

It is acknowledged that India hosted the largest and among one of the most successful Commonwealth Games in Delhi in October, 2010. India also acquitted itself remarkably by securing more than 100 medals in a broad spectrum of sporting events in which it participated. It is indeed a remarkable commentary on the nation's managerial and sporting capabilities that despite a multitude of adversities leading to the actual conduct of the games, India emerged successful both as hosts and as competitors.

It may be recalled that while submitting a study done by this Department in July, 2009, we had commented that establishment of basic infrastructure and putting in place support services for facilitating the games was lagging far behind. Consequently, we had strongly recommended that Government should revisit the model of governance for a smooth and successful delivery of the games. This report was prepared 15 months in advance as an "aid to the administration" as an objective commentary on the stage of preparedness. The governance model was tweaked, but without due authority. Audit continues to feel that serious cognizance was not taken of the issues pointed out in that report, as timely remedial action may have mitigated some of the adverse attention that the conduct of the Games attracted.

The Commonwealth Games 2010 were not the first event of this magnitude being held in India. The nation had the benefit of organizing the Asian Games in 1982. Further, a sufficiently large contingent of administrators, sports managers and other experts were deputed to Melbourne CWG-2006 to closely observe and study the

governance model, infrastructure requirements as also other support services, which provided a period of four years to take any remedial action necessary.

This report has commented upon the model of governance adopted for CWG-2010, in which authority was dissipated, accountability was defused and unity of command was not provided for or followed. It was also misplaced confidence to have placed such huge public funds at the disposal of non-government officials, who were not willing to heed to any advice from informed government officials.

The modus operandi observed over the entire gamut of activities leading to the conduct of the Games was: inexplicable delays in decision making, which put pressure on timelines and thereby led to the creation of an artificial or consciously created sense of urgency. Since the target date was immovable, such delays could only be overcome by seeking, and liberally granting, waivers to laid down governmental procedures. In doing so, contracting procedures became a very obvious casualty. Many contracts were then entertained based on single bids, and in fact, some of them were even awarded on nomination basis. Taking liberties with governmental procedures of the aforementioned kind led to elimination of competition. The conclusion in fact is inescapable that this could indeed have even been an intended objective. Eliminating competition led to a huge avoidable burden on the exchequer. It can most confidently be concluded that due to the perceived sense of urgency and resultant lack of competition, the country had to pay a higher price for the same

activities, equipment and infrastructure. Further, it is yet to be conclusively established that the end product was of the desired quality.

While the governance model certainly suffered from inadequacies, with a key role for the Organising Committee, Audit observed that the personnel selected for shouldering critical responsibilities in the OC did not possess the requisite qualifications and experience to discharge responsibilities of this magnitude. Standard recruitment procedures such as advertising of posts, selection committees, security clearance/ reference checks etc. were given the go-by in most appointments made in the Organizing Committee.

As per established procedure in Government, whenever an outside entity makes a proposal to the Government involving budgetary commitments, the concerned departments are required to conduct an in depth and de novo examination of such proposals. However, such independent examination of proposals, especially regarding revenue generation by the OC and the expenditures likely to be

incurred as also the total financial liabilities to be borne by the Government, were conspicuous in their absence. There is evidence to indicate that the revenue generation figures were enhanced to remain in tandem with the rapidly burgeoning expenditure of the OC. Appropriate due diligence was conspicuously absent at all levels, while scrutinising and according approvals to expenditure proposals.

A basic canon of financial propriety is that the expenditure should not prima facie be more than what the occasion demands, and officials charged with stewardship of Government funds must exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money. Further, not only should transparency and fair play be exercised, the public at large should perceive that Government monies have been expended in a fair and transparent manner and officials will be held accountable for lapses. Government needs to take appropriate measures to live up to the high expectations in this regard.

Dated : 31 May, 2011
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Countersigned

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