



PRINCIPAL DIRECTOR OF AUDIT (CENTRAL), HYDERABAD



Date: 09 Dec 2022

To,

- 1 The Secretary, Department of Animal Husbandry, Dairying & Fisheries, Ministry of Agriculture & Farmers Welfare, Krishi Bhavan, PUSA, Dr. Rajendra Prasad Road, New Delhi-110 001
- 2 The Chief Executive, National Fisheries Development Board, Pillar No.235, PVNR Express Highway, SVPNPA Post, Hyderabad- 500 052.

Subject: Inspection Report in respect of Office of the Chief Executive, National Fisheries Development Board, Rajendranagar, Hyderabad, for the year 2022-23

Sir/Madam,

I forward herewith the Inspection Report in respect of **Office of the Chief Executive, National Fisheries Development Board, Rajendranagar, Hyderabad, for the year 2022-23**, with a request to furnish replies to paras with the comments of Ministry/ Head Office concerned within one month from the date of receipt of this Report.

Receipt of the Report may please be acknowledged by email.

Yours faithfully,

Encls: As above

CH V SAI PRASAD  
Director

Copy to:-

- 1 Director, CEA Section
- 2 SAO/CEA
- 3 AAO/CEA



# **Inspection Report on the audit of office of the Chief Executive, National Fisheries Development Board (NFDB), Hyderabad, for the year 2022-23**

**Dates of Audit: 17.10.2022 to 07.11.2022 (15 working days)**

## **PART-I**

### **A Introduction**

The National Fisheries Development Board (NFDB), was established in 2006 as an Autonomous Organization under the administrative control of the Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying, Government to enhance fish production and productivity in the country and to coordinated fishery development in an integrated and holistic manner.

**(i) Scope of Audit:** The Accounts of the NFDB for the year 2020-21 was last audited in the month of 12/2021. During the present audit the accounts for the year 2021-22 were generally examined and a test-check conducted including nominal and number audit under Section 14 of CAG's (DPC) Act, 1971.

*Disclaimer: This report has been prepared on the basis of information furnished and documents/records made available by the audited entity. The office of the Principal Director of Audit (Central), Hyderabad disclaims any responsibility for any misinformation/non information on the part of the audited entity.*

**(ii) General Setup and activities:** The National Fisheries Development Board (NFDB), was established in 2006 as an Autonomous Organization under the administrative control of Government of India, Ministry of Fisheries, Animal Husbandry and Dairying, The Department of Fisheries, to enhance fish production and productivity in the country and to coordinate fishery development in an integrated and holistic manner. The Board has been set up with the objective of providing scientific, managerial and financial support to the states to develop infrastructure in the fisheries sector and to assist farmers, and to entrepreneurs. The Board is serving as a Nodal Agency for development of fisheries and aquaculture in the country. The Executive Committee oversees the Administration of the Board. The day to day administration of the Board is looked after by the Chief Executive who is assisted by Senior Executive Directors and other Executive Directors.

**(iii) Personnel:** The following officials held the charge of the post of Chief Executive, of the Board since last audit to during the period of accounts covered in audit and onwards.

Sl No.	Name of the Head of the office	Period	
		From	To
1.	Dr. C Suvarna, IFS	20.06.2020	till date

**(iv) Budgetary Position:** The following is the budgetary position of the National Fisheries Development Board, office Hyderabad.

**(Rs in crore)**

Year	Actual Budget allocation	Actual Expenditure	Excess(+)/Savings (-)
2021-22	85.39	55.21	(-) 30.18

**B.Outstanding paras of previous Inspection reports: The status of outstanding paras is as follows :**

Year	Outstanding Paras
2012-13	IV,VII(A,B),IX,XIII
2013-14	II,III,VII,VIII,IX,XIII
2015-16	I,II,III,IV,V,VI,VII
2017-18	II,IV,V,VI,VII,IX,XIII
2018-19	II,III,IV,V,VI,VII,VIII, IX,X,XI
2019-20	II,III
2020-21	I,II,III,V,VI,VII,VIII,IX,X,XI,XIII,XV,XVI

**C. PERSISTENT IRREGULARITIES: As per report**

#### **PART-II**

**A) MAJOR IRREGULARITIES : NIL**

**B) OTHER IRREGULARITIES : Vide Report**

#### **PART-III**

**TEST AUDIT NOTES : NIL**

**PART-II-(B)**

**1. Blockage of funds to the tune of Rs.155.20 lakh**

NFDB had released (2008-09), an amount of Rs.155.20 lakh to M/s Sasoondock Matsya Sahakari Society Limited, towards equity participation (as 20% share capital) for the installation of IQF Machinery with the total cost of Rs.776.00 lakh, based on the proposal from Govt. of Maharashtra for establishing a Seafood Processing Plant, under the scheme "Infrastructure for Post harvest processing".

