches was not evaluated by the SSCM. As a consequence of all these shortcomings, Meghalaya fared poorly – on the national stream it stood 25th in the last National Games held in 2011. Even in the last North East Games held in 2012, Meghalaya ranked last but one. Against this dismal scenario, the State has contributed some sports persons who represented the country, some of whom even won medals, indicating that the State does not lack sporting talent – only the proper sports facilities and State support to nurture and encourage this talent was lacking.

The matter was reported to the Sports and Youth Affairs Department in August 2012; reply had not been received (March 2013).

HOUSING DEPARTMENT

1.3 Embezzlement of Government money

Meghalaya Value Added Tax totalling ₹ 34.36 lakh, deducted by the Directorate of Housing from the suppliers' bills, was embezzled by faking the documents showing that the amount was deposited into Government account.

Rule 317(1) of the Meghalaya Treasury Rules, 1985 stipulates that any person depositing money into a bank on Government account shall do so with a challan in duplicate both duly enfac'd by the Treasury Officer and with an order to the bank to receive the money. The bank will grant an acknowledgement of the payment to the payer on the original challan and retain the duplicate copy to be forwarded to the treasury along with the daily account.

Scrutiny of the records (September 2010) of the Directorate of Housing (Directorate), revealed that it deducted Meghalaya Value Added Tax (MVAT) totalling ₹ 34.36 lakh from the bills of three suppliers and as per entries in the Directorate's cash book, this amount was shown as deposited with the State Bank of India, Laitumkhrach Branch, Shillong (the SBI) in Government account between 09 June 2009 and 05 February 2010 through 19 challans. In support of these deposits, the Directorate had on records the original copies of the 19 challans, which showing that they have duly enfac'd by the TO and stamped by the bank acknowledging receipt of the money. The Directorate also furnished (September 2011) information listing the challan number, amount, cheque number, *etc.* relating to MVAT deposited by it in the Government account.

During the cross verification by Audit of the 19 challans showing that money was deposited in the Government account, the treasury confirmed (November 2010 and February 2012) that although the 19 challans were presented to the treasury for enfacement between 09 June 2009 and 05 February 2010, the amount of ₹ 34.36 lakh was not deposited in the Government account through the designated bank. *Further, the SBI also certified (October 2011, March 2012 and August 2012) that the sum of ₹ 34.36 lakh claimed to have been deposited through 19 challans was never deposited with it and that the bank's stamp of 'receipt acknowledgement' embossed on the 19 challans was not the original stamp of the bank and there was no signature of their staff/officers in the challans.*

Audit carried out further cross-verification of the information furnished by the Directorate with Bank Statement of Vijaya Bank, Laitumkhrach Branch Shillong and records/information provided by Treasury Officer and found that information furnished by the Directorate was false and cheque through which the amount was stated to have been deposited against particular challan was used for different purpose and on different dates as brought out in **Annexure**.

Thus, ₹ 34.36 lakh deducted as MVAT from suppliers' bills and shown as deposited into the Government account was obviously siphoned off by counterfeiting the bank's stamp.

After the issue was brought to the notice (October 2010 and March 2012), the Directorate contesting (June 2012) the audit contention asserted that there was no truth in the allegation that the said amount had been misappropriated. It also disputed the amount pointed out by the Audit and stated that an amount of ₹ 5.74 lakh and ₹ 1.51 lakh were reckoned twice in arriving at the figure of ₹ 34.36 lakh and hence the correct figure was ₹ 27.11 lakh. It further enclosed documentary proof of having deposited ₹ 20.82 lakh as MVAT into the Government account.

The documentary proof provided by the Directorate in support of its claim that ₹20.82 lakh had been deposited in Government account was a communication from Vijaya Bank, Shillong intimating that ₹20.82 lakh had been paid into Government account vide Cheque No. 823594 dated 13 April 2012 and payment was made on 16 April 2012. Thus, it is evident that the 19 original challans, on the record of the Directorate, each enfaced and passed for payment by the treasury and embossed with the bank's 'receipt acknowledgement' stamp showing that the amount has been deposited by the Directorate into Government account were fake documents created with criminal intention to embezzle the Government money.

