

CHAPTER III

INTEGRATED AUDIT

Fisheries Department

3.1 Integrated Audit of Fisheries Department

Highlights

The main objective of the Fisheries Department is to develop and improve fish culture in the State as it is a potential income and employment generator and a source of low-cost animal protein. Integrated audit of the department revealed non-achievement of physical targets, substantial savings under plans and rush of expenditure in the last quarter of the year. Further, there were cases of parking of funds in bank accounts, shortfall in imparting training, non-monitoring of schemes, etc. Government owned Fish Seed Farms were not economically viable, expenditure on maintenance of the farms being seven times the value of the fish seed produced. Survival of fish seed was only 22 per cent against the norm of 30 per cent. Only 48 per cent of the water area in the farms was utilised.

Budget preparation by the department was not realistic. There were wide variations between budget provisions and expenditure. Cases of excess expenditure (38 to 48 per cent) in the last quarters of the years 2007-10 were observed.

(Paragraphs 3.1.7.1 and 3.1.7.2)

Working of six Government Fish Seed Farms was not economically viable as against the expenditure of ₹ 5.97 crore, fish seed worth only ₹ 0.87 crore was produced during 2006-10.

(Paragraph 3.1.8.3)

In three Government Fish Seed Farms, only 48 per cent of the available water area was utilized leading to less production of fish seed. Survival of fish seed was only 22 per cent, against the stipulated norm of 30 per cent fixed by the department.

(Paragraph 3.1.8.4)

Funds amounting to ₹ 61.18 lakh provided for development of new ponds and renovation of old ponds remained unutilized with the implementing agencies in savings bank accounts outside Government account for 12 to 24 months.

(Paragraph 3.1.8.6)

Shortfall in imparting training to staff and fish farmers was 13 per cent and 19 per cent respectively. No record to assess the impact of the training on fish farmers was maintained by the department.

(Paragraph 3.1.9.2)

Monitoring by the department was not effective. There was no internal audit system in place.

(Paragraphs 3.1.11.1 and 3.1.12)

3.1.1 Introduction

The main objective of the Fisheries Department is to develop and improve fish culture in the State as it is a potential income and employment generator and a source of low-cost animal protein. Water area coverage in the State had increased from 10,532 hectares in 2005-06 to 15,290 hectares in 2009-10 and the production of fish increased from 48,200 tonnes in 2005-06 to 88,130 tonnes in 2009-10.

The department is responsible for development of fish culture in the State. Its main objectives are:

- to manage and conserve the natural fisheries in rivers, canals, drains and other water bodies and to utilise unused agricultural land for fish farming;
- to utilise available village ponds and tanks for fish farming and to provide technical and financial assistance to fish farmers;
- to create a class of trained fish farmers and provide additional employment opportunities in rural areas of the State and
- to increase the production of quality fish seed of all species.

To fulfil the above objectives, the department implemented various State and Central Plan schemes (sharing basis) as detailed in *Appendix 3.1* and a *cent per cent* Centrally sponsored scheme i.e. Strengthening of Data Base and Information Networking for Fisheries Sector for development of fish culture in the State. One scheme namely Rashtriya Krishi Vikas Yojna of Agriculture Department was also implemented by the department.

3.1.2 Organisational set-up

The Commissioner and Secretary to the Government of Haryana, Fisheries Department is the administrative head at the Government level and is responsible for formulation of the policies and programmes of the department. The Director, Fisheries is the head of the Department and the Chief Controlling Officer. He is assisted by a Joint Director, two Deputy Directors at the headquarters level, four Deputy Directors at the division level and 21 District Fisheries Officers (DFO), one Fisheries Research Officer (FRO) and 10 Fisheries Farm Managers (FFM) in the field. There is an Aquaculture Research and Training Institute (ARTI) headed

by a Principal located at Hisar. Besides, 18 Fish Farmers Development Agencies, registered under the Societies Registration Act, were implementing the Fish Farmers Development Agency Scheme. The Organisational set-up is also given in the *Appendix 3.2*.

3.1.3 Audit objectives

The objectives of audit were to assess whether:

- planning for the various schemes was adequate;
- the financial management was effective and efficient;
- implementation of the various schemes by the department was effective and its objectives were achieved;
- the internal controls were adequate and the monitoring, internal audit and vigilance arrangements were effective.