From the correspondance made by NFDB with M/s.Sasoondock Matsya Sahakari Society Limited (the Society), audit noticed that -

- No dividend was declared by the society in the year 2009-10, and a dividend @ 3% was declared for the year 2010-11 and an amount of Rs.4,65,600 was paid as dividend to NFDB in the year 2013 after repeated reminders.
- As no dividend was declared after 2010-11, the Executive Director of NFDB requested (2019) the Society to return the equity amount of Rs.155.20 lakh to NFDB in a meeting convened with Principl Secreatry (ADF), State of Maharashtra and the Society. The Principal Secretary ordered the Society to return the equity amount to NFDB in 10 instalments within two years ie., before March, 2021.
- Even after a lapse of more than 2 years, the Society did not return the Equity amount of Rs.155.20 lakh to NFDB.

When action taken to recover the amount from M/s.Sasoondock Matsya Sahakari Society Limited, was called for, NFDB stated that letters were addressed (21.01.2021, 22.06.2021, 15.11.2021 and 01.03.2022) to the Principl Secreatry (ADF), State of Maharashtra, to intervene and issue directions to M/s.Sasoondock Matsya Sahakari Society Limited, to refund the amount. Inspite of repeated correspondance, NFDB could not recover the amount of Rs.155.20 lakh released to M/s.Sasoondock Matsya Sahakari Society Limited and the investment made in the year 2008-09 remained unfruitful with consequent blockage of funds of Rs.155.20 lakh.

Further progress made in this regard may be intimated to Audit.

**2. Certain observations on establishment of Aquaculture Knowledge Park at Moolapolam, Srikakulam district**

NFDB acquired 99.185 acres of land in Mulapolam village, Sompeta Mandal, Srikakulam district for establishment of Aquaculture Knowledge Park covering various hatcheries of fin fish, shell fish and fish/shrimp culture units. NFDB requested (14.09.2020) Tehsildar, Sompeta Mandal to arrange for survey and demarcation of the area already acquired by NFDB so as to construct water inlet and outlet channels.

As per minutes of the Meeting (Video Conference on 23.09.2020) on Development of Mulapolam site, NFDB should develop the land on its own for the project proposal of Aqua Knowledge Park without involvement of MPEDA and should utilize the land without wasting. Accordingly, the Executive Director (Tech) addressed District Forest Officer (13.10.2020) requesting to issue necessary permission to NFDB for taking up the sea water inlet pipeline activity through forest land in order to enable NFDB to take up Fisheries activities at the site.

In order to establish this site as a Centre for Coastal Aquaculture and the site being ideal for brack water aquaculture activities NFDB had requested CE, CPWD (13.10.2020 & 16.10.2020) to take up the work in a phased manner., as the development of infrastructure<sup>1</sup> would bring livelihood opportunities to local youth/farmers, which would lead to the holistic development of fisheries sector in the region. CPWD vide its letter dated 15.10.2020 rejected the proposal as site was located in a remote place and there was no establishment of CPWD at Srikakulam to handle the work. NFDB again requested CPWD to take up the preliminary soil investigations and prepare the required cost estimates and necessary proposals as the Coastal Aquaculture Authority had accorded permission to proceed with the development of all the infrastructure envisaged for the project and Principal Chief Conservator of Forests ( PCCF), Guntur had permitted to take up the DGPS survey.

Work order for the preparation of DPR for the project “NFDB Centre for Coastal Aquaculture at Mulapolam for an estimated cost of Rs.8.00 crore was given to M/s.Kula Aqua Consultant Pvt. Limited, Chennai on 11.01.2021 with a stipulated time of 5 weeks from the date of award of the work. The acceptance was given on 17.01.2021.

CE, CPWD furnished a Preliminary cum Detailed Estimate for an amount Rs.15,52,84,000 including 3% contingencies for the Development of Aquaculture Infrastructure including office building for NFDB at Mulapolam. The Administrative Approval and sanction of Rs.15,52,84,000 was accorded on 29.03.2021 with a time frame of 16 months (4 months for planning and 12 months for execution) for completion of project.

