

CHAPTER VIII : MINISTRY OF HOME AFFAIRS

Sashastra Seema Bal

8.1 Unclaimed deployment charges

The mechanism adopted by Sashastra Seema Bal for prompt levy and collection of deployment cost from the States/UTs was deficient. Its failure to raise bills on various occasions between January 2008 and March 2013 led to short recovery of ₹ 25.32 crore towards deployment charges.

The deployment of Central Armed Police Forces (CAPFs) battalions to various States/UTs is governed by the orders issued by the Ministry of Home Affairs (MHA) from time to time. MHA issued (December 2005) instructions regarding recovery charges for deployment of Central Armed Police Forces (CAPFs) battalions in the States and UTs in addition to the actual cost of transportation and movement of the battalions. The rates of deployment charges have been revised by the Ministry from time to time¹. Accordingly, the concerned CAPF are required to raise bills towards deployment charges on the State/UTs governments concerned at the end of each quarter.

SSB deployed its battalions to various States/UTs on the orders of the MHA. The claims towards deployment cost were raised by the SSB on the basis of the relevant information received from the Operational Directorate of Force Headquarters.

Test check of the related records disclosed short recovery/non recovery of deployment cost amounting to ₹ 25.32 crore from eight States during 2008-13 as per the following details:

Sl. No	Name of the State/UT	Short recovery/Non recovery of deployment cost (In ₹)
1.	West Bengal	47068492
2.	Bihar	2666312
3.	Arunachal Pradesh	1413616
4.	Andhra Pradesh	18219204

¹ The rates of deployment charges during 2013-14 were ₹ 34.03 crore *per annum* per Bn

5.	Assam	13357119
6.	Uttarakhand	7679661
7.	Delhi	123449091
8.	Uttar Pradesh	39323286
Total		253176781

Further audit analysis of these cases disclosed non levy of deployment charges by SSB on 13 occasions involving a financial implication of ₹ 12.23 crore. On 17 occasions, there was short levy of deployment charges. The details are given in the **Annex-VI**. Audit noted that this lapse occurred as the finance wing of the SSB did not have complete data of deployment of battalions. This is indicative of weak monitoring by the SSB of actual deployment of battalions.

On being pointed out by audit, the SSB stated (May 2013) that deployment dues could be pursued by its Finance wing only after receiving of copy of the deployment orders from the Force Headquarters.

The Ministry, while admitting the audit observations further stated (October 2013) that the communication gap as suggested by audit had been sorted out and necessary directions had now been issued to ensure receipt of copy of all deployment orders in the Finance wing for claiming deployment charges promptly.

The reply points towards lack of internal coordination within SSB. This also indicates the need for the SSB to devise a suitable mechanism for the correct levy and recovery of deployment charges in a synchronised and timely manner.

Border Security Force

8.2 Non-achievement of procurement objectives

Border Security Force did not evaluate the suitability of operating speed boats procured at a cost of ₹ 1.09 crore in the creek area of Gujarat, prior to their procurement. This led to non-achievement of procurement objectives and a fresh procurement proposal for the same purpose.

The Water Wing of the Border Security Force (BSF) placed an indent (June 2009) for procurement of nine 'Twin Engine Speed Boats' (fast control boats) for operational duties. The boats were required for better vigilance of the riverine border in the creek area of the Gujarat Frontier (six boats) and the Sunderban of South Bengal Frontier (three boats).

BSF floated (July 2009) an open tender for procurement of these speed boats. Based on scrutiny of offers, BSF awarded (April 2010) acceptance of tender (AT) to a firm² for supply of nine speed boats at a total cost of ₹ 2.20 crore. The stipulated delivery date of these boats was 22 January 2011. As per the terms and conditions of the contract, the firm was to provide a prototype of the speed boats for inspection by BSF authorities. The consignees of the boats were Water Wing BSF, Bhuj, Gujarat and Water Wing, BSF, Kolkata.

Audit observed that qualitative requirements (QRs) of the boats were approved by the Ministry of Home Affairs in August 2010 i.e. after the supply orders had been placed (April 2010) on the Firm. Audit further observed that the Procurement Cell of the BSF did not seek any inputs with regard to the specifications of the boats from its end users i.e. Water Wing of BSF before finalizing the proposal (December 2009). It issued only a copy of AT to them (April 2010). Further, the design requirement, for operating the boats, to match the wave height prevailing in the creek area, was not specified in the tender documents.

The delivery of the boats was completed by March 2012 and payment of ₹ 1.64 crore³ was made to the firm.

² M/s Poly Glass Fibre Industries Pvt. Ltd.

³ After deducting LD charges of ₹ 17.33 lakh for the delayed delivery.

On receipt of six boats by Water Wing, Gujarat, a survey of these boats was conducted (March 2012) by a Board of Officers (BOO) of BSF. The boats were put (April 2012) under test run for 60-70 hours to ascertain their efficacy. BOO found them unfit and unsuitable for the creek area. The boats were found suitable for a maximum wave height of only 0.6 meters whereas, the wave height in the creek area of Gujarat went up to one meter. Subsequently, a high level committee constituted (May 2012) by the BSF reiterated the same position.

BSF issued orders for transfer of all six boats (September 2012) to the South Bengal Frontier (four boats) and to Guwahati Frontier (two boats). Meanwhile, BSF submitted (February 2013) a fresh proposal to the Ministry for authorization of eight fast patrol boats for the creek area of Gujarat. Thus, the procurement process undertaken by the BSF without framing the correct QRs necessitated this diversion to other areas.

BSF stated (May 2013 and September 2013) that functional/water trial of the prototype boats was not conducted in the creek area as there was no clause in the AT for such a trial. This only confirms the failure of the BSF to frame correct specifications of the boats and include them in AT which rendered these boats unsuitable for the purpose for which these were procured at a cost of ₹ 1.09 crore⁴.

BSF, further, stated that during the entire process of procurement of these boats, the issue of these boats being unsuitable for the creek area of Gujarat Frontier had never been brought up despite association of a representative of the Gujarat Frontier with the BOOs conducting the pre-delivery inspection. BSF asserted that these boats were now being utilized gainfully in the riverine stretch of the Indo-Bangladesh border. They stated that in order to meet the specific operational requirement of creek area of Gujarat Frontier, fresh QRs/Trial Directives had been prepared and had been submitted to the Ministry for approval.

⁴ Proportionate cost of six boats.

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The fact remains that failure to exercise due diligence during the procurement process, resulted in non-achievement of the procurement objectives and framing fresh procurement proposal for the same purpose.

The matter was referred to the Ministry in October 2013; their reply was awaited (May 2014).