

## **CHAPTER III: RELIEF AND REHABILITATION MEASURES**

The payment of assistance under each category is regulated according to Standing Orders (1983) framed by GOM. Relief assistance is payable to the identified flood affected families, to the artisans and farmers, to the legal heirs of deceased and missing persons, and to the owners of damaged houses at the rates specified in **Appendix I**.

### **3.1 Audit findings**

#### **3.1.1 Identification of beneficiaries**

Comprehensive criteria have been laid down in 'Standing Orders 1983' as amended from time to time for identification of beneficiaries. As per norms the assistance is to be paid by conducting proper surveys and identifying the families from voter list or ration cards and then conducting their Panchanamas showing details of losses sustained, total number of family members and their names, house number, address, ration cards, etc. The Panchanama is to be signed by three Government officials and two local persons for witnesses. Panchanama, a basic requirement for identification of the beneficiary was not conducted, as per norms prescribed. The district administrations, however, circumvented the laid down norms in their efforts to extend relief urgently. The procedure followed by the District Collectors in identification of beneficiaries in nine out of ten selected districts (except Nanded) was far from satisfactory and was fraught with the risk of fraudulent payments, as commented in subsequent paragraphs.

It was noticed that one or more parts of the important information such as reference to voter list, ration card, house number, address, number of family members, etc. were not recorded in 0.87 lakh out of 1.19 lakh Panchanamas scrutinised. Cases were noticed where even the signatures of the beneficiary and the authorised Government Officers were not found. While every district followed their own way, Nanded administration had taken initiative of taking photographs of the beneficiaries as a part of the Panchanama. Samples of Panchanamas are in **Appendix IV**.

In 2005, though photographs of the beneficiaries appeared a good initiative for part of Panchanamas, verification of photographs of 360 victims of flood 2006 in Nanded city disclosed in 38 cases that (i) in family photos, members of other families were also included (4 nos.), (ii) same persons appeared in more than one photographs (2 nos.), (iii) members shown in photographs did not appear in Panchanamas (18 nos.), (iv) same house appeared in more than one photographs (3 nos.), (v) number of children shown in photographs did not match the number shown in Panchanamas (11 nos.). Thus, attaching photographs to the panchanamas, though not required, did not serve the intended purpose of proper identification of the affected families and expenditure of Rs 4.93 lakh on total 24643 photographs was rendered

unfruitful. Further, 5647 photographs were not at all required as the total requirement was 24643 photographs, (24343 decided cases plus 300 pending cases) as against 30290 photographs taken, resulting into wasteful expenditure of Rs 1.13 lakh.

### 3.1.2 Ex-gratia assistance in deceased and missing cases.

Standing Orders 1983 as amended from time to time provide for payment of ex-gratia assistance of Rs 1 lakh and Rs 0.50 lakh (in case of minor) by crossed cheques or by depositing the amount in the name of the beneficiary in a post office saving bank account, to the family members/legal heirs of the deceased persons after conducting police Panchanama subject to fulfillment of the conditions such as ensuring that the death was due to natural calamity, victim was a resident of the State for the last 15 years and his / her name appeared in the voters list or ration card, etc.

In 10 districts selected, 929 persons (83 per cent of the total cases in the State) had either died or were missing during the flood 2005. The legal heirs of the deceased persons were paid Rs 8.29 crore. Out of this, assistance of Rs 5.05 crore made to 582 (63 per cent) beneficiaries was scrutinised and the following irregularities were observed.

**Ex-gratia payment was made without proper identification of beneficiaries.**

Districts	Nature of irregularity in terms of cases				
	Payments made without required documents (Death certificate, Post mortem report, Police panchanama)	Payments made in cash instead of cheque	Payments made without identification from voter list or ration cards	Deaths were not due to flood	Payment made to out of state cases
Kolhapur	--	1	10	8	×
Mumbai	65	×	143	2	4
Nanded	2	×	×	1	×
Parbhani	4	4	×	×	×
Raigad	110	×	×	×	3
Sangli	×	×	5	2	1
Thane	26	×	112	×	8
<b>Total</b>	<b>207</b>	<b>5</b>	<b>270</b>	<b>13</b>	<b>16</b>
Amount paid (Rupees in crore)	1.73	0.05	2.39	0.11	0.16

**Beneficiaries were deprived of benefit of PMR fund of Rs 6.44 crore.**

Thus, irregular payment of Rs 1.73 crore and Rs 2.39 crore were made without required documents and identification from voter lists or ration card respectively. Further, payment of Rs 27 lakh was made to the inadmissible death cases (not related to flood) and out of state cases.