Further, the Directorate's contention that the amounts of ₹ 5.74 lakh and ₹ 1.51 lakh were reckoned twice by Audit was also incorrect. Out of the 19 challans in question, there were two challans for ₹ 5.74 lakh each and another two challans for ₹ 1.51 lakh each and all these four challans were of different dates.

The Housing Department stated (October 2012) that the Finance Department had set up a special audit to enquire into the alleged misappropriation.

The matter was also brought to the notice (November 2012) of the Chief Secretary to Government of Meghalaya and State Vigilance Commissioner. In response, the Additional Chief Secretary to the Government of Meghalaya, Finance Department stated (February 2013) that as per the Special Audit conducted to enquire the alleged misappropriation, the VAT amount of ₹ 27.11 lakh was deposited (including ₹ 20.82 lakh deposited in April 2012) and that there was a *prima facie* case of misappropriation of Government money and had advised the Housing Department to launch criminal proceedings/investigation.

The matter being of serious nature, the State Government should immediately order for full scale criminal investigation before the persons responsible for the embezzlement could destroy the evidences. The prevalent system of recording cash transaction carried out by the Directorate gives scope for manipulation, which could provide opportunity for embezzlement as in the present case. Government of Meghalaya should devise a proper system that would ensure that each cash transaction carried out by the departments including amount withdrawn from the bank and amount deposited into bank are also transparently recorded so that trail of the money is traced.

ANNEXURE

Details of 19 fake challans showing deposit of Meghalaya Value Added Tax (MVAT) into Government Account

A. Position of VAT shown to have been deposited by Cheque

Sl. No.	MVAT stated to have been deposited through cheques			Result of cross verification with reference to Bank Statement of Vijaya Bank
	Challan Number/ Date	Amount (₹)	Cheque Number	
1.	17683/ 09 June 2009	5,73,678	593358	The amount of ₹ 573678 was withdrawn by the Director of Housing on 12 February 2009. Cheque number and amount are same as at serial 3 below
2.	25802/ 09 June 2009	1,50,535	328680	The amount of ₹ 1,50,535 was withdrawn by the Director of Housing on 24 June 2009. Cheque number and amount are same as at serial 5 below
3.	57780 ⁷ / 15 December 2009	5,73,678	593358	The amount of ₹ 573678 was withdrawn by the Director of Housing on 12 February 2009. Cheque number and amount are same as at serial 1 above.
4.	57982/ 15 December 2009	2,80,140	593356	₹ 2,80,140 was withdrawn by the Director of Housing on 04 February 2009.
5.	57985/ 15 December 2009	1,50,535	328680	The amount of ₹ 1,50,535 was withdrawn by the Director of Housing on 24 June 2009. Cheque number and amount are same as at serial 2 above.
6.	57986/ 15 December 2009	6,29,410	593352	₹ 6,29,410 was withdrawn by the Director of Housing on 30 May 2009.
7.	64291/ 19 January 2010	2,18,943	710224	₹ 2,29,743 was withdrawn by the Director of Housing on 31 March 2008.
8.	64293/ 19 January 2010	73,059	21780	Cheque No. 21780 was used to deposit Sales Tax of ₹ 41,229 on 21 April 2011
9.	67999/ 05 February 2010	1,94,706	21761	Cheque No. 21761 was used to deposit MVAT of ₹ 11,686 on 20 December 2010
	Total	28,44,684		