Audit noticed the following on the execution of work relating to establishment of Aquaculture Knowledge Park :

- As of 3.06.2021, CPWD had not initiated the tendering process as the consultant had not submitted the updated Bill of Quantities (BOQs). The work awarded to M/s.Kula Aqua Consultants was finally completed in 17.07.2021 (ie.,6 months from the date of award of the work, the stipulated time for completion being 5 weeks).
- The Detailed Estimate of the Project including office building was forwarded by CPWD on 30.07.2021 with 360 days as stipulated time for completion of work. The total Estimated cost of the project including 3% Contingencies and Contractor Profit of 15% was worked out to Rs.11,50,38,899 (Rs.2,04,56,181 towards Estimated cost of office building and 9,45,82,718 towards Estimated cost of other Infrastructure components).

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<sup>1</sup> Like sea water intake system with sea water storage reservoir, nursery ponds, culture ponds, internal roads, drains with culverts wherever necessary, Electricity arrangements with Gen set, Fresh water supply arrangements with Over Head Tank and Office building.

- The land was acquired in 2011-12 and status of the work of CPWD is still under progress. The total expenditure incurred by CPWD as on October, 2022 is Rs.6,05,70,885 (Rs.1,02,54,329 as of March, 2022).
- The time frame for completion of Project by CPWD is 16 months (4 months for planning and 12 months for execution) from the date of deposit of funds by NFDB. The first instalment for Rs,7,76,42,000 was released to CPWD by NFDB on 29.03.2021 and an amount of Rs.4,65,85,200 was released as second instalment on 1.03.2022. The project should have been completed by 29.07.2022 as per schedule. However, as of March 2022, only 6 percent of the work was completed and as on October 2022, 39 percent of the work was completed
- Target date of completion of the project was indicted as 15.03.2023 in Form 65.

Due to slow progress of work, the objective of NFDB to enhance fish production & productivity and to strengthen the knowledge base of the stakeholders with quality and traceability compliance could not be achieved.

The reasons for slow progress of work and orders of competent authority extending the time frame for completion of the work may be furnished to Audit.

### **3 Certain observations on implementation of Fisheries and Aquaculture Infrastructure Development Fund (FIDF) Scheme**

#### **A) Lapse of Funds in Non-starter projects**

As per the guidelines of Fisheries and Aquaculture Infrastructure Development Fund (FIDF), a project would be considered as non- starter, if no drawals were made within six months from the date of sanction by Nodal Loaning Entities (NLE). Further, the sanction would lapse if the eligible Entities (EEs), fail to ground the project within a period of 12 months, from the date of sanction by NLE. Being a Nodal Implementing Agency(NIA), NFDB should undertake Desk & Field monitoring, and identify critical issues and bottlenecks, such as, non-starter projects, slow progressing projects, geographical distribution of projects, compilation of project-wise progress report, outcomes etc., NIA should design a monitoring mechanism, if any required, and place it before the Central Approval and Monitoring Committee(CAMC)/Central Apex Committee(CAC) for approval.

It was noticed from the records furnished to audit that the 17 Eligible Entities (Annexure-A) have been sanctioned loan amount of Rs.809.15 crore under FIDF for various approved projects from NLEs. However, no amount was drawn by EEs even after completion of six months / twelve months from the date of sanction. It was observed that in respect of five EEs, the

amounts were not drawn even after completion of 12 months, resulting in lapse of funds to the tune of Rs.164.88 crore.

On being the monitoring mechanism designed by NFDB and action taken on non-starter projects were called for, NFDB stated that the projects were being monitored by obtaining Quarterly Progress Reports, field visits, conducting State Level Bankers Committee meeting, Webinars/Workshops with NLEs etc. Action taken in respect of the non-starter projects was not stated.

The fact remains that due to non-drawal of funds the purpose for which the amounts were sanctioned was not achieved.

#### **B) Release of loan amount without ensuring legal validity of lease Agreement**

Under the FIDF Scheme, the Department of Fisheries provides interest subvention up to 3% per annum for providing the concessional finance by the Nodal Loaning Entities (NLEs) at the interest rate not lower than 5% per annum. Loan lending period under FIDF is five years from 2018-19 to 2022-23 and maximum repayment period of 12 years inclusive of moratorium of 2 years on repayment of principal.