3.1.4 Audit criteria

The audit criteria were as under:

- Guidelines of various schemes and instructions issued by Government from time to time;
- Annual Action Plans including targets fixed for various activities;
- Punjab Budget Manual/Punjab Financial Rules/Punjab Treasury Rules; and
- Procedure prescribed for monitoring at various levels.

3.1.5 Audit scope and methodology

Audit of the department for the period 2006-10 was conducted during October – December 2009. The audit sample was drawn from 38 Drawing and Disbursing Officers of the department. Records of the Director of Fisheries, the Principal, ARTI, the Deputy Director, Jyotisar, eight DFOs¹, and three FFMs² were selected for test check. Besides, some information was collected from FFMs located at Jhajjar, Karnal and Sampla to ascertain their performance.

An entry conference was held during October 2009, in which important issues regarding implementation of various schemes, audit objectives and audit criteria were discussed. A meeting was held with the Director in July 2010 wherein the audit findings were discussed with the department. An exit conference was held in November 2010 with the Financial Commissioner and Principal Secretary to Government of Haryana, Finance Department. The views of the department were taken into consideration while finalising the Report.

¹ Ambala, Faridabad, Gurgaon, Kaithal, Kurukshetra, Panipat, Sirsa and Yamunanagar.

² Damdama, Jyotisar and Tohana.

Audit findings

3.1.6 Planning

No survey was conducted and hence the total potential for fish culture was not ascertained.

The department planned its activities with reference to Five Year Plans (Tenth and Eleventh) for achievement of its goals and objectives. Annual programmes were prepared wherein targets for various activities were fixed and budget allocations sought from the Government. A Centrally sponsored scheme for Strengthening of Data Base and Information Networking for Fisheries Sector was implemented to compile statistics to frame development programmes for enhancing fish production. As against the budget provision of ₹ 61.20 lakh, an expenditure of ₹ 50.52 lakh was incurred for the implementation of the scheme during 2005-10. Under the scheme, survey of all the village ponds was to be conducted to ascertain the potential of enhancing fish production in the State. A target of surveying 6,759 village ponds for each year was fixed during 2005-09 for formulation of schemes and policies but no survey was conducted except coding of village ponds. In the absence of any survey, the total potential for fish culture could not be ascertained, as a result of which, comprehensive planning for development of village ponds for fish culture covering all the village ponds in the State was not done.

3.1.7 Financial management and budgetary control

The budget is an important tool for ensuring financial discipline. Monitoring the progress of expenditure against well formulated budget targets is an important management function. Poor budgetary control not only results in inefficient use of scarce financial resources but also hampers achievement of organisational objectives.

3.1.7.1 Budget provision and expenditure

As laid down in para 5.3 of the Punjab Budget Manual, the budget estimates of ordinary expenditure³ should be framed as accurately as possible. The year-wise budget provisions and expenditure for the period 2005-10 were as under:

Table 1: Budget provisions and expenditure

Year	Original budget provision	Final grant/ Appropriation	Actual expenditure	Saving (-)/Excess (+)
2005-06	14.04	12.76	12.81	(+) 0.05
2006-07	14.50	11.81	11.76	(-) 0.05
2007-08	16.61	14.75	14.50	(-) 0.25
2008-09	20.52	21.47	21.33	(-) 0.14
2009-10	27.44	23.82	24.17	(+) 0.35

(₹ in crore)

Figures for 2009-10 were provisional.

Source: Detailed Appropriation Accounts

³ Ordinary expenditure relate to such expenditure as is expected to be incurred during the year for normal working of the department with reference to existing sanctions.

The year-wise position of original budget provisions, final grants/appropriations and actual expenditure under the State Plan, the Central Plan scheme (sharing basis) and *cent per cent* Centrally sponsored schemes is given in **Appendix 3.3**.

It was observed that variations between the original budget provisions and the actual expenditure had to be re-appropriated at the end of the year. Thus, the original budget provisions were not made accurately. Shortfalls in expenditure with reference to the original budget provisions were mainly due to non/partial implementation of Centrally sponsored Plan schemes such as Strengthening of Post-Harvest Infrastructure, Information Technology, National Fisheries Development Board and Scheme for Fisheries Education, Training and Extension.

