Natural Disasters and Relief Provisions in India:

Commitments and Ground Realities

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CBGA-2004

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Preface

Since the commencement of the 9th Finance Commission, we have in place the Calamity Relief Fund (CRF) scheme of the Central Government for financing relief expenditure of States in the wake of natural calamities. The main objectives of this initiative were to ensure that:

- the assistance extended to the States is in accordance with their needs
- the provision of relief to the victims is quick
- the States have greater autonomy in the relief operations and
- that the States are more accountable as well for their activities in providing relief to the affected people

The present study is an attempt towards looking at various pertinent issues that have wide ranging implications for the welfare of the marginalized sections of our country who are the worst affected lot in the wake of any natural calamity. Thus, keeping this in focus, our efforts are directed towards highlighting and answering the below stated objectives:

- to assess the macro-level implications of the present framework/design of CRF scheme from the point of view of those sections of the population who need it most.
- to assess how much is CRF scheme helping the States in meeting expenditure on relief works in the wake of natural calamities.
- to highlight the irregularities in the implementation of the scheme at the ground level, especially those which affect the vulnerable sections of the society.
- to look at the reasons behind the high death tolls and extensive damage caused by natural disasters in the recent past.
- to discuss the approach of the Central Government towards disaster mitigation and preparedness.
- to suggest modifications in the CRF scheme as also in the approach of the Central Government towards disaster management.

We have also tried to look at the ground realities in implementation of this scheme and its impact in a few sample constituencies in the States of Rajasthan, Orissa, and Gujarat. Many important observations have been highlighted and measures to address the same have also been suggested in this regard.

Implications of the CRF scheme for the welfare of the marginalized and poor has always been the central focus of this report.

CBGA through its research seeks to draw attention of the public to the Government expenditure processes and governance issues that arise because of these processes, which affect the lives of the poor in some way or other. This report is the one of such endeavours – and through the CBGA Manual Series we aspire to continue such efforts.

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We are most grateful to Mr. Srilal Joshi and Ms. Manjula Joshi of Hadoti Hast Shilp Sansthan, Kota, Rajasthan, Mr. Tapas Roy of Kishanganj, Rajasthan, and Mr. Rashmi Ranjan Mishra of Jagatsinghpur, Orissa, for their unconditional help during the field visits for this study but for which our field visits would have borne no results. Above all, we are obliged to all our respondents in each of the fields visited, who gave us an objective account of their sufferings in natural disasters in the past without any visible incentive for doing so.

We hope our effort towards facilitating a debate around the desirability of the prevailing mechanism for disaster relief in India would be successful, and we shall witness the adoption of a more comprehensive, effective and just mechanism for disaster mitigation and relief in the country.

- CBGA TEAM

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Abbrevations

ARWSP	Accelerated Rural Water Supply Programme
BMTPC	Building Material and Technology Promotion Council
C&AG	Comptroller and Auditor General
CACP	Commission for Agricultural Costs and Prices
CBDP	Community Based Disaster Preparedness
CBO	Community Based Organisations
CRF	Calamity Relief Fund
DDP	Desert Development Programme
DPAP	Drought Prone Area Programme
FCI	Food Corporation of India
FYP	Five-Year Plan
HHD	High Human Development
HPC	High Powered Committee
IDNDR	International Decade for Natural Disaster Reduction
IIPA	Institute of Public Administration
IMD	Indian Meteorological Department
IMG	Inter Ministerial Group
IST	Indian Standard Time
IWDP	Integrated Wasteland Development Programme
LHD	Low Human Development
MLA	Member of Legislative Assembly
MSP	Minimum Support Price
NA&ED	National Afforestation and Eco-development Programme
NABARD	National Bank for Agriculture and Rural Development
NCCF	National Calamity Contingency Fund
NCCM	National Centre of Calamity Management
NCDM	National Centre for Disaster Management
NDA	National Democratic Alliance
NDMA	National Disaster Management Authority
NFCR	National Fund for Calamity Relief
NGO	Non-Governmental Organisation
OSDMA	Orissa State Disaster Management Authority
OUP	Oxford University Press
PMRY	Prime Minister Rozgar Yojana
PRI	Panchayati Raj Institutions
R&D	Research and Development
RBI	Reserve Bank Of India
SGRY	Sampoorna Gramin Rozgar Yojana
SMP	Statutory Minimum Price
UN	United Nations
UNDP	United Nations Development Programme
UT	Union Territories
VASUDEVA	Voluntary Agencies for Sustainable Universal Development and Emergency Voluntary Action
VHF	Very High Frequency

Chapter 1 INTRODUCTION

"Each year from 1991 to 2000, an average of 211 million people were killed or affected by natural disasters - seven times greater than the figure for those killed or affected by conflict. Towards the end of 1990s, the world counted some 25 million 'environmental refugees'- for the first time more people had fled natural hazards than conflict".

- World Disasters Report, 2001

"A disaster", as defined by the World Health Organisation, "is any occurrence that causes damage, economic destruction, loss of human life, and deterioration in health and health services on a scale sufficient to warrant an extraordinary response from outside the affected community or area". Disasters could be natural, such as, earthquake, floods, droughts, and cyclones; or man-made (i.e. whose direct and principal causes are identifiable human actions, deliberate or otherwise), like industrial accidents, environmental fallouts of an industry or a commercial establishment, communal riots, and epidemics, etc. Globally, natural disasters account for roughly eighty per cent of all disasters affecting people. The United Nations General Assembly, recognizing natural disasters as an obstruction to the economic development of many countries, had declared **the decade of the 1990's** as the **International Decade for Natural Disaster Reduction (IDNDR).**

Natural disasters of similar nature and intensity, however, affect the developed and underdeveloped/ developing countries differently in terms of the damage of property and loss of lives caused. While the developed countries are well-equipped to cope with natural disasters through well functioning disaster mitigation, preparedness and response mechanisms; the developing countries, ill-equipped in terms of each of the above three parameters, suffer most because of natural disasters. For instance, during the decade of the 1990's, while two-thirds of the victims of natural disasters came from developing countries, just two per cent were from highly developed nations. While the developing countries receive greater setbacks from natural disasters, their resilience to cope with them is also less. Among all the continents, Asia is the most vulnerable to disasters. For the period from 1991 and 2000, Asia accounted for as much as 83 per cent of the population affected by disasters globally. And, within Asia, India is known to be one of the most disaster-prone countries. Natural disasters, on an average, affect 60 million Indians annually. In India, about 85 per cent of the area is vulnerable to one or multiple natural disasters. About 68 per cent of the total sown area in the country is drought-prone, roughly 57 per cent of the country's area lies in high seismic zone, and floods and high winds account for 60 per cent of all natural disasters in the country.

India has experienced very severe natural disasters at almost regular intervals in the past. The devastation caused by the Latur earthquake of 1993-94, the Orissa super cyclone of 1999, the Bhuj earthquake of 2001 (as also the widespread drought of 2002-03) are etched in public memory.

Table 1.1: Frequency of Disasters in India			
Types of Disaster	**No. of Occurrences**		
	1970-79	**1980-89**	**1990-98**
Floods	40	50	58
Earthquakes	04	11	13
Cyclones	19	21	17
High Winds	09	19	09
Epidemics	06	19	08
Human-made	12	107	98
Others	12	23	12

Source: Parasuraman and Unnikrishnan (2000), India Disasters Report, OUP

The above table gives us an idea about the changes in the frequency of disasters (both natural and man-made) in India since 1970s. We get a picture of the number of people affected and the loss of property by natural disasters in the country during 1985 to 2001, from the following table.

Table 1.2: Damage due to Natural Disasters in India

Year	People Affected (in Million)	Houses & Buildings, Partially/Totally, Damaged	Amount of Property Damage/Loss (in Rs. Crore)
1985	59.56	24.50	40.06
1986	55.00	20.50	30.74
1987	48.34	29.19	20.57
1988	10.15	2.42	40.63
1989	3.00	7.82	20.41
1990	3.17	10.19	10.71
1991	34.27	11.90	10.90
1992	19.09	5.70	20.05
1993	26.24	15.29	50.80
1994	23.53	10.51	10.83
1995	54.35	20.88	40.73
1996	54.99	23.76	50.43
1997	44.38	11.03	n.a.
1998	52.17	15.63	0.72
1999	50.17	31.04	1020.97*
2000	59.43	27.36	800.00
2001	78.81	8.46	12000.00*

Source: Planning Commission of India, Tenth Five Year Plan document (2002)
*: Substantially higher damages in 2001 due to Gujarat Earthquake, and in 1999 due to Orissa Super Cyclone.

The worst affected in natural disasters are undoubtedly the poor and the marginalised sections of the society. They are most vulnerable to losses from natural disasters, and their ability to recover from the shock brought by a disaster is the lowest. In the aftermath of a disaster, the deprived sections of the society face an immediate and acute shortage of resources and also lose their access to livelihood in many cases. As a result, natural disasters in most cases force the people belonging to the poor and marginalised sections to sell their labour power at abysmally low wages. Also, in case of relief and rehabilitation following natural disasters, the principle that "everybody needs to be treated at par" can become inappropriate and unjust. For example, in the Latur earthquake of 1993-94, among the people who died in the first week itself, the proportion of women was much higher. The state mechanism must recognize differential vulnerabilities and losses within a community.

However, disasters, natural or man-made, though specific to one region do not merely affect the people of that particular region. Loss of lives and damage caused to property and resources of various kinds impede the socio-economic development of an entire State and, in some cases, the whole country.

Therefore, the occurrence of a natural disaster in any part of the country necessitates state intervention. The role played by the state vis-à-vis natural disasters could be divided into some categories, interlinked with each other, which are:

- Disaster mitigation
- Disaster preparedness
- Disaster response and
- Rehabilitation and recovery.

This study focuses on the Calamity Relief Fund Scheme, and our report deals mainly with the provision of relief to the victims of natural calamities, which falls under the domain of disaster response of the state. However, disaster response provides only temporary relief which often comes at a high cost. On the other hand, disaster mitigation contributes not only towards preventing or reducing the impact of a disaster but also towards making a lasting improvement in public health and safety. Thus, our report, apart from the issue of provision of relief, also deals with disaster mitigation and preparedness to a considerable extent.

Calamity Relief Fund (CRF) Scheme

Under the Constitution of India, provision of immediate relief to the victims of natural calamities is the primary responsibility of the States. However, often the scale of a natural calamity combined with the economic and infrastructural abilities of the State Government create such a situation where assistance from the Central Government towards meeting the relief expenditure becomes necessary. Before the setting up of the CRF scheme (in 1990), during the occurrences of calamities, the State Governments used to approach the Centre with a claim for immediate financial assistance for meeting the expenditure on relief. The amount of assistance released from the Centre, however, was based on an assessment of the damage caused by the calamity and extent of help required by a Central Team which visited the calamity affected area for this purpose. As this whole process was cumbersome and time-consuming, the State Governments faced many hurdles in providing immediate relief to the victims of natural calamities. Also, under the Margin Money Scheme (meant for helping the States in meeting expenditure necessitated by natural calamities) that was in operation all through the recommendation periods of II to VIII Finance Commissions, the amount of assistance given from the Centre was far short of what the State Governments actually needed.

All these problems led the Ninth Finance Commission to recommend for setting up of the Calamity Relief Fund scheme for financing relief expenditure of States in the wake of natural calamities. The main objectives of this initiative were to ensure that:

- *the assistance extended to the States is in accordance with their needs*
- *the provision of relief to the victims is quick*

- *the States have greater autonomy in the relief operations and*
- *that the States are more accountable as well for their activities regarding relief.*

There is a requirement for every State to have a separate CRF, with Finance Commission recommendations deciding the annual allocations. Every year, the Centre provides 75 per cent of the size of the CRF of a State as a non-plan grant to the State while the rest of 25 per cent comes from State Government itself. Expenditure under CRF is to be incurred following the guidelines for the same. The Tenth Finance Commission recommended for setting up a national fund called the National Fund for Calamity Relief (NFCR) for providing assistance to States in the wake of natural calamities of 'rare severity'. Accordingly the NFCR was set up and it functioned over the period 1995-2000. However, with the suggestions of the Ministry of Agriculture of the Union Government and the recommendations of the Eleventh Finance Commission, this NFCR was replaced by the National Calamity Contingency Fund (NCCF), which is in operation at present.

Objectives of the Study

This study was undertaken primarily to make an assessment of the present form of CRF scheme and its functioning, mainly in terms of benefits derived by the calamity affected populations. The main objectives were as outlined below:

1. To assess the macro-level implications of the present framework/design of CRF scheme from the point of view of those sections of the population who need it most.
2. To assess how much is CRF scheme helping the State Governments in meeting expenditure on relief works in the wake of natural calamities.
3. To highlight the irregularities in the implementation of the scheme at the ground level, especially those which affect the vulnerable sections of the society.
4. To look at the reasons behind the high death tolls and extensive damage caused by natural disasters in the recent past.
5. To discuss the approach of the Central Government towards disaster mitigation and preparedness.
6. To suggest modifications in the CRF scheme as also in the approach of the Central Government towards disaster management.

Methodology

The discussions presented in this report draw from analyses of both secondary and primary information. Secondary information were taken mainly from Reports of various Finance Commissions, RBI's reports on State Budgets, website of the National Disaster Management division of the Ministry of Home Affairs (of the Central Government), and published papers by numerous authors. Primary data were collected from the statistics given by Government offices, and interviews with calamity affected people, local political representatives and Government officials in the respective fields visited in the year 2003 in three States, viz. Rajasthan (Baran district- drought of 2002-03), Orissa (Jagatsinghpur district- Super Cyclone of 1999) and Gujarat (Kachchh district- earthquake of 2001).

However, when we attempted a quantitative analysis of the primary data collected through field visits, we faced a number of problems. The data collected from the three fields were not comparable because the nature of calamities that had struck the three places were completely different and so were the requirements in terms of relief and rehabilitation measures, and the time spans since the occurrence of the respective disasters were also different. Above all, the amount of relief assistance, from Government and non-Governmental sources, which had come to the three States following the specific natural disasters were of completely different magnitudes. All these factors led us to rely mainly on a qualitative analysis of the primary information. Therefore, the discussions presented in the report depend heavily on qualitative analyses.

Structure of the Report

The **second chapter** of this report, ***"A Historical Account of Calamity Relief in India"***, deals with:

- famine relief works in the colonial period
- floods in the pre-independence period and those in the post-independence era
- the financing of relief expenditure of State Governments as under the recommendation periods of II to VIII Finance Commissions
- the Margin Money Scheme and the changes brought about in that by the different Finance Commissions
- the setting up of CRF by the recommendations of the Ninth Finance Commission
- the NFCR, set up by the recommendations of the Tenth Finance Commission
- the NCCF, set up by the recommendations of the Eleventh Finance Commission.

The **third chapter *"Calamity Relief Fund (CRF): Assessment as a Scheme for Financing Relief Expenditure"*** presents

- the important features of the CRF scheme in its present form and the main guidelines governing it
- the genesis of CRF
- a brief comparison of CRF with the Margin Money Scheme
- various implications of the basic design of the CRF scheme showing how this scheme's design itself constrains its effectiveness to a considerable extent
- other factors responsible for limiting the extent to which CRF scheme can help out the State Governments in carrying out quick, comprehensive and effective relief measures
- a note on the performance review of the CRF scheme, over the period 1992-98, conducted by the Comptroller and Auditor General of India.

The **fourth chapter *"Ground Realities of Disaster Response of the State Governments"*** presents:

- a note on the response of the Central Government to the widespread drought of 2002-03, and the implications of falling public investments in agriculture and rural areas

Drought in Rajasthan, 2002-03

- a discussion on the drought relief measures taken in Baran, Rajasthan giving special emphasis on the plight of the Sahariyas, who form the most vulnerable section of this region's population
- several irregularities and problems that have marred the relief operations on the ground in Baran, Rajasthan

Orissa Super Cyclone, 1999

- the extent of damage caused by the Orissa super cyclone of 1999
- the reasons behind the high death toll and extensive damage caused by it in Jagatsinghpur district of coastal Orissa
- provision of relief to the victims of super cyclone and the loopholes therein
- the cyclone-preparedness of Jagatsinghpur district at present

Gujarat Earthquake, 2001

- a brief description of the damage caused by the earthquake of 2001
- a discussion on the provision of relief to the victims of the earthquake
- the major factors that obstructed the rescue operations following this earthquake which led to a high death toll in Kachchh district.

From both the case of Orissa super cyclone of 1999 and that of Gujarat earthquake, 2001, we find that the need for proper disaster preparedness and mitigation is much higher than that for disaster response by the state. This is because, prevailing levels of disaster preparedness and mitigation measures determine the extent of damage as well as the effectiveness of rescue and relief operations. For instance, as reported in the media, in the first week after the Gujarat earthquake there were significantly high number of surgeons in the quake-hit region, but they could not conduct surgery because of lack of equipments and electricity. Telecom lines were all defunct, so difficulty arose in transmission of much needed information about the need, type and location of relief work. Also, it is obvious that even relief measures of a limited scale will be more effective when the scale of damage caused by a disaster is low. We have to keep in mind that the Central Government as also the State Governments have to worry about the finances, and hence a demand for an unlimited supply of funds for the purpose of relief and rehabilitation is untenable. It will be much better to try and contain the damage caused so that the scale of rescue, relief and rehabilitation required will be lower and then the state intervention will be much more effective not only in providing immediate relief at an adequate scale but also in enabling the victims to recover their access to livelihood and socio-economic prosperity following any natural disaster.

The **fifth chapter**, ***"Measures for Disaster Mitigation in India"***, which follows from the arguments mentioned above, deals with:

- disaster situation in India
- disaster management in the country
- the recommendations of the High Powered Committee on disaster management
- Tenth Five Year Plan and disaster management
- an appraisal of the strategy of the government towards disaster management.

The **sixth chapter** of the report, ***"Conclusion"***, gives our opinion on the various issues taken up in the previous four chapters and presents our suggestions for improving the CRF scheme as also the approach of the Central Government towards disaster management.

Chapter 2

A Historical Account Of Calamity Relief In India

> *"Human history becomes more and more a race between education and catastrophe."*
>
> *-H G Wells, The Outline of History*

Provision of relief to victims of natural calamities is one of the basic responsibilities of State Governments in India. In a predominantly agrarian economy like ours, the failure of crops over large areas resulting from deficiency or failure of rainfall, floods, cyclones or the likes necessitates State intervention on a large scale mainly for:

- creating alternative opportunities for employment
- supply of food grains and other essentials at fair prices
- initiation of protective and preventive works against recurrence of similar calamities in the future. The State has to step in when natural calamities such as droughts, floods, cyclones and earthquakes cause extensive damage to the crops and property, and loss of lives.

Independent India inherited a system of relief and rehabilitation from its erstwhile Colonial rulers. Famines were one of the worst ordeals that afflicted Colonial India at regular intervals in almost every part of the colony. The worst sufferers of these were the marginalised sections of society comprising untouchables, menial workers, landless labourers, artisans, etc.

- The Britishers, while undertaking relief and rehabilitation measures adhered to the principles of Darwinian and Malthusian dictates, formulating and following a policy to provide relief works only for the able-bodied individuals of the affected population, with the destitute and infirm left on the mercy of private charity.
- Often relief works were undertaken at places far away from the affected region, making it very difficult for the people affected by famine to avail of such relief.
- Its policies were not attuned to the local needs of the society, and the government's view was that liberalism in relief works would lead to 'demoralisation' of the society.

In the following, we present some of the effects of major famines in colonial period and relief and rehabilitation policies taken by the British Indian government.

Famines and Relief Works in Colonial India

Famines in colonial India were a regular phenomenon, causing widespread adversities for the people. To its rulers, famine appeared to be just a temporary dislocation of employment for the large mass of agricultural population, an abnormal rise in prices and failure of wages to keep pace with them.

But its causes lay deep in the economic and social changes that were taking place in the country at that time. The situation in India was very different from the one prevailing in England. The Indian society, with its base in the self-sufficient village communities, was still medieval in structure and organization. The whole organisation was adapted to the requirements of a market-based form of living centred on the cultivation of land for the production of food grains and other agricultural produce. The socio-economic organisation in the rural areas was still predominantly communal, and the British rule forced the pace of change. The social cost of the economic change was borne by the vulnerable sections of the rural community/villages like the agricultural labourers, the small tenant farmers, the village artisans and menial servants.

The ***late nineteenth century famines*** were the most widespread in the sub-continent because the monsoon failures and crops withering were greater than ever recorded before. However, the colonial agricultural policies, such as its thrust for commercialisation of agriculture, also played a role in causing famine conditions. And, many historians are of the opinion that famines were not a regular occurrence in the Indian subcontinent in the pre-colonial era. When masses of individuals reached conditions of starvation, there were some last-minute endeavours to stimulate shipment of foodstuffs into the desolated locale or to organize private, charitable relief. Taking some responsibility, the government selectively helped those who were most fit to survive and work, excluding others needing succor, and leaving the helpless and infirm dependent on the charitable public. This kept the government policy within the dictates of Malthusianism- by incorporating the individuals capable of contributing to economic development onto its list of "to be saved"; and excluding those whose demands of relief meant diversion of resources meant for development.