The project proponents (EEs) are required to acquire necessary land and water bodies (in case of non-availability of land with them) at their own cost and complete all processes associated with land acquisition, before submission of the proposal for concessional finance under the FIDF. *The projects having land and water bodies on long term lease may also be considered for financing under FIDF. However, the lease period/ agreement should be of sufficient duration to secure the loan.* In case of lease, requisite No Objection Certificate from the competent authority for mortgage to NLEs may be obtained. As per the guidelines, unit cost is fixed at Rs.7.00 lakh per Hectare in respect of Development of Aquaculture.

It was observed that a private entrepreneur, Mr.Chethi Swarup, S/o Dharmiah, submitted a proposal for “ Establishment of Fish Seed Hatchery and Rearing Farms” in 40 Hectares of land (Own land-20 Hectares and Leased land- 20 Hectares) in Passigaon village of Kumaram Bheem Asifabad District under FIDF Scheme.

The proposal was accepted and an amount of Rs.234.17 lakh (80%) which is eligible for interest subvention under FIDF Scheme is sanctioned by NABARD on 13.10.2021. Accordingly, an amount of Rs.6.00 lakh was disbursed. Further scrutiny revealed that the lease agreement for leased land of 20 Hectares which was submitted along with proposals was not registered. Any lease agreement for which tenancy period mentioned was more than 12 months would be null and void if it is not registered. As such, releasing the loan amount of Rs. 140.00 lakh (7 lakh \* 20 Hectares) was not in order.

On this being pointed out NFDB stated that the approved proposals were being sent to the NLEs for considering for sanction of loans. The lending decision would be left to NLEs as per their policy and regulatory guidelines.

The reply is not acceptable as NFDB being a Nodal Implementing Agency has to scrutinize, evaluate and appraise the proposals submitted by the Eligible Entities. As per the guidelines of FIDF “ Beneficiaries have to provide documentary evidence of availability of requisite land (either own or registered lease) while submitting the project proposal to NFDB. In case of lease

land, the registered lease document has to be included in the Detailed Project Report/Self contained proposal.

#### **4 Certain observations on implementation of Group Accident Insurance Scheme**

As a part of Pradhan Mantri Matsya Sampada Yojana (PMMSY), a Group Accident Insurance Scheme (GAIS) is being offered under beneficiary oriented centrally sponsored scheme which offers insurance coverage to all the Fishers of the country. NFDB is the nodal agency for implementing GAIS under PMMSY through M/s.Oriental Insurance Company.

The total premium amount per fisher per annum is Rs.72.44 which is to be shared at 60:40 ratio between the Central Government and State Government, 90:10 ratio between the Central Government and North Eastern and Himalayan States and 100% Central Govt. share for UTs.

For implementing the said scheme NFDB established an Insurance cell which comprises of officials from NFDB, representatives from insurance intermediary and insurance company, which monitors the scheme and coordinates with State/UT fisheries department and Insurance company for settlement of Insurance claims.

The timeline for settlement of the claims was as follows:

- Claim Intimations to be intimated to Board within 90 days from the date of accident.
- Claim documents are to be submitted to the Insurance Company within 180 days from the date of the accident.
- Insurance cell shares Claim intimations to the Insurance company within 3 working days
- State/District Fisheries officials will send any received claim Intimations to the Insurance cell within 7 working days.

The PMMSY GAIS claim status as on 31.03.2022 was as follows:

No. of claims reported from States/ UTs	No. of proposals forwarded by OICL by Insurance cell	No. of claims settled	Claim amount paid	No. of claims denied	No. of claims closed after forwarding the proposal	Pending for settlement by M/s.OICL	Documents not received from States/ UTs
230	67	28	1352500	33	2	36	133

Out of 230 claims received as of 31.03.2022, only 28 claims were settled and the balance 202 claims were pending at various stages. Further, out of 202 pending claims as on 31.03.2022, 18 claims (pertaining to Telangana: 12 claims, Tamil Nadu 5 claims and Andaman & Nicobar Islands:1 claim) were more than six months old.

When the reasons for delay in finalisation of claims were called for, NFDB stated that the delay in finalization was due to delay in getting legal heir certificate/ family member certificate from the concerned departments.

The main objective of the scheme is to protect the fishermen /families of fishermen against losses from specific contingencies or perils. As such, if feasible, basic documents like Legal heir certificate / Family member certificate, Aadhar Card, Bank details etc., needs to be collected while enrolling the fishermen in the scheme. As a separate cell was established to implement the scheme, effective measures may be taken to settle the claims at the earliest.



