

PRESS BRIEF

The Report of the Comptroller and Auditor General of India for the year ended March 2018 – No. 3 of 2019 – Economic Sector – Government of Tamil Nadu – Tabled in the Tamil Nadu State Legislature on 24.06.2021

The Report includes an Introductory Chapter, Performance Audit and Compliance Audit observations noticed during audit of financial transactions of the Departments of Economic Sector including Interlinking of rivers within Tamil Nadu and Promotion and infrastructure development for tourism in Tamil Nadu.

General

The Report covers the functioning of 10 Departments of Economic Sector, with a total expenditure of ₹ 26,666.77 crore during 2017-18. A major portion of the expenditure was incurred by Highways and Minor Ports (32.36 *per cent*), Agriculture (28.28 *per cent*), Public Works (16.73 *per cent*) and Animal Husbandry, Dairying and Fisheries (7.42 *per cent*) Departments.

Performance Audit on development, welfare and relief schemes - Marine Fisheries in Tamil Nadu

The State has 10.07 lakh marine fisherfolk population from 608 marine fishing villages scattered along the coast, as of March 2018. The marine fish production of the State was 4.97 lakh MT and marine export earning was ₹ 4,342 crore during 2017-18. During 2013-14 to 2017-18, the fisheries Department incurred ₹ 2,212 crore towards development, welfare and relief schemes for marine fishery sector. This Performance Audit was conducted for the period from 2013-14 to 2017-18. Audit observations have been mentioned hereunder:

The State lacked comprehensive long-term fishery policy for focusing on core areas of sustainable development and socio-economic upliftment of the fisherfolk population of Tamil Nadu. Minimum essential facilities required for 254 notified Fish Landing Points were pending declaration. Fisheries Department failed to utilise the budget allocation of ₹ 186.10 crore for development activities during the period from 2013-14 to 2017-18. Government of India grants of ₹ 92.66 crore for implementing National Savings cum Relief Scheme for fishermen was not received resulting in utilisation of State funds.

At Thengapattanam and Poompuhar Fishing Harbours, delay in completion of partially executed diaphragm wall, modification of scope of work etc resulted in additional expenditure of ₹ 67.46 crore and blocking of funds of ₹ 305.49 crore. At Dhanushkodi and Mugandarayarchatram Fish Landing Centres, non-utilisation of created infrastructure resulted in unfruitful expenditure of ₹ 14.25 crore.

Delay in identification of beneficiaries for procurement of new tuna liners resulted in non-utilisation of sanctioned funds of ₹ 40.38 crore. Reconstruction of fishermen houses without approval of Chennai Metropolitan Development Authority resulted in non-receipt of sewage and water supply connection leading to blocking of funds of ₹ 24.60 crore. There were gaps in monitoring the movement of fishing vessels, supply of Distress Alert Transmitters and creation of facilities in the landing centres.

(Paragraph No. 2)

Compliance Audit

1. Interlinking of rivers within Tamil Nadu

Government of Tamil Nadu identified (2007-14) eight projects for interlinking of rivers but only two projects were sanctioned (2008) and pending completion. The audit of two sanctioned projects revealed the following:

Due to indiscriminate drawal of ground water, the number of blocks under the categories of over-exploited and critical (dark) in Tamil Nadu was steadily increasing. The State Water Policy and 11th Five Year Plan Document (2007-12) of the State also flagged water as a serious limiting factor for agricultural growth in the State and aimed at augmentation of utilisable water resources through interlinking the river basins within the State.

In Tamirabarani – Karumeniyar river project, only 21 out of 72 packages were completed even after seven years and completed stretches were not geographically contiguous. The delay was due to deficient field investigation and defective assessment of required land. This led to non-utilisation of surplus water, non-achievement of targeted harvest area and increase in project cost by 48 *per cent*, amounting to ₹ 177.33 crore.

In Cauvery – Agniyar – Gundar river project, link canal was not sanctioned, even after 10 years of taking up the project, despite the construction of barrage at a cost of ₹ 248.55 crore. This led to non-harnessing of 31,571 mcft surplus water in six districts. Non-sanctioning of the remaining six identified projects delayed irrigation benefit to 16 districts of Tamil Nadu.

(Paragraph No.3.1)

2 Promotion and infrastructure development for tourism in Tamil Nadu

Audit of Promotion and infrastructure development for tourism in Tamil Nadu was conducted to assess the activities of Tourism Department in Promotion and Infrastructure Development. Audit observations have been mentioned as under:

Tourism department failed to attract investment through Public Private Partnership mode to promote tourism which was a setback for Vision 2023. Non-utilisation of ₹ 86.33 crore of capital budget allocation, despite the dire need for infrastructure facilities showed the

lack of preparedness of the department in implementation of infrastructure projects in promotion of tourism. Compilation of incorrect data on tourist arrival gave distorted picture of tourist visit within the State. . The Joint inspection of 62 tourist locations by audit revealed inadequate basic amenities which emphasised the need for basic amenities to provide quality services in the tourist spots. Non-monitoring of tourist infrastructures, non-maintenance of comprehensive data base of assets created and lack of monitoring indicated weak internal control.

(Paragraph No.3.2)

Audit of transactions of various Departments of Government and field offices revealed unfruitful expenditure, avoidable expenditure, blocking of funds and short collection of Government revenue as summarised below:

- Inadequate field investigation, incorrect alignment etc resulting in blocking of funds of ₹ 19.46 crore and additional liability of ₹ 2.53 crore.

(Paragraph No.3.3)

- Inordinate delay in acquisition of land for approach road and finalisation of contract resulted in blocking of funds of ₹ 3.91 crore and additional liability of ₹ 1.83 crore.

(Paragraph No.3.4)

- Raising of teak plantations in the inner bunds of river in deviation of approved working plan led to removal of plantations before attaining saleable condition and unfruitful expenditure of ₹ 2.98 crore.

(Paragraph No.3.6)

- Commencement of coastal protection works without mandatory clearances resulted in non-assessment of negative impact on coastal areas and non-availing of Government of India grant of ₹ 67.04 crore besides additional burden of ₹ 51.25 crore to the State exchequer.

(Paragraph No.3.8)

- Failure of Government to renew the lease on time and non-enhancement of lease rent resulted in short collection of lease rent of ₹ 1.99 crore.

(Paragraph No.3.9)