Post-1857 famine policies began to take some responsibility for sustaining the 'helpless and infirm', but in incomplete, chaotic and contradictory ways, not countering Malthusian postulates. A major controversy over saving lives centered on ***the Orissa famine of 1867***, in which over a million lives were lost, about one of every four Oriyas. Misreading signals, discounting famine alarms, overstating food stocks, and adopting laissez-faire imperatives, the Bengal government of Sir Cecil Beadon did little until the whole Orissa plunged into one universal famine of extreme severity. It was then too late to bring sufficient speedy help to the populace caught up in that province which was not well connected with the other areas. Relief projects were launched, but any such labourer whose weakness prevented a full day's labour was excluded, women and children were also excluded from the relief projects. There was frightful suffering visible everywhere due to inadequate administration of relief measures. Those who were unable to work for food and did not turn to dacoity, were in the most abject state of misery and distress, becoming very weak from want of food. Crowding the station and villages people were dying of cholera, dysentery, or hunger, or picking up a bare subsistence by begging/public charity.

However, the advocacy of 'humane' policy by Lawrence's government stimulated liberal social activism half-a-dozen years later in 1873-74, while determining the policy of famine control in Bengal and Bihar. As a result, elimination of mortality was possible in a region even served by a single railway line.

Table 2.1: Development of Famine Relief, 1850-1900

Famine Year	Locale	Area (Sq. Miles)	Population Afflicted	Average Daily Re-lieved on Works	Average Daily Gratuitous Relief	Cost of Relief (Rupees)
1853-54	Madras and Hyderabad	30000	2800000	56500	–	1600000
1860-61	NW Provinces, Punjab, Native States	53000	20300000	34000	83000	1750000
1865-66	Bengal, Madras, Hyderabad, Mysore, Bombay	180400	47600000	23200	100860	2365000
1868-69	Rajputana, NW Provinces, Punjab, Central Provinces, Bombay	296200	44400000	71430	–	4315200
1873-74	Bengal	40100	17750000	661500	452300	22260000
1873-74	NW Provinces, Oudh	14100	3650000	149000	2760	1282200
1876-78	Madras, Mysore, Hyderabad Bombay, NW Provinces, Oudh, Punjab	257300	58000000	877000	446640	20750260
1896-97	Bengal, Berar, Burma, Bombay, Central India, NW Provinces, Oudh, Punjab	504490	53000000	3500000	900000	68000000
1899-1900	Berar, Bombay, Central India, Behar, Ajmer, Punjab	490665	65800000	2700000	1700000	99995300

Source: Ira Klein, 1984.

In this ***1873-74 famine,*** a highly interventionist and expensive policy of famine combat was organized -

- The government purchased half-a-million tons of rice in the Burmese market and took careful measures for effective distribution.
- To travel beyond the perimeters of the railway it built steamers and flat boats, and procured all types of pack animals from as far as the Sutlej.
- It deployed regular troops to facilitate relief works in remotest areas.
- At relief works, relaxation of tasks and allotment of sufficient money or grain was made for all who were prima facie in want.
- On the famine-ridden locales over 700,000 were employed on the works, almost a half million received gratuitous relief daily for six months, and over three million got grain cheaply or received loans of money or food.

Contradicting the apprehensions of the colonial rulers, the beneficiaries of famine relief works returned to their usual labours after the provision of famine relief came to an end. But the bill for this success, six and a half million pounds sterling, which was equal to the total expenditure of all past famine-relief measures in India from the beginning of the nineteenth century, was a significant deterrent to similar intervention in the near future. The policy was criticised by the higher authorities as excessively liberal and spendthrift, and the consequence was again a perpetuation of high famine mortality among the farmers in future due to restricted relief expenditure.

In the severe famine of the late 1870s, famine control policies were again a reversion towards Malthusian orthodoxy. This was quite visible in the overtones in famine policies and the disastrous consequences in ***the Mysore famine of 1877***.

- The relief policy followed the government's percepts about centering relief mainly for the able-bodied on large works on wage basis.
- The policy also resulted in disorganization of all supplementary relief measures.
- The irrigation and other projects were undertaken at far-flung places from the famine-stricken tracts. To walk a hundred miles to reach the project sites , was a task normally beyond the powers of the emaciated victims.
- Since only few people qualified for taking part in the relief works, huge mobs crowded the few kitchens of private charity.
- The numbers who required food were beyond control or discipline. Kitchen staffs could not cook even the bare subsistence ration for such a magnitude.
- Each starving individual was provided half the subsistence allotment and it was not uncommon to see people die in the act of eating it, or unable to eat the whole due to weakness and sickness.

Again in the famines that occurred towards the end of the 19th century, the orthodox policies adopted by the government were unable to save lives and found grossly ineffective. People perished in great numbers where local officials were most suspicious about distress and most restrictive in offering relief, or in villages which were least able or willing to take relief at large distant works.

A major question at the end of the century was if and to what extent liberalisation of the famine relief mechanism would take place. As it happened, the use of more flexible and generous policies resulted in dramatic reduction in famine mortality in the future. The capacity of a relatively liberal famine relief mechanism to save lives through policies attuned to Indian social and environmental realities was shown when new initiatives reversed mortality, particularly in ***Central India in the two end-of- the 19th century famines***.

A primary lacuna in the famine policy adopted in 1897 in the Central Province was the absence of systematic village relief. The problem of 1897 famine relief got solved three years later not by building more railroads or irrigation works but by shifting to village relief. An expansion of village anti-famine measures was undertaken in 1899-1900 famines:

- The affected areas were Central Provinces, Berar, Bombay, Ajmer, and Punjab.
- Death rates in the famine were reduced considerably in comparison to 1897, although the famine at the turn of the century was more widespread, afflicting ten million in comparison with six million in the previous ordeal.
- The able-bodied victims were brought onto the cash relief list of their village for performing any work, which the headman of the village prescribed. This innovation was a major break from the development orientation of the famine relief mechanism.

- Another change was the ready admission of famine afflicted individuals, who were unable to work, to gratuitous relief.

Increased liberalism also explains why famine was combated successfully in ***Northern India in 1907*** and why this was the last ordeal until the Bengal calamity in 1943. Northern India administrators did much in 1907 to attune their policies to village life and to class or communal vulnerabilities. They departed from laissez-faire trade policy and adopted special measures to encourage the import of grains. They abandoned the guidelines of past Famine Commissions about restricting the proportion of gratuitous relief. Gratuitous relief as a proportion of total relief surpassed 50 percent, and was the major tool of famine relief. The rate of excess mortality or famine deaths in this case was only about 2 percent of the rates in Orissa or Mysore famines (of 1867 and 1877). However, the initiatives taken in response to the 1907 famine of the Northern India did not lead to any drastic improvement in the overall famine policy. A very significant proportion of the famine-stricken population still qualified for government dole or cash relief in exchange for employment as labour at relief works.

The Bengal famine of 1943 was characterized by a period of acute starvation during May to October of 1943.

- The death rate remained high for several years because of epidemics that the famine unleashed.
- Based on Amartya Sen's reverse-survival estimates, the death toll was around 3 million.
- This famine affected every district of rural Bengal, with most affected groups belonging to rural occupations like fishermen, transporters, agricultural labourers, non-agricultural labourers, and artisans.
- The least affected group among the rural population was that of peasants and sharecroppers.

The official Famine Inquiry Commission concluded that the primary cause of the famine was a serious shortage in the total supply of rice available for consumption in Bengal, which was the staple food of the Bengal populace.

Amartya Sen challenged this Food Availability Decline argument -

- Basis of his arguments were that current availability of food grains was at least 11 percent higher in 1943 than in 1941, when there was nothing remotely like famine.
- Even in per capita terms the current availability was 9 percent higher in 1943.
- He developed a new approach to answer the question regarding the reasons of famine in Bengal in 1943.
- Based on the pattern of destitution, he suggested that the **failure of exchange entitlements**, which was widespread and massive, was the reason behind the ordeal of Bengal Famine of 1943. It was mainly the trade entitlement failure rather than the direct entitlement failure that caused the famine.

Droughts in the Post-Independence Period

After Independence we haven't faced famines which had occurred at regular intervals in Colonial India. But agriculture, which has been the main occupation of a vast majority of our population, has been mostly dependent on monsoons. As a result, we have suffered some of the worst droughts.

- India experienced major droughts in the years 1965-67, 1972-73, 1979-80, and 1985-88 in the post-independence period. The most recent severe drought in the country was that of 2002-03.

- Drought impact indicators relating to 1966 and 1979 reveal, despite developmental efforts and the accompanying agricultural growth during this period, drought induced crop failures continued to be of significant proportions. The 1979 drought caused crop losses to the extent of 19 percent from the previous year level.
- A comparison of impact and distress indicators relating to 1966 and 1987 droughts reveals that while the drought of 1987 was much more severe in terms of rainfall deficiency, geographic spread and intensity when compared to 1966, Indian society faced a lesser crisis during 1987 (when compared to 1966). This could be possible because of the high levels of public expenditure in rural employment programmes undertaken in 1987.
- The drought of 2002-03 had affected as many as 14 States of our country. Its impact was most severe in Rajasthan, which faced four consecutive drought years from 1999 to 2002.

Floods

❑ Colonial India

Floods have been recorded in the government documents of the country since 18th century. But the adversities associated with famines loomed larger in the public mind of colonial India. The British were very keen to avoid expenditure on famine relief and also wanted to protect agricultural revenues, so they had given some emphasis on irrigation.

In 1927 there was considerable damage from floods in the Baitarani, Brahmani, and Mahanadi Rivers in Orissa. The government appointed the ***Orissa Flood Committee*** to inquire into the nature and causes of floods to propose corrective measures. ***The Patna Conference on Floods*** in the Bihar river basins followed it in 1937 and then by an Inquiry Commission set up to study the floods in the Damodar River.

However, apart from setting up committees and commissions, the British Indian Government did not really do much by way of flood control. Quite early on, they had attempted to repair and strengthen some of the old embankments, but the exercise proved futile as these structures resulted in increasing the obstructions in the free drainage of water and increased the incidence of malaria. So the general consensus till 1940 was to improve the drainage of rivers rather than to impede their flow through constructions.

❑ Post Independence Period

The enormous floods of 1953 in independent India saw a remarkable change in policy and the target of 'flood control' began to be pursued with great earnestness.

- The ***first National Policy*** in this regard was formulated in ***1954,*** and the same perspective has dominated the policy sphere in the next five decades.
- This policy underlined the importance of multipurpose reservoirs to moderate floods, supplementing it with structural measures consisting of the construction of embankments, detention basins, improvements, and construction of drainage channels, along with anti-erosion works.
- It emphasized the need for taking up flood protection works in a systematic and planned manner and outlined a time-bound plan of action ranging from the immediate phase (within two years) through the short-term (from the third to seventh years) to the long term (from eighth to the twelfth years).

This approach continued subsequently with over-emphasis on multipurpose reservoirs, which can be seen from the reports of the ***1957 High Level Committee on Floods***, the ***1964 Ministers' Committee on Flood Control and Flood Relief***. However, since the formulation of National Policy, the outlay on flood protection has consistently risen in the various Five-Year Plans, and so has the extent of damage caused by floods.

Table 2.2: Damage Caused by Floods from First to Eighth Plan

Plan Period	Total Damage to Crops, Houses, and Public Utilities at 1981-82 (prices in Rs Million)
First Plan (1953-56)	13959.00
Second Plan (1956-61)	15259.60
Third Plan (1961-66)	11098.90
Annual Plans (1966-69)	14387.70
Fourth Plan (1969-74)	53445.60
Fifth Plan (1974-78)	49748.80
Annual Plans (1978-80)	30476.80
Sixth Plan (1980-85)	76603.60
Seventh Plan (1985-90)	124100.90
Annual Plans (1990-92)	16788.00
Eighth Plan (1992-97)	26236.60

Source: Dunu Roy, India Disasters Report, 2000.

Financing of Relief Expenditure in the Post-Independence Era

Disaster management can result in diversion of resources intended for expansion of social and economic infrastructure. As the States have responsibilities far in excess of their resource raising powers, they often look to the Centre for assistance in financing expenditure on relief necessitated by natural calamities. The Union Government evolved a policy of assisting States affected by natural calamities as early as 1953, which underwent a series of revisions thereafter.

❑ Second Finance Commission

Starting from the recommendations of Second Finance Commission there have been systematic efforts towards financing of relief expenditure. **Second Finance Commission** struck by the dislocation caused to the finances of many states by unforeseen expenditure on natural calamities like famine, droughts and floods, felt the need for making some regular provision to meet this type of expenditure.

- The Second Finance Commission (SFC), while estimating the States' committed expenditure (for the five years of its recommendation period, 1957 to 1962), included in the annual revenue of the States a margin for enabling them to set apart sizeable sums of money for accumulation in a fund which could be used for meeting expenditure necessitated by natural calamities.
- The annual amount, based roughly on the average expenditure over the previous decade, amounted to Rs. 6.15 crore for all the 14 states at that time **(Table 2.3)**, This later came to be known as ***'Margin Money Scheme'***.

- State Governments were urged to set up separate funds and transfer the amounts calculated for each State to such funds annually.
- The SFC further recommended for widening the scope of already existing funds of similar nature with any State to cover all natural calamities.
- Investment of the balances of the funds was to be made in readily encashable Government securities.

Table 2.3: Annual Amounts of Margin Money for Different States for the Recommendation Period of Second Finance Commission (1957-1962) (as estimated by the Second Finance Commission)

S. No.	State	Amount (in Rs. Crore)
1	Andhra Pradesh	0.75
2	Assam	0.25
3	Bihar	1.00
4	Bombay	0.40
5	Kerala	0.10
6	Madhya Pradesh	0.15
7	Madras	0.50
8	Mysore	0.30
9	Orissa	0.50
10	Punjab	0.40
11	Rajasthan	0.40
12	Uttar Pradesh	0.50
13	West Bengal	0.80
14	Jammu & Kashmir	0.10
	Total	**6.15**

Source: Report of the Second Finance Commission.

Recommendations of subsequent Finance Commissions formed the basis of the policy and arrangement for meeting relief expenditure of States, prior to the Ninth Finance Commission. All the Finance Commissions from the Second Commission onwards till Eighth Finance Commission accepted the concept of margin money, built into the expenditure forecast of each State.

- Starting from 2nd FC till 8th FC, Centre's contribution in the calamity relief expenditure of the States included a share in the margin money (estimated for each State), advance Plan assistance in the form of grants and loans, and special central assistance as grants and loans.
- For obtaining these assistance the States had to submit a memorandum and then a Central Team visited that State.
- The Central assistance, in case of expenditure on natural calamities by a State exceeding its margin provided for by the Finance Commission, was to the extent of 75 percent, 50 percent as loan and 25 percent as grant. Of the remaining 25 percent of the relief expenditure, the expenditure on loans to third parties and on repairs had to be met by the State Governments themselves.

- The **Third Finance Commission** continued with the recommendations of the Second Finance Commission.

- The **Fourth Finance Commission** received complaints from many States regarding the conditions governing the grant of assistance under the margin money scheme. The States found them very inflexible and felt that the scheme needed to be more liberal to adequately meet their needs. The complaints related in particular to certain items of relief expenditure which were ineligible for assistance under the scheme, the provision necessitating local inspection by officers of the Government of India, and the manner in which the excess of expenditure over the fixed amounts provided by the Finance Commission was shared between the Centre and the States.

  - Apart from refixing the margins included in the expenditure forecast and suggesting the review and modifications of existing scheme, the Fourth Finance Commission had no other suggestions.
  - While fixing the 'Margin Money' it considered the average of relief expenditures of States over the past 8 years.

- The **Fifth Finance Commission** reassessed the margin money on the basis of the average expenditure of States on calamities for the nine years from 1957-58 to 1964-65, and increased it by 25 percent in each case (refer to **Annexure 1**).

  - It noted that the years 1966-67 and 1967-68 were exception years as the country suffered from severe drought. So the expenditure was abnormal and it did not take into account those two years while calculating the averages.
  - States where the provision allowed by Fourth Finance Commission exceeded this average estimated by the 5^{th} Finance Commission, retained the earlier provision.
  - It further called upon the States to adhere to its recommendation of investing the balance amount of the margin money in easily realizable securities.
  - As regards Central assistance to States for their expenditure on natural calamity exceeding their margin money, it recommended that 75 percent assistance should be given wholly in the form of grants, and only the amount required for State loans to others may be given as Central loans.

- The **Sixth Finance Commission** was, for the first time, given the mandate to look into the feasibility of establishing a National Fund (for financing relief expenditure) to which the Central and State Governments would contribute a percentage of their revenue receipts. But it found that the establishment of a National Fund fed by Central and State contributions was neither feasible nor desirable. The reasons given were:

  - If the scope of the Fund (to provide relief) was only for meeting expenditure on gratuitous relief to those affected by natural calamities, there would hardly be any need for setting up such a Fund, because the expenditure on gratuitous relief was relatively small.
  - For the relief fund to play an effective role, responsibilities for relief including provision of employment, rehabilitation of affected population through assistance in cash or kind, repairs of public properties and buildings or reconstruction of houses needed to be included. If the Fund is used for financing rehabilitation programmes, only on a loan basis, then it would have the role of a creditor, introducing an additional complication to our Federal finance structure.
  - In the event of widespread natural calamities like flood or drought, the Central Government will naturally come under strong pressure to go all out and provide assistance to the

affected States. The availability or otherwise of resources in the National Fund will then cease to be relevant in determining the assistance to be extended to the States.

- The States would view the assistance from the National Fund as legitimately due to them, at least, to the extent of their contribution. Thus, there was a risk of the fund depletion even in the normal years, while in the years of adversity, it might prove wholly inadequate.

It however, suggested that

- detailed programmes of both medium and long term significance should be drawn up for permanent improvement of areas liable to drought and flood with utmost urgency and these programmes should be fully integrated with the Plan.
- acceleration of pace of programme execution in case of natural calamities.
- provision of additional funds needed for such acceleration of the programmes through advance release of Central assistance under the Five Year Plan.
- the provisions for the development of drought prone areas need to form a distinct part of State and Central Plans.

It again followed the practice of earlier Finance Commissions in arriving at the margin money for each state (refer to **Annexure 2**). It adopted the average of expenditure on calamities for the period 1956-57 to 1971-72, i.e. over 16 years. The actual expenditure taken into account by all Finance Commissions from Second to Sixth, included expenditure on items of direct relief like gratuitous relief, drinking water arrangements, arrangements for supply of fodder, and other emergent expenditure immediately following a calamity, and also, expenditure on relief works employing people in the affected areas. These Finance Commissions (II to VI) did not provide for any expenditure (from margin money) on repairs and restoration of public assets, which entails considerable expenditure following floods, cyclones, earthquakes, etc. However, the Seventh Finance Commission did take such expenditure (on repairs and restoration of public assets) into account while computing the margin money.

- The **Seventh Finance Commission**

  - Distinction was made between different types of calamities for the first time, as nature of each calamity differed and consequently approach to relief measures too.
  - Necessity for relief in the event of floods, cyclones and earthquakes was immediate and the needed action could brook no delay, whereas the incidence of droughts could be foreseen and which also permitted certain margin of time for planning relief works.
  - In fixing the margin money, it took into consideration the fact that the expenditure on public works damaged by a natural calamity constituted a heavy burden on the finances of the States and therefore, it included an element on this account too.
  - The expenditure on relief works giving employment was kept outside the purview of margin money.
  - While determining margins, it improved by 15 percent the average of expenditure on calamities calculated for 9 years from 1969-70 to 1977-78 to allow for the increase in price levels (refer to **Annexure 3**).
  - The 7th Finance Commission stipulated that in the event of **drought**, the expenditure of a State, over and above the margin money, was to be funded out of the contribution from its plan outlay only.
  - As regards expenditure on repairs and restoration of public works following floods, cyclones and earthquakes, which was in excess of a State's margin money, Central assistance was to be given as non-plan grants not adjustable against the Plan (i.e., without affecting the plan funds for a State). The Seventh Finance Commission also observed that where a calamity

was of rare severity, the Central Government could extend assistance to the State concerned even beyond the schemes suggested by the commission.

