

# **Executive Summary**



## EXECUTIVE SUMMARY

The State of Jammu & Kashmir has witnessed several natural disasters in the recent past such as the Drought of Kharif 2009, the Cloudburst of Leh 2010 and the Floods of 2014 in several parts of the State. The performance audit of disaster management in the State focused on assessing the State Government's pre-disaster preparedness and management, emergency response and relief, restoration of public utilities and infrastructure and their reconstruction/rebuilding. The audit was conducted between July 2015 and February 2016 and covered the districts of Anantnag, Budgam, Jammu, Leh, Poonch, Srinagar and Udhampur as test-check samples.

### *Pre-Disaster Preparedness and Management*

The Disaster Management Act, 2005, provides for a disaster management framework that envisages a continuous and integrated process of planning, organizing, coordinating and implementing measures for prevention of disasters, mitigation or reduction of their risk and severity, capacity building and preparedness to deal with any disaster, prompt response to disaster and undertaking evacuation, rescue, relief, rehabilitation and reconstruction.

Audit identified gaps in establishment and functioning of institutional mechanisms and implementation of policies that inhibited the ability of the administrative machinery to prepare and implement cohesive disaster management plans that would have enabled rapid response to disasters and mitigate their impact on loss of lives and property. These included the following:

- The State Disaster Management Authority (SDMA), though established in April 2007, was not fully constituted as its full time members were yet to be appointed as of July 2016. Further, as against the stipulation of holding at least one meeting in a year, the SDMA had met only once in 2012 in the last six years.
- The State Advisory Committee (SAC) responsible for making recommendations on issues relating to disaster management had not been constituted.
- The State Disaster Management Policy, approved in February 2012, had not been fully implemented.
- No Disaster Management Authority had been constituted at the divisional level (Jammu and Kashmir).
- While Disaster Management Authorities had been constituted at the district level, they were non-functional. District Disaster Management Plans had not been formulated except in Leh district. Even the Leh district plan that had been approved in May 2011 had neither been implemented nor reviewed.

The risk of inadequate disaster preparedness due to weak institutional structures was aggravated by shortcomings in the Government's pre-disaster preparedness and management activities as below:

- The State Disaster Response Force (SDRF) was not only short of its sanctioned strength by 28 *per cent* but 69 *per cent* of its available manpower was deployed for duties not connected to disaster relief or response. Further, the bulk of the Force had not undergone the mandatory orientation and specialized training courses necessary for them to effectively carry out their functions in the event of a disaster.
- Government had not conducted assessment of hazards, vulnerabilities and risks in the State and did not prepare risk maps for 13 multi-hazard districts despite ₹20 lakh having been released by Government of India in June 2014 under the Capacity Building grants for this purpose.
- Scheme for Improvements to Flood Spill channel by way of construction of central cunnette (2008-09) was taken up to deal with the reduced carrying capacity of the Jhelum River due to accumulation of sediments from various *nallahs*. This was subsumed in the "Flood Threat to River Jhelum Scheme" (2010-11). Under the first scheme only about 81 *per cent* and under the second scheme only 68 *per cent* of the total targeted flood spill channels were treated. Further, ₹1.98 crore under the first scheme and ₹9.20 crore under the second scheme were utilized for the purposes not related to the scheme objectives. Had the two schemes been progressed and implemented as per their Detailed Project Reports, the impact of the floods of September 2014 would have been mitigated.
- The State Disaster Management Policy envisaged that the National Buildings Code and other codes prescribed by the Bureau of Indian Standards for seismic zones IV and V would be followed by all departments. However, earthquake resistant seismic designs had not been made mandatory for private buildings and disaster resistant designs and retrofitting techniques were not ensured in re-construction of houses damaged during the floods of September 2014. Hence, the constructions remained vulnerable to earthquakes despite being in a seismic sensitive zone.
- Disaster forecasting and early warning and alert systems were not established despite release of ₹20 lakh for early warning systems. The amount was surrendered.
- Emergency Operation Centres were not established though ₹2 crore was earmarked by the State Executive Committee (2013-14) for the purpose.
- State Government had not undertaken capacity building activities including public awareness and preparedness as envisaged in the Disaster Management Act and ₹10.21 crore out of ₹12 crore released

by Government of India remained unutilized. Further, ₹25.24 lakh was utilized for procurement of vehicles during 2014-15 instead of capacity building.

***Post-Disaster Activities and Management - Financial Arrangements***

The State Disaster Response Fund (SDRF) was the primary source of funding disaster related activities. An amount of ₹1,571.35 crore<sup>1</sup> was available with the State in the SDRF during 2010-15. Of this, ₹1,369.16 crore was spent on disaster related activities during the same period. Additionally, ₹1,000 crore was received as Special Plan Assistance (SPA) during October 2014 from the Government of India for restoration/re-building damaged infrastructure. Furthermore, ₹833.44 crore was received from the Prime Minister's National Relief Fund (PMNRF) and ₹88.29 crore from Chief Minister's Relief Fund (CMRF).