Further, assistance from Prime Minister's Relief Fund (PMRF) at the rate of Rs 1 lakh per case is complementary and admissible in addition to State assistance. It was seen that out of 929 death cases in ten test checked districts, payments were made from PMRF at the rate of Rs 1 lakh each to 285 cases

only. Thus, 644 families were deprived of the benefit of PMRF (Rs 6.44 crore). Government stated (September 2006) that payment was made without death certificates due to urgency.

During flood 2006, ex-gratia assistance of Rs 57 lakh was paid in 62 deceased and missing cases. In Kolhapur District in four cases (out of eleven cases test checked) payments of Rs 4 lakh were made in cash and without post mortem report and death certificates.

### 3.1.3 Gratuitous relief assistance

As per Standing Orders (1983) all persons who are left in indigent circumstance or have been rendered destitute by natural calamities by loss of their personal belongings including food, clothing, etc. shall be eligible for gratuitous relief assistance (GRA). The assistance granted to the victims is for arranging immediate requirement of food, clothing, utensils etc. during initial 15 days from the date of calamity and transportation of their belongings to safer places. It is to be paid in cash at the rate of Rs 1000 to each family member (amount limited to Rs 5000 per family in Mumbai and Thane Districts).

Of the total relief assistance of Rs 413.21 crore paid to 9.44 lakh families in 10 test checked districts, payments of Rs 46.23 crore (11 per cent) made to 1.04 lakh (11 per cent) families were scrutinised. The following irregularities were observed:

**(Rupees in lakh)**

District	Without proper identification from ration card or voter list	Photocopy of ration cards were not attached to the panchanama	Panchanama signed by only one person and names of family members and address not shown	Payment made on the basis of panchanamas showing same house numbers and address repeatedly	Payment made seven months after flood without any valid documentary proof
Bhandara	--	--	29.45	--	--
Gondia	--	--	32.91	--	--
Kolhapur	16.08	272.27	--	--	--
Mumbai	388.14	1253.03	2.64	--	--
Nanded	0.26	--	36.41	2.07	--
Pune	20.28	--	50.00	--	--
Parbhani	1.30	--	43.11	--	--
Raigad	355.94	39.10	--	--	--
Sangli	29.39	55.22	--	--	13.00
Thane	--	924.88	--	--	--
<b>Total</b>	<b>811.39</b>	<b>2544.50</b>	<b>194.52</b>	<b>2.07</b>	<b>13.00</b>
Rounded to crore	8.11	25.44	1.95	0.02	0.13

The payment of Rs 35.65 crore made without proper identification from ration cards or voter lists, incomplete panchanamas, and panchanamas without any valid documents after seven months was irregular.

**Payments of GRA without proper identification, and based on incorrect panchanamas.**

During flood 2006, in four districts, payment of the GRA of Rs 6.45 crore (25 per cent of total payment of Rs 26.19 crore) was scrutinised. In Nanded District Rs 59 lakh were paid to 1347 families from 31 villages based on a single Panchanama for each village. It was further noticed that Rs 16 lakh was wrongly paid to 341 families based on the names shown in the voter list against a particular house number by considering each name as individual and not a constituent of a family. Some of the instances of irregular payment are given below.

### **3.1.3.1 Payment without ensuring identities**

Cross checking of 503 beneficiaries from three<sup>17</sup> districts with the relevant voter lists showed that names of beneficiaries were not in the voter lists in 144 cases (29 per cent). On cross checking the serial numbers of 224 ration cards in five<sup>18</sup> districts it was noticed that in 91 cases serial numbers of ration card mentioned in the Panchanama did not tally with the records of the Rationing Office. In 38 cases, family members considered for payment were more than the members noted in ration cards.

Thus, in 38 cases Rs 0.71 lakh for relief assistance was overpaid and in 91 cases Rs 5.31 lakh were paid without verifying genuineness of the claims.