- The **Eighth Finance Commission** recommended the continuation of the scheme suggested by the Seventh Finance Commission.
  - It increased the quantum of margin money for all States (put together) to Rs. 240.75 crore per year and suggested that the margin money should be shared on a matching basis between the Centre and the States.
  - The margin money would cover the items of expenditure as suggested by the Seventh Finance Commission.
  - For calculating the average of relief expenditure of States it considered the years between 1977-78 and 1982-83, i.e. over five years.
  - If in any year, the Centre's share of the margin money or a portion thereof was not paid to any State, then it carry forward into the next year.
  - If further assistance may become necessary, the existing scheme of Central assistance based on the recommendations of the Seventh Finance Commission was applicable.
  - The distinction between types of natural calamity was continued.
  - Included distress caused by fire in the list of natural calamity.
  - Disallowing the expenditure on relief works giving employment was disallowed under margin money, except in the cases where recruitment of additional staff was specifically for the purpose of relief operations.

- The **Ninth Finance Commission**

  Almost all States complained to the **Ninth Finance Commission** that there were deficiencies in the existing arrangements and pointed out the operational problems. The issues were:

  - Some States disliked the distinction that was made between drought and other calamities like floods, cyclones.
  - Non-plan expenditure on drought relief in excess of the margin money had been left to be borne by the State Governments.
  - Advance plan assistance, which was given for expenditure on calamities, was adjusted against future plan assistance. This pattern of funding obviously cut into the plan size for subsequent years and posed problems of inter-sectoral adjustments for the States.
  - The States felt that the entire expenditure should be met by the Central Government in the form of non-plan grants.
  - Central Teams which visited the States after the calamity did not allow some items of expenditure on which expenses had already been incurred by the States, and also they did not have very clear idea about the norms for different items of expenditure on drought and flood relief.
  - Several States desired that the loans advanced by the Centre for financing the relief expenditure in the past and remaining outstanding should be written off.
  - Current procedure for sanction of relief assistance by the Government of India was quite cumbersome and time consuming. In actual practice considerable time was taken before final indication was received about the quantum of assistance to be available from the Government of India.
  - States argued that they were handicapped by the fact that they did not know at all as to why their claim for Central assistance were disallowed and why the size of assistance was drastically curtailed relative to the demand put forth by them.

- The Central Teams, constituted at short notice and comprising officers drawn from different disciplines, had no effective means of checking the data personally and their recommendations which were usually endorsed by the high level committee on relief were based mostly on impression gathered during relief visits of short duration to some sites.

The Ninth Finance Commission agreed to these views and felt that the prevailing system in which any assistance, in excess of the margin money, was made conditional on the assessment of the Central Team, carried out at short notice, would lead by its very nature to dissatisfaction on the part of the States and at the same time induce them to make exaggerated claims. On the other hand, since the quantum of assistance was based on quick and rather cursory surveys, there could be substantial understatement of the damage to be compensated for.

During 1979 to 1989, the total of ceilings of expenditure allowed on relief (on account of natural calamities) was Rs 7930 crore. While there had been a continuous increase in the ceilings of expenditure allowed for States (on account of relief), it was seen that no asset of any significance (or long-term worth) could be created within the parameters of the relief programmes both under floods and drought nor could any long term corrective action be undertaken. The assets created were negligible, as the scheme of financing of drought relief work did not allow for expenditure on material components or for employment of skilled staff to guide the unskilled workers who could create durable assets. Mostly temporary relief type of work was undertaken. Further the scale of assistance allowed was not enough to meet the actual expenditure required for the restoration of the assets. The Ninth Finance Commission felt that it would have been a more constructive approach if this money had been given as seed money to enable individuals or group of people to get help from financial institutions and build pucca houses. A similar approach could also be adopted for the construction of roads damaged by a natural calamity.

❑ Huge Gap Between Margin Money and Ceiling of Expenditure Approved by the Central Government

An analysis of the operation of the scheme during the recommendation period of Eighth Finance Commission showed that the margin money prescribed for the States turned out to be quite less than the ceilings for relief expenditure approved by the Central Government in each year from 1984 to 1989. The total ceiling of relief expenditure approved by the Government of India in different years during the five-year period of 1984-89 were Rs. 512.89 crore, Rs. 1006.32 crore, Rs. 1658.92 crore, Rs. 1084.29 crore respectively, as against the annual aggregate margin money of Rs. 240.75 crore fixed by the Eighth Finance Commission. This large difference between the margin money fixed and the actual ceilings of expenditure was due to the fact that the margin money was calculated excluding the expenditure incurred by the States on items of plan nature for which advance plan assistance was given. The actual ceilings of expenditure included the advance plan assistance given to States, consisting of both grants and loans. *The Ninth Finance Commission said that the expenditure level allowed for States could be expected to be calculated in such a manner as to reflect the current realities as closely as possible.*

❑ Loopholes in Damage Assessment

Second, the prevailing system of assessment of damage and the mechanism of giving central assistance led to delay in extending help and succor to people affected by the natural calamities, which could be avoided. *Quickness of response should be a basic feature of the scheme.*

❑ State Demands Were Exaggerated

Third, the catalogue of demands presented by the States was inflated presumably under the impression that the claim, regardless of how realistically it had been formulated, would in any case, be cut down heavily by the Government of India. The compulsions of public opinion in the State might also lead to such demands so that the State governments could avoid being criticized for underestimation of relief requirements. *Any scheme of financing relief expenditure, therefore, should contain a built-in mechanism to discourage such claims which are either not necessary or not fully supported by facts.*

❑ Autonomy for States in Relief Operations

The Ninth Finance Commission sought *a new arrangement for financing relief expenditure where greater autonomy, accountability and responsibility are placed upon the states and they are provided adequate means and wherewithal to carry out the same.*

❑ Calamity Relief Fund

While working out the new scheme, called Calamity Relief Fund (CRF) scheme, the Ninth Finance Commission took the average of total ceilings of expenditure on calamities approved for States during the previous ten years ending in 1988-89 and rounded them off to the nearest crore. This worked out at Rs. 804 crore for all the States per year **(Table 2.4)**. It was, therefore, recommended that a total of Rs 804 crore should be available each year to all States taken together as funds earmarked for relief on account of natural calamities. The Centre will be required to pay seventy five percent amounting to Rs. 603 crore each year of the five year period covered by the Ninth Finance Commission. The States would have to deal with natural calamities and manage their affairs without the need of any reference to or authorization from the Centre within the amounts so provided. However, if any region faces a calamity of such dimensions and severity to warrant its handling at the national level, the Centre will take appropriate action as the situation demands and incur the necessary expenditure. The salient features of this scheme are discussed in detail in the succeeding chapter.

Table 2.4: Allocations to Calamity Relief Funds of Different States for the Recommendation Period of Ninth Finance Commission

(as estimated by the Ninth Finance Commission for 1990-91 to 1994-95)

(Amount in Rs. Crore)

S. No.	State	Annual Size of CRF	Centre's Contribution to the CRF
1	Andhra Pradesh	86.00	64.50
2	Arunachal Pradesh	2.00	1.50
3	Assam	30.00	22.50
4	Bihar	35.00	26.25
5	Goa	1.00	0.75
6	Gujarat	85.00	63.75
7	Haryana	17.00	12.75
8	Himachal Pradesh	18.00	13.50

(Cont.)

S. No.	State	Annual Size of CRF	Centre's Contribution to the CRF
9	Jammu & Kashmir	12.00	9.00
10	Karnataka	27.00	20.25
11	Kerala	31.00	23.25
12	Madhya Pradesh	37.00	27.75
13	Maharashtra	44.00	33.00
14	Manipur	1.00	0.75
15	Meghalaya	2.00	1.50
16	Mizoram	1.00	0.75
17	Nagaland	1.00	0.75
18	Orissa	47.00	35.25
19	Punjab	28.00	21.00
20	Sikkim	124.00	93.00
21	Rajasthan	3.00	2.25
22	Tamil Nadu	39.00	29.25
23	Tripura	3.00	2.25
24	Uttar Pradesh	90.00	67.50
25	West Bengal	40.00	30.00
	Total	**804.00**	**603.00**

Source: Report of the Ninth Finance Commission.

- The **Tenth Finance Commission** noted that its predecessor did not define what qualified as a calamity of 'rare severity'. The 10^{th} Finance Commission also received views from the States regarding the relief scheme. Most states were in favour of the present scheme (CRF) with some modifications. Some States expressed the view that they should be exempted from making any contribution to CRF. Many States asked for adjustment for inflation. Some argued that while calculating the size of CRF, actual expenditure should be taken into account instead of the approved ceilings.

The Tenth Finance Commission received the comments of the Department of Agriculture and Cooperation of the Ministry of Agriculture who had been assigned a nodal role within the Government of India for overseeing the operation of CRF.

- They reported that States accorded very low importance to the submission of any information to the Centre in the absence of any additional monetary assistance, which could be made contingent on these communications.
- They observed that in the absence of clear guidelines, the States have tended to charge to the CRF all types of expenditure, including some only remotely related to calamity relief, such as office expenses at the State level and construction of new flood protection works and embankments.

The Tenth Finance Commission noted some substance in the Report of the Ministry of Agriculture. Therefore, it recommended that the Department of Agriculture and Cooperation of the Ministry of

Agriculture should set up a committee of experts and representatives of State Governments to frame common guidelines in regard to items of expenditure and their rates and norms, which can be debited to the CRF. This Fund had to be maintained separately from the Public account so that the balances in the fund were available when needed.

While arriving at the size of the CRF **(Table 2.5)**, the Tenth Finance Commission accommodated the views expressed by the States as regards adjustments for inflation. But it took into account only the Major Head "2245- Expenditure on Account of Natural Calamities" (in the Budgets of the State Governments) to represent the expenditure of State Government on all relief activities.

Table 2.5: Average Annual Allocations to CRFs of Different States for the Recommendation Period of Tenth Finance Commission

(as estimated by the Tenth Finance Commission for 1995-96 to 1999-2000)

(Amount in Rs. Crore)

S. No.	State	1995-96	1996-97	1997-98	1998-99	1999-2000	1995-2000
1	Andhra Pradesh	117.21	124.19	131.05	137.73	143.59	653.77
2	Arunachal Pradesh	6.64	7.04	7.43	7.43	8.13	36.67
3	Assam	47.20	50.01	52.77	52.77	57.83	260.58
4	Bihar	49.04	51.96	54.83	54.83	60.07	270.73
5	Goa	1.01	1.07	1.13	1.13	1.24	5.64
6	Gujarat	131.76	139.60	147.31	147.31	161.40	727.38
7	Haryana	23.65	25.05	26.44	26.44	28.97	130.55
8	Himachal Pradesh	25.44	26.95	28.44	28.44	31.16	140.43
9	Jammu & Kashmir	18.60	19.71	20.79	20.79	22.79	102.68
10	Karnataka	39.49	41.85	44.16	44.16	48.39	218.05
11	Kerala	52.29	55.40	58.47	58.47	64.05	288.68
12	Madhya Pradesh	48.21	51.08	53.89	53.89	59.05	266.12
13	Maharashtra	64.37	68.20	71.97	71.97	78.85	355.36
14	Manipur	2.35	2.48	2.61	2.61	2.87	12.92
15	Meghalaya	2.63	2.79	2.95	2.95	3.23	14.55
16	Mizoram	1.20	1.27	1.33	1.33	1.47	6.6
17	Nagaland	1.60	1.71	1.8	1.80	1.96	8.87
18	Orissa	46.25	49.01	51.72	51.72	56.67	255.37
19	Punjab	51.11	54.15	57.15	57.15	62.61	282.17
20	Rajasthan	168.99	179.04	188.93	188.93	207.00	932.89
21	Sikkim	4.44	4.71	4.97	4.97	5.44	24.53
22	Tamil Nadu	56.02	59.35	62.63	62.63	68.63	309.26
23	Tripura	4.24	4.49	4.75	4.75	5.20	23.43
24	Uttar Pradesh	118.09	125.12	132.03	132.03	144.67	651.94
25	West Bengal	48.44	51.32	54.16	54.16	59.33	267.41
	Total	**1130.26**	**1197.55**	**1263.71**	**1263.71**	**1384.60**	**6239.83**

Source: Report of the Tenth Finance Commission.

- It took the average of the aggregate of the ceilings of expenditure for the years 1983-84 to 1989-90 and the amount of calamity relief fund for the years 1990-91 to 1992-93.
- The amount so worked out for all the States was adjusted for inflation upto 1994-95 and thereafter at graduated rates with the same elasticity as for other non-plan revenue expenditure up to 1999-2000. The amount thus worked out was Rs. 6304.27 crore (taken together for all States for 5 years).
- Out of this the Centre was required to contribute Rs. 4728.19 crores (75 percent) and the States had to contribute Rs. 1576.08 crore (25 percent).
- The features of the CRF remained, by and large, as recommended by its predecessor.

National Fund for Calamity Relief

The Tenth Finance Commission considered the issue of a calamity of 'rare severity' without defining it clearly.

- It was of the opinion that a calamity of 'rare severity' would necessarily have to be adjudged on a case-to-case basis taking into account, inter alia,
  1. The intensity and magnitude of the calamity,
  2. Level of relief assistance required,
  3. The capacity of the State to tackle the problem,
  4. The alternatives and flexibility available within the Plans to provide succor and relief, etc.
- Once a calamity is deemed to be of rare severity, it really ought to be dealt with as a national calamity requiring assistance beyond what is envisaged in the CRF scheme. It goes without saying that additional assistance from the Centre would be required.
- But the national dimensions of such a calamity can be brought out only if all States also come forward to the succor of the affected States. In actual fact this has been happening in the past when many States did extend support to the affected State both in terms of financial grants and by sending material help and teams of doctors, etc.
- The Tenth Finance Commission placed this urge for national solidarity in a moment of distress on a more formal basis. It proposed that in addition to the CRFs for States, a National Fund for Calamity Relief should be created to which the Centre and the States will subscribe, which will be managed by a National Calamity Relief Committee on which both the Centre and the States would be represented.
- This fund would be dealing with calamities of rare severity and would be managed at the national level by a sub-committee of the National Development Council.
- This committee headed by the Union Minister of Agriculture could comprise the Dy. Chairman, Planning Commission, and two Union Ministers and five Chief Ministers to be nominated by the Prime Minister annually by rotation.
- The NFCR will be operated by the Ministry of Agriculture, Government of India but will be maintained outside the Public Account of the Government of India as is the case with CRFs of States.
- The Ministry of Finance will prescribe the guidelines and the accounts were to be audited annually by the CAG.
- The admissible items of expenditure, norms, etc. were to be worked out by the Committee of Experts.
- The size of the fund was worked out at Rs. 700 crore to be built up over the period 1995-2000, with initial corpus of Rs. 200 crores to which the Centre would contribute Rs 150 crores and the States Rs. 50 crores in the proportion of 75:25. In addition, for each of the five years from 1995-2000 the Contributions of the Centre and the States would be Rs. 75 crore and Rs. 25 crore respectively.

Releases from the NFCR to the different States during 1995-96 to 1999-2000 were as given in **Table 2.6**.

Table 2.6: Releases From National Fund for Calamity Relief (NFCR) during 1995-96 to 1999-2000

(in Rs. Crore)

S. No.	State	1995-96	1996-97	1997-98	1998-99	1999-2000	Total
1	Andhra Pradesh	0.00	163.00	42.00	26.50	75.36	306.86
2	Arunachal Pradesh	0.00	13.00	0.00	13.47	0.00	26.47
3	Assam	0.00	21.00	0.00	59.90	0.00	80.90
4	Bihar	0.00	28.00	10.00	11.45	38.18	87.63
5	Gujarat	0.00	0.00	86.90	55.35	54.58	196.83
6	Haryana	39.41	0.00	0.00	13.27	0.00	52.68
7	Himachal Pradesh	12.49	10.56	24.80	0.00	0.00	47.85
8	Jammu & Kashmir	18.17	0.00	0.00	0.00	73.42	91.59
9	Karnataka	0.00	0.00	22.00	49.98	17.09	89.07
10	Kerala	0.00	0.00	12.91	0.00	0.00	12.91
11	Madhya Pradesh	0.00	0.00	67.76	35.00	38.86	141.62
12	Manipur	0.00	0.00	0.00	0.00	4.93	4.93
13	Meghalaya	0.00	10.00	0.00	0.00	0.00	10.00
14	Mizoram	4.71	0.00	0.00	0.00	6.00	10.71
15	Orissa	25.75	55.00	4.00	0.00	828.15*	912.90
16	Punjab	16.16	0.00	0.00	0.00	0.00	16.16
17	Rajasthan	0.00	21.00	0.00	21.98	102.93	145.91
18	Sikkim	0.00	5.52	7.00	7.67	0.00	20.19
19	Tamil Nadu	0.00	25.00	0.00	0.00	0.00	25.00
20	Tripura	0.00	0.00	0.00	5.05	5.34	10.39
21	Uttar Pradesh	0.00	0.00	0.00	131.15	16.68	147.83
22	West Bengal	0.00	21.00	0.00	66.33	29.52	116.85
	Total	**116.69**	**373.08**	**277.37**	**497.10**	**1291.04**	**2555.28**

* Rs. 828.15 Crore was released for Orissa in 1999-2000 on account of the Super Cyclone of 1999.

Source: http//www.ndmindia.nic.in

The Tenth Finance Commission hoped that with setting up of the NFCR it would now be possible to tackle calamities of rare severity more effectively. It hoped that the system recommended by it would also help create a sense of national solidarity in a common endeavour which would then abide beyond the period of distress.

- The **Eleventh Finance Commission** (EFC) again took into account the average expenditure of States booked under the major head 2245 during the period 1987-88 to 1998-99 at 1998-99 prices, and fully adjusted it for inflation on the basis of consumer price index for industrial workers, for calculating the size of the CRF.

The Eleventh Finance Commission proposed to strengthen the size of CRF of these States by an additional provision of ten percent of the aggregate size of the CRF. This additional amount has been allocated among these States in the same ratio in which these States have their own CRF. The amount thus worked out for the period of its report is Rs. 11007.90 crore. This includes the Centre's share of Rs. 8255.69 crore, and the States' share of Rs. 2751.90 crore, worked out in the ratio of 75:25 **(Table 2.7)**.

Table 2.7: Average Annual Allocations to CRFs of Different States for the Recommendation Period of Eleventh Finance Commission (2000-01 to 2004-05)

(as per the estimates of the Eleventh Finance Commission)

(in Rs. Crore)

S. No.	State	Average Annual Allocation to CRF during 2001-02 to 2004-05	Annual Average Contribution of the Centre to CRF
1	Andhra Pradesh	218.88	164.16
2	Arunachal Pradesh	13.28	9.96
3	Assam	112.16	84.12
4	Bihar*	136.65	102.49
5	Goa	1.37	1.02
6	Gujarat	178.36	133.77
7	Haryana	89.85	67.38
8	Himachal Pradesh	48.05	36.04
9	Jammu & Kashmir	38.57	28.93
10	Karnataka	82.41	61.81
11	Kerala	74.31	55.73
12	Madhya Pradesh*	99.57	74.68
13	Maharashtra	173.73	130.29
14	Manipur	3.17	2.38
15	Meghalaya	4.35	3.26
16	Mizoram	3.28	2.46
17	Nagaland	2.16	1.62
18	Orissa	120.97	90.73
19	Punjab	135.62	101.71
20	Rajasthan	228.76	171.57
21	Sikkim	7.63	5.72
22	Tamil Nadu	113.42	85.07
23	Tripura	5.74	4.31
24	Uttar Pradesh*	197.42	148.06
25	West Bengal	111.73	83.80
	Total	**2201.52**	**1651.14**

Source: Report of the Eleventh Finance Commission *: Prior to the re-organisation of these states

The main features of the CRF scheme, as decided by the Eleventh Finance Commission, are discussed in the next chapter.

- The EFC, on the recommendation of the Ministry of Agriculture, discontinued the NFCR in its present form noting that it has not resulted in making funds readily available for meeting the calamity of rare severity but has eroded the discipline and economy in expenditure.
- But it made another arrangement in place of NFCR and started from clearly defining a calamity of rare severity and its damage assessment. The EFC noted that:
  1. Anticipation and provision for a calamity of rare severity in terms of intensity and magnitude, prior to its happening, was impossible through the CRF or regular budgetary mechanism.
  2. It is difficult to pre-determine the extent of funds required to meet a severe calamity.
  3. Additional financial support from the central government becomes necessary for such severe calamities on a case-to-case basis.
  4. In a situation like this, the necessary decisions will need to be made on an emergent basis without waiting for an assessment of the damage by a Central Team. This task can be entrusted to an independent body of experts who should be monitor the occurrences of natural calamity on a regular basis and assess their impact on the area and population in all the States. For this purpose, establishment of **a National Centre for Calamity management (NCCM)** for monitoring the natural calamities relating to cyclone, drought, earthquake, fire, flood and hailstorm was suggested. There is necessity of continuous assessment of the damage done to the capital assets and other infrastructure. The Centre (NCCM) should also assess whether the State will be in a position to provide relief in a specific case of calamity of severe nature from the CRF and its own resources. It should then make a recommendation to the Central Government on its own as to whether the calamity is of a severe nature and, therefore, eligible for assistance from the Centre and other States. On the basis of NCCM's recommendation, Centre will decide on the assistance needed by the State.
  5. The EFC recommended for financing of such Central assistance by levy of a limited period special surcharge on the Central taxes, and it also asked for enactment of necessary legislations to ensure no administrative delay.
  6. Surcharge collections to be kept in a separate fund, which would be known as National Calamity Contingency Fund (NCCF), and utilized to finance expenditure on natural calamity (of rare severity).
  7. Centre's initial contribution to NCCF was sought to be of Rs. 500 crore.
  8. Drawls from NCCF should be accompanied by imposing the special surcharge so that there is immediate recoup of the fund.
  9. Crediting of the balance left from surcharge collections, after meeting the exigency, to NCCF only.