The Director stated (August 2010) that due to budget constraints of the Government of India (GOI), the schemes were either not sanctioned or partially sanctioned. Even for some on-going schemes, funds were not released by GOI. During the exit conference, the Director stated that expenditure during 2008-09 and 2009-10 under Non-Plan exceeded the original budget provision due to implementation of the recommendations of the Sixth Pay Commission.

3.1.7.2 Expenditure control

As per the provisions of four⁴ schemes, expenditure of the year was to be incurred uniformly in four quarters in the ratio of 20, 20, 30 and 30 from the first to the fourth quarter respectively. The details of quarter-wise expenditure on these schemes and the percentage of expenditure to total expenditure in each quarter are tabulated below:

Table 2: Details of quarter-wise percentage of expenditure of four schemes

Year	Total expenditure (₹ in lakh)	Percentage to total expenditure			
		First quarter	Second quarter	Third quarter	Fourth quarter
2005-06	430.74	13	26	32	29
2006-07	469.93	20	20	29	31
2007-08	342.23	14	14	24	48
2008-09	602.79	6	26	20	48
2009-10	677.30	22	12	28	38

There was rush of expenditure (38 to 48 per cent) in the last quarter of the year under four schemes.

Source: Data obtained from the department.

As is evident from the above table, the expenditure was not incurred as per the norms prescribed in the schemes and there was rush of expenditure in the last quarter of the years during 2007-10. The Director stated (August 2010) that there was rush of expenditure in the last quarters as execution of works of ponds was done during off-season of fishing. The reply is not acceptable as the rush of expenditure in last quarter was in contravention of scheme and financial rules. Further, during the exit conference in November 2010, it was stated that the department would improve in this regard in future.

3.1.7.3 Grants-in -aid of Central Plan Scheme

In order to develop fish culture in the State, the Government of India started a 'Fish Farmers Development Agencies Scheme', a Central Plan scheme on sharing

⁴ National Fish Seed Development Programme, Intensive Fisheries Development Programme, Agriculture Human Resources Development and Welfare of Scheduled Caste Families (Fisheries Sector).

Unspent funds of ₹ 57.81 lakh under FFDA scheme were deposited in State's receipt head.

basis with the State Government (75:25). Grants-in-aid of ₹ 1.62 crore were released to five⁵ Fish Farmers Development Agencies during 2006-09. The opening balance under the scheme was ₹ 57.03 lakh. Out of this, an amount of ₹ 1.17 crore was spent and an amount of ₹ 57.81 lakh was deposited back into the Government treasury under the receipt head '0405 Fisheries'. Deposit of funds in the State's receipt head was irregular. Proportionate funds of ₹ 43.36 lakh should have been refunded to GOI.

The Director stated (August 2010) that the amount of unspent balance was deposited in the State's receipt head in view of Government instructions issued in November 1988. The reply is not convincing, as the instructions issued were in contravention of the basic accounting principles according to which only taxes, fees and sale proceeds were to be deposited under the revenue head and unspent balances were to be accounted for as reductions in expenditure under the relevant expenditure heads. Further, it was stated during the exit conference in November 2010 that the instructions would be followed in future.

3.1.7.4 Sale of fish seed

As per the procedure in vogue, fish seed is to be sold to fish farmers through DFOs and FFMs. The sale proceeds of fish seed are deposited in the Government treasuries and copies of the treasury challan are required to be submitted to the concerned DFOs/FFMs from where the fish seed is obtained to ensure that the sale proceeds of fish seed are deposited in the Government account.

Non-deposit of ₹ 9.54 lakh as sale proceeds of fish seed in Government Account was noticed.

Scrutiny of records of three⁶ FFMs, revealed that fish seed worth ₹ 9.54 lakh was procured by six⁷ DFOs and two⁸ FFMs from these three FFMs for sale during 2005-10. However, the treasury challans showing deposit of sale proceeds of fish seed in the Government account had not been furnished to the concerned FFMs (March 2010). The Director stated (August 2010) that the accounts were under reconciliation.

3.1.7.5 Status of Utilisation Certificate

An amount of ₹ 12 lakh was drawn (March 2006) under the Centrally sponsored scheme 'Fisheries Education, Training and Extension' by the Director, Fisheries Department and the same was remitted to the Principal, ARTI, Hisar for conducting studies on different topics such as infrastructure and resource mapping proposal of Haryana Space Application Centre, Hisar, to conduct preliminary feasibility study on fish culture possibilities of 'magur' species in Haryana, fish bio-diversity in Haryana and survey, isolation and identification of bacterial and other pathogenic diseases in fresh water fishes in Haryana.