Government stated (September 2006) that the norms were not observed due to urgency, pressure from public and also agreed to investigate 224 cases of five districts and payment of Rs 13 lakh made after seven months of the flood without any valid proof.

During flood 2006, Rs 3 lakh was paid to 38 families based on Panchanamas with variations in the age and number of family members shown in photographs with those shown in Panchanama.

### **3.1.3.2 Relief assistance exceeding assessed loss**

Scrutiny of relevant Panchanamas in 10 districts showed that in four districts<sup>19</sup> the losses reported and assessed were Rs 1.32 crore. Against this, amount of assistance paid upto December 2005 was Rs 2.55 crore, resulting in excess payment of Rs 1.23 crore.

In September 2006, the Government stated that there was no provision in the GR for restricting the relief assistance to the actual loss sustained. Though there was no provision, it reflected lack of prudence in paying assistance more than the loss assessed.

### **3.1.3.3 Recurring liability of GRA**

It was observed during flood 2006 that in Nanded and Sangli Districts 38,952 families residing in blue zone without permission, in low lying areas on the bank of Godavari and Krishna rivers were paid relief assistance in flood 2005. They were again considered for payment of assistance in flood 2006 and were

---

<sup>17</sup> Nanded, Parbhani & Thane

<sup>18</sup> Bhandara, Kolhapur, Mumbai, Raigad and Sangli

<sup>19</sup> Kolhapur, Nanded, Raigad and Sangli

paid Rs 12.70 crore. Thus, the failure of the Department to initiate long term planning of rehabilitation of these families to safer places resulted in recurring liability on Government.

### 3.1.4 Distribution of food grains and kerosene

The affected families for granting relief assistance both in cash (Rs 1000 per person subject to maximum of Rs 5000 per family in Mumbai) and kind<sup>20</sup> are required to be identified and selected, by conducting proper surveys followed by Panchanamas, showing details of loss, cost of belongings lost, number and names of the family members, ration card numbers, serial number in the voter list, etc. Selection of families for distribution of foodgrain and kerosene should be made from the families selected for granting cash assistance. Scrutiny of records pertaining to distribution of cash, food grains and kerosene in Mumbai, Thane and Sangli Districts showed that the number of families considered for assistance in kind were more than the number of families considered for extending relief in cash as detailed below:

**Avoidable expenditure on distribution of food grains and kerosene to the excessive families not considered for cash dole - Rs.7.25 crore.**

Name of district	Number of families considered for			Number of families considered more for	
	Cash	Food grains	Kerosene	Food grains	Kerosene
Mumbai	473023	753873	649635	280850	176612
Thane	238822	243795	243795	4973	4973
Sangli	35593	53362	53362	17769	17769
<b>Total</b>	<b>747438</b>	<b>1051030</b>	<b>946792</b>	<b>303592</b>	<b>199354</b>

In Mumbai District, the assistance in kind was distributed by Civil Supplies Department in the first phase (29 July to 12 August 2005) on 'first come first serve' basis without verifying the genuineness of the affected beneficiaries as required under the norms. In the second phase (1 to 15 September 2005) distribution was made with the assistance of NGOs, to those who were not covered in the first phase. The above anomaly occurred since the list of affected persons maintained by the Civil Supplies Department was different from the list maintained by Revenue Department used for disbursement of cash. In Thane District the anomaly occurred due to following different lists of beneficiaries by the Civil Supplies and Revenue Departments. In Sangli District (details in the following box) kerosene was distributed to over 17,000 families without record of their names, addresses, identification details etc. Thus, 3.04 lakh families were considered more by the District Supply Officers as the District Authorities concerned failed in effective supervision over distribution of gratuitous relief in kind resulting in avoidable expenditure of Rs 7.25 crore<sup>21</sup>.