Source: Information furnished by the Director of Housing and, Bank Pass Book

B. Position of VAT shown to have been deposited by Cash

Sl No	MVAT stated to have been deposited by cash			Remarks of the Treasury Officer, furnished in February 2012	Remarks of SBI as furnished in October 2011
	Challan Number	Purported date of deposit	Amount (₹)		
1.	57981	15 December 2009	16,572	The amounts were not deposited into Government account	Cash not deposited
2.	57984	15 December 2009	84,460		
3.	64294	19 January 2010	80,283		
4.	64295	19 January 2010	57,880		
5.	64297	19 January 2010	332		
6.	64298	19 January 2010	83,771		
7.	64299	19 January 2010	23,996		
8.	64301	19 January 2010	1,94,363		
9.	64302	19 January 2010	20,762		
10.	68000	05 February 2010	28,497		
	Total		5,90,916		

Source: Information furnished by the Shillong District Treasury and Bank

⁷ As per the concerned Challan the number is '57980'.

1.4 Unproductive expenditure on continued functioning of defunct State Housing Board

Failure to close down the Meghalaya State Housing Board even nine years after a direction from the Department to come up with a proposal to this effect resulted in an avoidable expenditure of ₹ 6.02 crore.

The Meghalaya State Housing Board (Board) was established in January 1986 with the objective of facilitating the construction of housing accommodation in the State. Test check of records (February 2012) of the Directorate of Housing (Directorate) revealed that the Board during 1988-89 to 2000-01, borrowed ₹ 36.56 crore from financial institutions⁸ (FIs) out of which it disbursed ₹ 14.43 crore between 1988-89 and 1999-2000 as housing loans to individual borrowers. The Board utilised the balance ₹ 22.13 crore to repay a part of the loans taken and to meet its expenses. As the Board's loan recovery was poor, the Housing Department in May 2000 directed the Board to stop sanctioning fresh housing loans and to trim its administrative expenditure. In April 2003, the Department further directed the Directorate to come up with a Voluntary Retirement Scheme/proposal for closure of the Board.

Audit scrutiny revealed that the finances of the Board during 2007-08 to 2011-12 were as under:

Table 1.4.1

(₹ in lakh)		
Year	Administrative expenditure (including expenditure on Pay and Allowances)	Principal/Interest/Penal Interest recovered
2007-08	83.65	18.02
2008-09	86.16	9.17
2009-10	129.77	76.87
2010-11	157.97	96.27
2011-12*	144.33	84.31
Total	601.88	284.64

Source: Meghalaya State Housing Board: * up to February 2012

From the above table, it can be seen that the Board's administrative expenses increased by 73 per cent over the five-year period 2007-12; contrary to the direction of the Department's to trim expenses.

Audit scrutiny further revealed that:

- against the loan of ₹ 36.56 crore availed from FIs, the Board between 1988-89 and 2005-06 partially repaid ₹ 31.03 crore (Principal: ₹ 11.02 crore; Interest: ₹ 20.01 crore) and the State Government, as guarantor of the loan, paid ₹ 45.70 crore to FIs between October 2006 and June 2009 as full and final settlement of the outstanding loans taken by the Board;
- during 2007-08 to 2011-12 the Board spent a total of ₹ 6.02 crore on administrative expenses (including pay and allowances) as against which it

⁸ (i) LIC/GIC - ₹ 1.94 crore, (ii) SBI (HF) - ₹ 0.60 crore, and (iii) HUDCO - ₹ 34.02 crore.

was able to recover only ₹ 2.85 crore from borrowers as principal/interest/penal interest.

- the Board without the Department's approval irregularly utilised the entire amount of ₹ 2.85 crore repaid⁹ by the borrowers during 2007-2012 to meet the expenses on pay and allowances of its staff in addition to ₹ 46 lakh given grants-in-aid to the Board for meeting administrative expenses during the period.

Thus, the failure of the Department to take a final decision on the closure of the Board even after nine years of identifying the problem in April 2003, led to an avoidable expenditure of ₹ 6.02 crore spent during 2007-12 on administrative expenses of the Board, which had ceased its lending operations since May 2000. The continued existence of the Board would only further burden the public exchequer.