Utilisation certificates (42 per cent) were awaited.

It was observed that utilisation certificates (UCs) only for ₹ 7.01 lakh were furnished and UCs for the balance amount of ₹ 4.99 lakh were awaited (July 2010). The department had not monitored the utilisation of funds. The

⁵ Ambala, Gurgaon, Kaithal, Kurukshetra and Yamunanagar.

⁶ Jyotisar, Sampla and Tohana.

⁷ Bhiwani, Fatehabad, Hisar, Jind, Mewat and Rohtak.

⁸ Jyotisar and Sampla.

Director stated (August 2010) that study reports from the concerned agencies had been received and the same were being used for planning departmental activities. The status of unspent funds with the agencies had not been intimated.

3.1.8 Programme implementation

3.1.8.1 Achievement of targets

In order to achieve the objectives of any programme/scheme, it is essential to fix annual targets and watch the progress against those targets. It was observed that physical targets fixed during 2005-10 for four schemes were not achieved and the shortfalls ranged between 13 and 80 *per cent* as tabulated below:

Table 3: Physical targets and achievements during 2005-10

Sr. No.	Name of the scheme	Item	Unit	Targets	Achievements	Shortfall	Percentage in Shortfall
1.	Development of fisheries in water logged areas	Area under fish culture	Hectare	525	390	135	26
		Fish production	Tonne	2120	1520	600	28
		Development of new area	Hectare	150	101	49	33
2.	Utilisation of saline ground water for fish culture	Area under fish culture	Hectare	331	214	117	35
		Fish production	Tonne	1302	832	470	36
		Development of new area	Hectare	75	51	24	32
3.	Development of Fisheries in marshy areas	Area under fish culture	Hectare	200	174	26	13
		Fish production	Tonne	690	579	111	16
4.	National Fisheries Development Board	Renovation of pond	Hectare	410	86	324	79

Source: Monthly progress reports of the department.

Year-wise details of physical targets and achievements are given in *Appendix 3.4*.

The Director stated (August 2010) that the shortfalls in achievement of targets were due to variations in water areas, scant rainfall in the last 10 years, reduction in water-logged areas in the State, etc. However, during the exit conference in November 2010, it was assured that the department would meet the shortcomings.

3.1.8.2 Development of fisheries in running water

In order to conserve natural fisheries in running water and stock quality fish seed to have sustainable yield in an eco-friendly manner, the Government started a State Plan Scheme. Under the scheme, fish seed nurseries were to be established at selected places to rear fish fry⁹ into fingerlings¹⁰ and putting them into rivers/drains/canals etc. to conserve natural fisheries in running water. In addition to this, germ plasm was also to be developed at Government Fish Seed Farm, Dadapur (Yamunanagar) to develop quality fish species.

It was observed that neither were the fish nurseries established for rearing fish fry nor was any germ plasm developed at Dadapur (Yamunanagar). Thus, the objective of the scheme remained unachieved.

3.1.8.3 Government Fish Seed Farms

Supply of quality fish seed to fish farmers is the basic input for fish culture. With

⁹ Small fish of 25 mm size of 15 days old.

¹⁰ Two-three months old fish.

a view to providing fish seed to fish farmers, the department established 15 Government Fish Seed Farms (GFSF) (10 under the charge of Fisheries Farm Managers (FFMs) and five under the charge of DFOs).

After incurring expenditure of ₹ 5.97 crore on these farms during 2006-10, it was observed that fish seed valuing ₹ 87.44 lakh was produced by six¹¹ FFMs which was about seven times the value of the fish seed produced as per details given below:

Table 4: Targets and achievements of fish seed farms

Sr. No.	Name of the unit	Targets of fish seed production	Fish seed produced	Total expenditure	Value of fish seed produced
		(Fish seed in lakh)		(₹ in lakh)	
1.	Fish Farm Manager, Damdama	205.00	179.67	90.67	11.68
2.	Fish Farm Manager, Jyotisar	470.00	414.33	152.91	26.93
3.	Fish Farm Manager, Jhajjar	230.00	174.36	74.89	11.33
4.	Fish Farm Manager, Saidpura	225.00	218.84	114.16	14.22
5.	Fish Farm Manager, Sampla	275.00	237.55	67.76	15.44
6.	Fish Farm Manager, Tohana	180.00	120.60	96.88	7.84
Total		1,585.00	1,345.35	597.27	87.44

Source: Data obtained from department.