<sup>20</sup> 10 kg wheat, 10 kg rice and 10 litres of kerosene

<sup>21</sup> Mumbai-Rs 6.64 crore, Sangli- Rs 0.13 crore and Thane- Rs 0.48 crore

**Kerosene : Sangli case.**

*The 'Standing Order', as amended in 2005 stipulates free supply of kerosene oil at 10 liters per flood affected family. The distribution was made through the concerned retail distributors of the district. The distributors bills were to be paid by District Supply Officer (DSO) at agreed rates. The distributors had claimed distribution of 527210 liters of kerosene oil costing Rs 49.14 lakh to 52,721 families without any details. These bills were fully paid, though the identified affected families in the district, as assessed by the District Collector, were only 35593. The kerosene oil costing Rs 15.96 lakh was thus distributed to 17,128 unaffected families.*

*The payment of kerosene distributed free of cost to the flood affected families is to be made by the DSO to the distributors, whereas the payment of kerosene distributed under Public Distribution System (PDS) is made directly to the distributor by fair price shops.*

*Cross linking of these payments (October 2006) with PDS distribution, indicated that Rs 5.71 lakh were found paid by the DSO to the retail distributors though the kerosene (61320 litres) had been distributed under PDS and not to the flood affected families. Another amount of Rs 1.11 lakh was paid twice, once on original invoice and again on money receipt, resulting in double payments. Thus, there were fraudulent payment of Rs 6.82 lakh.*

Government agreed (September 2006) to investigate the matter through Divisional Commissioner and accepted the variation in the number of families for assistance in cash and those for kind.

During the flood 2006, 20217 families in Gondia and Sangli Districts, were considered more for distribution of food grains / kerosene costing Rs 49.42 lakh on the plea that the assistance in kind was payable as per Government Resolution of 18 August 2006. The cash assistance was not paid to these 20217 families, as they had not sustained any loss but simply shifted to safer places. It is pertinent that the GR as applicable on the dates of these payments permitted distribution of food grains/ kerosene only if losses are sustained and assessed in the Panchanamas. The distribution of food grains/kerosene to these families was thus irregular.

### 3.1.5 Relief assistance to shopkeepers and tapri holders

Inadmissible payment was made to shopkeepers and tapri holders not having valid license and without verifying the insurance coverage Rs 11.01 crore.

Government (September 2005) sanctioned relief assistance at the rate of Rs 10000, Rs 5000 and Rs 2500 to all shopkeepers, tapri holders, handcart holders respectively who had sustained losses in business due to floods in July and August 2005 provided their business was not insured by the Insurance Companies. The resolution, as a special case, considered all the affected Ganesh Idol makers in Konkan region, who were not covered by insurance for payment upto Rs 20,000. The assistance, in both these categories, was to be given after conducting Panchanamas supported by documents such as proof of residence, proof of license fee payment, etc. The Pot makers and other artisans were not included in the Government Resolution.

In seven<sup>22</sup> districts, out of total relief assistance of Rs 14.49 crore paid to 15165 beneficiaries, payment of Rs 11.77 crore made to 14269 beneficiaries was scrutinised. The payment of Rs 0.43 crore was made to 473 beneficiaries without valid licenses. In four<sup>23</sup> districts Rs 10.18 crore was paid to 10689 beneficiaries without verifying their insurance coverage. Rs 30,000 was paid to three Ganesh idol makers in Raigad District even though they were insurance holders. In Kolhapur District Rs 9.58 lakh was paid to 97 Pot makers not covered under the GR. In Sangli and Raigad Districts relief assistance of Rs 0.59 lakh was paid between August and September 2005 to seven beneficiaries who were already paid by the insurance companies.

Government agreed (September 2006) to recover the relief assistance from the beneficiaries who received insurance claims.

### 3.1.6 Relief assistance to farmers

Irregular and excess payments were made to farmers due to variation in Panchanamas and 7/12 documents of Revenue Department

The GOM (October 2005) sanctioned financial assistance to the agriculturists whose crops were damaged more than fifty *per cent* due to July/August 2005 floods. Assistance was payable after conducting joint survey and panchanamas by the Revenue and the Agriculture Departments with reference to area and crops recorded in Form 7/12<sup>24</sup>. The payment was to be made through the District Central Cooperative Bank concerned before 31 December 2005 on the basis of list of affected farmers, certified by the District Superintending Agriculture Officer (DSAO) and the District Collector.