Action taken in this regard may be intimated to Audit.

## **5 Certain observations on implementation of Pradhan Mantri Matsya Sampada Yojana**

### **A) Training, Awareness, Exposure and Capacity Building programmes under PMMSY**

Pradhan Mantri Matsya Sampada Yojana, (PMMSY) aims to address critical gaps in fish production and productivity, quality, technology, post-harvest infrastructure and thereby, modernize and strengthen the fisheries value chain, establish a robust fisheries management framework and secure fishers welfare. PMMSY also aims to empower youth and women through capacity building, innovation and entrepreneurship. PMMSY lays special focus on Training, skill development, skill upgradation and capacity building through trainings, awareness building programmes and exposure visits to stakeholders especially fishers, fish farmers, fish workers, fish vendors, entrepreneurs, Sagar Mitras, fisheries Department & allied Department officials & staff, Cooperatives, FFPO (Fish Farmer Producer Organization) members etc.

National Fisheries Development Board (NFDB) being the principal arm of Department of Fisheries, Government of India functions as National Nodal Agency and Implementing Agency for Training, Awareness, Exposure and Capacity Building including Skill development /upgradation Activities under PMMSY. NFDB also collaborates with various other training implementation partners to achieve the overall objectives of PMMSY.

During Audit, the following shortcomings were noticed in implementing the programmes:

(i) It was observed from the records relating to Training, awareness, Exposure and Capacity building programmes that, during the period 2021-22 the target was fixed at 485 programmes which included various training programmes covering a total of 37210 participants with a total outlay of Rs.3.00 crore. However, only an amount of Rs. 1.79 crore was released (1<sup>st</sup> instalment of Rs.1.05crore (+) 2<sup>nd</sup> instalment of Rs.0.74 crore) out of sanctioned amount of Rs.2.08 crore to the implementing agencies which covered 15885 participants under 202 programmes leaving a balance of Rs.0.92 crore, unutilized and 21325 participants untrained.

On this being pointed out, it was replied that necessary follow up would be done with all the Implementing agencies for completion of the sanctioned programs and submission of the UCs in prescribed formats along with the detailed progress reports, so that the target set for 2021-22 would be achieved.

(ii) As per action plan 2021-22, a total of 55 state departments/institutes were selected for conducting the training programmes under PMMSY schemes. Out of these, NFDB did not release funds to two state departments, namely Director of Fisheries, Goa and Arunachal Pradesh though the amount of Rs.2,99,500 and Rs.25,000 were sanctioned for covering 10 and 1 programmes respectively during the year 2021-22.

When the reasons for non- release of funds to the States of Goa and Arunachal Pradesh was called for, it was replied that the bank account details furnished by the States had not been mapped with NFDB account details in PFMS. The same would be followed up with them for mapping in PFMS and release of funds.

(iii) On approval of the project/proposal, the admissible central financial assistance under the PMMSY would be released normally in two instalments. After the release of first instalment, proposals for subsequent release of Central share would be considered on submission of the Utilization of the released funds for the purpose for which it was released and submission of its Utilization Certificate (UC).

It was observed that NFDB released a total of Rs.2.08 crore for Training, Awareness, Exposure and Capacity Building including Skill development/upgradation activities under PMMSY. Out of the total funds, an amount of Rs.1.05 crore was released as 1<sup>st</sup> instalment for 53 implementing agencies. However, as of now, UCs were received only for an amount of Rs.0.50 crore from 24 implementing agencies.

Further, it was observed from the records that the 2<sup>nd</sup> instalment funds were released without obtaining the Utilisation certificates of 1<sup>st</sup> instalment funds in respect of the following states in contrary to the guidelines.

Sl.No.	Name of the State	Name of the State / Institute	Funds released (Rs.)	
			1 <sup>st</sup> instalment	2 <sup>nd</sup> instalment
1	Tamilnadu	CAS IN MARINE BIOLOGY Faculty Of Marine Sciences, Annamalai University	159500	159500
2	Andhra Pradesh	SMVCR Fisheries Polytechnic, SVVU, Bhavadevarapalli	159500	159500
3	West Bengal	ICAR-CIFRI, West Bengal	124750	124750
4	Assam	NERC-NFDB, Guwahati, Assam - ToT	30000	27000

It was replied that necessary follow up would be done by communicating with the implementing agencies for submission of the UCs and details of utilisation of 1<sup>st</sup> instalment amounts.

