

## **PRESS BRIEF**

**The report of the Comptroller and Auditor General of India for the year ended 31 March 2013 – No. 3 of 2014 – Economic Sector – Government of Tamil Nadu – Tabled in the Tamil Nadu State Legislature on \_\_\_\_\_**

The report includes Performance Audit on Irrigation Activities in Chennai Region, and Compliance audit observations including Scheme of Free Distribution of Milch Cows and Functioning of State Compensatory Afforestation Fund Management and Planning Authority (State CAMPA) noticed during audit of financial transactions in the Departments of Economic Sector.

### **Performance Audit on Irrigation Activities in Chennai Region**

Since Water is a key factor affecting production and productivity, Government of Tamil Nadu in Eleventh Five Year Plan (2007-12) aimed at restoration and maintenance of existing water bodies, harnessing of surface water flowing into sea, taking up drainage works in major rivers, canals, tanks and coastal protection works.

- ❖ State Water Policy was not revised in line with National Water Policy adopted in April 2002. Consequently, the Department did not have effective control over utilization of surface water and drawal of ground water.

**(Paragraph 2.6.1)**

- ❖ Ineffective planning and delay in implementation of various schemes defeated the intended objective of improving irrigation potential. An amount of ₹ 505.61 crore was locked up in 16 incomplete irrigation works.

**(Paragraph 2.8)**

- ❖ Due to ineffective functioning of laboratory water samples could not be analysed on special parameters since 2006 to identify presence of heavy metals, pesticides and pollutants which cause health hazards.

**(Paragraph 2.12.1)**

- ❖ Preventive measures to control sea water intrusion were inadequate and coastal protection works were commenced without obtaining

environmental clearance from Government of India. Pollution in Palar River was not controlled despite high level of pollution since the year 2000.

**(Paragraph 2.12.2.1 , 2.12.3)**

- ❖ Original capacity of tanks was not restored due to ineffective enforcement of Act for eviction of encroachment.

**(Paragraph 2.14.1)**

- ❖ Deficiencies in hydrological and meteorological data indicate that full potential of data could not be utilized for hydrological design, planning, water resources management, flood management and for formulation of schemes.

**(Paragraph 2.11)**

- ❖ Defective planning of flood control works in Chennai City led to delay and increased cost thereby defeating the objective of the scheme formulated to avoid flooding in Chennai.

**(Paragraph 2.13)**

### **Compliance Audit**

Audit of financial transactions in various Departments of the Government and the field offices revealed, instances of avoidable expenditure, blocking of funds and regularity issues. Some of the important findings are given below:

- ❖ Defective design in execution of work by Highways Department defeated the objective of providing bypass link to Ramanathapuram town for more than two years even after incurring an expenditure of ₹ 23.95 crore.

**(Paragraph 3.3.1)**

- ❖ Incorrect award of road works to a contractor with a record of poor performance led to avoidable expenditure/committed liability of ₹ 6.57 crore and non-recovery of ₹ 1.10 crore.

**(Paragraph 3.3.2)**

- ❖ Undue favour extended by Tamil Nadu Maritime Board to a licensee in construction of marine structures resulted in short collection of fees of ₹ 8.08 crore and interest loss of ₹ 1.91 crore.

**(Paragraph 3.5.1)**

- ❖ Injudicious selection of roadwork resulted in non-availing of Government of India funds and also defeated the intended objective of providing an alternate route to an important pilgrim town besides rendering an expenditure of ₹ 2.20 crore unfruitful.

**(Paragraph 3.5.2)**

- ❖ Non adherence to MORTH specification resulted in excess payment of ₹ 1.73 crore to contractors.

**(Paragraph 3.3.4)**

### **Scheme of Free Distribution of Milch Cows**

Government introduced the Scheme of free distribution of Milch Cows with the objective of giving a boost to milk productivity of the State and also empowering women in rural areas. Some of the audit observations are given below:

- Lack of transparency in selection of beneficiaries deprived needy eligible women of the benefits envisaged in the scheme.

**(Paragraph 3.1.3.1)**

- Deficiency in procurement mechanism resulted in procurement of poor quality cows and poor milk yield which impacted the objectives of improving economic status of poor women in rural areas and increasing milk productivity of the State.

**(Paragraph 3.1.3.2)**

- Poor post procurement management particularly in provision of fodder and insurance coverage impacted sustainability of the Scheme.

**(Paragraph 3.1.3.3)**

## **Functioning of State CAMPA**

Audit on functioning of State Compensatory Afforestation Fund Management and Planning Authority (State CAMPA) constituted for carrying out Afforestation works revealed following deficiencies:

- ✓ Funds of ₹ 6.20 crore received for Afforestation were utilised to the extent of 55 *per cent* only which included ineligible expenditure to the extent of ₹ 0.92 crore.

**(Paragraph 3.2.3)**

- ✓ Eighty five *per cent* of land received from user agencies for Compensatory Afforestation was yet to be declared as Reserved/Protected forest.
- ✓ Apart from 561 ha diverted for non-forest purposes, an extent of 346.53 ha of forest land was utilised by user agencies without prior concurrence of GOI.

**(Paragraph 3.2.7)**