In nine districts, of the total payment of relief assistance of Rs 254.63 crore to 10.91 lakh flood affected agriculturists, payment of Rs 33.08 crore (13 *per cent*) made to 1.60 lakh (15 *per cent*) agriculturists was scrutinised. It was noticed that in seven<sup>25</sup> districts, crop assistance of Rs 23.42 lakh to 576

<sup>22</sup> Kolhapur, Mumbai, Nanded, Parbhani, Pune, Raigad, Sangli,

<sup>23</sup> Kolhapur, Mumbai, Raigad and Sangli

<sup>24</sup> 7/12 registers are authorised records in tahsil for land holding and crop taken every year

<sup>25</sup> Bhandara, Gondia, Kolhapur, Nanded, Parbhani, Pune and Sangli

farmers was paid in excess as the crop area mentioned in the panchanamas was more than the crop area shown in 7/12 document, 10 persons not holding agriculture land in their names and double payment to 9 farmers by conducting two panchanamas each and inclusion of their names twice in the list.

Government accepted (September 2006) the audit observations.

### **3.1.7 Relief assistance to agriculturists despite having crop insurance benefits**

The condition that the relief assistance shall not be payable to the beneficiaries holding insurance, as was included in the orders issued by the Revenue and Forest Department in their Resolution for payment of assistance to the shopkeepers was not included in the orders issued by the Agriculture Department.

In nine test checked districts (except Mumbai), relief assistance aggregating to Rs 254.63 crore was paid (between October 2005 and March 2006) by the Agriculture Department to 10.91 lakh agriculturists as their crops were damaged due to flood and heavy rains during kharif season-2005. Further, scrutiny showed that Agriculture Department had introduced the Crop Insurance Scheme (CIS) for agriculturists and insurance claims were payable by the Insurance Companies if the average crop yield of the area was found less than the standard targeted crop yield. Under the scheme, the Agriculture Insurance Company of India Limited, Mumbai paid insurance claims of Rs 4.17 crore to 46477 farmers between October 2005 and March 2006. Thus, grant of relief assistance to agriculturists without verification of Insurance coverage led to undue benefit to the farmers.

Government agreed (September 2006) to investigate the cases of double benefits through the Agriculture Department and ascertain the reason for not incorporating the condition of verification of insurance cover in the GR.

### **3.1.8 Delayed Crop compensation**

Scrutiny of records of DSAO, Kolhapur showed that out of Rs 50.96 crore received (October to December 2005) from Government for payment of crop compensation, the DSAO deposited Rs 50.50 crore till December 2005 with the Kolhapur District Central Cooperative Bank (KDCC) for payment of crop compensation to 2.29 lakh farmers and proposed to refund the unspent balance of Rs 0.46 crore to Government. However, as per the instructions of the District Collector and DSAO, Kolhapur (January 2006) panchanamas were conducted (between December 2005 and February 2006) on the request of the farmers not included in the list. The crop compensation of Rs 0.37 crore was sanctioned (March 2006) to 1331 farmers of 48 villages on the plea that names of these farmers remained to be included in the earlier list, through oversight.

**Irregular payment of relief assistance made to farmers due to lacuna in Government Resolution**

**Crop compensation was paid to the farmers by conducting panchanamas after 4 to 6 months**



Government agreed (September 2006) to investigate the matter of conducting Panchanama after four to six months from the event of loss through Agriculture Department.

**3.1.9 Relief in drought prone area**

Taluka Kadegaon in Sangli District was stated to have been affected by heavy rains of 75 mm in 24 hours on 31 August 2005 and Panchanamas of crop damages were conducted as per the instructions of the Collector, Sangli (September 2005). The DSAO and Collector Sangli jointly submitted a report to Government in November 2005 for release of grants. The Government sanctioned (November 2005) Rs 5.90 crore and payments of Rs 5.80 crore were made in December 2005.

It was however noticed that the rainfall on 31 August 2005 in three circles of the total four in the taluka ranged between 11 to 38 mm and only in Kadegaon town it was 75 mm.

<b>Place</b>	<b>Rainfall in mm recorded by Revenue department</b>
Kadegaon Town	75 mm
Kadepaur Circle (Kadegaon Taluka)	38 mm
Wangi Circle (Kadegaon Taluka)	11 mm
Shalgaon Circle (Kadegaon Taluka)	35 mm

One day's seasonal rain of more than 65 mm leaving rest of the days either without rainfall or meager rainfall was not classifiable as heavy rains. India Meteorological Department (IMD) considers rainfall beyond 124.5 mm in a day as "very heavy rain". In fact the Taluka was a drought prone area.