- **Insurance Scheme**

The EFC noted that the crop insurance scheme would help individual farmers, especially at the time of natural calamities, to recoup their losses, and hence this scheme deserves strengthening. But it would be a supplementary measure to the Government's efforts for relief provisions at the time of natural calamity.

- **Disaster Management Personnel**

This Commission noted that lack of availability of trained personnel to manage various types of natural calamities has been a major handicap in providing timely relief to affected area and population.

For this purpose, it recommended creation of a core multi-disciplinary group of about 200 to 300 persons in each State by drawing persons from different cadres. Training of this group in diverse fields such as communication, medical and public health, sanitation, housing, etc is necessary. The country would then have a set of about 3000-4000 trained personnel at any point of time. During normal times these persons can continue to be in their respective cadre/field and discharge their usual duties, and in time of natural calamities they may be drawn out for such special duties.

In this chapter, we presented a brief account of famines and famine relief works in the Colonial India- highlighting the changes in the perspective of the British Indian Government towards provision of relief to the victims of famine. It clearly brought out the need for famine relief policies being humanitarian and strongly grounded in the socio-economic realities of the affected areas. Then we took a quick look at the occurrence of droughts and damage caused by floods in the post-independence era. Then a detailed account of the system of extending Central assistance to States for meeting expenditure on natural calamities, as under the recommendation periods of II to VIII Finance Commissions was given. Also discussed were the recommendations of Ninth Finance Commission for setting up the CRF, the Tenth Finance Commission for setting up NFCR, and the Eleventh Finance Commission for NFCR to be replaced by NCCF. Some of the other important suggestions made by the Eleventh Finance Commission have been presented.

Based on our discussion of the famine relief policies in the pre-independence era and financing of relief expenditure of the States as determined by the various Finance Commissions in the post-independence era, we can identify certain key issues which are quite significant for the policy discourse on calamity relief. Some of these are:

- *Public Expenditure*: In the calamity affected areas, significant levels of public expenditure for giving employment to the affected population on liberal (or flexible) terms of work can be very effective in providing relief (through the remunerations in cash as well as foodgrains). However, the expenditure on relief works should reflect the humanitarian nature of the state intervention vis-à-vis natural calamities, and the timing as well as location of relief works should be in tune with the needs of the affected population.
- *Adequate Financial Help to the States*: Central assistance to the States for meeting relief expenditure in the wake of natural calamities should be adequate, and should take into account the economic ability of a State. Apart from expenditure on immediate relief, the expenditure of States on repair and restoration of public assets in calamity affected areas also deserves adequate Central assistance through devolution of plan and non-plan funds.
- *Timely State Intervention*: The onus for timely state intervention as regards rescue, relief and rehabilitation lies both on the Central Government and State Governments. However, any scheme for Central assistance to the States should be so designed as to ensure that relief is provided in time.
- *Flexibility*: Any scheme governing the provision of relief to victims of natural calamities should be flexible enough to incorporate the socio-economic and geographical realities of a particular area, which can make government intervention quite effective.
- *Durability of Assets Created*: The primary objective of relief works should of course be giving employment to as many people as possible. However, as most of the relief works are undertaken in the calamity affected areas only, such works can be made to create durable assets in those areas, especially those assets which can be helpful in prevention and mitigation of calamities. This would need greater allocation of funds for the relief works, but, at the same time, it would prove quite useful in managing disasters in the areas that are vulnerable to natural calamities.

With this backdrop, we now move on to a detailed discussion of the CRF scheme (in its present structure) in the next chapter.

Chapter 3

Calamity Relief Fund: Assessment As A Scheme For Financing Relief Expenditure

"Everywhere there is one principle of justice, which is the interest of the stronger."

- Plato, The Republic

Calamity Relief Fund in its Present Form

As mentioned earlier, the Calamity Relief Fund (CRF) is a Centrally Sponsored Scheme of the Government of India. Union Government plans and approves every Centrally Sponsored Scheme relating to investment or disbursement of funds in identified sectors/programmes, in the States, to achieve defined objectives. While the controlling central ministry responsible for piloting the scheme is in charge of planning, approval, guidelines, budgeting, monitoring and evaluation, the responsibility of implementation of the scheme rests with the respective State Governments. Investment in Centrally Sponsored Scheme is either borne entirely by the Union Government or shared between the Union and the State Governments, depending on the funding pattern. Though the Ninth Finance Commission recommended establishing CRF in 1990-91, successive Finance Commissions (i.e., Ninth, Tenth and Eleventh) determined the funding patterns and guidelines for its operation. The funding pattern of CRF since inception is that, every year Central Government contributes 75% of the fund and rest 25% comes form the respective State Government.

The main features of this scheme are as given below:

- CRF is a Centrally Sponsored Scheme for financing of relief expenditure incurred by the States. **The Scheme, at present, is based on the recommendations of the Eleventh Finance Commission, which is in operation for the period of five years from 2000-01 to 2004-05.**
- A CRF is constituted for each State, receiving **contributions from the Centre and the respective State Government in the ratio of 75:25**. The Central Government releases its share/contribution in two installments on 1st May and 1st November in each financial year, with the State Governments also required to transfer the total contribution (including their share) to their respective CRFs in two installments in May and November of the same year.
- **Another scheme interlinked with CRF is the National Calamity Contingency Fund (NCCF).** Union Government set up NCCF on recommendations of the Eleventh Finance Commission, replacing National Fund for Calamity Relief (NFCR), which existed for five years form 1995-96 till 1999-2000. The NCCF, like its predecessor NFCR, is a Central Government fund maintained for providing additional financial assistance, to any State Government for incurring expenditure on relief, in excess of the Centre's contribution to the CRF of that State. Such assistance is considered by the Central Government only when the natural calamity is of rare severity. The Eleventh Finance Commission had stated that a calamity of rare severity is conceptually of such a

nature that the intensity and magnitude cannot be anticipated and provided for in advance through the CRF or regular budgetary mechanism, and the amount of funds required to meet such a calamity would only be a guesswork

- As per Eleventh Finance Commission (EFC) recommendations, the NCCF, created in the Public Account of the Government of India, gets it funding through the levy of a limited period special surcharge on the Central taxes. The EFC also suggested that the Government of India contribute an initial core amount of Rs. 500 crore to the NCCF; and drawls from the NCCF, for financing relief expenditure, be accompanied with imposition of special surcharge so that the fund can recoup immediately.
- The States are expected to meet relief expenditure from their respective CRF Corpus. **The States can seek additional assistance from the Centre, i.e. from the NCCF, in case of a calamity of a severe nature, when unable to finance the relief expenditure from the CRF and their own resources.** On receipt of a Memorandum from the State Government, the Union Government, for damage assessment as well as requirements for relief operations, deputes an Inter-Ministerial Central Team. An Inter-Ministerial Group (IMG) considers the report of this Team. A High Level Committee, under the Chairmanship of the Deputy Prime Minister, considers the request of the State Government based on the assessment of the Central Team, recommendation of the IMG, items and norms of assistance and fund available under CRF (of the State), and approves assistance, if any, from NCCF.
- One of the most important features of the CRF/NCCF schemes is that **the use of funds is for meeting expenditure for provision of immediate relief to the affected population, and the expenditure should by nature be of short duration.**
- Relief expenditures from these funds can be incurred in the event of **only six natural calamities**, namely, **cyclone, drought, earthquake, flood, fire and hailstorm.**
- **The expenditure on restoration of damaged capital works should ordinarily be met from the normal State budgetary heads,** except when it is incurred as part of providing immediate relief such as restoration of drinking water sources, provision of shelters, or restoration of communication links for facilitating relief operations.
- **The expenditure is required to be incurred as per the approved items and norms of assistance from CRF/NCCF** (Refer to the 'REVISED LIST OF ITEMS AND NORMS OF EXPENDITURE FOR ASSISTANCE FROM CRF AND NCCF FOR THE PERIOD 2000-2005' and the 'LIST OF APPROVED AMENDMENTS INCORPORATED IN THE REVISED LIST OF ITEMS AND NORMS OF EXPENDITURE ELIGIBLE FOR INCURRING EXPENDITURE FROM CRF/NCCF" in the **Appendix**). In accordance with the recommendation of the EFC, a Committee of Experts was set up in the Ministry of Agriculture, Department of Agriculture and Cooperation under the chairmanship of the Central Relief Commissioner, Department of Agriculture and Cooperation on 1.11.2000 to review and finalise the list of items and norms of expenditure for incurring expenditure from CRF/NCCF for the period between 2000-2005. The Union Government accepted the recommendations of this committee.
- **In case any State Government exceeds the amount prescribed** under the approved norms of assistance**, the excess expenditure are to be borne from normal budget of the State Government concerned and not from CRF/NCCF.**
- The release of installments of central share of CRF to the Sates are subject to:
  - The State's submission of ***utilisation certificate*** indicating- inter-alia that amounts received from the Central Government and corresponding State Share for CRF as well as assistance received from NCCF have been credited to the CRF Account; up-to-date expenditure; and the balance available -to the Ministry of Finance.
  - The State's submission of ***Annual Report on Natural Calamities-*** in the format prescribed by the Ministry of Home Affairs by 30th September every year, even if the report is nil-to the Ministry of Home Affairs.

Ministry of Finance releases both the installments (i.e. of 1st May and 1st November) subject to fulfillment of the above conditions, unless Ministry of Home Affairs advises for withholding of release.

- The amounts of annual contributions to the CRFs of different States during the period between 2000-01 and 2004-05 have been determined as per the recommendations of the EFC (Refer to **Table 3.1**).

  The Central Government share to the State's CRF is given as Grants-in-aid (in the form of a non-plan grant). In order to enable transfer of the total amount of contribution (including the State's share of contribution), to the CRF, the State Governments are required to make suitable budget provision on the expenditure side of their budget under the head **"2245- Relief on Account of Natural Calamities".**

Table 3.1: Allocations to CRFs of Different States for the Recommendation Period of Eleventh Finance Commission (2000-01 to 2004-05)

(as per the estimates of the Eleventh Finance Commission)

(in Rs. Crore)

Sl. No.	State	2000-01	2001-02	2002-03	2003-04	2004-05	Total 2000-05
1	Andhra Pradesh	198.06	207.96	218.36	229.28	240.74	1094.40
2	Arunachal Pradesh	12.02	12.62	13.25	13.92	14.61	66.43
3	Assam	101.49	106.57	111.89	117.49	123.36	560.81
4	Bihar*	123.66	129.84	136.33	143.15	150.30	683.28
5	Goa	1.24	1.30	1.37	1.44	1.51	6.85
6	Gujarat	161.40	169.47	177.94	186.84	196.18	891.84
7	Haryana	81.30	85.37	89.64	94.12	98.83	449.26
8	Himachal Pradesh	43.49	45.66	47.94	50.34	52.86	240.29
9	Jammu & Kashmir	34.90	36.65	38.48	40.40	42.42	192.85
10	Karnataka	74.57	78.30	82.21	86.32	90.64	412.04
11	Kerala	67.24	70.61	74.14	77.84	81.73	371.56
12	Madhya Pradesh*	90.10	94.61	99.34	104.30	109.52	497.86
13	Maharashtra	157.20	165.06	173.32	181.98	191.08	868.64
14	Manipur	2.87	3.01	3.16	3.32	3.49	15.86
15	Meghalaya	3.94	4.14	4.34	4.56	4.79	21.77
16	Mizoram	2.97	3.12	3.28	3.44	3.61	16.42
17	Nagaland	1.96	2.06	2.16	2.27	2.38	10.83
18	Orissa	109.47	114.94	120.69	126.72	133.06	604.88
19	Punjab	122.72	128.85	135.30	142.06	149.17	678.10
20	Rajasthan	207.00	217.35	228.22	239.63	251.61	1143.81
21	Sikkim	6.91	7.25	7.62	8.00	8.40	38.17
22	Tamil Nadu	102.64	107.77	113.16	118.82	124.76	567.14
23	Tripura	5.20	5.46	5.73	6.02	6.32	28.73
24	Uttar Pradesh*	178.64	187.57	196.95	206.80	217.14	987.11
25	West Bengal	101.10	106.16	111.47	117.04	122.89	558.66
	Total	**1992.10**	**2091.70**	**2196.29**	**2306.10**	**2421.41**	**11007.59**

Source: Report of the Eleventh Finance Commission

*: Prior to the re-organisation of these states

- The CRF of a State is classified under the head **"8235-General and other Reserve Funds –111 Calamity Relief Fund"** in the Accounts of the Government concerned. The periodic contribution to CRF and the other income of CRF does not form part of the Public Accounts of the States, and investment of its balances is done as prescribed by the scheme. (Refer to "REVISED SCHEME FOR CONSTITUTION AND ADMINISTRATION OF THE CRF AND INVESTMENTS THEREFROM' in the **Appendix).**
- State Government nominates a State level Committee, to administer the CRF in each State. This State-level Committee, which has the Chief Secretary of the State as the ex-officio Chairman, consists of officials associated with relief work and experts in various fields in the State affected by natural calamities. **The nodal ministry** for overseeing the functioning of the CRF scheme is the **Ministry of Home Affairs of the Union Government.** It is required to monitor the operation of the CRF scheme and it may advise State-level Committees from time to time for ensuring proper functioning of the scheme. It also holds the power to recommend for adjustment/ withholding of release of any installment to the States in the event of any deficiency/ shortcoming in the implementation of the scheme by the States.
- The unspent balance in the State's CRF, as at the end of the five-year period 2000-2005 will be available to the State Government for being used as a resource for the next Plan.

The Genesis of CRF

The Ninth Finance Commission envisaged the Calamity Relief Fund, primarily due to the following reasons.

- As mentioned in the previous chapter, an analysis of the operation of the prevailing margin money scheme during the recommendation period of the Eight Finance Commission showed that the ceilings for the margin money for different States as prescribed by it were found to be much below the levels of relief expenditure sanctioned by the Central Government for different States in each year of the recommendation period (i.e., 1984-1989). The Ninth Finance Commission opined that such a scheme should be adopted for financing of relief expenditure of States that would, in its calculation of the permissible levels of relief expenditure, reflect the current realities as closely as possible.
- The prevailing system of assessment of damage caused by natural calamities in a State by a Central team as also the mechanism of giving Central assistance led to delays in providing help and succour to people affected by natural calamities, which should be avoided.
- States, in many cases, overstated their requirements presumably under the impression that their claims, irrespective of their realistic preparation, would in any case be cut down heavily by the Central Government during allocation of funds. The scheme for financing of relief expenditure of States should ideally contain a built-in-mechanism to discourage such claims (from States), which are either not necessary or not fully supported by facts.
- Design of the scheme should ensure against wasteful expenditure by the States.
- The Ninth Finance Commission wanted to give greater autonomy and responsibility to the States in making expenditure on relief following a natural calamity. However, it also sought a greater accountability of the States for their activities involving provision of relief.

Thus, the main purposes behind the creation of CRF were:

1. To enable the States to incur required levels of expenditure on calamity relief;
2. To avoid delays in the response of a State Government to the occurrence of a natural calamity;
3. To discourage the States from inflating their demands for funds regarding expenditure on relief;
4. To ensure against wasteful expenditure by the States;

5. To provide greater autonomy and responsibility to the States in the relief operations; and
6. To make the States more accountable for their actions in the area of calamity relief.

Any assessment of the functioning of the Calamity Relief Fund, therefore, must include some observations on the extent to which one or more of the above mentioned purposes have been fulfilled.

CRF - Better than the Margin Money Scheme

The CRF scheme, even in its present form, is better than having no CRF at all. It is always better to have some mechanism for a quick and comprehensive response of the Government to a natural calamity. This does not mean that the CRF scheme ensures effective disaster response of the state to a natural calamity or it bears any evidence of the state delivering its responsibility towards preventing and mitigating natural disasters in the country. However, the CRF scheme is obviously an improvement over the mechanism of financing relief expenditure of States that existed prior to it.

- Before the CRF scheme, the Central Government Teams, which visited the States after a natural calamity for assessment of the damage caused and assistance required, did not allow/ permit some items of expenditure on which the State Governments had already incurred expenses. Also, the Teams did not have a very clear idea about the norms and items of expenditure to be followed for calamity relief by States. This created many difficulties for the States and constrained their scope of relief activities.
- The Central Teams, constituted at short notice and comprising officers drawn from different disciplines, lacked effective means of checking the data- relating to loss and damage caused– personally, and assessment was based mostly on impressions gained from short visits to the affected areas. The high level committees on relief, the determining authority for assistance to be provided to a State, usually endorsed the recommendations of these Teams. As a result, the assistance extended to the States was most of the time grossly inadequate.
- Again, the procedure for sanction of relief assistance by the Central Government, prior to CRF, was cumbersome and very time consuming. Therefore, the States were handicapped by not knowing as to how much of assistance would come from the Centre.
- It also led to long delays in extending help and succor to the affected population. Thus the response of the State Government to the occurrence of a national calamity was far from being timely.

It is not that the CRF scheme has fully solved all of the problems mentioned above. However, one has to accept that on each of these fronts, it shows a marked improvement over the earlier existing system of margin money (for financing of expenditure of States on relief). **In terms of the main purposes behind the creation of CRF, the scheme has succeeded, at least partly, in achieving some of them.**

For instance, in comparison with the earlier existing margin money scheme, the States now get much higher assistance from the Central Government. A quicker response by the State Governments to natural calamities can be expected than before. The CRF scheme does give greater autonomy and responsibility to the State Governments in responding to natural calamities. Also, the accountability of the States for their activities following a natural calamity has increased. **On account of all these improvements, CRF is better than the margin money scheme that existed earlier.**

However, all over the world, the approach towards management of natural disasters has changed significantly since early 1990s. Disaster management is getting due importance in many countries, which is all the more important for India- a developing country, with significant socio-economic disparity between its different regions, and many parts of it showing high vulnerability to natural disasters. In such a scenario, CRF should play a crucial role in the process of disaster management, especially in the domain of disaster response of the government. Therefore, **we must assess CRF in terms of the extent to which it enables the State Governments in providing quick, comprehensive and effective relief to the victims of natural disasters, especially to the marginalised sections of the population who are most vulnerable to losses from such disasters**.

Implications of the Present Framework of CRF

"All bad precedents began as justifiable measures."

- Julius Caesar

In this section, we look at the CRF scheme through a discussion on the various implications of its design or framework.

Determination of the Size of CRF for a State

One of the major drawbacks of this scheme arises from **the deficiency of the method of determination of the size of CRFs for different States**, a feature which was there in the recommendations of the Ninth Finance Commission and continued in the recommendations of the Tenth and Eleventh Finance Commissions.

- The EFC determined the quantum of CRF for each State on the basis of average actual expenditure incurred by the State on relief on account of natural calamities. It took into account the average annual expenditure booked under the major head "2245-Relief on account of natural calamities" for each State during the period 1987-88 to 1998-99 at 1998-99 prices after fully adjusting for inflation on the basis of consumer price index for industrial workers. The amount then was projected up to 1999-2000 on the basis of estimated inflation, and provision for each year (for the CRF of each State) up to 2004-05 was made assuming the level of inflation prevailing in 1998-99. However, where the average expenditure worked out to be less than the allocation for CRF of a State in 1999-00, the allocation for the year 2000-01 was kept at the level of 1999-00, to ensure that no State gets less than what it was getting earlier.
- While the EFC recognized the importance of taking into consideration other criteria such as **a State's proneness to natural calamities**, **magnitude of losses suffered by a State during calamities in the past**, and **occurrence of natural calamities in a State in quick succession**, etc., it did not incorporate these into the method of determination of the quantum of CRF for a State. The EFC gave two arguments for not including these factors, which are:
  - It is difficult to assess the factors mentioned above on a uniform basis across the States.
  - These factors are reasonably captured in the expenditure incurred by a State on calamity relief in any year.

