

# CAG Report Summary

## Swadesh Darshan Scheme

- The Comptroller and Auditor General of India submitted its performance audit report on 'Swadesh Darshan Scheme', on August 9, 2023. The Ministry of Tourism launched the Swadesh Darshan Scheme in January 2015. Its objective was to develop tourism infrastructure in the country. The Ministry sanctioned 76 projects across 15 tourist circuits worth Rs 5,456 crore. These include: (i) the Himalayan circuit, (ii) the North East circuit, and (iii) the Coastal circuit.
- The report gives an overview of the performance of the scheme from 2015 to 2022. A sample of 14 projects from 13 states covering 10 tourist circuits were selected for examination. Key observations and recommendations include:
  - **Formulation of the scheme:** The report noted that the scheme was formulated without conducting any feasibility study. This resulted in a poor identification of sites and deficiencies in execution, such as delays and non-utilisation of funds. Moreover, the Ministry did not prepare a national or state level plan before launching the scheme. Detailed Perspective Plans (DPP) form the basis of selection of projects for which Detailed Project Reports (DPR) are made. Post-launch, DPPs were not prepared for 14 out of 15 circuits. The scheme overlapped with various other schemes in its scope. The Standing Finance Committee (SFC) had recommended that the Ministry form an umbrella scheme by merging schemes with overlapping objectives. The SFC is a committee of the Ministry chaired by the Secretary of the Administrative Ministry/Department with Joint Secretary and Financial Advisor from the concerned Ministry and representatives of NITI Aayog and Ministry of Finance as members. CAG recommended that the Ministry: (i) review current schemes to ensure that there is no overlap in the objectives, (ii) formulate long term development plans in sync with DPPs, and (iii) prescribe a timeline for feedback on proposals to ensure timely approvals.
  - **Expenditure without cabinet approval:** As per the Ministry of Finance, schemes with an outlay exceeding Rs 1,000 crore must be appraised by the Expenditure Finance Committee, the Minister in charge and by the Cabinet or Cabinet Committee. The Ministry launched the scheme with an outlay of Rs 500 crore. CAG noted that the Ministry sanctioned projects exceeding Rs 4,000 crore until 2016-17 without the appraisal of the Expenditure Finance Committee or the Cabinet, thus exceeding its mandate.
  - **Delay and incompleteness:** Out of the 76 projects sanctioned, no project was completed in time. The Ministry did not have any definite timeline for the approval or rejection of proposals submitted by state governments. Approvals were returned to states with delays ranging from one year to six years. In the selected 14 projects, there were deficiencies in DPRs such as infrastructure gap analysis, detailed estimates, and inclusion of sites without land. This led to delays and dropping of components. CAG recommended that the Ministry: (i) devise an institutional mechanism to coordinate with states and authorities for timely clearances, (ii) ensure states/UTs provide proper justification for deviations in work, and (iii) ensure state governments operate and maintain assets in a sustainable manner.
  - **Financial Management:** CAG noted that there were large variations between the budget estimates and the revised estimates for the scheme. This is indicative of inefficient budgeting and unrealistic estimations. Moreover, the expenditure was reduced at the revised estimates as compared to the budget estimates for five out of the eight years between 2014-15 and 2021-22. CAG recommended that the Ministry: (i) prepare realistic budget estimates after proper assessment of requirements, (ii) ensure timely submission of Utilisation Certificates with respect to funds released and (iii) take action to recover excess expenditure occurred.
  - **Monitoring and Impact Assessment:** The scheme guidelines provided for monitoring. However, there were only six meetings held in seven years. Due to irregular appointments of Programme Management Consultants, there were many halts such as delay in preparation of DPRs, capacity and skill development, and lack of financial assistance. CAG noted that it is important to conduct annual surveys to study measure the scheme's performance and impact. The surveys provide feedback to the Ministry on implementation gaps. However, the Ministry did not conduct any surveys. There were also instances of wrong data being presented on the scheme dashboard. CAG made recommendations including: (i) regular committee meetings, (ii) release of payment only after certification by Consultancy Monitoring Committee, and (iii) new mechanism to capture data to measure impact of the scheme.

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