The matter was reported to the Principal Secretary to the Government of Meghalaya, Housing Department in November 2012; reply was awaited (March 2013).

HEALTH AND FAMILY WELFARE DEPARTMENT

1.5 Excess payment to contractors

Deficiency of internal control and oversight mechanism in the Health Engineering Wing led to an excess payment of ₹ 34.29 lakh to one contractor and a double payment of ₹ 5.45 lakh to another.

1.5.1 Excess payment to a contractor

The Executive Engineer (EE), Health Engineering Wing (HEW) of the Directorate of Health Services in November 2005 awarded the work of 'construction of a 100 bedded hospital building' at Nongstoin to the lowest bidder Woskingland Marbanian (Contractor 'A') at his tendered value of ₹ 2.27 crore. The work which was to be completed by November 2007 was actually completed in March 2009 at a cost of ₹ 2.48 crore.

Scrutiny of records of the EE, HEW in December 2011 revealed that part payments were periodically made to Contractor 'A' on the basis of actual work done and measured instead of through Running Account (RA) bills which otherwise, is the prescribed mode of payment under the Meghalaya Financial Rules, 1981. Contractor 'A' acknowledged these payments through hand receipts¹⁰ and these amounts were

⁹ 2007-08: ₹18.02 lakh, 2008-09: ₹ 9.17 lakh, 2009-10: ₹ 76.87 lakh, 2010-11: ₹ 96.27 lakh, 2011-12 (up to February 2012): ₹ 84.31 lakh

¹⁰ A hand receipt is a simple form of a voucher intended to be used for which a Running Account Bill is not suitable (Rule 315 of Meghalaya Financial Rules, 1981).

later adjusted from payments made to him against RA bills prepared by the EE, HEW subsequently.

For the work carried out, Contractor 'A' was actually paid ₹ 2.61 crore¹¹ between December 2005 and December 2009 resulting in an excess payment of ₹ 34.29 lakh. This was due to omission/lapse of the EE, HEW

- to adjust ₹ 14 lakh and ₹ 20 lakh paid to Contractor 'A' through a hand receipt in March 2007 and June 2009 respectively from the amount paid to the contractor in the subsequent RA bills and Final bill.
- while making payment to Contractor 'A' against the 5th RA bill, ₹ 85.78 lakh was deducted for "*work done and paid up to the 4th RA bill*" instead of the amount of ₹ 86.07 lakh paid upto 4th RA bill resulting in excess payment of ₹ 0.29 lakh.

The EE, HEW stated (November 2011) that due to paucity of funds, part payments were made to the contractor through hand receipts. The action was, however, contrary to the mode of payment prescribed under MFR, 1981.

1.5.2 Double payment to a contractor

The EE, HEW awarded the work of 'Construction of one staff quarter' at the Hospital Complex at Khliehriat in September 2007 to Leborlang Lyngdoh (Contractor 'B'), at his tendered rate of ₹ 5.45 lakh.

Scrutiny of records of the EE, HEW in December 2011 revealed that Contractor 'B' was paid a total of ₹ 5.45 lakh through two bills in September 2008 (1st RA Bill) and June 2009 (Final RA Bill). Scrutiny of records in audit revealed that notwithstanding the said payment, the HEW in December 2009 again paid ₹ 5.45 lakh to Contractor 'B' in March 2010 based on 1st and Final RA bill amounting to double payment for the same work.

On the above being pointed out (December 2011), the EE, HEW stated (May 2012) that Contractor 'B' agreed to refund the money in instalments.

Thus, deficiency of the internal control and oversight mechanisms in the HEW led to the excess payment of ₹ 34.29 lakh to one contractor and a double payment of ₹ 5.45 lakh to another.

The matter was reported to the Commissioner and Secretary to the Government of Meghalaya, Health and Family Welfare Department in June 2012; reply had not been received (March 2013).