Government Fish Seed Farms were not economically viable.

The above table shows that the working expenditure of the Fish Seed Farms was very high in comparison to the fish seed production in these farms and thus, the working of the farms was not economically viable.

The Director, while admitting the fact, stated (August 2010) that the department was supplying good size of fish seed at subsidised rates to fish farmers and that the work of seed production was not commercial but to watch the interest of fish farmers. The reply was not convincing, as fish seed was also available in the market at the same rate at which Fish Seed Farms were selling the fish seed. Therefore, these types of activities should be economically viable. During the exit conference, it was further stated that steps would be taken to make the working of Government Fish Seed Farms viable.

3.1.8.4 Underutilisation of water area

Quality fish seed is the pre-requisite for successful fish farming. The department was using the technique of hypophysation¹² for production of fish seed. Under this technique, one crore spawns (eggs) could be produced in a year in an area of one hectare. The Director instructed the field officers from time to time to prepare nursery ponds on a scientific pattern to have at least 30 *per cent* survival rate of fish seed from spawn.

In three Government Fish Seed Farms, only 48 per cent of the available water area was utilised for production of fish seed.

It was noticed that in three Fish Seed Farms¹³, as against the total water area of 12.26 hectare, only 5.93 hectare (48 *per cent*) was utilised for the production of fish seed while 6.33 hectare (52 *per cent*) area remained unutilised during 2006-09. The department had not planned to utilise the entire available water area for fish seed

¹¹ Damdama, Jyotisar, Jhajjar, Saidpura, Sampla and Tohana.

¹² Planned spawning and production of fish fry.

¹³ Jyotisar, Jhajjar and Sampla.

production. Underutilisation of water area led to less production of 5.70 crore fish seed valuing ₹ 37.05¹⁴ lakh during 2006-09.

Against the norm of 30 per cent survival of fish seed, only 22 per cent fish seed survived.

Further, out of the total production of 2,715.80 lakh spawn, only 593.48 lakh (22 per cent) fish seed survived against the stipulated norm of 814.74 lakh (30 per cent of total spawn) fixed by the department resulting in less survival of 221.26 lakh fish seed valuing ₹ 14.38 lakh (at ₹ 6,500 per lakh fish seed). The survival of fish seed during 2006-09 was only 14 per cent in Government Fish Seed Farm, Mundri under DFO, Kaithal.

The Director attributed (August 2010) the underutilisation of the water area to water seepage in nurseries and the low survival of fish seed to fluctuation in temperatures during the rearing of spawn.

3.1.8.5 Expenditure on Ornamental Fish hatchery

An Ornamental Fish Hatchery was established (2006-07) under the Centrally Sponsored Scheme 'Development of Ornamental Fisheries' at Fish Seed Farm, Saidpura (Karnal) at a cost of ₹ 6.46 lakh. The objectives of the project were to demonstrate breeding and rearing of ornamental fish to train the educated youth for self-employment and for supply to the traders.

It was noticed that out of 3,260 brooders¹⁵ purchased from the market during 2006-10, only 879 (27 per cent) survived. An examination of the records revealed that the low survival of brooders was due to non-availability of trained staff and non-maintenance of the required temperature. Further, an expenditure of ₹ 2.80 lakh was incurred on the feed and about 0.36 lakh spawn of ornamental fish was produced during 2006-07. The proposal for fixing the rate was sent to the Government in February 2007 but their approval was awaited (March 2010). No fish fry was sold in the market due to non-fixation of sale rates. Further, no training was imparted to fish farmers for farming ornamental fish, though funds of ₹ 50,000 were provided for this purpose during 2008-09.

Non-maintenance of the required temperature rendered the expenditure on Ornamental Fish Hatchery unfruitful.

The FFM, Saidpura stated (April 2010) that the cisterns¹⁶ available for breeding were small in size, due to which the survival rate of spawn was less and that big size cisterns would be constructed shortly.

The Director, while admitting the facts, stated (August 2010) that this project of ornamental fish was taken up on an experimental basis and it was too early to conclude about the outcome of the project. The survival was less due to acclimatization of the brooder in the changing environment. He assured that the rates for sale of fish seed would be fixed by the Government within two months. Thus, due to improper planning, the benefits from the Ornamental Fish Hatchery could not be derived and the entire expenditure of ₹ 9.26 lakh remained unfruitful.