#### **B) Non achievement of Targets under Training, Awareness, Exposure and Capacity Building ( SCSP\_PMMSY)**

(i) It was observed from the records relating to Training, awareness, Exposure and Capacity building programmes under taken under SCSP, that during the period 2021-22, the target was fixed at 584 programmes which included varous training programmes/ Workshops/Conferences covering a total of 30785 participants with a total outlay of Rs.6.32 crore.

Audit observed that an amount of Rs.5.93 crore was released to the implementing agencies which organised 367 programmes covering 17278 against target of 584 programmes covering 30785 participants.

(ii) It was observed that though an amount of Rs.79.1 lakh was released to the following agencies during 2021-22, no training programmes were initiated/started. In respect of agencies at Sl.No.1,2,3 the 2<sup>nd</sup> instalment amount was also released without obtaining the Utilisation Certificates for the first instalment releases which was in contrary to the guidelines.

Sl.No	Nam of the Implementing Agency	No of programmes sanctioned	Total no of participants	Amount Released in lakhs		
				1 <sup>st</sup> Instalment	2 <sup>nd</sup> Instalment	Total
1	Commissioner of Fisheries(CoF), Telangana	22	615	12.375	12.375	24.75
2	Commissioner of Fisheries(CoF), Andhra Pradesh	30	1300	13.425	13.425	26.85
3	Directorate of fisheries, Karnataka	24	2200	7.5	7.5	15.00
4	Krishi Vigyan Kendra(KVK), South Tripura	5	250	2.5	-	2.5
5	The National Federation of Fishers Cooperatives Ltd. (FISHCOPFED), New Delhi	40	4000	10	-	10
	Total	121	8365	45.8	33.3	79.1

On these being pointed NFDB stated that the observations made by audit were noted and would take due care and follow up with the Implementing Agencies for getting the pending UCs and Detailed Progress Reports.

## **6 Non-reimbursement of expenditure incurred**

### **A) expenditure incurred towards hosting of FAO Sub Committee Meetings held in 2012-13**

During scrutiny of annual accounts of NFDB for the year 2021-22, it was observed that based on the instructions of the Government of India, Ministry of Agriculture, Department of Animal Husbandry, Dairying & Fisheries vide letter dated 29.11.2011 NFDB had expended an amount of Rs.82,09,215 for all necessary arrangements in respect of the 13<sup>th</sup> Session of Food and Agriculture Organisation (FAO) Committee on Fisheries (COFI) Sub Committee on Fish Trade during 20-24 February 2012 at Novotel-Hyderabad International Convention Centre(HICC), Near Hitec City, Hyderabad. However, the same was not reimbursed till date.

**B) expenditure incurred towards hosting Asia Pacific Fishery Commission meeting held in 2014**

During scrutiny of annual accounts of NFDB for the year 2021-22, it was observed that the Ministry of Agriculture, GOI, Department of Animal Husbandry, Dairying & Fisheries vide letter dated 24.12.2013 authorized NFDB to transfer the funds to M/s.Cyberabad Convention Centre Private Limited, Novatel & HICC Complex Hyderabad to arrange the requisite facilities for the 33<sup>rd</sup> Session of Asia Pacific Fishery Commission and 5<sup>th</sup> Regional Consultative Forum Meeting held at Hyderabad during 19-25 June, 2014.

After the meeting, NFDB vide letter dated 12.12.2014 had requested the Ministry of Agriculture to reimburse an amount of Rs.24,09,679 being the expenditure incurred towards the meeting duly enclosing the original bills and vouchers. However, no reimbursement of expenditure was made by the Ministry till date.

On being pointed out, it was replied that the matter would be taken up in upcoming EC Meeting for early resolution.

Action taken in this regard may be intimated to audit.

**7 Non adjustment of Tour Advances -Rs.1.35 lakh**

As per Rule 290 of General Financial Rules(GFRs) 2017 read with OM No. 19030/1/2017-E. IV dated 13.03.2018, issued by Department of Expenditure, Ministry of Finance, time-limit for submission of claim for Travelling Allowance (TA) is sixty days from succeeding the date of completion of the journey. As per rule 51 of Compendium of Advances to GFR the amount of advance granted under this section shall be adjusted within 15 days from the completion of tour or the date on which the Government servant resumes duty after completion of tour.