Audit observed the following:

- ₹26.52 crore was released from the SDRF during 2010-14 for relief and restoration without declaration of disaster in terms of the State Disaster Management Policy.
- As per the guidelines for management of the SDRF, the balance in the Calamity Relief Fund (CRF) as on 31<sup>st</sup> March 2010 was to be transferred to the SDRF. However, the balance of ₹47.88 crore in the CRF was lying under Reserve Funds not bearing interest. This resulted in loss of interest of ₹55.49 crore during 2010-15.
- The guidelines also envisage investment of SDRF funds in Central Government securities, treasury bills and interest bearing deposits and certificates with scheduled commercial banks. However, no such investment was done and opportunity to augment resources that could be devoted for disaster preparedness and relief was forgone. Government stated that the funds were utilized for normal operations of the Government.
- ₹37.08 crore was lying (August 2015) in the bank accounts of seven District Commissioners (DCs) of the test-checked districts. ₹1.02 crore was not accounted for in the cash book of DC Leh raising the risk of mis-utilization of funds.
- ₹5 crore released to the State Government from the Prime Minister's National Relief Fund for procurement of one lakh blankets for distribution among flood affected families remained unutilized.

Hence, there remained scope for more efficient management and utilization of SDRF to both augment available resources and ensure effective relief and rehabilitation.

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<sup>1</sup> Opening balance as on 1<sup>st</sup> April 2010: ₹438.21 crore; GoI: ₹857.65 crore; State Government: ₹95.29 crore; Interest: ₹180.20 crore

### ***Drought of Kharif 2009***

A review of the post-drought management and administration of relief in the wake of the drought of Kharif 2009 brought out mismanagement and delay in disbursement of assistance and utilization of assistance for purposes other than relief to actual beneficiaries as below:

- Against a total of ₹26.55 crore released by the Government to the test-checked districts, ₹18.77 crore (71 per cent) was released by the districts to the 15 affected tehsils. The tehsils could utilize only ₹12.19 crore (65 per cent) with ₹5.58 crore remaining unspent (August 2015).
- ₹16.50 lakh was released from the SDRF to PHE Divisions in Srinagar, Ganderbal and Shopian which were not declared affected by drought and were hence ineligible for such funds.
- Out of ₹2.14 crore received by Tehsil Udhampur (District Udhampur), only ₹10.39 lakh was distributed to affected people indicating either unrealistic assessment of losses or denial of assistance to the affected people.
- In Tehsil Surankote (District Poonch), the tehsildar released ₹1.11 crore to Naib Tehsildars, Patwaris, and Girdawars for distribution among drought affected people during December 2011 to October 2012 instead of distributing financial assistance directly to the drought affected persons. However, no records were maintained as to the actual distribution of relief to the victims.
- Against an assessment of ₹2.18 crore for damage caused to crops in Tehsil Akhnoor (District Jammu), the DC Jammu released (January 2011) ₹2.66 crore. The excess amount of ₹48 lakh remained in the bank account (August 2015) and was not refunded to the SDRF.
- Against the norms of relief to be provided within 90 days, relief was distributed to the affected farmers as late as in February 2011 and January 2015 i.e. after a lapse of 13 to 60 months.
- Emergency drinking water was not provided to the drought affected areas as five PHE divisions of Jammu District spent ₹1.12 crore on repairs and maintenance of existing water supply schemes, purchase of POL, repair of vehicles, etc.

### ***Leh Cloudburst of August 2010***

Audit review of post-disaster assessment of damage/loss and distribution of relief and assistance to affected persons brought out deviation from norms as well as delay in disbursement of assistance. There was no assurance that the damage need was assessed and assistance was equitably distributed to all eligible affected persons while ₹8.10 crore of SDRF funds was utilized for purposes not covered under the Fund guidelines. Audit highlighted the following:

- Assessment of damages was deficient as it was done by local authorities and not by any technical authority as envisaged under norms approved by Government of India and the assessment was not cross-checked by the district administration with census reports or records of ownership of property. There was consequently a risk that damage and loss assessment might not have accurately brought out the list of eligible damaged houses.
- Test-check of 127 families showed that more than one member of a family was selected for disbursement of relief for fully and partially damaged houses. The amount involved in such disbursements was ₹2.41 crore.
- Timely relief for next of kin was provided in only 123 out of 216 cases. The delay in making disbursement in the remaining 93 cases ranged between one and 17 months.
- Relief under PMNRF at the rate of ₹50,000 was not provided to 96 seriously injured persons as the District Administration failed to forward the cases to the Prime Minister's Office.
- Ex-gratia relief was not provided to 36, 55 and 70 deceased persons under the SDRF, the CMRF and the PMNRF respectively.
- The District Administration Leh had paid ₹2.27 crore in 201 cases against an originally assessed damage relief of ₹1.14 crore which was indicative of either excess payment of ₹1.13 crore or wrong original assessment or distribution of relief to ineligible persons.
- Payment of ₹1.60 crore for 118 houses was made under PMNRF to persons who did not figure in the list approved by the district administration.