¹⁴ 190 lakh spawn x 3 year x Rs 6500 per lakh=37.05 lakh.

¹⁵ Adult male and female fish used for breeding.

¹⁶ An artificial reservoir or tank for holding water.

3.1.8.6 *Development of new ponds and renovation of old ponds*

Under various¹⁷ fisheries development schemes, there was a provision for excavation of new ponds on waste land and renovation of old ponds.

Funds of ₹ 61.18 lakh provided for development of new ponds and renovation of old ponds remained unspent.

In seven¹⁸ DFOs-cum-CEOs, FFDA and FFM, Jhajjar, funds amounting to ₹ 61.18¹⁹ lakh were drawn (March 2008 to March 2009) from the Government treasury for excavation of new ponds on waste land and renovation of old ponds but these were kept in savings bank accounts. No excavation work was taken up (March 2010) although a period of 12 to 24 month had already lapsed since drawal of funds. Drawing of funds in anticipation of requirement and keeping the same outside Government accounts is against the Financial Rules {Rules 2.10 (b) (5)} of the Punjab Financial Rules as adopted by Haryana.

The Director attributed (August 2010) the non-completion of works in time to enforcement of the code of conduct during the Parliament, State Assembly and Panchayat elections and disputes among local people. The reply is not convincing as the model code of conduct was in force only for 30 days in 2008-09 and 114 days in 2009-10 for the Lok Sabha and Vidhan Sabha elections and for short periods (34 to 48 days) for by-elections in some constituencies. Further, during the exit conference, it was stated that suitable action would be taken to complete the works.

3.1.8.7 *Non-completion of repair works*

Under the National Fish Seed Development Programme, funds amounting to ₹ 4.86 lakh were sanctioned (March 2007) for maintenance, repair and construction work at the Government Fish Seed Farm, Damdama.

Repair work of Fish Seed Farm, Damdama remained incomplete for 33 months.

An amount of ₹ 4.86 lakh was drawn (March 2007) by the Director from the treasury and was remitted to FFM, Damdama through bank transfer for construction of a water supply channel, repair of a rearing tank and residential and hatchery buildings. The work was allotted to a co-operative society. The society did not complete the work within the stipulated period and time extension was granted upto 27 August 2007. An amount of ₹ 1.43 lakh was paid (June 2007) to the society. No work was executed after June 2007 and the balance work of ₹ 3.43 lakh was not executed despite the lapse of 33 months (March 2010). An amount of ₹ 3.43 lakh was lying in the savings bank account but the amount was shown as expenditure in the Government account. Keeping of Government funds in a bank account was contrary to the Financial Rules. Besides the water supply channel remained unconstructed and the rearing tank and the residential and hatchery buildings remained unrepaired.

The Director stated (August 2010) that payment to the society was withheld because of poor performance. Thus, the work remained incomplete and the purpose of sanction of funds was not served.

¹⁷ Welfare of Scheduled Caste Families, Intensive Fisheries Development Programme, Development of Fisheries in running water and Rashtriya Krishi Vikas Yojana.

¹⁸ DFOs Ambala, Faridabad, Gurgaon, Kurukshetra, Kaithal, Sirsa and Yamuna Nagar

¹⁹ March 2008: Rs 10.70 lakh, December 2008: Rs 28.38 lakh and March 2009: Rs 22.10 lakh.

3.1.8.8 Reservation for SC beneficiaries in fish market

Shops in fish markets at Faridabad and Yamunanagar were not reserved for SC beneficiaries.

As per paragraph 5 of the Welfare of Scheduled Caste Families (Fisheries Sector) Scheme, 30 *per cent* of total shops constructed in the fish market were to be reserved for Scheduled Caste (SC) beneficiaries. Shops in the fish markets were rented out through auction by the Haryana State Agricultural Marketing Board (Board). Subsidy on rent for wholesale shops at the rate of ₹ 3,000 per month and for retail shops at the rate of ₹ 1,500 per month or 50 *per cent* of rent, whichever was less, was to be provided to the SC beneficiaries. Scrutiny of records of DFOs Faridabad and Yamunanagar revealed that out of the total of 61 shops, only 45 were rented out and 16 were lying vacant. However, no shop was reserved for SC beneficiaries. Further, the rent subsidy of ₹ three lakh allocated in 2007-08 remained unutilised.