None of the above two arguments seems to be acceptable in the present time. When the Government has already set up (and is in the process of setting up) huge number of Committees, Expert Bodies and Organizations relating to disaster prevention and mitigation in different parts of the country, it should not be a difficult task to assess the factors mentioned above on a uniform basis across the States. Secondly, it is not right to conclude that expenditure on relief incurred by a State reasonably captures all such factors, as the financial ability to respond to a natural calamity (with the Central assistance not distinguishing between economically weaker and better off States) varies widely across the States.

- When the EFC had sought suggestions from the States regarding the modification of the CRF scheme, States like Andhra Pradesh, Rajasthan and Uttar Pradesh wanted a continuation of the process of determination of the size of CRF on the basis of actual expenditure incurred by the State on calamity relief. On the other hand, States like Assam and Bihar did not concur with this, as very often resource constraints prevent an economically backward State from meeting the full requirements of administering relief. The implication of the present method is that many States which have spent inadequately on calamity relief in the past are trapped in a vicious circle. **Because of low expenditures in the past, the size of CRF for such States turns out to be low, which, in turn, constrains their ability to spend on relief in future.**
- The ignorance of the economic ability of States (to respond to natural disasters) while determining the size of CRFs of different States was there in the recommendations of the Ninth Finance Commission itself (when CRF was set up), and it has persisted with the Tenth and Eleventh Finance Commissions. During the recommendation period of the EFC, i.e., during 2000-01 to 2004-05, **economically more advanced States like Gujarat, Maharashtra and Punjab have higher allocations to their CRFs than those of weaker States like Orissa, Bihar, Assam, Madhya Pradesh and West Bengal**.

Contributions to CRF from the Centre and the respective State Government in the ratio of 75:25

- The EFC retained the prevailing formula under which the Central Government contributes 75% of the size of each State's CRF and every State Government has to contribute 25% of the size of the fund, every year. The logic given by the EFC for this is- financial constraints of the Central Government require that the States too should share the burden of providing relief, and also disaster response (through rescue, relief and rehabilitation) is primarily a responsibility of the States.
- However, many weak States cannot spend adequately for relief due to paucity of funds. Therefore, the formula for contributing to CRF should not be the same for all States, it should vary taking into account the financial prowess of the States.
- The poorer States –like, Assam, Bihar, Orissa, Madhya Pradesh and Uttar Pradesh (whom the EFC identified as weak States but did not provide any significant help in the allocations)- could be asked to contribute shares, less than 25%, to their CRFs.

Time lag in provision of additional assistance to States for severe calamities

- Table 3.2 shows the releases of financial assistance from National Fund for Calamity Relief (NFCR) to the States affected by severe natural calamities during 1995 to 2000. The amounts of assistance extended to Orissa, Andhra Pradesh, Gujarat, Rajasthan, Uttar Pradesh, West Bengal and Madhya Pradesh, among others, were substantial, which indicates the severity of the calamities (which occurred in these States during 1995-2000) and the subsequent necessity for Central assistance (in excess of CRF) in the concerned States.

  We must note here that the process of approving additional financial assistance to the States (in excess of CRF) from NFCR (till 1999-00)/ NCCF (2000-01 onwards) still involves a considerable time lag. This process, involving the submission of memorandum by a State, assessment by an Inter-Ministerial Group, recommendation of a High Level Committee etc, results in a delay in undertaking relief operations at the required scale in the calamity affected areas.

Table 3.2: Releases from National Fund for Calamity Relief (NFCR) during 1995-96 to 1999-2000

(in Rs. Crore)

S. No.	State	1995-96	1996-97	1997-98	1998-99	1999-2000	Total	Annual Average
1	Andhra Pradesh	0.00	163.00	42.00	26.50	75.36	306.86	61.37
2	Arunachal Pradesh	0.00	13.00	0.00	13.47	0.00	26.47	5.29
3	Assam	0.00	21.00	0.00	59.90	0.00	80.90	16.18
4	Bihar	0.00	28.00	10.00	11.45	38.18	87.63	17.52
5	Gujarat	0.00	0.00	86.90	55.35	54.58	196.83	39.36
6	Haryana	39.41	0.00	0.00	13.27	0.00	52.68	10.53
7	Himachal Pradesh	12.49	10.56	24.80	0.00	0.00	47.85	9.57
8	Jammu & Kashmir	18.17	0.00	0.00	0.00	73.42	91.59	18.32
9	Karnataka	0.00	0.00	22.00	49.98	17.09	89.07	17.81
10	Kerala	0.00	0.00	12.91	0.00	0.00	12.91	2.58
11	Madhya Pradesh	0.00	0.00	67.76	35.00	38.86	141.62	28.32
12	Manipur	0.00	0.00	0.00	0.00	4.93	4.93	0.98
13	Meghalaya	0.00	10.00	0.00	0.00	0.00	10.00	2.00
14	Mizoram	4.71	0.00	0.00	0.00	6.00	10.71	2.14
15	Orissa	25.75	55.00	4.00	0.00	828.15	912.90	182.58*
16	Punjab	16.16	0.00	0.00	0.00	0.00	16.16	3.23
17	Rajasthan	0.00	21.00	0.00	21.98	102.93	145.91	29.18
18	Sikkim	0.00	5.52	7.00	7.67	0.00	20.19	4.04
19	Tamil Nadu	0.00	25.00	0.00	0.00	0.00	25.00	5.00
20	Tripura	0.00	0.00	0.00	5.05	5.34	10.39	2.08
21	Uttar Pradesh	0.00	0.00	0.00	131.15	16.68	147.83	29.56
22	West Bengal	0.00	21.00	0.00	66.33	29.52	116.85	23.37
	Total	**116.69**	**373.08**	**277.37**	**497.10**	**1291.04**	**2555.28**	

Source: http//www.ndmindia.nic.in

* The very high amount for Orissa is due to the assistance provided for the super cyclone of 1999.

Allocations to CRF are Inadequate

- The Ninth Finance Commission, while formulating the CRF scheme, had observed that the financial assistance earlier provided to States for administering relief was grossly inadequate, and sought to enable the States to spend adequately for relief through CRF. Unfortunately, even after a decade of CRF coming into place, the allocations for most of the States still remain inadequate in comparison with the funds required by them.
- During the recommendation period of the Tenth Finance Commission, many States sought

assistance from National Fund for Calamity Relief (NFCR) when the funds available in their CRFs were inadequate for meeting relief expenditures, especially in the event of severe natural calamities. Though it has been observed that States tend to overstate/inflate their claims for assistance, it happens only to a limited extent. The gap between the demand for and provision of financial assistance during 1995-1998 was so huge that it cannot be attributed solely to the tendency of the States to inflate their demands. As many as 70 memoranda were received by the Central Government from 23 States during 1995-1998 seeking a total assistance of Rs. 24,000 crore from NFCR, while the total corpus of NFCR for the 1995-2000 period, as per the recommendation of the Tenth Finance Commission, was just Rs. 700 crore. This clearly brings out two things:

- First of all, there is a huge gap between funds required and the funds allocated to the States for meeting relief expenditure.
- Secondly, the assessment of Central Government authorities, including the Finance Commissions, is still quite unrealistic.

- The average annual size of the CRF for all States taken together has increased from Rs. 804.00 crore during 1990-1995, to Rs. 1260.85 crore during 1995-2000, and to Rs. 2201.52 crore during 2000-2005. The average annual contribution of the Central Government to the CRFs of all States in aggregate increased from Rs. 603.00 crore during 1990-1995, to Rs. 954.64 crore during 1995-2000, and then to Rs. 1651.14 crore for 2000-2005. However, these increased allocations have not been able to empower the States to carry out effective relief operations in the wake of natural calamities. This is mainly due to two reasons:

  - Although the allocations have been increasing, the overall allocations still continue to be at a low/less than required level.
  - Then, the distribution of the overall allocations continues to favour some of the richer States, especially those whose relief expenditures have been historically higher.
  - **Tables 3.3 and 3.4** show the (budget estimates and accounts) expenditures incurred by all the States under the head "Relief on account of Natural Calamities" in the years from 1997-98 till 2002-03. These budget estimates and accounts relate to the non-plan revenue expenditure on relief, which is incurred by the States with the funds received under CRF. Even a quick look at these figures tells us that the expenditure on calamity relief incurred by Rajasthan, Andhra Pradesh, Gujarat and Maharashtra during 1997-98 to 2002-03 (except for years of severe natural calamities, like, the super cyclone of Orissa in 1999, etc.) have been consistently much higher than those incurred by the States of Orissa, Bihar, Assam and West Bengal. This does not mean that the former set of States have been more affected by natural calamities, all through 1997 to 2003, than the latter ones. But wide variation in actual expenditures (incurred on calamity relief) across the States has been driven, to some extent, by the unjust distribution of funds among the CRFs of different States. As long as the size of CRF of a State continues to get determined solely on the basis of average actual expenditure incurred in the past, such injustice towards the poorer States will persist.

Table 3.3: Expenditure* under the Head "Relief on Account of Natural Calamities"

STATE	Budget Estimates (in Rs. Crore)				
	1998-99	1999-00	2000-01	2001-02	2002-03
Andhra Pradesh	139.77	246.16	201.00	208.45	169.92
Arunachal Pradesh	7.86	8.18	8.18	12.07	13.25
Assam	55.98	126.26	126.26	106.57	111.89
Bihar	59.17	61.61	61.61	80.00	81.4
Chhattisgarh				70.00	70.00
Goa	1.33	1.40	1.4	2.38	2.05
Gujarat	177.59	169.16	170.16	5667.01	1956.19
Haryana	47.19	29.92	29.94	85.62	89.9
Himachal Pradesh	30.13	31.40	31.40	45.66	48.00
Jammu & Kashmir	22.32	23.32	23.34	36.89	38.74
Jharkhand				76.80	76.14
Karnataka	48.3	50.28	50.28	76.73	82.21
Kerala	62.6	65.21	65.21	70.61	74.13
Madhya Pradesh	56.97	59.12	62.12	140.86	159.09
Maharashtra	78.92	82.13	90.00	165.06	173.32
Manipur	2.75	2.75	2.94	3.01	3.01
Meghalaya	3.15	3.31	3.31	4.14	4.35
Mizoram	1.4	1.47	1.47	3.12	3.28
Nagaland	1.97	2.05	2.05	2.05	2.16
Orissa	55.1	57.39	197.52	149.95	120.69
Punjab	60.38	62.92	Nil	128.85	146.24
Rajasthan	201.27	209.77	209.82	164.88	230.19
Sikkim	7.2	5.54	9.10	7.33	7.69
Tamil Nadu	65.83	68.63	68.63	188.74	113.26
Tripura	18.79	10.42	12.94	5.47	5.73
Uttaranchal				33.98	Nil
Uttar Pradesh	16.64	-4.57	243.82	153.59	162.87
West Bengal	58.54	60.95	60.95	181.16	111.47
N.C.T. of Delhi	1.04	1.09	3.35	2.13	0.77

*Non Plan Revenue Expenditure

Source: Various Issues of "State Finances: A Study of Budgets", RBI

Table 3.4: Expenditure* under the Head "Relief on Account of Natural Calamities"

STATE	Accounts (in Rs. Crore)			
	1997-98	1998-99	1999-00	2000-01
Andhra Pradesh	175.09	254.06	222.02	315.18
Arunachal Pradesh	10.49	7.86	21.40	14.03
Assam	71.56	71.77	45.59	108.08
Bihar	25.55	148.76	104.06	60.64
Chhattisgarh	—	—	—	90.85
Goa	1.23	1.66	2.00	0.98
Gujarat	302.43	171.63	438.01	1476.08
Haryana	29.13	28.63	49.39	79.86
Himachal Pradesh	49.88	28.53	33.58	61.61
Jammu & Kashmir	21.24	31.70	25.90	35.09
Jharkhand	—	—	—	—
Karnataka	66.36	104.30	93.37	78.77
Kerala	72.54	62.60	65.21	23.12
Madhya Pradesh	202.74	90.28	63.45	109.15
Maharashtra	102.59	271.67	43.30	116.52
Manipur	1.96	2.82	5.61	0.39
Meghalaya	3.03	3.09	3.23	3.94
Mizoram	1.33	1.35	1.40	2.97
Nagaland	1.89	1.97	2.14	1.96
Orissa	87.32	42.62	826.95	137.62
Punjab	42.22	31.15	0.23	78.59
Rajasthan	191.98	201.28	232.52	526.68
Sikkim	17.58	5.33	13.19	4.74
Tamil Nadu	94.02	55.50	30.69	10.77
Tripura	0.94	11.72	11.46	9.32
Uttaranchal	—	—	—	5.07
Uttar Pradesh	107.36	200.61	133.96	65.99
West Bengal	55.13	44.92	80.63	440.87
N.C.T. of Delhi	0.74	1.50	2.99	0.93

*Non Plan Revenue Expenditure

Source: Various Issues of "State Finances: A Study of Budgets", RBI

- However, even the States, showing relatively higher expenses during 1997 to 2003, have found their CRF allocations inadequate. There should be a significant increase in the allocations made to the CRFs combined with a more realistic and just distribution of the funds among the States.

Inclusion of only six natural calamities

- Another important issue is that of the nature and types of calamities, which are eligible for relief expenditure under the Major Head 2245 in the budgets of the States. The EFC admitted that in a country where three-fourths of the population is either directly or indirectly dependent on agriculture for its sustenance, any calamity that affects the agricultural productivity or production is bound to cause distress and qualify for relief through state intervention. At the same time, it maintained that, if the CRF is used for all and sundry purposes, there will be very little funds available when a really difficult and widespread situation of distress surfaces. Therefore, the EFC recommended that only the natural calamities of cyclone, drought, earthquake, flood, fire and hailstorm should be eligible for relief expenditure from the CRF.
- It is very difficult to be satisfied with the inclusion of only the above mentioned six calamities under CRF/NCCF schemes. We cannot ignore the loss and damage caused by other natural calamities in the country, such as heat wave, cold wave, land-slides as also the damage caused by pest attacks. These calamities have recurrently struck in many parts of the country causing substantial damage to the area and population. In this context it is worthwhile to note that in 2004, in the State of Uttaranchal, a continued calamity caused by landslides did not command any relief expenditure for a very long period since the CRF money, as per the prevailing norms of expenditure, cannot be used for this purpose. Therefore, along with an increase in the quantum of CRFs of the States, the calamities arising out of
    - heat wave,
    - cold wave,
    - land-slides, and
    - pest attacks

  should be made eligible for receiving assistance under CRF/NCCF.

List of items and norms of expenditure permissible under CRF

- A uniform list of items and norms of expenditure for all the States is quite unrealistic. Because, in terms of geographical, geological, and socio-economic conditions and the existing mechanism for disaster response there is wide variation across the States.

  The EFC had sought that State-specific lists should also be finanlised in consultation with the representatives of the concerned State Governments after taking into account the State-specific needs and practices. The onus for this now lies on the State-level Committees, which administer CRF.
- The compensations/monetary assistance for the victims of natural calamities, at the current levels are inadequate. This is because the government is responsible not only for providing immediate relief in the event of natural calamities but also for enabling the victims to recover from such shocks and regain their access to livelihood. For instance, if we check out the Revised List of Items and Norms of Expenditure (Appendix- 3), assistance to artisans in the handicrafts sector by way of subsidy for repair/replacement of damaged equipments is a meagre amount of Rs. 1000, which is simply unrealistic. Such unrealistic provisions must be revised and made adequate taking into account the actual costs.

No provision for financing restoration of damaged capital works or undertaking long-term measures for disaster mitigation

- As per the recommendation of the EFC, the expenditure on restoration of damaged capital works in the calamity-hit areas are to be met from the normal budgetary heads and not from the CRF, except when it is for provision of immediate relief such as restoration of drinking water sources, provision of shelters, or restoration of communication links for facilitating relief operations. The EFC had also maintained that CRF should not finance works of capital nature for disaster mitigation (or for long-term purposes). Rather, the Planning Commission, in consultation with the State Governments and the concerned Ministries of the Union Government, should be able to identify works of capital nature to prevent and mitigate losses caused by natural disasters and finance such works through reallocation of plan funds of the States.

This follows from the logic that CRF, an item of non-plan revenue expenditure, should be used only for activities relating to immediate relief in the short duration. However, although long term measures for disaster mitigation conventionally fall under the domain of plan expenditure, there should be permission for using the CRF money, through the relief works undertaken in calamity-affected areas, for building up assets which can help mitigate losses from disasters in future. This seems even more important if we consider the fact that the Tenth Five Year Plan document addresses the recommendation of the EFC (which was mentioned above) only partially (a discussion on this is presented in Chapter 5 of this report).

- An observation made by the Ninth-Finance Commission on **temporary and insignificant nature of the works sponsored by the expenditure on relief** incurred by States during 1979 to 1989, holds true even today. As we found during our field survey in Kishanganj tehsil of Baran district in Rajasthan (in April 2003), the expenditure on relief works, especially on employment generation programmes in the drought-hit areas, had been increasing consistently. But no asset of any long-term significance had been created within the existing parameters of the relief programmes. The assets created were all temporary in nature. The roads being constructed or the wells being dug up in the drought-hit areas were all *'Kachcha'* or of temporary existence. The people participating in such works themselves doubted whether these roads and wells would last for more than one season.

The funds from CRF should be allowed to be used for purchasing material components/machines and equipments for creating durable assets (after there is an increase in the quantum of funds for this purpose), and for hiring of skilled staff who would guide the unskilled workers in the various employment activities that are taken up as relief measures following a natural calamity. These changes would lead to the creation of durable community assets in the calamity affected areas. At least, a proper mechanism should exist that could ensure a better coordination between plan expenditure in the States and the activities pursued under CRF.

  - In the 1990s, some States used the funds provided to them for relief works in a productive manner. As reported by the Tenth Finance Commission, some States spent the money received under CRF for the construction of new flood protection works and embankments. Unfortunately, such necessary expenditures incurred by the States were seen by the Tenth Finance Commission as violations of the guidelines for use of CRF.

Delay in Establishing NCCM

- The Eleventh Finance Commission had recommended for setting up a **National Centre for Calamity Management (NCCM)**, which would monitor the occurrence of natural calamities all over the country, and assess whether a State will be in a position to provide relief in a specific case of calamity of severe nature from the CRF and its own resources. It should then make a recommendation to the Central Government on its own as to whether the calamity is of a severe nature and, therefore, eligible for assistance from the Centre and other States. On the basis of NCCM's recommendation, Centre will decide on the assistance needed by the State. A properly functioning NCCM can be expected to shorten the time lag involved in release of assistance from NCCF.
- As far as the determination of size of CRF for a State incorporating factors like, the State's proneness to natural calamities, magnitude of losses suffered by it during calamities in the past, and occurrence of natural calamities in the State in quick succession, is concerned; it would be possible only if an organisation like NCCM starts functioning efficiently. For, it would not be difficult for NCCM to evaluate/compare the above mentioned factors on a uniform scale across all States, and then recommend to the Finance Commission regarding required size of the CRF for a State.
- Also, there is necessity of continuous assessment of damage done to the capital assets and other infrastructure in different parts of the country. The EFC had envisaged this task for the NCCM.
- Subsequently, the matter relating to setting up of NCCM was referred to a High Powered Committee (HPC) on disaster management constituted by the Central Government. The HPC submitted its report in October 2001, in which it recommended for setting up NCCM within a period of one year. However, more than two years have passed since then and even now, in 2004, we find no news about functioning of NCCM.

Centre's relief assistance to States has been plagued by political interests

On a number of occasions, in the recent past, a concern has been raised about the distribution of relief packages by the Centre being based on political considerations rather than the ground realities. **It has been felt that the extent of clout that the Party ruling in a State enjoys with the Centre is determining the extent of relief assistance that the State can get.**

- One such instance related to provision of additional Central assistance to Orissa in the wake of the super cyclone of 1999 (while NDA ruled at the Centre at that time Orissa was ruled by a Congress (I) government). Even the Eleventh Finance Commission had taken note of the controversy that had erupted in November, 1999 when political meaning was read into the Centre's initial reluctance to declare the Orissa super cyclone as a national calamity and provide adequate assistance from the NFCR.
- In 2001-02, Andhra Pradesh, which had only about 6% deficient rainfall, walked away with a relief package of Rs 148 crores and 3 lakh tonnes of rice. Rajasthan, on the other hand, did not get any additional assistance from the Centre that year despite facing its third successive drought.
- Again with respect to the drought of 2002-03, which had affected at least 14 States in the country, it has been reported that "Andhra Pradesh managed to get 48 lakh tonnes of food grains allocated from the Centre for drought relief, which was far higher than what any other State could secure"(V. Sridhar, 2004).

