

CHAPTER XVI : MINISTRY OF TOURISM

16.1 Refund at the instance of Audit

The Ministry released a sum of ₹ 6.62 crore to the Administration of UT of Lakshwadeep in March 2008 for a project aimed at providing world class tourist infrastructure at identified tourist destinations. After the issue of non-submission of Utilisation Certificates was pointed out by Audit, the Ministry took up the matter with the UT upon which the unutilised amount of ₹ 2.77 crore was refunded to the Ministry.

Ministry of Tourism, Government of India sanctioned ₹ 7.83 crore in March 2008, as 100 *per cent* central assistance, for a project titled '*Augmenting Tourist Infrastructure in the UT of Lakshadweep*' under the centrally sponsored scheme i.e. '*Product/Infrastructure Development for destinations and circuits*' to provide world class tourist infrastructure at identified major tourist destinations/circuits. The Ministry released ₹ 6.26 crore in March 2008, as 80 *per cent* of the central financial assistance of ₹ 7.83 crore, as the first installment as an advance for starting the work to the Administration of Union Territory of Lakshadweep. The balance 20 *per cent* amount was to be released after receipt of utilization and completion certificate.

As per terms and conditions of the sanction, the project was to be executed through the Lakshadweep Public Works Department (LPWD) and the work was required to be commissioned within a maximum period of one year from the date of sanction i.e. by March 2009. Further, the UT Administration was required to furnish, regularly, the quarterly progress of work and expenditure incurred to the Central Government, Ministry of Tourism. The sanction letter also stipulated that UT Administration / Executing Agency will not keep the amount released by Central Government unutilized for more than six months. In case the funds cannot be utilized by such time the same will have to be surrendered to Central Government or their formal approval should be taken to transfer/adjust the amount against other central financially assisted project.

Audit had brought to the notice of the Ministry of Tourism, Government of India, in October 2010 and again in September 2012, slow progress of the work on this project and non-submission of utilization certificate by UT Administration. Thereafter, the Ministry took up the matter with the UT Administration in March 2011.

Ministry stated (June 2014), that out of ₹ 6.26 crore, UT Administration had submitted utilization certificates amounting to ₹ 3.49 crore and had refunded unutilized amount of ₹ 2.77 crore to the Ministry (₹ 1.77 crore in September 2013 and ₹ one crore in February 2014).

The fact remains that due to inadequate monitoring of the project by the Ministry of Tourism, GoI, the work remained incomplete even after five years and the funds amounting to ₹ 2.77 crore remained unutilized during the period, which the Ministry could realize only when the matter was brought to their notice by Audit. Further, the Ministry did not charge and collect an amount of ₹ 96.46 lakh towards interest on the amount of ₹ 2.77 crore, from UT Administration of Lakshadweep, so far (June 2014).