The Director stated (August 2010) that the condition of reservation for SC beneficiaries was not included in the terms and conditions, while handing over the fish markets to the Board. Therefore, reservation of shops could not be made for them. The reply is not convincing as the auction of shops was held at different intervals by the Board. The department should have taken steps for reservation of shops for SC beneficiaries.

3.1.9. Human resource development

3.1.9.1 Shortage of staff

Field level functionaries comprising DFOs, Fisheries Officers and others play an important role in implementation of various schemes. It was observed that against 674 sanctioned posts in various categories, only 558 officers/officials were in position as on July 2010 (*Appendix 3.5*). The shortage was mainly in the field offices i.e, DFOs: seven, Fisheries Officer: 13, Farm Assistants: 5 and Others: 91.

3.1.9.2 Training

The main objective of ARTI, Hisar was to impart training to the departmental staff and fish farmers so as to acquaint them with the latest technologies of fish farming. The field staff of the department were to motivate the farmers to adopt fish culture. Training was to be imparted to the farmers interested in fish culture. The Institute incurred an expenditure of ₹ 34.81 lakh for imparting training during 2005-10.

Training to staff

The position of targets and achievements of imparting training to staff during this period was as under:

Table 5: Targets and achievement of training to staff

Year	Targets	Achievements	Shortfall
2005-06	230	295	(+) 65
2006-07	200	162	38
2007-08	200	160	40
2008-09	220	152	68
2009-10	100	60	40
Total	950	829	121

Source: Data provided by the department.

Shortfall in imparting training to staff was 13 *per cent*.

As is evident from the table 5, there was a shortfall of 13 *per cent* in imparting training to staff.

Training to farmers

The position of targets and achievements in respect of imparting training to fish farmers during this period was as under:

Table 6: Targets and achievement of training to farmers

Year	Targets	Achievements	Shortfall
2005-06	425	114	311
2006-07	840	651	189
2007-08	730	602	128
2008-09	900	816	84
2009-10	1170	1097	73
Total	4,065	3,280	785

Shortfall in imparting training to fish farmers was 19 per cent.

Source: Data provided by the department.

As seen from the above table, the shortfall in imparting training to fish farmers was 19 *per cent*. The Director stated (August 2010) that despite best efforts, the farmers did not turn up for training and assured that more efforts would be made to motivate the farmers for training.

Although 3,280 fish farmers were trained during 2005-10, data regarding the number of fish farmers who started their own business after obtaining training was not maintained. In the absence of this, the impact of the training on the farmers could not be ascertained. The Principal of ARTI stated (October 2009) that there were no instructions to maintain such data. However, at the exit conference, it was assured that proper data would be maintained to assess the impact of training.

Non-utilisation of computers

In the absence of a computer operator, seven computers purchased at a cost of ₹ 4.07 lakh remained idle.

To acquaint the staff with the latest developments in information technology, the Fisheries Department supplied (July 2001) seven computers costing ₹ 4.07 lakh to ARTI, Hisar. It was observed that computer training was not imparted to the staff in the institute.

Further, out of seven computers, four computers were damaged (July 2009) due to electric short circuit and the balance three were also lying idle since the date of purchase. The Principal, ARTI, Hisar stated (October 2009) that no trained computer operator was posted in the Institute for imparting training. As such, the expenditure of ₹ 4.07 lakh incurred on purchase of computers was unfruitful.

3.1.10 Delay in completion of deposit works

The Fisheries Department deposited ₹ 95.99 lakh with the Public Works Department (Buildings and Roads Branch) for the construction of a fish hatchery, sewage fed fish farm, Fish Seed Farm, etc. It was observed that the construction works had not been completed and there were delays of 24 to 68 months.

The details of deposit of funds and position of works as shown below:

Table 7: Details showing position of outstanding deposit works

Sr. No.	Name of the work	Month of deposit	Amount of deposit (₹ in lakh)	Number of months since the deposit of funds as on March 2010
1.	Construction of hatchery and boundary wall at Government Fish Seed Farm, Badkhal	September 2005	21.73	54
2.	Construction work of sewage fed fish farm at Guhla-Cheeka (Kaithal)	July 2004 July 2005 April 2008	21.04	68
3.	Construction of fresh water prawn seed hatchery at Government Fish Seed Farm, Sampla	March 2008	17.20	24
4.	Construction work of Government Fish Seed Farm, Ottu	April 2006	36.02	47
		Total	95.99	

Source: Data obtained from department.