Laxity of State Governments

Also, laxity on the part of the State Governments has led to delays in the release of funds from the Centre for their CRFs. Reportedly, many States have not been crediting Central as well as their share of CRF and NCCF funds into their CRF Account. This has resulted in the Finance Ministry withholding the release of the next installment of CRF to those States. The outcome of such delays in release of due installments of Central share of CRF would be that in the event of a calamity, the States would face serious obstructions in carrying out relief operations. Therefore, the States must act much more responsibly in dealing with disasters, otherwise no plan/policy making relating to disasters would translate into reality at the ground level.

C & AG's View on the Functioning of CRF

The Comptroller and Auditor General (C & AG) of India had audited the expenditure incurred by the State Governments from CRF and the National Fund for Calamity Relief (NFCR) during the period 1992-1998 and presented the audit results in its Union Government (Civil) Performance Appraisals Report No. 3 of 1999. **On the basis of its performance review, the C & AG was of the opinion that the Union ministry responsible for overseeing the operation of the CRF scheme (which was the Ministry of Agriculture during that period) was unable to control the execution of the scheme so as to ensure the attainment of the stated objectives in the most cost effective manner and within the given time-frame.** As a result, the execution of CRF scheme continued without any quantitative and qualitative evaluation of delivery. The nodal ministry had confined its role to the provision of budget and release of the funds to the State Governments rather mechanically without reference to the effective utilisation of the funds released earlier. The Ministry of Agriculture was unable to ensure correctness of the data and facts reported by the State Governments. No system of accountability for incorrect reporting and verification of reported performance were in vogue. Also, the State Government's attitude towards the execution of the CRF scheme was generally indifferent. They laid emphasis on release of assistance by the ministry rather than ensuring the quality of expenditure and attainment of objectives of the CRF scheme. Misuse of the relief funds was observed, but the Ministry of Agriculture had no clue to such misuse.

In particular, on the basis of following findings of the audit, C & AG was highly critical of the functioning of CRF scheme (over the period from 1992 to 1998).

- Despite a total expenditure of Rs. 6411 Crore during 1990-1998, many States had not set up separate CRF (violating the recommendation of the Finance Commissions) which could help them provide timely relief to the victims of natural calamity and prevent any misuse or diversion of this money through its merger with general revenues. Such States were Himachal Pradesh, Gujarat, Maharashtra, Rajasthan, Sikkim and Tripura.
- Due to certain States not setting up separate CRF and not following the prescribed investment pattern, the CRF in many States suffered a loss of interest, which was at least Rs. 139 crore.
- Many States had credited the receipt from CRF into their general revenues and treated it as 'receipts' and many had parked the CRF money in personal ledger account/civil deposits, etc. The sample checks showed that the State Governments did not credit their share of funds to CRF in many cases.
- The institutional arrangement, particularly for management of CRF, did not function in the desired manner in most States. The State-level Committees, under the Chairmanship of Chief Secretary, were not formed in some States, and in others, it did not oversee the calamity relief as per the guidelines.
- There was a general tendency among most of the States to book all types of expenditure not related to calamity relief under the budget head meant only for expenditure on calamity relief.

The improprieties of misuse and diversion of Rs. 670 crore on items not connected with calamity relief, like, payment of salaries, wages, office furniture, transport, maintenance and renovation of assets not related to relief were noticed in the sample check. Out of the Rs. 670 crore, mentioned above Rs. 133 crore was spent by the States in areas where no calamity had occurred.

- A large number of cases of misappropriation and fraud in the transactions out of CRF were also noticed.
- The inherent defect in design for release of funds from the NFCR (in case of calamities of rare severity) led to delays in release of fund, in some cases up to 80 months after the onslaught of the calamity.
- In the States of Bihar, Madhya Pradesh and Rajasthan, many of the calamity relief works were abandoned midway during 1992-1998, which, in total, rendered an expenditure of over Rs. 111.14 crore unproductive.
- During 1992-1998, implementing agencies in nine States delayed relief assistance to the victims of calamity by one to 80 months.

On the basis of all its findings, the C & AG was of the opinion that the Calamity Relief Fund (CRF) and the National Fund for Calamity Relief (NFCR) had not met the intended objectives satisfactorily due to emphasis of the States on incurring expenditure from CRF in an indiscriminate manner. Thus, CRF, in financing relief expenditure of States, is no doubt better than the Margin Money scheme which existed earlier. However, **the scope for CRF, combined with NFCR(during 1995-2000)/ NCCF(2000-01 onwards), to enable all the States carry out quick, comprehensive and effective relief measures in the event of natural calamities, has been constrained significantly by numerous factors, such as:**

- **Deficiency of the method of determination of size of CRFs for different States**
- **Inadequate allocations to CRF**
- **Inclusion of only six natural calamities under the scheme**
- **A uniform list of items and norms of expenditure for all the States which is quite unrealistic**
- **Time lag in provision of additional assistance to States for severe calamities**
- **Lack of provision for financing restoration of damaged capital works and long-term measures for disaster mitigation in the calamity-affected areas**
- **Centre's relief assistance to States being driven by political interests and**
- **Laxity of State Governments in implementing the schemes.**

Chapter 4

Ground Realities Of Disaster Response Of The State Governments

"Though drought relief can go to scarcity areas, those most in need seldom benefit from it. The poor in such regions understand this. That's why some of them call drought relief 'teesra fasl' (the third crop). Only, they are not the ones who harvest this third crop".

- P. Sainath, Everybody Loves a Good Drought

This chapter presents our assessment of the ground realities as regards the response of three State Governments to three severe calamities in the recent past (Orissa- Super Cyclone of 1999, Gujarat-Earthquake of 2001, and Rajasthan-Drought of 2002-03). Till now, we have discussed in detail the schemes for financing of relief expenditure of State Governments and identified the weaknesses in the same. The Central Government, through its Ministries dealing with disaster relief and the Finance Commissions, is responsible for planning and formulation of these schemes. Thus, for the numerous loopholes in the design of the schemes, eventually the Central Government has to be held accountable. But implementation of the CRF scheme, and in fact undertaking rescue, relief and rehabilitation measures in response to natural disasters is the direct responsibility of the State Government concerned. Hence, for the irregularities, delays and ineffectiveness of rescue, relief and rehabilitation measures in calamity affected areas; the concerned State Government must also be held liable.

While analysing the disaster response of State Governments, we consider a number of issues, like:

- comprehensiveness of relief measures taken in response to a calamity
- whether the relief given matched with the needs of the affected population
- gap between the claims made by the government authorities and what actually reached the affected people
- timeliness of the relief operations
- benefit derived by the most vulnerable sections of the affected population from relief measures
- irregularities in relief operations
- causes of delay in rescue operations and
- reasons for high death toll and extensive damage in the disasters

Drought in 2002-03

The primary basis for declaration of drought in our country is the quantum of rainfall, damage to *kharif* crops, and lesser availability of drinking water and less moisture in the soil, though there is no universally accepted definition of drought. In India, drought is generally considered to occur when the principal monsoon, i.e., Southwest monsoon and the Northeast monsoon, for areas, which depend on it, fail or are deficient or scanty. Failure of the principal monsoon causes crop failure and shortage of drinking water causing mush hardship to people in the affected areas, especially in the rural areas where majority of the population is dependent on agriculture and allied sectors for livelihood. Union Government cannot declare any part of the country as drought hit. The respective State government in accordance with the Relief Manuals or similar documents of the State does the declaration of drought for a State or a part of it. It may be noted here that while the Indian Meteorological Department (IMD) has the authority to declare a Hydrological Drought, the State Governments have the same to declare an Agricultural Drought.

Failure of Monsoon in July 2002 resulted in drought conditions in several States in our country. Drought conditions had spread over 14 States, which included Rajasthan, Uttar Pradesh, Haryana, Punjab, Karnataka, Tamil Nadu, Orissa, Chhatisgarh, Madhya Pradesh, Himachal Pradesh, Maharashtra and Andhra Pradesh. At least 320 of the 524 districts monitored by the Agriculture Ministry had insufficient rainfall in July 2002. Although drought has become some kind of a regional phenomenon in India, 2002 drought had engulfed areas like UP, Punjab and Haryana, which had remained mostly unaffected earlier. Among the worst affected States were Rajasthan, Western UP, Haryana, Punjab, Karnataka and Tamil Nadu. The deficiency in rainfall in July 2002 was 49 per cent, and in spite of monsoon revival to some extent in the next two months (i.e. August and September), the hydrological drought persisted in many areas.

Out of the 905 lakh hectares sown normally during the *kharif* season, roughly 20 per cent area could not be sown at all and another 158 lakh hectares of sown area received damage of over 50 per cent. The total loss of agricultural production during the *kharif* season of 2002 was estimated at over 19.84 million tonnes. This drought affected many of the crops, the worst hit being oil seeds, coarse cereals and pulses. Apart from extensive crop failures, acute shortage of drinking water was faced in many parts of the country. Starvation deaths were reported in some parts, most notably in Shahbad and Kishanganj tehsils of Baran district in Rajasthan. Livestock in drought affected areas were more severely affected. For Rajasthan, the drought of 2002 was one of the worst in the recent memory of people, the devastation in the State exceeding that of the 1987 drought. In 1987, an estimate 37% of the normal area was sown of which two-third was destroyed. However in 2002 the late July estimates of the Government of Rajasthan put the area sown roughly at 36% of the normal area for *kharif* season, with crops in the sown area receiving severe damage in subsequent months.

❑ Response of the Central Government

- In the event of a drought, the post-monsoon phase is when Government intervention for the affected population is needed most. Relief measures of an immediate nature require provision of food, fodder, drinking water and pursuance of employment generation programmes in the drought-affected areas. In 2002 many parts of the country were declared drought-hit by respective State governments, such as all of 32 districts of Rajasthan and 30 districts of Orissa. The State governments also wasted no time in demanding for central aid and free food grain stocks for carrying out drought-relief operations. The Central government did respond, though the level did not match the States' demands.

When States declare themselves as drought-hit, one often sees reports that the distribution of relief packages by the Centre is based on political considerations rather than the ground realities. In 2001-02 Andhra Pradesh, which had only about 6% deficient rainfall, walked away with a relief package of Rs 148 crores and 3 lakh tonnes of rice. Rajasthan, on the other hand did not get anything that year despite facing its third successive drought.

Central Assistance for Drought Relief through CRF/NCCF

- On the 24th of July 2002 the Centre announced its first package of assistance under CRF/NCCF scheme. The prevailing norm for assistance prescribe that under the CRF scheme farmers (agriculturists) should be compensated to the extent of Rs 1,000 per hectare for crop losses in un-irrigated land; Rs 2500 per hectare for irrigated land and Rs 4,500 per hectare for perennial crops. Though this assistance was available to those farmers who have two hectares of land or less, the declaration provided assistance under CRF in 2002 to all categories of farmers in the drought-affected areas.
- The first release of Central share of CRF for all States taken together was of Rs 700 crore, with respective State governments contributing one-third of the size of this amount. The CRF releases were for addressing the crop losses incurred in the drought-hit areas, and the immediate scarcities of fodder and drinking water.
- In November 2002 the Centre had announced Rs 2000 crore relief package from NCCF for the 14 drought affected States. It had also announced additional food grains of 5 lakh tonnes to be given to Rajasthan and Orissa where starvation deaths had been reported. The Centre allocated another Rs 12 crore to Rajasthan, (Western) U P and Haryana for fodder.

Other Measures Taken by the Centre in Response to the Drought

- On 24 July the Centre directed the sugar-mills to pay an outstanding total of Rs 1000 crore to cane growers and the National Bank for Agriculture and Rural Development (NABARD) to postpone its debt recovery proceedings.
- The Agriculture Ministry extended the July 31 deadline for making claims under the crop insurance scheme. The scheme was allowed to include farmers who had not taken loans and the claims were to be processed on a case-by-case basis.
- Relief measures announced by the Union Govt. also included complete waiver of interest liability of farmers for the *kharif* loans of 2002 in the drought affected States. In the affected areas, short-term loans of farmers were converted into medium term loans.
- Agricultural input subsidies for farmers holding at most 2 hectares of land was to be extended to all farmers in the drought-hit areas.
- The Centre gave Rs 25 crore to the affected States (in total) for maintenance of Gaushalas.
- The Central Government distributed 38 lakh tonnes of foodgrains (costing roughly Rs 4000 crore) for providing employment (through food-for-work programmes) in drought-affected States by December 2002.
- Facility of free transport of water and fodder was provided to Rajasthan up to June 2003.
- The Union Govt. had announced Minimum Support Prices (MSPs) for the crop year 2002-03 on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP). But on account of the drought situation, one-time special drought relief price was announced for various agricultural commodities. It raised the MSPs by Rs 20 per quintal for Paddy, Jowar etc., Rs 15 per quintal for Sunflower seed, Rs 10 per quintal for Bajra and Soyabeen and Rs 5 per quintal for various Pulses. Also, an increase of Rs 5 per quintal in Statutory Minimum Price (SMP) was announced for sugarcane in all states.

All these present an impressive picture of the state response to the drought of 2002. But this response at the Central level did not get translated into reality at the ground levels in many of the drought-affected States. Before moving on to a discussion of the several incidents of gross irregularities and inadequacies in the provision of relief to the people affected by drought, we must take note of the falling public investments in agriculture and rural areas in the 1990s and its impact on drought affected areas.

❑ Impact of Falling Public Investments in Agriculture and Rural Areas

2002 as a drought year has been compared by many observers with 1987, which had seen one of the worst droughts in the recent history of the country. According to some experts, poverty in the country had not shown any increase as massive rural public works programme were carried out in the worst affected States like Rajasthan and Gujarat These programmes mitigated the adverse impact of drought, along with decline in poverty. On the other hand, **the rural public works programmes undertaken in 2002-03 (a year of severe drought again) were not at such massive scale despite 40 to 50 million tonnes of foodgrains (excess of the 20 to 22 million tonnes of buffer stocks that are actually needed for the country) lying with the Government**. The spending on programmes like Sampoorna Gramin Rozgar Yojna (SGRY) did register a substantial increase but it was still not adequate in comparison to the severe drought conditions in some of the States, more so because the FCI godowns were still overflowing with food grain stocks.

- All through the 1980s the Government had supported a large budget deficit by running an external (account) deficit. A part of this large budget deficit used to go towards financing the employment programmes being pursued in the rural areas. This approach of the Government had helped in mitigating the damage caused by the 1987 drought to a significant extent. However, with the onset of neo-liberal economic policies in 1991, the approach of the Central Government. towards making sizeable expenditure on rural works programmes as also employment generation activities at the cost of running a budget deficit underwent a drastic change. So in 2002-03 the Central Government was not generous enough to inject a substantial amount of money into such activities in order to meet the requirements of drought-relief activities in the affected areas adequately; but the availability of huge amount of surplus food grain stocks presented a good opportunity for the Central Government to mitigate the impact of drought in the worst affected parts. The Central Government. however, by and large chose to ignore that opportunity.
- The 2002-03 drought dealt a severe blow to those parts of the affected States, which had been non-irrigated agricultural land. In the absence of rain or irrigation facilities, farmers usually have to use fuel-run tube wells to maintain the required water level for *kharif* crops like rice. This is costly, as 2 litres of diesel have to be used for running a tube well for one hour. Hence, for the poor farmers the cost per acre for using ground water turns out to be quite high.

Even in States that have irrigation facilities in place, the drought of 2002 spelt disaster. This was mainly due to

- uneven distribution of irrigated land across States as well as among crops, and
- declining public investment in agriculture sector

In 1970-71, 41% of total irrigated land was dependent on government canals, while only 14% depended on tube wells. By 1997-98, however, as much as 34% of irrigated land depended on tube wells while canals accounted for 31% of the irrigated land, leading to major drain on the ground water reserves. Over-dependence on ground water in States like Gujarat, Maharashtra, Punjab, Haryana and Rajasthan led to fall in water tables in these States. But these States cannot be blamed as their increasing dependence on ground water stems from a steady decline in public investment in agriculture.

Note on the Field Survey :

As has already been mentioned, Rajasthan was severely affected in the 2002-03 drought. In the months of October and November 2002, there were reports of hunger-related deaths among the *Sahariyas* (a tribal community) in Baran district of Rajasthan, following which the Rajasthan Government as also the Central Government declared numerous measures for drought-relief in the affected areas of the State. With these developments in the backdrop, we visited Baran district in April 2003 for assessing the relief works undertaken by the State Government. In June 2003, we visited Jagatsinghpur district in Orissa, which had been badly affected in the super cyclone of 1999. The purpose of our field survey in Jagatsinghpur was to gather information about three specific things- the response of Orissa Government to the super cyclone in terms of warning, evacuation and rescue efforts; relief measures undertaken following the cyclone; and the present cyclone-preparedness of the district. We visited Kachchh district of Gujarat in July 2003 to get a first hand account from the earthquake-affected people regarding rescue and relief efforts made by the Government of Gujarat following the Bhuj earthquake of 2001.

While the focus of our field visit in Baran was on assessing the relief measures being taken at that time, that in Jagatsinghpur and Kachchh was on figuring out how the respective State Governments managed the two disasters, both of which were very severe in intensity and caused extensive damage. This approach was a result of our belief that the focus of the policy-makers and the Government authorities in India must not be on disaster response (i.e. rescue, relief and rehabilitation) only. Rather, greater emphasis should be given on disaster preparedness and mitigation, which can help reduce the impact of a disaster significantly.

In each of the three fields, we personally interviewed the respondents. The highest proportion of our respondents comprised people who had been affected by the disaster. However, we also interviewed Government officials dealing with rescue and relief operations as well as elected political representatives of the concerned areas.

Rajasthan: Drought, 2002-03

The 2002-03 drought caused severe damage and was aggravated by the fact that it was the fourth successive year of drought in the State. The Government of Rajasthan had booked expenditures of Rs. 232.52 crore for 1999-2000 and Rs. 526.6 crore for 2000-01 under the head "Relief on account of Natural Calamities". The budget estimates under the same head for the years 2001-02 and 2002-03 were Rs. 164.88 crore and Rs. 230 crore, respectively. Presumably, major part of these expenses must have been incurred on provision of immediate relief to people in the drought affected areas of the state. Also, the size of the CRF for Rajasthan, at an annual average figure of Rs. 228.76 crore, happens to the largest among all States in the recommendation period of the Eleventh Finance Commission, i.e., 2000-01 to 2004-05. The severe drought conditions in Rajasthan in the year 2002-03 as also the huge sums of money spent by this state on account of relief make it an ideal case for examining/ asserting the ground realities in terms of the actual benefits derived by the drought affected people, especially the vulnerable sections among them, from the drought-relief works pursued in the State. Our assessment, as we shall see in the following sections, shows that a huge gap exists between the claims of the government authorities in terms of provision of relief to the drought affected people and what has actually reached the affected population.

Reported Deaths due to Hunger

As many as 47 cases of unnatural deaths in Kishanganj and Shahabad tehsils of Baran district in Southeast Rajasthan were reported by the media and civil society organisations in the months of September and October, 2002, though the Government of Rajasthan maintained that these deaths were not related to hunger but to illness, numerous civil society organisations working at the grassroots level in Baran district strongly contended that these hunger related illness, and the consumption of poisonous food in distress all of which stem from hunger.

In the reported hunger related deaths in Baran district, most of the victims were *Sahariyas*. The *Sahariyas*, one of the nine primitive tribal communities of the country, form the single largest community in Baran district, constituting 21 percent of the population. The *Sahariyas* till lands of people belonging to the better off communities in their areas. They earn their livelihoods by working on other peoples' land, in the forests and working on public works.

Box 1

We had visited a couple of *Sahariya*-inhabited hamlets in Baran district in the months of April 2003. These were Prem Nagar Colony of Bhanwargarh village under Bhanwargarh Gram Panchayat and Chenpura-Sunda of Khandela Gram Panchayat, both coming under Kishanganj tehsil of Baran district. During our conversations with several *Sahariya* men and women, the plight of that community appeared to be most disturbing. Most of the *Sahariya* men work as *Haalis*, which for all practical purposes mean bonded labourers. Almost every such labourer had incurred some loan in the past and turned into a *Haali* for his creditor.

The *Sahariyas* were getting food, though in inadequate quantities, as long as their creditors (who has subsequently employed them) were in a position to pay them wages in foodgrains or in cash. Once their creditors got caught in the misery of drought, the *Sahariyas* lost their access to livelihood.

With a severe crop failure in 2002, employment options in the farm sector for the *Sahariyas* obviously became grim.

