

CHAPTER V: INDIAN COAST GUARD

5.1 Unfruitful expenditure of ₹5.73 crore on acquisition of land for setting up an Air Enclave by Coast Guard

Failure of the Ministry of Defence/Coast Guard/Defence Estate Office (Visakhapatnam) to take cognizance of the Gazette notification entailing requirement of 'No Objection Certificate' by the Navy resulted in non-setting up of Air Enclave for the Coast Guard on the land acquired from the Visakhapatnam Port Trust at a cost of ₹5.73 crore. This in turn affected the operational preparedness of the Coast Guard besides rendering the investment unfruitful.

Ministry of Civil Aviation's Gazette Notification dated 14 January 2010 prescribes that for defence aerodromes, defence authorities shall be responsible for issuing 'No Objection Certificate (NOC)' and any other condition which such authorities deem fit. In consonance with the Gazette Notification, it is mandatory to obtain NOC from Navy for setting up an Air Enclave in the vicinity of naval airfield.

Audit noticed (December 2014) from records that in the aftermath of 26 November 2008, Coast Guard (CG) had proposed (June 2009) an Air Enclave at Visakhapatnam to cater to the requirement of increased coastal surveillance and to avoid unnecessary transit time and fatigue of its aviation assets which had to be mobilised from Chennai/Kolkata to meet the requirement of ensuring seaward security of the country and offshore installations.

Ministry of Defence (MoD) sanctioned (January 2010) the setting up of Coast Guard Air Enclave (CGAE) at Visakhapatnam at an estimated cost of ₹8.40 crore inclusive of land acquisition cost of ₹5.00 crore. Coast Guard Region (East) [CGR (E)] convened (January 2010) a Board of Officers to recommend 'Acquisition of five acres of land from Visakhapatnam Port Trust [VPT] for setting up of CGAE at Visakhapatnam'. In accordance with CGR (E)

stipulation, DEO (V)¹ checked (April 2010) the availability of defence land from HQENC (V)². While confirming (May 2010) to the DEO (V) the non availability of surplus land, HQENC (V) intimated that due to future induction plans of the Indian Navy, a case was considered to be taken up with MoD for leasing of VPT land around the naval area identified by the CG. Navy further added that the acquisition of the said land by the CG would be in divergence with the naval plans of constructing a parallel runway and it (*i.e.*, the Navy) would be constrained to issue NOC to the CG for establishing the Air Enclave.

Audit further noticed that despite reservations of the Navy, the Government of India, Ministry of Defence, sanctioned (October 2010) the acquisition of land on lease from VPT for an amount of ₹5.73 crore. The site was handed over (February 2011) by the VPT to the CG after payment (January 2011). Thereafter, CGR (E) accorded Administrative Approval (February 2012) for 'Provision of high security wall and levelling of the land' at an estimated cost of ₹4.25 crore. However, the civil work was stopped (December 2012) on the orders of HQENC (V) which stated that NOC for the acquisition of the land was not sought and requested CGR(E) to explore alternative sites offered (September 2012) by the Navy.

Audit observed (December 2014) that CG was unable to exploit the land for the intended purpose even after making (January 2011) payment of ₹5.73 crore.

Coast Guard stated (January 2015) that aircraft meant for the proposed squadron to be based at the Air Enclave had not been received due to uncertainty in availability of land and setting up of infrastructure therein. It further added that being the nodal agency for Maritime Search and Rescue Operations, the delay in setting up of Air Enclave had adversely affected the operational preparedness.

¹ DEO(V) – Defence Estate Office, Visakhapatnam

² HQENC(V) – Headquarters Eastern Naval Command, Visakhapatnam

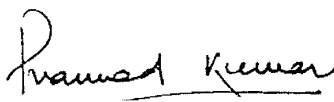
Audit further noticed from the Progress Report of Chief Engineer (Navy) Visakhapatnam [CE (N) (V)] for the quarter ending December 2015 that the work was held in abeyance after incurring an expenditure of ₹2.13 lakh.

In response to audit query (March 2016) ascertaining whether the Ministry was apprised of the progress of civil work on the land acquired, CGHQ replied that they did not intimate/apprise the Ministry about stoppage of work at site as the issue was being dealt locally by CGR (E) and HQENC (V).

Thus, failure on the part of Ministry to take cognizance of the Gazette notification (January 2010) and also failure of the CG to apprise the Ministry about hold-up on progress of the civil works resulted in non-setting up of the Air Enclave thereby affecting the operational preparedness of the Coast Guard besides rendering the investment of ₹5.73 crore on acquisition of VPT land unfruitful even after five years.

The matter was referred to the Ministry (January 2016); their reply was awaited (April 2016).

New Delhi
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Principal Director of Audit (Navy)

Countersigned

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Dated: 02 June 2016


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