Scrutiny of records revealed advance amount of Rs.1.36 lakh was pending adjustment as on 31.03.2022 as detailed below.

S.No.	Name of the official	Date of advance	Amount of pending advance in Rs
1.	Ashim Kumar Borah	29.10.2021	20,000
		16.02.2022	15,000
2.	Raj Nath Pandita	16.11.2020	1,01,580
		Total	1,36,580

On this being pointed out, it was replied that the Bills submitted by Sri Ashim Kumar Borah would be settled immediately. In respect of the Bill submitted by Sri Raj Nath Pandita, it was replied that the matter was pending with Ministry for want of ratification of the extended revised tour programme and the same is being pursued with the Ministry.

Action taken may be intimated to Audit.

## **8 Non-refund of Deposits by CPWD even after completion of works**

CPWD is the executive agency for all the Civil and Electrical deposit works of NFDB.

It was noticed from Form 65 of CPWD as on 31.03.2022, that in respect of following works, though the works were completed, the balance deposits were not refunded by CPWD.

S.No.	Name of the work	Balance available with CPWD
1.	Maintenance of garden attached to Office complex and Residential building of NFDB.	1,60,587
2.	Operation and maintenance of IEI (Fans, Pumpsets, Streetlights and 1000 ltrs RO plant, STP, Substation, Fire Alarm etc. at NFDB for the year 2021-22	24,82,902
3.	Operation and maintenance of IEI (Fans, Pumpsets, Streetlights and 1000 ltrs capacity RO plant, STP etc. at NFDB for the year 2020-21	42,133
	Total amount to be refunded by CPWD	26,85,622

On this being pointed out, it was replied that action would be initiated to get the amount.

The particulars of refund may be intimated to Audit.

## **9 Non-filling of Vacant Posts**

During scrutiny of sanctioned strength particulars of the Board and Men-in-position, it was noticed that most of the key posts were vacant. Out of 42 sanctioned posts, only 26 posts were filled and 16 posts were vacant as detailed below:

S.No.	Name of the Post	No. of posts sanctioned	Men-In-position	No. of vacant posts
1	Senior Executive	2	1	1
2.	Executive Director	7	3	4
3.	Senior Executive	15	9	6
4.	Executive	8	7	1
5.	Executive Assistant	10	6	4

Total	42	26	<b>16</b>
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Reasons for non-recruitment and action taken to fill the vacant posts may be intimated to Audit.

#### **10 Non-receipt of Utilisation Certificates even after completion of works**

As per PMMSY guidelines Modern wholesale fish markets including supermarkets, retail fish markets and outlets, mobile fish and live fish markets should be developed so as to ensure supply of quality and hygienic fish to the consumers.

NFDB should maintain proper account of receipt, expenditure and furnish Utilization Certificate (UC) and other details periodically to the Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying.

As per the information furnished to audit, an amount of Rs.1029.28 lakh was sanctioned towards construction of 13 whole sale fish markets and an amount of Rs.783.55 lakh was released.

Audit noticed that though the works were completed, Utilisation certificates were not submitted by the implementing agencies. Most of the amounts were sanctioned during the period from 2010-11 to 2015-16 and out of released amounts of Rs.783.55 lakh UCs to extent of Rs.8.18 lakh were only received.

On this being pointed out, it was replied that regular pursuance would be made in this regard and the matter would be taken up on priority and the latest position would be updated to audit.

#### **11 Non closure of in-operative bank accounts**

As per the information furnished to audit, NFDB is being maintained 8 bank accounts for recording the day to day transactions in State Bank of India , ICICI Bank and Union Bank of India as details below:

Bank A/c No.	Branch / Type of account	Purpose
62029582916	SBI, Bostan Towers branch / Current account	PFMS linked Bank operation
62407546162	SBI, Bostan Towers branch / Current account	For statutory payments such as PT, GST, TDS
30109387550	SBI , Attapur branch / current account	For NFDB financial Transaction
131601000599	ICICI, Attapur branch / Saving account	For NFDB financial Transaction

110311100001510	UBI , Secretariat branch / Current account	For NFDB financial Transaction
110311010000004	UBI , Secretariat branch / Current account	For NFDB financial Transaction
326070189978	SBI , Kausalyaganga, Orissa / Current account	For NFDB financial Transaction
33708404643	SBI , Six Mile, Guwahati / Current account	For NFDB financial Transaction

Audit noticed the following from the bank statements:

- No transaction were recorded during the year in bank accounts (a) 131601000599 (ICICI, Attapur branch / Saving account ) and (b) 30109387550 (SBI, Attapur branch / current account).
- SBI, Attapur deducted Bank charges of Rs.649 and charges for Account keeping and non-maintenance of minimum balance per month of Rs.590 from the avialbale balance funds in SBI, A/cNo. 30109387550.