Government agreed (September 2006) to investigate the matter through the Divisional Commissioner and initiate disciplinary action against the officials concerned.

**3.1.10 Delay in essential supplies and hospital equipments for relief**

When people having wounds if any wade through animal (rat, dog, buffaloes, etc) urinated flood water, they get affected with the disease "Leptospirosis". Incubation period of the virus causing this disease is seven to twenty days from the date of contact. Such patients are treated with a standard dose of two doxycyline capsules per day for three days. Critical patients are put on ventilators for improving their respiratory system. With the possibility of the disease breaking out, the Government placed order (August 2005) for procuring 52 ventilators costing Rs 3.27 crore to be supplied by 14 August 2005 (10 Nos.) and by 19 August 2005 (42 Nos.). All the ventilators were

**Crop compensation due to heavy rains was paid in drought prone area of Kadegaon taluka**

**Procurement and installation of ventilators was made after expiry of incubation period of the virus causing disease**

installed in 21 hospitals in Mumbai, Thane and Raigad Districts between 17 August 2005 and 21 September 2005, after expiry of incubation period of 20 days on 14 August 2005.

While cross checking the records of indoor patients of Leptospirosis and utilisation of six ventilators installed in two hospitals in Raigad and Thane Districts, it was observed that either they were installed after discharge of such patients or the number of such patients was negligible. Out of 176 Leptospirosis patients, in Civil Hospital, Thane, only five patients were admitted in critical conditions in ICU where ventilators were installed after their discharge.

Further, an effective DMP would envisage maintaining a stock of essential medicines, particularly chlorine tablets for purification of water in the event of flood. It was however, noticed that the Deputy Director of Health Services (DDHS), Thane did not maintain any stock of these medicines.

Followed by flood 2005, DDHS, Thane procured Chlorine tablets costing Rs 1.13 crore between 11 August and 22 October 2005 with the intention of providing pure drinking water to the flood affected people in Mumbai, Thane, Raigad and Ratnagiri Districts for purification of water. However, they were supplied 15 to 88 days after the occurrence of floods. The flood-affected people were thus deprived of the benefit of pure drinking water immediately after floods.

Government agreed (September 2006) to ascertain the reasons for delay in procurement after expiry of incubation period of twenty days by the Public Health Department and also to intimate the result. The result is awaited (December 2006).

### **3.1.11 Compensation despite increase in yield**

Under crop insurance scheme already in existence, if the average crop yield of an area was found less than the standard targeted crop yield, the insurance claims were payable for insured crop. For this purpose the Department conducts experiments/ surveys every year for arriving at standard targeted crop yield on the basis of random selection of plots at various villages of the district.

Scrutiny of records of three<sup>26</sup> District Superintending Agriculture Officers showed that Department had paid crop assistance of Rs 53.66 crore<sup>27</sup> towards compensation for cotton and rice crop (107314.64 hectare) which were damaged more than fifty *per cent* due to flood and heavy rain during Kharif season 2005. These losses were assessed in a joint survey conducted by Revenue and Agriculture authorities on visual estimate.

---

<sup>26</sup> Parbhani, Nanded and Bhandara

<sup>27</sup> Bhandara Rs 10.28 crore, Nanded Rs 19.19 crore and Parbhani Rs 24.19 crore

**Chlorine tablets were procured and supplied for the affected persons 15 to 88 days after flood.**

**Compensation for crop damages despite increase in yield.**

The study of Departmental average yield in these districts revealed that the average yield of the crop for the year 2005-06 (Kharif) was nearly the same or more than the average yield of the last four to five years shown as under:

Year	Average yield (quintal/hectare)		
	Bhandara	Nanded	Parbhani
	Rice	Rice	Cotton
2001-02	21.25	3.05	4.60
2002-03	18.12	2.83	4.67
2003-04	23.96	4.77	5.87
2004-05	10.50	3.98	4.38
2005-06	26.38	3.05	5.14

In view of the above, it is clear that crops were not damaged more than fifty *per cent* due to flood/heavy rains in Kharif 2005 as was confirmed by increased average yield of crops during Kharif 2005. Thus, payment of compensation towards damaged crops was irregular.

Government agreed (September 2006) to investigate the matter through Agriculture Department.

