

## **PRESS BRIEF**

### **The Report of the Comptroller and Auditor General of India for the year ended March 2015 – No. 5 of 2016 – Economic Sector – Government of Tamil Nadu – Tabled in the Tamil Nadu State Legislature on 02 September 2016**

The Report includes an Introductory Chapter, Performance Audit on Implementation of National Agriculture Development Programme and Compliance Audit observations including Production improvement activities for inland fisheries and Human-Animal Conflict reduction measures of Forest Department noticed during audit of financial transactions in the Departments of Economic Sector.

#### **General**

The Report covers the functioning of 10 Departments of Economic Sector, with a total expenditure of ₹ 20,356.02 crore during 2014-15. A major portion of the expenditure was incurred by Highways and Minor Ports (30.73 *per cent*), Agriculture (25.78 *per cent*), Public Works (20.21 *per cent*) and Animal Husbandry, Dairying and Fisheries (8.38 *per cent*) Departments.

#### **Performance Audit on Implementation of National Agriculture Development Programme**

National Agriculture Development Programme, a Centrally Sponsored scheme, aimed at four *per cent* annual growth in the agricultural sector during the XI Five Year Plan period (2007-12) by ensuring holistic development of agriculture and allied sectors. Government of India assistance for the programme depended on the funds allocated in the State Plan and expenditure incurred by the State Government for agriculture and allied sectors. The programme envisaged implementation of projects through various Departments of Government and the primary responsibility of identification, selection and implementation of projects vested with the State Government. The State achieved growth rate of more than four *per cent* during 2010-15, except during 2012-13, which witnessed negative growth.

- Agriculture Department failed to prepare agricultural plan for the XII Five Year Plan period to ensure the selection of projects based on agro-climatic conditions and natural resources in the districts and implemented nine projects with an expenditure of ₹ 40.90 crore against the stipulations of State Level Sanctioning Committee. Shelf of projects was not prepared, on the basis of inputs from the districts for prioritisation of projects, resulting in dropping of some sanctioned projects.

- Government of Tamil Nadu failed to utilise Government of India grant of ₹ 36.62 crore during 2010-15 for implementation of projects in agriculture and allied sectors. Imprudent financial management resulted in blocking of funds of ₹ 86.26 crore in Personal Deposit/Savings bank accounts. Scheme funds of ₹ 45.06 crore were diverted for implementation of awareness programme, despite availability of funds under Agricultural Technology Management Agency.
- Sanction of projects without definite timelines, incorrect site selection, failure to ascertain measurable output and delay in completion of projects resulted in avoidable and unfruitful expenditure of ₹ 25.25 crore, besides non-achievement of envisaged objectives of the projects.
- Lack of third party evaluation of the sanctioned projects and deficiencies in the web based monitoring of the programme indicated weak internal control.

### **Compliance Audit**

#### ***Production improvement activities for inland fisheries***

Audit on Production improvement activities for inland fisheries by the Fisheries Department brought out the following observations:

- Fixation of targets for production of early fry and improper selection of sites for the fish seed rearing ponds indicated inadequate planning.
- Funds allotted for the schemes were under-utilised to an extent of 18 *per cent* of sanction and 20 *per cent* of the booked expenditure remained unspent.
- Actual fish seed production and exploitation of fish did not meet the expected production and productivity, despite enhancement of farm areas.
- Failure to identify suitable locations for cage culture resulted in non-achievement of desired production of fish by farmers, despite availability of Government of India grants.

#### **Human-Animal Conflict reduction measures of Forest Department**

Audit on Human-Animal Conflict reduction measures of Forest Department revealed the following deficiencies:

- Delay in framing of State Forest Policy and notifying the identified corridors indicated absence of proper planning to mitigate the conflict.
- There were insufficient allocations for certain mitigation measures and the Forest Department failed to fully utilise the funds.
- Inadequate creation of physical barriers, absence of periodical maintenance of the created barriers, failure to remove the invasive species and to meet fodder and water requirement of wild animals, led to increased conflict cases and loss of wild animals.

- Large scale vacancies in the frontline staff and non-conducting of periodical meetings of State Board for Wildlife also had an adverse impact.

**Audit of transactions of various Departments of Government and field offices revealed unfruitful expenditure, avoidable expenditure and blocking of funds.**

- Failure to ensure the availability of funds, before the commencement of Night Safari project, had resulted in unfruitful expenditure of ₹ 6.42 crore.

**(Paragraph 3.3.1)**

- Incorrect foreclosure of work resulted in avoidable expenditure of ₹ 1.95 crore, besides additional expenditure of ₹ 4.00 crore due to non-enforcement of defect liability clause and blocking of funds of ₹ 3.86 crore on account of non-utilisation of acquired land.

**(Paragraph 3.4.1)**

- Formation of bund embankment in Middle Paravanar River utilising excess quantity of earth resulted in avoidable expenditure of ₹ 3.48 crore.

**(Paragraph 3.4.2)**

- Execution of improvement works in violation of Thirteenth Finance Commission recommendations resulted in irregular utilisation of Government of India grants, besides avoidable expenditure of ₹ 1.18 crore due to non-adherence to Departmental instructions.

**(Paragraph 3.4.4)**

- Commencement of work in respect of two bridges prior to acquisition of land, resulted in blocking of funds of ₹ 11.92 crore, besides non-achievement of envisaged objectives.

**(Paragraph 3.5.1)**