In the absence of any grain to eat, *Sahariyas* in many parts of Baran district relied solely on Sama seeds. Sama seeds are yielded by a kind of wild grass. During a normal rain-fed year, Sama is a proper food if taken with chhachh (butter-milk) or milk. However, last year, during the drought conditions *Sahariyas* in many parts, like, Gangapur Sehrana hamlet in Mundiar village of Shahabad tehsil (where hunger-related deaths were reported), could not afford any milk or chhachh. Then in the absence of rain, Sama seeds also dry up, turn poisonous and become a slow killer of people who are already weakened by a lack of nutrition from any other source. The reported deaths in September and October 2002 in Baran district, among the *Sahariya* community, were caused by the consumption of these Sama seeds, which had turned poisonous. But the truth remains that the consumption of dry Sama seeds was necessitated for the *Sahariyas* as they had nothing else to eat. Otherwise, Sama is never their staple diet. It is always a supplementary diet during a normal rain-fed season.

The government of Rajasthan had declared all the 32 districts of the State as drought-hit and demanded for assistance from the centre, but it never acknowledged the connection between drought and deaths.

Following the news of hunger related deaths in some of the Sahariya-inhabited villages of Baran District; activists from a civil society organisation had checked out the government relief works in the affected areas in mid-October, 2002. they had found little government relief works on the ground.

During that time, the state government data itself spoke of only five hundred labourers being employed on the drought relief works in the whole district in September. The gratuitous relief scheme for the disbursal of free grains to the infirm and destitute people was hardly implemented on the ground. Also, a viable public health system was non-existent on the ground.

The news about hunger related deaths in Baran district, which had caught the State Administration unprepared, got the government authorities into action. The State Administration passed a series of extraordinary orders for drought relief, including a drastic increase in labour employment in public works and gratuitous relief and declaring the work affected tehsils as vulnerable. However, as we found out during our field survey in April 2003, these orders could not get fully translated into effective implementation on the ground.

❑ Drought Relief works in Kishanganj Tehsil of Baran District in Rajasthan

In the month of April, 2003, we visited Kishanganj tehsil of Baran district in South East Rajasthan in order to make a assessment of how effective and now adequate were the relief measures undertaken by the government authorities in response to the drought of 2002-03.
Baran district of Rajasthan seemed to be the most appropriate place for making a field survey to see the ground realities for a number of reasons.

- First of all, the allocations to the CRF of Rajasthan during 2000-2005 one the highest among all states.
- Secondly, the drought of 2002-03, was most damaging for Rajasthan, which was also claimed as the worst drought in Rajasthan after the 1940 by the local people.
- The news of hunger related deaths in Baran district in September and October 2002 had forced the Government of Rajasthan to swing into full action in that district in terms of relief measures. So, Baran was one district, which was getting the maximum attention of the State administration for relief measures after November 2002.

The impact of drought in the district had begun in August, 2002 it self. But the scale of relief works undertaken by the government authorities in the district was very low till as the late as December, 2002, as we have mentioned before, in the month of September, 2002, only 500 labourers were employed on drought relief works in the entire district. However, after the hunger-related deaths were reported by the media and civil society organisations in some villages of Kishanganj and Shahabad tehsil in October 2002, the State administration took steps for expanding the scope of relief works significantly in December, 2002.

Table 4.1: Financial Assistance to Baran District (Rajasthan) for Drought Relief
Total Assistance Provided to Baran District (from the Government sources)
for Relief Measures in the Wake of Drought

Year	Allocations (in Rs. Lakh)	Amount spent (in Rs. Lakh)
1999-2000	Nil	Nil
2000-01	78.00	49.91
2001-02	374.25	202.67
2002-03	1040.61	995.43

Sources: Data provided by Treasury officer, District Collectorates, Baran, Rajasthan.

As is evident from the above table, the total allocations for Baran district for drought-relief works was over Rs. 10 crore for 2002-03. in comparison to the requirement of funds for meeting expenditure on relief at an adequate scale in the district, this allocation seemed insufficient.

Nature of Relief works Undertaken in Kishanganj Tehsil

Kishanganj tehsil (also a Panchayat Samiti) has 203 revenue villages and a population of 1,35,204 (2001 census). For drought-relief works in 2002-03, Kishanganj tehsil was provided with roughly Rs 2 crore in cash (coming from CRF, Rajasthan), wheat amounting to worth Rs 6 crore (coming from the central government), and other assistance worth Rs 2 crore. In the different villages of this tehsil, provision of Fodder Depots and *Pashu Shibir* (Animal Camp) was made and various employment programmes were pursued. The incomplete public works of the previous year were dovetailed into the works being pursued for drought-relief in 2002-03. Works of following nature were under progress in different Gram Panchayats of Kishanganj.

- Construction of kachcha (Earth) Roads.
- Construction of Gravel Roads.
- Deepening of ponds, wells and digging on canals.
- Works on canals
- Digging of New Wells
- Levelling of Playground
- Construction of Embankments
- Construction of Houses to be owned by individual beneficiaries
- Closures for forests.

These different type of works were supervised by Panchayat Samiti, Forest Department, Irrigation Department, Agriculture Board and Tehsil office, etc.

As on 23 April, 2003, a total number of 255 works were under progress giving employment to 7,705 people. More than 75 percent of these works were under the supervision of the Kishanganj Panchayat Samiti. Apart form the drought-relief works, people were also given employment in the public works pursued under Sampoorna Gramin Rozgar Yojana (SGRY), Sampoorna Gramin Rozgar Yojana (SGRY) and Prime Minister Rozgar Yojana (PMRY), the government authorities claimed. The government authorities also claimed that for the old, infirm and destitute people, the provisions of gratuitous relief and Antyodaya Anna Yojana, etc. were in place. For the able-bodied men and women, the public works provided the source of livelihood. The administration of Baran district also claimed that under long-term drought proofing measures, anicuts were constructed, closures for forests and soil conservation programme were going on, and a programme called Swajal Dhara was pursued for provision of drinking water.

Despite the district administration and tehsil office (in Kishanganj) making tall claims, we were disappointed with the implementation of most of these schemes on the ground. Following important findings made us critical of the state response to the calamity of drought in the region.

Table 4.2: Works Undertaken by Various Departments (of Government of Rajasthan) under Drought-Relief Programmes in Kishanganj Tehsil (Panchayat Samiti), Baran District as on 23 April 2003.

Sl. No.	Name of GP	Panchayat Samiti	Forest Deptt.	Imigration Deptt.	P. W. D.	Agriculture Marketting Board	Other Deptts	Tehsil Office	Total no. of works	No. of labours
1	Khakhra	3	—	2	—	—	1	—	6	220
2	Khakdikala	5	—	1	—	—	—	—	6	210
3	Kakadda	3	—	1	—	—	1	—	5	130
4	Sevani	6	2	—	—	—	—	—	8	210
5	Baruni	4	—	2	—	1	—	—	7	165
6	Chhinod	5	1	1	—	—	—	—	7	250
7	Simlod	5	1	2	—	—	—	—	8	170
8	Asnawar	2	—	3	—	1	2	—	8	270
9	Vilashgarh	4	—	1	—	—	—	—	5	140
10	Bakanpura	6	—	2	—	—	—	—	8	245
11	Ratpawda	5	—	2	—	—	—	—	7	207
12	Brijnagar	7	—	—	—	—	—	—	7	150
13	Garada	8	—	3	—	—	—	—	11	330
14	Suwas	10	—	3	—	—	—	—	13	375
15	Chhattarganj	9	1	1	—	—	—	—	11	265
16	Relawan	10	—	1	—	—	1	—	12	295
17	Baasthuni	6	1	—	—	—	1	—	8	260
18	Deegodpat	6	—	1	—	—	—	—	7	185
19	Ramgarh	8	—	—	—	1	—	1	10	230
20	Bhanwargarh	5	1	1	—	—	1	—	8	300
21	Ranibarod	2	—	3	1	—	—	—	6	230
22	Badipura	5	—	3	—	—	—	—	8	270
23	Sakarwada	4	—	1	—	—	—	—	5	230
24	Paraniya	7	—	1	—	—	—	—	8	310
25	Bajranggarh	10	—	—	—	—	—	—	10	260
26	Nahargarh	5	1	3	1	—	—	—	10	320
27	Jalwara	5	—	—	1	—	—	—	6	190
28	Khandela	3	—	1	—	—	—	—	4	140
29	Peepalawala	3	—	1	—	—	1	—	5	165
30	Todipa	4	1	3	—	—	—	—	8	253
31	Kishanganj	10	1	2	—	—	1	—	14	440
32	Dhahi	7	1	—	—	—	1	—	9	290
	TOTAL	**182**	**11**	**45**	**3**	**3**	**10**	**1**	**255**	**7705**

❑ *Misery of the Sahariyas*

During our field survey, we covered two hamlets of *Sahariyas*, namely, *Premnagar colony* in Bhanwargarh village (under Bhanwargarh Gram Panchayat) and *Chenpura-Sunda* (under Khandela Gram Panchayat).

In both these places, the plight of the *Sahariyas* was visible. Most of the non-*Sahariya* beneficiaries (of relief works) and political representatives as also the Government officials blamed the alcohol addiction of the *Sahariyas* (males) for their miserable conditions. They tried to portray a picture that the *Sahariyas* themselves were responsible for starving without food. However, the reality, as we found out was different. Most of the *Sahariyas*, whom we talked to, were willing to work in the relief works under progress in their areas.

Earlier, as we have already mentioned, most of the *Sahariya* men earned their livelihood by working as *Haali* (almost a bonded labour) for the rich farmers of their and neighbouring villages. Once the farmers got trapped in the severe drought of 2002, the *Sahariyas* lost their sole access to livelihood. This had triggered the consumption of poisonous food in the community, which also led to deaths of more than forty people. However, the relief works provided respite to *Sahariyas*. At least the *Sahariyas* got a better access to livelihood through working at the relief works. But still they were worse off than other communities. The *Sahariyas* alleged that the Gram Panchayat authorities were discriminating against them in selection of names for the muster rolls of public works. The State administration had divided a month into 3 **pakhodas** and one member from a family of five was given work for one pakhoda in a month (i.e., the maximum time for which one member from a family of five could get employment in the relief works in a month was one pakhoda, which varied between 7 days to 10 days). The Gram Panchayat was responsible for selection of workers for every pakhoda. In this, the *Sahariyas* complained that they were not provided the opportunity as regularly as they deserved or in as many numbers as they deserved on the basis of their family size. The *Sahariyas*, most of whom have no landed property at all, did not get any compensation for crop losses.

❑ *Inadequate Scale of Relief Works*

The payment to an individual for working on one pakhoda (i.e., the maximum one can work in a month) was roughly 88 kg. Of wheat and Rs 120. For a family of five, this amount is meagre for whole month. However, the villagers, having no other access to livelihood, were surviving on this much of wheat and cash. Every beneficiary interviewed was willing to work more, but the low scale of relief works constrained their opportunity to work. Even this relatively low scale of relief works was started since February 2003 only. Prior to that the scale of works was even less.

❑ *Punishment for Incomplete Works*

The works were managed in a 3-tier system. The Gram Panchayat selected names for the Muster Roll for different pakhodas. The technical staff of the tehsil level monitored the progress of work. And revenue officials, usually the Patwari, made the payment. The Junior Engineer assessed the progress of works of different groups of workers. It was shocking to know that any group of workers, who could not complete the assigned task in time, were punished through a cut in the cash and/or wheat wage of every worker in the group.

The villagers complained that the whole group of labourers had to suffer because of the negligence or inefficiency of one or a few workers. But the question here is how did the state administration expect efficient work from people who had been underfed for long due to severe drought conditions.

❑ *Misery of the Haalis*

Many of the respondents complained that the influential people in the villages got their names enrolled in the Muster Rolls but did not go to work, they sent their Haalis to work instead. But the payment of wage in cash and grains went to those influential people only. The government officials never bothered to check these gross irregularities.

❑ *Fodder Depots were Ineffective*

The state administration had given an advance of Rs 20,000 each to some of the Gram Panchayats for running a fodder depot for providing fodder at subsidized rates. Four such Fodder depots (one each at Khandela, Kishanganj, Bhanwargarh and Nahargarh) were in operation. But, the Sarpanch of Bhanwargarh G.P. complained that this was a burden on the Panchayat. For the advance amount of Rs 20,000 was to be given back to the administration, while the depots were operating on a no loss-no profit basis. Transportation costs for fodder procurement was subsidized only when fodder was bought form a place whose distance was more than 50 km. from the depot. The villagers complained that the fodder depots sold fodder of poor quality at Rs 25 per 3.5 kg. stack, while its price should not have exceeded Rs 15 at the most. As a result, these fodder depots were ineffective. The villagers also complained that in each case the fodder depot was used for the personal benefits of the respective Sarpanch only.

❑ *Pashu Shibirs were a Failure*

The few animal camps constituted in the Kishanganj tehsil also failed. The Pashu Shibir in Bhanwargarh, which had a capacity of 200 animals in cell, had only 25 to 30 animals. Supposedly, these camps spent Rs 12 per day on a large animal and Rs 6 per day on a small animal. However, most of the villagers desisted from sending their animals to these camps, as they observed gross negligence of the animals in these camps and also highlighted the fact that whoever sends his animal to this camp lost ownership over the animals. Some villagers even went to the extent of selling off their family jewellery for saving their livestock so that they could do cultivation in the next kharif season. Kishanganj tehsil had lost more than 50 % of its entire livestock by April 2003.

❑ *Non durability of constructed Assets*

The state administration adopted the approach of pursuing only labour-intensive works with almost no spending on material components. As a result, most of the assets created, like, roads, wells, etc were Kachcha and would not last for even two seasons. The only durable construction was that of the Gravel roads. Use of pitch for roads and stones for wells could have enhanced the durability of these significantly.

❑ *Government officials involved with relief works were ill informed about CRF*

The only government official who was aware of the CRF and its guidelines for assistance was the Treasury officer of Baran District collectorate. However, he mentioned that CRF and its guidelines were outlined explicitly in the official documents from Jaipur for the first time in the 2003-04(financial year) documents only.

❑ *Important needs of the villages were ignored*

There was almost no effort from the government authorities to create those assets which the villagers of this region needed most, for instance, canals, kharanja (a brick road), veterinary hospitals, PHCs and schools. All such findings led us to the conclusion that the relief works undertaken in the Kishanganj tehsil appeared adequate and effective only on paper. **In reality, these works were grossly insufficient to take care of the whole of affected population**. There were shocking irregularities in the functioning of almost every relief programme. There was absolutely no attempt from the state administration to provide the most vulnerable sections, especially the Sahariyas, with a long-term access to livelihood. The most victimized of all were the mute livestock. Only those villagers who had insured the livestock could avail of any compensation for the loss of livestock. There was no compensation given to the villagers from any other source for the loss of livestock in drought. In fact, cows and buffaloes in the region were still dying even in April 2003.

Orissa: Super Cyclone, 1999

The super cyclone which had hit coastal Orissa on October 29-30, 1999 affected 12 districts of the state namely, Balasore, Bhadrak, Jajpur, Kendrapara, Jagatsinghpur, Khurda, Puri, Cuttack, Nayagarh, Keonjhar, Mayurbhanj and Dhenkanal. The official figure for the total deaths in this severe cyclonic storm was put at 9,887, although the media reported deaths of a much higher number, one of the estimates even touching 50,000. The damage caused by the super cyclone in the entire state, according to the official estimates of the Government of Orissa, was as given below.

Table 4.3: Damage caused by Super Cyclone of 1999 in Orissa

Extent of damage		
Total population Affected	:	1 crore 29 lakh
Total No. of villages Affected	:	14,643
Total No. of Blocks Affected	:	97
Crop Area Affected	:	18.42 lakh hectare
Total No. of Houses Affected	:	19.49 lakh
Loss of human life		
District		**No. of Dead**
Jagatsinghpur		**8,119**
Cuttack		**471**
Kendrapara		**469**
Puri		**301**
Jajpur		188
Bhadrak		98
Khurda		91
Dhenkanal		55
Balasore		51
Keonjhar		31
Mayurbhanj		10
Nayagarh		3
Total		**9,887**
Total No. of People Injured	:	2,507
Total No. of Persons Missing	:	40
Live stock Perished	:	4.44 lakh
Fishing Boats Lost	:	9,085
Fishing Nets Lost	:	22,143

As is evident from the above table, Jagatsinghpur district was the worst affected by super cyclone. Jagatsinghpur district lies along the coast line spread over an area of 1,973 sq. km. Jagatsinghpur district has 8 blocks, 198 Gram Panchayats and 1,329 villages. The population of the district is over 13 lakhs.

The super cyclone had hit Jagatsinghpur district on 29th and 30th of October, 1999; and the cyclonic storm with heavy rain had continued for over 36 hours. However, maximum damage in this district was caused in Ersama block of Kujang tehsil. This block lying near the coast line was ravaged, during the super cyclone, by three 10-metre-high tidal waves that swept away everything in their way. **Out of the 198 G.Ps in Jagatsinghpur district, as many as 165 G.Ps were affected by the cyclone. The official estimate for the loss of human lives in the district during the cyclone was over 8000, while that for loss of cattle population was over 1 lakh 14 thousand. Of the 2,59,907 houses damaged by cyclone in the district, 2,59,199 were private houses.**

Despite the disaster being of such a high magnitude and intensity, the central Government had not desisted from playing politics in providing assistance to Orissa for relief measures. Even the Eleventh Finance Commission had taken note of the controversy that had erupted in November, 1999 when political meaning was read into the centre's reluctance to declare the super cyclone of Orissa as a national calamity. However, Orissa was provided an assistance of Rs 828.15 crore following the super cyclone form the then existing National Fund for Calamity Relief (NFCR) . For the year 1999-2000 Orissa booked an expenditure of Rs 826.95 crore under the head "relief on account of National Calamities" in its budget. Before moving on to discussing the relief provided to the people affected in the super cyclone and the present level of cyclone preparedness in the district of Jagatsinghpur, we find it worthwhile to see why was the death toll in Jagatsinghpur district, especially in Ersama block, so high during the super cyclone.

❑ *Reasons Behind the High Death Toll in Ersama Block*

As has already been mentioned, during the super cyclone, the Ersama block bore the brunt of three 10-metre-high tidal waves that swept away everything in their way. Experts (Sagar Dhara, "Wishes can be Horses", Down to Earth, 30 April 2000) have maintained an opinion that **ninety per cent of the people who died in Ersama block during 29-30 October, 1999 could have been saved, had they been evacuated inland beyond the reach of the tidal waves in time, and that there was enough time to do it.** Andhra Pradesh, the most cyclone-prone state in India, illustrates how to mitigate the impact of a super cyclone with the help of advanced cyclone-detection technologies, and an appropriate contingency plan. The 1977 super cyclone of Divi (in Andhra Pradesh) had killed over 10,000 persons, but the 1990 Machhilipatnam (also in Andhra Pradesh) super cyclone went off with a death of less than 1000. The difference in the death toll was due to timely warning being given before the Machhilipatnam cyclone which could save 50,000 people by evacuating them to safer places.

The Indian Meteorological Department (IMD) had predicted clearly that a severe cyclone would hit the Orissa coast on 28 October night, between Puri and Balasore. This precise prediction of the IMD was available to the state administration as much as 75 hours before the cyclone made landfall. Public warnings for the cyclone were broadcast on the electronic media, which reached the target areas including the remote villages almost 50 hours before the event. However, there were a couple of major drawbacks in this entire process. First was the lack of clarity, credibility and specificity in the warnings disseminated for the cyclone, and second was the public perception which associated low risks with cyclones in general. These two factors led people living in the coastal villages of Ersama to ignore the threat posed by the super cyclone. Thus, not only the lacunae with the state machinery for cyclone preparedness, but the drawback of the public perception regarding cyclone also have to be blamed for the major losses inflicted by the super cyclone. There had been no programme initiated by the government authorities to make the people of that region aware of the consequences of a severe cyclone and what they should do following warning for such a cyclone. Ultimately, the blame for the poor awareness and preparedness of the people in the risk-prone zone has to be fixed on the Government. Because, by 1999, it had been common practice for Governments in many parts of the world as also in India (example, Andhra Pradesh) to spread awareness among people regarding disaster prevention and preparedness activities.

The infrastructural facilities available on Orissa, during and immediately after the super cyclone, were grossly inadequate. In 1999, while Andhra Pradesh had as many as 1,041 specially constructed cyclone shelters, Orissa (with a coast length of about 40% of Andhra's coast length) had only 23 cyclone shelters. The whole district of Jagatsinghpur had only 3 cyclone shelters at that time. (During our visit to Jagatsinghpur district in June 2003, me got to know from the people of the coastal villages of the district that those 3 cyclone shelters had, infact, saved many lives during the super cyclone). Apart from that, during the super cyclone, even the police wireless system in the region failed for there were no radio masts which could withstand wind blowing at the speed of 260 to 300 kmph. Also, at that time Orissa had no network of ham radio sets. All of these deficiencies meant disaster for the whole of Jagatsinghpur district, and especially for Ersama block.