### 3.1.12 Payment of compensation for damaged houses

Standing Orders 1983 as amended from time to time stipulate payment of relief assistance for reconstruction of fully damaged houses at the same/existing places at the rate of Rs 15000 per house in two equal installments (first at the start and second on completion of work upto roof) provided the old house was not in encroachment zone and in blue zone.<sup>28</sup> Further, a certificate to the effect that the house is damaged fully is obtained from Public Works Department.

The relief assistance for repairs of partially damaged houses is however payable upto Rs 2400 and loans of Rs 9600 to be sanctioned by the Revenue Officers. In eight test checked districts except Mumbai and Thane Districts, of the total payment of Rs 26.96 crore made to 1.84 lakh beneficiaries, payment of Rs 8.03 crore made to 0.46 lakh (twenty five *per cent*) beneficiaries were scrutinised and the following irregularities were observed:

Assistance to damaged houses paid without assessing the loss by Junior Engineer.

<sup>28</sup> River bank area between flood lines not permitted for residence

(Rupees in lakh)

District	Amount of loss not assessed by JE	Panchanama signed only by Talathi	Payment more than the assessed loss	Without Certificate of blue Zone and encroachment
Bhandara	28.19	14.09		
Gondia		50.13		
Kolhapur	15.84		0.14	169.73
Nanded		22.85		
Parbhani		18.32		
Pune	24.45	24.45	0.43	
Raigad			0.19	69.64
Sangli	31.31			111.70
Total	99.79	129.84	0.76	351.17
Rounded to Rupees in crore	1.00	1.30	0.01	3.51
Percentage of financial implication	12	16	<1	44

Government stated (September 2006) that condition of blue zone itself was removed from January 2006. This amounts to subjecting the population in the blue zone to face recurrent floods and the Government had created avoidable recurring liability.

During the flood 2006, in Gondia and Kolhapur Districts, of the total payment of Rs 2.63 crore, payment of Rs 15.93 lakh were scrutinised. It was observed that the payment of Rs 7.34 lakh to the owner of damaged houses was made on Panchanama signed by one person only instead of three persons (Gramsevak, Talathi and Junior Engineer) authorised for this purpose.

### 3.1.13 Beneficiary Survey by Audit

For cross verification of financial assistance paid to the legal heirs of deceased/missing persons, a postal survey was conducted by Audit between May and June 2006 for Mumbai and Raigad Districts. In Mumbai District (Tahsil Andheri and Kurla) 22 letters (out of 323 issued) were received back undelivered. The reasons for non-delivery was quoted by postal authorities as “addressee/address not known” in 20 cases and “left the place of residence” in 2 cases. Financial assistance of Rs 26 lakhs was paid to these 22 beneficiaries (**Appendix V**). In one case where Rs 1 lakh was stated to be paid, the beneficiary stated that he had received nothing. List was handed over to Government during exit conference on 7 September 2006 and Government agreed (September 2006) to investigate and report the results of investigation. The same was awaited (December 2006).

### **3.2 Conclusion**

The relief assistance was paid without proper identification, even to persons not affected by flood. The affected families identified by the District Collectors did not tally with the effected families considered by the District Supply Officer for distribution of assistance in kind, which resulted in extending undue benefits to the non-affected persons. In many cases, the assistance paid was more than the loss assessed. Recurring liability of GRA was created due to not shifting families residing in blue zone and low laying areas to safer places. Inadmissible payment was made to shopkeepers and tapri holders not having valid license and in some cases without verifying the insurance cover. The crop compensation was paid even to ineligible persons in non-affected talukas. Some essential supplies and hospital equipments for relief were not procured in time.

### **3.3 Recommendations**

- The system of extending gratuitous relief should be fine-tuned to ensure proper identification of beneficiaries either from voter lists or ration cards.
- Condition of non-availability of insurance cover needs to be incorporated in the GR sanctioning relief assistance for crop damages.
- Suitable control mechanism may be placed so as to filter unrealistic proposals of crops compensation of talukas not affected either by floods or heavy rains avoiding additional burden on the exchequer. Those sending proposals based on wrong / manipulated facts need deterrent punishments.
- Procurement of essential equipment and medicines required for extending relief assistance to the affected people, needs to be made in time.

Government accepted the recommendations during exit conference (September 2006).