PRESS RELEASE

OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

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CAG AUDIT REPORT ON GOVERNMENT, SCIENTIFIC AND ENVIRONMENTAL MINISTRIES/DEPARTMENTS PRESENTED

Report No. 17 of the Comptroller and Auditor General of India for the year ended March 2024, Union Government, Scientific and Environmental Ministries/Departments (Compliance Audit) was presented in Parliament here yesterday.

This report of the Comptroller and Auditor General of India relates to matters arising from Compliance Audit of the transactions of Eight[1] Scientific and Environmental Ministries/Departments of the Government of India, as well as of Autonomous Bodies and Central Public Sector Enterprises under them. The Report contains four paras, two Subject Specific Compliance Audits and two Information Technology Audits. An overview of the main audit findings included in this Report is given below.

Subject Specific Compliance Audit on Land and Estate Management

Department of Atomic Energy (DAE) did not have a comprehensive policy framework for land and estate management. Despite directions issued by the Cabinet Secretariat in November 2011, DAE had not formulated a common land transfer and leasing policy, resulting in non-uniform practices across its constituent units. DAE also did not frame Uniform Departmental Pool Residential Accommodation Rules applicable to all its units and aided institutions.

Audit observed deficiencies in land transfers, lease management and allotment of residential accommodation. Land was allotted or retained without obtaining approval of the competent authority in certain cases, while delays in renewal of lease agreements and recovery of revised lease rent resulted in loss of potential revenue. DAE also extended concessions in allotment of land, buildings and residential accommodation without a uniform policy framework, leading to short realisation of revenue and avoidable expenditure.

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[1] *1. Department of Atomic Energy, 2. Department of Biotechnology, 3. Department of Science and Technology, 4. Department of Scientific and Industrial Research, 5. Department of Space, 6. Ministry of Earth Sciences, 7. Ministry of Environment, Forest and Climate Change and 8. Ministry of New and Renewable Energy*

Information Technology Audit of Tata Memorial Centre

Tata Memorial Centre did not have an approved Information Technology Policy, IT Steering Committee, Data Retention and Archival Policy or Business Continuity and Disaster Recovery Plan. Weak password controls, inadequate authentication mechanisms and non-conduct of periodic security audits exposed the Centre to cyber security risks.

Audit also observed deficiencies in Hospital Information System implementation, logical access controls, patient registration management, inventory management and financial reporting modules. Significant gaps in IT governance and application controls affected data security, system reliability and the efficiency of digital healthcare services.

Avoidable expenditure of ₹1.45 crore

Due to non-completion of installation sites for more than seven years, Directorate of Construction, Services and Estate Management incurred avoidable expenditure of ₹1.45 crore on replacement and repair of elevator components that deteriorated during prolonged storage prior to installation.

Unfruitful expenditure of ₹1.52 crore due to Non/Sub-optimal utilisation of Laser Welding Machine

The International Advanced Research Centre for Powder Metallurgy and New Materials procured a Laser Welding Machine without ensuring the availability of the required supporting infrastructure. As a result, the machine remained unutilised or underutilised for prolonged periods, defeating the intended objective of procurement and leading to unfruitful expenditure of ₹1.52 crore.

Subject Specific Compliance Audit on Laboratory and Headquarter Reserve Fund Scheme

The Laboratory and Headquarter Reserve Fund (LHRF) was created to supplement budgetary resources and incentivise laboratories generating higher revenues. Audit observed significant deficiencies in planning, utilisation and monitoring of the Fund. Most sampled laboratories and CSIR Headquarters did not utilise even the prescribed portion of the Fund generated in the previous year, resulting in continuous accumulation of balances.

The accumulated balance under LHRF stood at ₹3,490.68 crore as on 31 March 2025. Funds amounting to ₹627.71 crore earmarked for innovation-related activities remained unutilised. Audit also observed unauthorised credit of certain receipts to the Fund, delays in settlement of externally funded projects and absence of prescribed monitoring mechanisms, resulting in ineffective oversight of the scheme.

Unauthorised expenditure of ₹1.99 crore and excess expenditure of ₹1.86 crore

Indian Council of Forestry Research and Education incurred unauthorised expenditure of ₹1.99 crore on construction of a photo gallery at Forest Research Institute, Dehradun, which was not included in the approved scheme. Audit also observed excess expenditure of ₹1.86 crore on establishment of Technology Development Centres from Compensatory Afforestation Funds.

Information Technology Audit of Implementation of SAP-ERP System Functioning in Solar Energy Corporation of India Limited

Solar Energy Corporation of India Limited (SECI) envisaged SAP-ERP as an integrated system for automation, transparency and operational efficiency. Audit observed that several critical functionalities and modules remained either unimplemented or only partially operational. Governance and oversight mechanisms were weak and the Steering Committee did not effectively monitor implementation.

Core business processes continued to be handled outside the ERP system, while significant deficiencies were noticed in user access controls, change management, cyber security, backup management and business continuity arrangements. Continued dependence on manual processes and weak control mechanisms limited the effectiveness of the SAP-ERP system.

Unfruitful expenditure of ₹5.07 crore

Inadequate planning and implementation of the Ladakh Renewable Energy Initiative Project (Small Hydro Projects) by the Ministry of New and Renewable Energy resulted in unfruitful expenditure of ₹5.07 crore.

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