#### ***Floods of September 2014***

Audit observed that relief and evacuation were not provided to the victims of floods in a timely and effective manner due to the absence of adequate damage and need assessment, lack of effective coordination and monitoring by any nodal agency for procurement, transportation and distribution of relief materials, diversion of funds and irregular spending or spending on ineligible items in contravention of SDRF's guidelines. Inadequate and inaccurate damage assessment coupled with inefficient management of projects and diversion of funds also hampered restoration and re-building of public utilities and infrastructure damaged by the floods. Audit highlighted the following:

- Assessment of damages was completed in only three out of the six test-checked districts while need assessment had not been conducted in any of the six districts resulting in partial or inaccurate damage assessment. The initial and subsequent assessments varied from 11 *per cent* to 137 *per cent* leading to delays in arranging materials and procurement of supplies that adversely impacted provision of timely assistance to the affected persons.

- There was no evacuation plan and relief centres/ camps had not been identified in any of the test-checked districts resulting in rescue, evacuation and relief being managed in an *ad hoc* manner.
- Assistance amounting to ₹12.60 crore due to affected families remained undisbursed while material (tents, blankets) valuing ₹3.30 crore remained unutilized or in excess of requirement. Further, gratuitous relief of ₹1.42 crore was disbursed to ineligible families and families not affected by floods. In addition, expenditure of ₹1.30 crore incurred by PWD on lifting of garbage, clearance of drains, etc. in Srinagar city could not be verified by audit as the same work was also reported to have been done by the Srinagar Municipal Corporation.
- In the six test-checked districts, there were delays of three to six months in payment of gratuitous relief to 22,808 cases and of more than six months in 8,452 cases.
- Though Government announced free ration for six months (September 2014 to February 2015) to the affected families, several thousand families received the ration after six months and many even after nine months. Further, ration was not provided as per the criteria to both ration card-holding and non-holding families. In the test-checked districts, 1,99,482 quintals of ration was provided less to 4,53,629 ration card holding families while 87,189 quintals of ration was provided less to 1,20,033 non-card holding families for the six months' period.
- There was delay in disbursement of gratuitous relief ranging up to more than six months which defeated the very purpose of providing immediate relief. Funds amounting to ₹0.94 crore was disbursed without sanction of the competent authority and additional assistance of ₹8.80 crore was provided as a result of change in status of damages to houses after re-assessment of damages.
- While no assessment of livestock losses and damage to agricultural land and crops had been done in any of the test-checked districts of Kashmir division, ₹4.20 crore of assistance for farmers for input subsidy/ compensation for losses of Poonch district was not paid to the affected persons as of August 2015.
- ₹8.90 crore was spent on purchase of ineligible items/equipment which were not related to the floods. There was no record of disbursement/ utilization of items valuing ₹14.38 lakh procured for flood related activities and useful life of bio-manure valuing ₹15.44 lakh expired in September 2015.
- Relief materials valuing ₹4.88 crore procured and dispatched by government agencies as well as 18 trucks of relief material received from other States/agencies from outside was not accounted for in the records

of the Central Store (Entrepreneurship Development Institute, Pampore, Srinagar) and DC Jammu.