The department had not pursued the completion of works with the Public Works Department on regular intervals.

The department admitted (August 2010) non-completion of work by PWD (B&R) due to diversion of sewerage water and non-construction of hatchery at Sampla due to closer of prawn culture scheme. However, it was assured during the exit conference that the works would be got completed shortly.

3.1.11 Internal control

Internal control provides reasonable assurance to the Management about the compliance of applicable rules and regulations. The internal control system in the department was inadequate in respect of expenditure, accounting of receipts on account of sale of fish seed, implementation of schemes, etc. as discussed in the foregoing paragraphs.

3.1.11.1 Monitoring and evaluation

The Director, Fisheries Department is responsible for reviewing the progress of the schemes at State level and the Deputy Directors are responsible for supervising the offices falling under the jurisdiction of their divisions. Monthly meetings are to be conducted at the division level to review the progress of different schemes.

It was observed that monitoring of various activities was being carried out at the Directorate level. Scrutiny of the records, however, revealed that the Deputy Director, Jyotisar had neither prescribed any returns to monitor the activities nor had maintained any records of his supervision and the monthly meetings by him. Monitoring work in the department was not effective as there were substantial shortfalls in achievement of targets under various Central schemes.

The Director stated (August 2010) that all the Deputy Directors had been directed to monitor the various activities through monthly meetings.

The impact of implementation of the schemes of the department was never evaluated through any external agency.

3.1.12 Internal audit and non-responsiveness to audit finding and observations

To improve the overall quality of work, reduce errors/omissions and irregularities, there should be an internal audit system in all the Government departments. It was observed that there was no Internal Audit System in the department.

The Director stated (August 2010) that a committee headed by a Deputy Director had been constituted to conduct the internal audit of the offices of the department.

After periodical inspections, the Principal Accountant General (Audit) issues Inspection Reports (IRs) to the heads of offices audited with copies to the next higher authorities. The executive is expected promptly rectify the defects and omissions pointed out and report compliance to the Principal Accountant General (Audit) within six weeks. A half-yearly report of IRs pending for more than six months is also sent to the concerned Administrative Secretary of the department to facilitate monitor and finalise audit observations in the pending IRs.

In the department, 114 Paragraphs of 39 IRs with money value of ₹ 25.07 crore (*Appendix 3.6*) remained outstanding at the end of March 2010. Of these, 16 paragraphs involving seven IRs were more than five years old. Category-wise details of irregularities pointed out through these IRs and which were outstanding as of March 2010 are given in *Appendix 3.7*.

The Director stated (August 2010) that instructions have been issued to all the field offices to submit the reply of pending audit paras.

3.1.13 Conclusion

The main objective of the department of developing fish culture in the State was achieved to some extent as fish production had increased by 55 *per cent* from 48,200 tonnes in 2005-06 to 88,130 tonnes in 2009-10. However, there were still deficiencies in many areas such as non-conducting of surveys of village ponds, lack of planning for achievement of physical targets as there were substantial savings under the Plan budget and rush of expenditure at the end of the various years. Working of Government Fish Seed Farms was not economically viable. Underutilisation of water areas in these farms, low survival of fish seed, parking of scheme funds in bank accounts, non-monitoring of implementation of schemes, non-existence of Internal Audit System, shortfall in imparting training, non-assessment of impact of training on fish farmers, etc. were the areas which indicated deficient working of the department.

3.1.14 Recommendations

- The department should conduct surveys of village ponds to assess the potential for fish culture.

- The department should make the working of Government Fish Seed Farms economically viable by utilising the available water areas and containing the fish mortality rate.
- Proper data to assess the impact of training on fish farmers should be maintained.
- An internal audit system should be put in place in the department.

These points were demi-officially referred to the Commissioner and Secretary to Government of Haryana, Fisheries Department in June 2010; reply had not been received (August 2010).

Chandigarh
Dated:

(Sushama V. Dabak)
Principal Accountant General (Audit),
Haryana

Countersigned

New Delhi
Dated:

(Vinod Rai)
Comptroller and Auditor General of India