¹¹ One advance payment (₹ 13.17 lakh), 11 hand receipts (₹ 109.45 lakh) and 10 RA bills (₹ 138.77 lakh)

PUBLIC HEALTH ENGINEERING DEPARTMENT

1.6 Avoidable expenditure due to non-closure of magazines

Failure to close down two magazines resulted in an avoidable expenditure of ₹ 1.07 crore on safeguarding a cache of expired explosives.

The Executive Engineer (EE), Greater Shillong Water Supply Division-II, Mawphlang of the Public Health Engineering Department (PHED) obtained two licences from the Deputy Chief Controller of Explosives (DCCE), Guwahati in May 1996 and January 1997 to operate magazines (buildings or structures specially constructed for storage of explosives) at Kyrdekulai and Mawphlang for storing explosives required for construction of a dam and other allied works. For providing round the clock security of the magazines as specified under Rule 123(1) of the Explosive Rules, 1983, the EE employed five and seven Home Guards for Kyrdekulai magazine and Mawphlang magazine respectively. In addition from April 2006, one muster roll worker was also engaged for each magazine.

During the scrutiny of the records (November 2011) of EE, Greater Shillong Water Supply Division-II, Mawphlang it was observed that in April 2004 and again in May 2004, the EE, under intimation to the Chief Engineer (CE) of the PHED, sought the DCCE's permission to close the two magazines as the construction of the dam and related works had since been completed. The matter was never followed up with the DCCE after May 2004 as a result the magazines were yet to be closed down. Meantime, ₹ 1.07 crore was incurred on their upkeep from April 2004 to March 2012, as detailed below:

Table 1.6.1

Sl. No.	Particulars of expenditure	Period of expenditure	Amount (₹ in lakh)
1.	Salaries of Home Guards	April 2004 to March 2012	98.00
2.	Wages of muster roll workers	April 2006 to September 2011	4.32
3.	Repair and maintenance of magazines	March 2009 to September 2011	4.65
Total			106.97

Source: Information furnished by the EE

Audit further observed that the stock of explosives at the two magazines were manufactured between December 1997 and January 2002 and all these explosives were beyond their expiry date as ascertained from the EE, PWD (Roads), Shillong South Division and websites of companies¹² dealing in these products as detailed below:

¹² (i) M/s Indian Explosives Ltd., Kolkata; (ii) M/s Premier Explosives Ltd., Secunderabad; (iii) M/s Gulf Oil Corporation Ltd., Hyderabad; and (iv) M/s Orica Mining Services, Norway.

Table 1.6.2

Details of magazines	Description of explosives in stock	Quantity	Month of manufacture	Shelf life	
				As per the website of companies	As per EE, PWD (Roads), Shillong South Division
Kyrdemkulai Magazine	Powergel	1325 Kg	April 1998	6 months	6 months
	Dynez	1500 Kg	July 2001 and September 2001	6 months	-
Mawphlang Magazine	Powergel	177.25 Kg	April 1998	6 months	6 months
	Dynez	12.375 Kg	June 2000	6 months	-
	Superdyne	728 Kg	January 2002	6 months	-
	Detonators	4036 Nos	December 1997 - October 2001	24 months	1 year

During a physical verification conducted on 25 April 2012 jointly by Audit and officers of the Division, it was found that the magazines had still not been closed down and the inventory of explosives, except for electrical detonators, was in deteriorated condition.



Thus, apathy on the part of the CE, PHED and the EE to effectively follow up with the DCCE to close the two magazines more than eight years after they were no longer required, resulted in the PHED incurring in an avoidable expenditure of ₹ 1.07 crore to store and safeguard a cache of expired explosives.

In January 2012 the EE informed Audit that the advice of the CE, PHED had been sought on this matter in October 2011.

The matter was reported to the Principal Secretary to the Government of Meghalaya, PHED in May 2012; reply was awaited (March 2013).