



## CHAPTER 2

### Audit Approach and Organisation of Audit Findings

#### 2.1 Audit Approach

##### 2.1.1 Audit Objectives

The audit of ICG was taken up to assess the efficiency and effectiveness in performance of its assigned tasks, maintenance of force level, acquisitions, refit and repairs and sufficiency of man power. In particular, the objectives sought to seek an assurance as to:

- ✓ Whether the Indian Coast Guard Organisation has been able to perform its role effectively and efficiently;
- ✓ Whether the organisation maintains required force level of ships and aircraft to carry out its assigned role in an effective, efficient and economic manner;
- ✓ Whether the refit/repair and maintenance of ships and aircraft was carried out efficiently, economically and in an effective manner;
- ✓ Whether ICG has adequate infrastructure for meeting its assigned roles;
- ✓ Whether ICG has sufficient and trained manpower to meet its operational requirements; and
- ✓ Whether ICG vessels were efficient in the patrolling undertaken by them.

### 2.1.2 Scope of Audit

The performance audit covered the period 2004-05 to 2009-10 and examined whether the prevailing arrangements and existing force levels enabled the ICG to perform its mandated role. Audit has arrived at its conclusions and framed its recommendations based upon the audit conducted at Coast Guard Headquarters (CGHQ), three Regional Headquarters, seven District Headquarters, six stations and seven aviation units<sup>1</sup>. The records of the training centre at Kochi and five overseeing teams were also seen.

### 2.1.3 Audit Criteria

The audit criteria for the performance evaluation were derived from:

- a) The Coast Guard Act, 1978.
- b) Perspective Plan of Coast Guard for force level, infrastructure and manpower.
- c) Policy papers of Government.
- d) Existing guidelines/Defence Procurement Procedure.
- e) ICG orders for Days at Sea and flying task prescribed for ships/aircraft.
- f) Orders/instructions issued by Government/CGHQ prescribing refit /repair schedules for all types of ships and aircraft.
- g) Government orders/sanctions and CGHQ policies regarding manpower in ICG.



**ICG Interceptor Craft at Sea**

<sup>1</sup> RHQ (West) Mumbai, RHQ (East) Chennai, RHQ (A&N) Port Blair, DHQ No 1, Porbandar, No 2 Mumbai, No 4 Kochi, No. 5 Chennai, No 6 Visakhapatnam, No 8 Haldia & No 9 Diglipur, ICGS Mandapam, Tuticorin, Vizhinjam & Port Blair, CG Air Stations Daman & Chennai, CG Air Enclaves at Porbandar, Kolkata, Kochi, Port Blair and Visakhapatnam. CGTC Kochi, CGRPT Surat, Kolkata, Visakhapatnam, Mumbai and Kochi

### **2.1.4 Audit Methodology**

The performance audit was initiated on the basis of a pilot study undertaken in January 2009. Subsequently, an entry conference was held on May 5, 2009 with officials of the Ministry of Defence and Indian Coast Guard wherein the scope and objectives of audit and the broad compass of fieldwork planned were discussed. Thereafter, field audit was conducted through examination of records, issue of questionnaires and interaction with the concerned officers at various levels of the ICG from March to September 2009 and from December 2010 to February 2011. The performance audit findings were issued to the Ministry of Defence in September 2010. The audit findings were updated upto December 2010 and modified on the basis of interim replies received from the Indian Coast Guard Headquarters. A revised draft Performance Audit Report was again issued to the Ministry in February 2011. An Exit Conference to discuss the audit findings and recommendations contained in Performance Audit Report was held with the officers of Ministry of Defence and ICG on 24 March 2011. During exit conference a detailed presentation of audit findings and recommendations was made. No suggestion regarding classified information being revealed in the report was made by the Ministry of Defence/ICG during the exit conference or otherwise. The reply of the Ministry has not been received as of May 2011.



**An Air Cushion Vehicle in action**

The maps, charts and pictures depicted in this Performance Audit Report were either taken from ICG's official website or obtained from ICG Headquarters.

## 2.2 Organisation of Audit Findings

The findings of the Performance Audit have been arranged under four chapters.

- **Chapter 3: Planning and Financial Management** - This chapter includes audit findings about the 15 year Perspective Plans, five year Coast Guard Development Plans, the deficiencies in these plans and the efficacy of plans implementation.
- **Chapter 4: Infrastructure, Assets and Logistics** - It includes audit findings on the inadequacies of infrastructure and assets impacting the efficiency of the Armed Force to perform its mandated role.
- **Chapter 5: Patrolling and Security Issues** - This chapter discusses the issues relating to securing the maritime interests and the issues relevant to security, wherein, the ICG is involved.
- **Chapter 6: Other Operational Roles** - This chapter includes audit findings relating to Search and Rescue, Environment protection and pollution control.