When the reason for non-closure of in-operative bank accounts was called for, NFDB stated that letters were issued (23.11.2021) to respective bank branches for closure of accounts.

Reasons for non-closure of in-operative bank accounts, even after lapse of more than one year may be ascertained and progress made may be intimated to Audit.



(Ch.V. Sai Prasad)

**Director/ Central Expenditure Audit  
O/o Principal Director of Audit (Central)**

### Annexure A (Para 3)

Annexure_FIDF- List of Projects sanctioned by NLEs as on 01.11.2022								
Sl No	Name of State	Name of Activity	Govt / Private	Name of the Project	Date of Administrative Approval	Sanctioned by NABARD / Banks	Amount Sanctioned by Banks (Rs. in Cr.)	Delay in months
1	Gujarat	Fishing Harbours	Govt	Navabandar	02-06-2020	20-01-2022	150	9
2	Gujarat	Fishing Harbours	Govt	Madhwad	02-06-2020	21-04-2022	150	6
3	Gujarat	Fishing Harbours	Govt	Veraval – 2	02-06-2020	21-04-2022	150	6
4	Gujarat	Fishing Harbours	Govt	Sutrapada	02-06-2020	21-04-2022	150	6
5	Tamil Nadu	Fishing Harbours	Govt	Fishing Harbour Project at Azhagankuppam in Villupuram District	20-01-2021	20-07-2021	150	15
6	Tamil Nadu	Fisheries Training Centers	Govt	Construction of Integrated office building for Deputy Director, Assistant Director of Fisheries and Training Centre to the Fishermen at Trichy in Trichy District.	20-01-2021	20-07-2021	4	15
7	Tamil Nadu	State Fish Seed Farms	Govt	Modernization of Fish seed farm at Sathaiyar Dam in Madurai District.	20-01-2021	20-07-2021	4.2	15
8	Tamil Nadu	State Fish Seed Farms	Govt	Modernization of Fish Seed Farm and Construction of Training Centre at Author in Chengalpattu District.	20-01-2021	20-07-2021	5	15
9	Tamil Nadu	State Fish Seed Farms	Govt	Modernization of existing Fish Farm at Chembarambakkam in Kancheepuram District.	20-01-2021	20-07-2021	1.68	15
10	Tamil Nadu	Fish Landing Centers	Govt	Providing additional facilities to Fish Landing Centre at Portonovo-	08-02-2022	08-04-2022	10	6



				Annankovil in Cuddalore District.				
11	Tamil Nadu	Fish Landing Centers	Govt	Providing Additional Infrastructure facilities to Fish Landing Centre at Mudasalodai Village in Cuddalore District.	08-02-2022	08-04-2022	9.5	6
12	Tamil Nadu	Fish Landing Centers	Govt	Construction of Fish Landing Centre at Chandrapadi village in Nagapattinum District.	08-02-2022	08-04-2022	10	6
13	Tamil Nadu	Fish Landing Centers	Govt	Construction of Fish Landing Centre at Keezhathottam Village in Thanjavur District.	08-02-2022	08-04-2022	8	6
14	West Bengal	Cold Storages	Govt	Construction of 10MT Blast Freezer at Dhandigi Village, Contai, Purba Medinipur	29-07-2020	15-12-2021	1	10
15	West Bengal	Cold Storages	Govt	Construction of 10MT Blast Freezer at Kakadwip Fishing Harbour, South 24 Parganas District	29-07-2020	15-12-2021	1	10
16	West Bengal	Brood Banks	Govt	Establishment of brood bank for Indian Major Carp at Kalyani Fish farm, Nadia District	29-07-2020	15-12-2021	5	10
17	Tamil Nadu	Aquaculture	Private	Queen Aqua Farms-Shrimp Culture in Ponds. Applicant details: Shri. Palaniswamy, Munaikadu, Maraikaayarpatinam, Ramanathapuram, Tamil Nadu	30-08-2022	23-12-2021	0.13	10
	<b>Total</b>						<b>809.51</b>	