- Divisional Commissioner Kashmir sanctioned ₹2.51 crore out of SDRF for purchase of 75,000 kgs of whole milk and 5,000 kgs of skimmed milk from M/s Mother Dairy and Vegetables Private Limited, New Delhi through the J&K Milk Producer Co-operative Limited, Milk Plant, Srinagar, for distribution amongst the flood affected people. The Co-operative received the full quantity of whole milk and skimmed milk in September 2014. However, only 7,000 kgs of whole milk was distributed amongst the affected people. While 2,600 kgs of milk was damaged, the balance valued at ₹1.99 crore was either used by the Cooperative as part of its business or was not traceable.
- Out of the 53,298 bags (26,500 quintals) of rice received from Chhattisgarh Government, 5,375 bags (2,675 quintals) were damaged at waterlogged open space at Udhampur Railway Station due to delay in lifting. A further 26,920 bags (13,396 quintals) which were transported to Kashmir for distribution was also damaged/became sub-standard (June 2015) due to delay in distribution by the Consumer Affairs and Public Distribution (CAPD) Department. This resulted in ₹42.74 lakh spent on transportation of the rice being rendered infructuous.
- As required under the Standard Operating Procedures for restoration of public utilities and infrastructure, sanction for expenditure from SDRF above ₹30 lakh was to be obtained from the SEC, up to ₹30 lakh from Financial Commissioner, Revenue, up to ₹20 lakh from Divisional Commissioners and up to ₹10 lakh from Deputy Commissioners. In contravention of these instructions, works implementing agencies did not obtain sanction from any of the aforesaid competent authorities for any of the restoration works.
- Further, a total of ₹27.36 crore of SDRF was spent irregularly or diverted as follows:
  - ₹12.25 crore was utilized on 1,208 works which had been started/ were under execution or had been completed before the occurrence of the flood.
  - ₹10.21 crore was utilized on normal repair and maintenance works and ineligible items/works not included in the damage report.
  - ₹4.90 crore was utilized on ineligible works actually ongoing under other schemes/projects and not handed over to the concerned department.
- Due to incorrect projection of span for a bailey bridge in Poonch district, excess material costing ₹4.39 crore was procured which could have been avoided. Further, due to incorrect application of rates by the Irrigation

and Flood Control Division, Srinagar for earthwork in banking in layers and for supply of earth, extra expenditure of ₹2.36 crore from SDRF was incurred.

- 6,369 metres of pipes were issued (January-February 2015) from the store of the Water Works Division Srinagar for 25 restoration works costing ₹23.54 lakh. However, the said works had already been shown completed (October-December 2014), raising doubt as to the actual execution of the work.
- As per the Manual for Administration of SDRF, eligible sectors for which assistance are to be provided are specifically named/categorized. However, ₹31.44 crore was released from SDRF to seven departments/agencies which were not eligible. Out of the said amount, ₹14.97 crore was spent by Estates Department, Tourism Department (including Sher-e-Kashmir International Conference Centre, SKICC) and State Motor Garages on items such as furniture, furnishing, electronic and electrical gadgets and items, renovation of government quarters, which in any case were not associated with flood damage.
- Government of India released ₹1,000 crore as Special Plan Assistance (SPA) for re-building of damaged infrastructure. Audit observed that ₹42.24 crore of SPA funds were utilized on works/items not covered under the SPA guidelines as follows:
  - Expenditure from SPA was subject to the condition, *inter alia*, that SPA should be utilized only for re-building damaged infrastructure. However, 79 works which were not damaged due to the floods were taken up by three departments at a cost of ₹30.48 crore out of which expenditure of ₹23.12 crore had been incurred as of March 2016.
  - Similarly, in contravention of the condition that only such schemes/projects to be taken up which had not been funded under SDRF/State Plan/CSS flexi fund or others, nine lift irrigation schemes started during previous years (2007-08 to 2011-12) and which were funded under CSS-AIBP and State Plan-District Sector Schemes were taken up under the SPA at a cost of ₹2.06 crore and expenditure of ₹1.05 crore has been incurred (March 2016). Similarly, 24 works where ₹1.22 crore had already been spent from SDRF were also taken up under the SPA and an expenditure of ₹3.61 crore was incurred.
  - Further, an amount of ₹14.46 crore was spent for purposes not related to re-building the damaged infrastructure such as removal of silt from *nallahs*, purchase of POL, payment of wages to office casual staff or on construction of works not sanctioned under the SPA.

### **Recommendations**

Based on the audit findings, it is recommended that the State Government should:

- *Establish and operationalize the institutional structures and disaster related policies envisaged in the Disaster Management Act, 2005, for efficient and effective management of pre-and post-disaster activities.*
- *Conduct vulnerability, hazard and risks assessment especially in the 13 multi-hazard districts and prepare risk maps that would enable formulation of informed strategies and prioritization of resources for disaster preparedness including an early warning system.*
- *Ensure that personnel of the State Disaster Response Force undergo the mandatory trainings in a time bound manner and that they are thereafter used solely for the intended purpose.*
- *Formulate and implement a time bound plan for capacity building including promotion of general awareness and community training and building capacity to combat disasters as an important pre-disaster activity.*
- *Strengthen the mechanisms for pre-release scrutiny and post-release monitoring of SDRF funds to ensure that funds are released and utilized only for the purpose of providing relief to persons affected by disasters and are not diverted for other purposes.*
- *Strengthen mechanisms for monitoring movement and distribution of financial assistance and relief materials to ensure that they reach the intended duly identified beneficiaries. Procedures should also be in place for accountability of administrative officials for any unjustified diversions or avoidable losses.*