❑ *Provision of Relief Following the Super Cyclone in Jagatsinghpur District*

The immediate response of the Orissa Government to the super cyclone was woeful. The state administration panicked at the magnitude of the disaster and the extent of damage caused and found itself in a state of inaction for the first few days after the cyclonic storm passed off. The rescue teams sent by Government of Andhra Pradesh and the Indian Army had played a major role not only in rescuing people in the affected areas but also in controlling law and order in that region of the state. Soon after super cyclone, rescue and relief teams arrived in Orissa from different places and took over the mantle of providing relief to the affected people. Therefore, it is very difficult to make an assessment of the relief measures taken by the state administration in the wake of the super cyclone. By and large the relief measures initiated by the government authorities were inadequate and not free from blunders, for else the people in the cyclone affected areas would not have suffered so heavily from epidemics, lack of shelter, lack of food, etc. However, the compensations provided to the affected people in Jagatsinghpur district following the super cyclone are as shown in the tables below.

Table 4.4: Distribution of House Building Assistance

(A) Enumeration of Houses Damaged

Name of Tehsil	Swept away	Fully collapsed	Partially collapsed	Total
Jagatsinghpur	0	62,647	19,542	82,189
Balikuda	902	60,611	7,371	68,884
Tirtol	85	31,808	10,267	42,160
Kujang	11,732	48,676	5,558	65,966
Total	**12,719**	**2,03,742**	**42,738**	**2,59,199**

(B) Total Disbursement of House Building Grant

Name of Tehsil	Swept Away	Fully Collapsed	Partially Collapsed	Total	Grant Total
Jagatsinghpur	0	62,114	19,290	81,404	Rs 14.35 cr
Balikuda	898	59,784	7,252	63,934	Rs 12.99 cr
Tirtol	85	30,298	9,678	40,061	Rs 7.05 cr
Kujang	11196	46,405	5,514	63,115	Rs 13.75 cr
Total	**12179**	**1,98,601**	**41,734**	**25,214**	**Rs 48.15 cr**

Table 4.5: Payment of Ex Gratia Assistance

Name of Tehsil	Final death toll	No. of cases sanctioned	No. of cases rejected	Remarks
Jagatsinghpur	154	144	10	The rejected cases are under re-enquiry
Balikuda	397	279	118	
Tirtol	149	129	20	
Kujang	6383	3580	2803	

Table 4.6: Distribution of Net and Boat

(a) Inland Sector

Item	Total No. of beneficiaries	No. of paid beneficiaries	Amount disbursed
Boat	992	645	Rs 19.35 lakh
Net	1816	1348	Rs 20.22 lakh

(b) Marine Sector

Item	Total No. of beneficiaries	No. of paid beneficiaries	Amount disbursed
Boat	3022	2595	Rs 77.85 lakh
Net	7052	4586	Rs 68.79 lakh

Table 4.7: Disbursement of Betel vine Assistance

Total No. of Beneficiaries	: 6245
No. of Beneficiaries	: 4285
Amount Disbursed	: Rs 17.77 lakh

For each case of loss of human life, during the super cyclone, the government authorities claimed that the legal heir of the victim was paid a compensation of Rs 50,000 from Prime Minister's Relief Fund and Rs 25,000 form Chief Minister's Relief Fund. Irrespective of the quality of the house damaged by the cyclone, the government officials mentioned that for every house swept away a compensation of Rs 3,500 was given, for every house fully collapsed a compensation of Rs 2000 and for every partially collapsed house a compensation of Rs 1000 was given.

Similarly, for the loss of a boat Rs 3000 and for the loss of a net Rs 1500 was given as compensation. The officials also claimed that Betel vine Assistance was given at Rs 500 at most per 10 decimal of land to the victims.

The figures claimed by the government authorities speak of the monetary assistance and compensation provided to the victims of super cyclone, in Jagatsinghpur district, being comprehensive. However, as we found out during our field surveys in Kujang village (under Kujang block) and Bhajakhia village. (Under Ersama block) ,the picture on the ground as not so rosy.

- People complained of gross underestimation of the loss of property and lives die to the cyclone by the state administration. That as precisely why the final death toll in Jagatsinghpur due to the super cyclone as slightly over 8000 in Government records, while it was reported to be much higher in the media. In Ersama block, the people of Bhajakhia village were lucky as the government authorities compensated for 78 of the total of 82 cases of death. However, for by the beneficiaries of the ex-gratia assistance complained of heavy bribes that they had to pay for getting the money.

- The most victimized have been the legal heirs of those who had received injuries during the cyclone and died because of such injuries later. Some of the death of this kind have been compensated for through ex-gratia assistance, many are still pending as such cases are being scrutinized by a District Level Committee comprising the superintendent of police, MLA, chief District Media Officer, Tahasildars and headed by the District Collector. The government officials righted two major reason for the rejection of claims for ex-gratia assistance, which are
  - Difficulty in establishing the death as caused by the super cyclone.
  - Absence of an heir who as actually eligible to received the compensation.

While the arguments provided by the administration has some merit in it, the reality for the victims as very harsh. We more told about a father seeking ex-gratia assistance for his daughter's death, a sister seeking ex-gratia assistance for her brother death, and their claims being rejected. It is very difficult to understand their pain and agony. But the government officials dealing with these claims have been responding only in a wooden manner.

For the huge number of livestock lost due to the cyclone, no compensation has been given from the government. One of the main reason cited was that since there was no official record of the livestock population in different villages and owned by different households, it was impossible to verity the validity of any claim for such compensation.

❑ *Cyclone-Preparedness in Jagatsinghpur District four years after the Super Cyclone*

The cyclone-preparedness of Jagatsinghpur district as of now is definitely far better than what it was in 1999. In terms of availability of early facilities and other infrastructural facilities, the district administration, with significant help from other governmental and non-governmental), has done a reasonably impressive job over the last three and a half years. The public perception regarding associating risk with cyclones has undergone a drastic change, as most of the people in the cyclone-affected villages are still unable to forget the shock of 1999.

- While there were just 3 cyclone shelters in the entire district in 1999, now there are roughly 400 cyclone Shelters that include Shelter Houses of different Cyclone Shelter. Buildings have been constructed for multiple uses. Shelter Houses can also be used for storing food grains during natural calamities like cyclones and floods.
- The number of Mounts (places high enough to save livestock during floods) in the district, however, is still very small. The entire district still has only 3 mounts.
- For dissemination of warnings regarding cyclones and floods, during 1999, the VHF systems were available only with the Police Stations and the District Collector's office. Whereas now, the office of the District Emergency officer at Jagatsinghpur, A.D.M.'s office at Paradip, each of the 7 Block offices, and the Gram Panchayat office of Ambiki have VHF systems installed. The district administration is also taking steps to expand the ham radio network in the district. As far as VHF systems are concerned, as these are not very expensive (each VHF set comes for Rs 15,000 approx), the district administration should install a VHF set in every Gram Panchayat Office.
- Cyclone Shelter Houses have not been built in some of the remote villages, which are not far from the coast. The reason behind leaving out these high-risk villages was the miserable condition of rods. Such villages are practically inaccessible even now. So, the state administration must take appropriate steps for construction of all-weather roads in this region, which is most vulnerable to cyclones. Else the rescue teams will face severe obstructions in accessing the remote villages in the work of a natural calamity like cyclone.

- The district administration has prepared a contingency plan, which lays out the approach of the administration towards advance preparation for flood, cyclone and draught. This contingency plan, at least on the paper, looks comprehensive. Similarly, the Orissa state Disaster Management Authority (OSDMA), with the funding of UNDP, has launched a community based disaster preparedness (CBDP) programme in the district. This CBDP was started in August, 2001 with the objective of making the people in the different villages aware of the potential natural disasters in their area, the measures for prevention and mitigation of such disasters and community-based preparedness for the disasters.

No doubt the initiatives taken by the district administration and the OSDMA for long-term preparedness for cyclones as well as floods over the last three years are praiseworthy. But still much remains to be done in terms of building up infrastructure for effective disaster response, and preparedness.

Gujarat: Earthquake, 2001

On 26 January, 2001 at 8.46 a.m. (IST), a devastating earthquake measuring 6.9 on the Richter scale shook the entire state of Gujarat causing death and destruction in many parts of the state. Out of the 25 districts of Gujarat, as many as 21 having 7,633 villages were affected by this quake. Maximum damage was caused in Bhuj, Rapar, Anjar, Bhachau and Gandhidham talukas of Kachchh district; Ahmedabad city and district taluka of Ahmedabad district; and in the districts of Rajkot, Jamnagar, Surendranagar and Patan. As per the estimates of the Gujarat Government, on 26 February 2001, the death toll caused by the earthquake in the different districts was as given below:

Table 4.8: Loss of Human Lives Caused by the Bhuj Quake of 2001 (as on 26.02.2001)

Sl. No.	District	Human Deaths
1.	Ahmedabad	751
2.	Amreli	00
3.	Anad	00
4.	Banaskantha	32
5.	Bharuch	09
6.	Bhawnagar	04
7.	Gandhinagar	08
8.	Jamnagar	119
9.	Junagarh	08
10.	Kachchh (Bhuj)	18414
11.	Kheda	00
12.	Mehsana	00
13.	Navsari	17
14.	Patan	38
15.	Porbandar	09
16.	Rajkot	433
17.	Surat	46
18.	Surendranagar	113
19.	Vadodara	01
20.	Sabarkantha	00
21.	Valsad	00
	Total	**20,003**

The epicentre of this strong earthquake being located 20 km. to the northern of Bhuj, the damage caused in the district of Kachchh was most severe. However, the total damage caused in the state of Gujarat was as shown below:

Total No. of Persons Injured	: 1,67,000
No. of Houses Damaged/Destroyed	: 12,05,198
Estimated Damage Caused to Public and Private Property	: Rs 15,308 Crore.

(Source: Socio-Economic Review, Gujarat State, 2001-02)

❑ *Relief Measure Taken Following the Bhuj Quake*

The Government of Gujarat had booked expenditures (budget estimates) worth Rs. 5667.01 crore for 2001-02 and Rs. 1956.19 crore for 2002-03 under the head "Relief on account of Natural Calamities." The exceptionally high magnitude of these expenditures in 2001-02 indicated that assistance under immediate relief as well as compensation to the victims of this quake was provided at a huge scale were given to the affected population at the following rates:

(Immediate Relief) Cash Dole	:	Rs 2,000
Compensation for Death	:	Rs 1 Lakh
Compensation for Injury	:	Rs 50,000
Housing Aid	:	Rs 90,000
Work shed Aid for Craftsmen	:	Rs 10,000

The provision of immediate relief and compensation was made at a comprehensive scale. The state administration had a package of compensation even for those who used to live in a rented house during the earthquake. In fact, the case of Gujarat earthquake is unique. Many factors, such as, economic affluence of the state, substantial assistance released from the centre, and monetary, infrastructural and man power-help provided by numerous sources from India and abroad, ensured that the state administration was able to carry out relief measures and provide compensation to the victims at a impressive scale.

Table 4.9: Relief after the Earthquake of 2001

Compensation for Death: 20,000 persons (approx.)		
Injury assistance	:	19,648 persons
Cash assistance	:	9,11,096 families
Household kits	:	3,72,000 families
Provision of temporary shelters	:	3,48,626 families
Total rubble removed	:	17 lakh truck loads

(Source: Socio-Economic Review, Gujarat State, 2001-02)

Rescue and relief operations initiated by the state Government after the earthquake included removal of rubbles and rescuing people trapped inside those, restoration of communication links, electricity, water supply and civil supplier. Medical personnel and senior administrative personnel were rushed to the affected area for the relief operations. The Indian Army, Indian Air Force, helped the State administration to a great extent teams sent by other States, Foreign Missions, Civil Society Organisations, and Corporate Houses, among others.

However, the rescue operations carried out mere not very quick, neither were they very effective. Otherwise, the death toll in Kachchh could have been contained within a much lower figure.

- Although thousands of persons died instantly in the earthquake, thousands others were trapped alive in the rubble. The failure of the state administration to start the rescue operation quickly and the lack of equipments necessary for rescue operations following an earthquake dealt a severe blow to the effort of the state administration for saving these who were buried alive in the rubble. Instruments to detect persons buried alive wore far too few and mere available only with the foreign rescue teams; and it took long enough to mobilize earth moving equipments to remove the rubbles in the quake-hit areas.
- Reportedly, it took the sate administration more than 36 hours to mobilize jeeps, ambulances, water tankers, cranes, gensets, earth movers and gas cutters; and more than 3 days to reach the worst affected cities of Bhuj and Anjar.
- In sharp contrast to the inability of the Gujarat Government, the foreign rescue teams which were rushed to the quake-hit areas immediately after the quake were well equipped to quickly detect trapped persons with sonars (which detect vibrations), devices to detect heart beats, miniature cameras to peep through crevices and holes and specially trained dogs; and extricate them using special drills and slings to remove the rubble.
- The most determining factor behind the huge loss of lives and properly in the Bhuj quake was the fact that buildings in Kachchh were not quake-resistant. Even though Kachchh falls into the high seismic zone of India, no construction of buildings with quake-resistant features took place with government and the public perceiving the risk of an earthquake as low.

Thus, the buildings in Kachchh not being quake-resistant, and the handicap of the State administration in terms of equipments, machines and a proper emergency plan to respond to an earthquake were the two factors which caused extensive loss of lives and property in the Bhuj quake. However relief measures pursued in the affected areas seemed to be adequate.

Based on our discussion of the rescue and relief efforts undertaken by the state in three severe natural calamities in the recent past, we can highlight some major findings as well as suggestions for improving state intervention in the sphere of rescue and relief from natural disasters.

- In the calamity affected areas, those who are economically and socially at the bottom rung were probably the worst sufferers. For example, the *Sahariyas* in Baran district of Rajasthan were the worst-hit in the 2002 drought. Ironically, they were also discriminated against in the drought relief works that were undertaken later.
- Lack of accountability of those implementing the relief measures on the ground level is one of the major reasons for the ineffectiveness of relief operations. All those taking part in relief operations, from Government officials and armed forces to non-governmental organizations (NGOs) and civil society groups, should be accountable to calamity-affected people. Different actors have different responsibilities in the processes of rescue and relief operations, and they should be held accountable for the same.
- Currently, in our country, people affected by calamities are treated as passive recipients of relief, and the prevailing mechanism over-stresses ad-hoc, short-term relief, relief which does not respect the wishes and dignity of the victims. In order to ensure accountability of actions during provision of relief, the calamity- affected people should be involved in the decisions that affect them. People in a particular area, affected by a particular calamity, have their own way of coping with that, so it's essential to include them in planning the relief operations. Failure to incorporate their needs and suggestions can adversely affect the rescue and relief efforts.
- Also, the practices relating to relief in the wake of natural calamities, prevailing in India, stress only on physical survival and not on emotional/mental recovery from trauma. As a result, there is complete negligence of the necessity for psychological rebuilding of the victims of disasters, and this needs to be rectified.

- The state and non-state actors involved in relief activities must inform affected people about all aspects of relief operations and about their rights – through public meetings, mass media or information centres. They must know the views of affected people about their felt needs and priorities for improving relief provision. Also, the calamity-affected people should be given the opportunity to report complaints and seek quick redressal of the same.
- As regards state intervention in the sphere of natural disasters in our country, we find serious drawbacks in all the three crucial stages. First of all, in the stage of conceptualisation, we find that the CRF scheme has been ineffective to a considerable extent due to the numerous constraints imposed by its defective design, which we discussed in detail in the third chapter. Secondly, there is no proper institutional mechanism on the ground to address the situation arising because of natural calamities. State administrations lack training and clear-cut instructions to deal with such calamities. Panchayti Raj Institutions (PRIs) are not being utilised well for this purpose. Finally, whatever institutional mechanism exists, its operation has been marred by irregularities at the ground level as well as a gross negligence of the needs of the affected people.
- A proper institutional mechanism at the ground level requires greater involvement of PRIs in the whole apparatus. State Governments should play a much more responsible and proactive role in the sphere of disaster management.
- Rather than viewing relief as just an add-on element to be considered and provided in the wake of calamities, we should integrate it within our existing planning and budgetary mechanism in a much more systematic and effective manner. Many observers have opined that rehabilitation must not be discriminated from relief. The objective of the state mechanism of relief should be to restore the livelihood and shelter of affected people, which cannot be possible as long as the people in the calamity affected areas are excluded from the whole process of management of natural disasters, relief and rehabilitation.
- Also, the government response in each of the cases discussed in this chapter was constrained significantly by the lack of an appropriate, long-term strategy for disaster preparedness and mitigation. This leads us to probe into the disaster mitigation efforts taken by the Government of India at the present juncture, which is discussed in the next chapter.

Chapter 5

Measures For Disaster Mitigation In India

"A danger foreseen is half avoided."
-Thomas Fuller, Gnomologia

Disasters affect underdeveloped/developing as well as developed countries adversely. But disasters of similar characteristics and intensity vary significantly in terms of their impact and consequences across different countries. According to the World Disasters Report, 2002, "from 1992 to 2001, countries of low human development (LHD) have accounted for just one-fifth of the total number of disasters, but over half of all disaster fatalities. **On average 13 times more people die per reported disaster in LHD countries than in countries of high human development (HHD)**." While the developed countries are well equipped in disaster mitigation and preparedness and hence suffer less, the underdeveloped/developing countries, being ill equipped to cope with such disasters, suffer the most.

Underdeveloped and developing countries, characterised by their limited resources, are more vulnerable to adverse effects of disasters. It may be worthwhile to note here the term **Vulnerability**, which can be defined as the extent to which a community, a structure, a particular service, or an area is likely to be damaged or disrupted by the impact of any particular disaster, on account of one or more factors, like, their nature, construction or proximity to hazardous terrain or a disaster prone area, etc. Among all the continents, Asia is considered to be most vulnerable to disasters. According to World Disasters Report, 2001, during 1991 to 2000, Asia accounted for as much as 83 percent of the population affected by disasters globally. And, within Asia, 24 percent of deaths due to disasters occur in India, on account of its size, population and vulnerability.

As far as disaster mitigation and preparedness is concerned, almost all committees, policy-making groups and experts discuss disasters as including both natural and man-made disasters. However, our study is based on the Calamity Relief Fund, which we have seen is meant exclusively for relief necessitated by certain natural calamities/natural disasters only. Therefore, in this chapter, when we discuss the disaster mitigation and preparedness strategy adopted in India, our focus will be mainly on natural disasters. **Natural disasters**, which can be differentiated from man-made disasters, are those disasters whose direct and principal causes are forces of nature.

It is noteworthy that the UN declaration of **1990-2000** as **International Decade for Natural Disaster Reduction (IDNDR)** was not only instrumental in bringing into sharp focus the devastations caused by natural disasters, but it also introduced a paradigm shift from focussing on post-disaster reconstruction and relief to adopting a pre-disaster pro-active approach. In May 1994, a mid-term review of the UN declaration held at Yokohama, which was attended by Governments, NGOs, scientists and representatives of business, trade and industry, concluded that:

- Disasters always affected the poor and the socially disadvantaged in the developing countries most, owing to higher degree of their vulnerability to such situations
- Prevention and mitigation of disasters is better than disaster response which is often executed at a very high cost and yields only some temporary relief
- Prevention contributes to lasting improvements in safety.

In fact, the general understanding was that while substantial progress has been made in other sectors of human development, much remains to be done towards mitigating the effect of disasters.

It seems important to note here what we mean by the terms 'disaster mitigation' and 'disaster preparedness'.

- **Disaster mitigation** includes policies and actions undertaken at a time distant from an actual disaster situation, which can prevent or reduce the impact of a disaster when it occurs. Examples would be enforcement of building codes, land use regulations, education and training related to disasters, and construction of cyclone shelters and flood shelters, etc.
- **Disaster preparedness** relates to the steps and measures planned for and undertaken at a time when there is a high probability of a disaster occurring in the area immediately, examples would be the issuance of warnings and evacuation of people, etc.

India has a contingency action plan for natural disasters at the national level. Disaster relief manuals and disaster plans are available at the State level and also at the district level, but these plans are not always updated and they mainly focus on relief. In the last decade (1990 –2000), which was declared as International Decade for Natural Disaster Reduction by the United Nations, several activities were initiated in India to focus on awareness generation and information dissemination as regards disaster management. However, it is being strongly felt that a shift in the approach giving greater emphasis on preparedness and mitigation is needed in our country for effective management of natural disasters.

Disaster Situation in India

Among the various types of natural disasters affecting different parts of the country, floods, cyclones, earthquakes and droughts cause maximum damage to life and property. Thus, a note on each of these four seems worthwhile here.

Floods

- Over 40 million hectare of landmass in India is prone to floods.
- Nearly 75% of the total annual rainfall is concentrated over a short monsoon season of three to four months from June to September. As a result there is a very heavy discharge from the rivers during this period causing widespread floods.
- On an average, as much as 6.7 million hectares of land is flooded annually.
- The average annual total damage (because of floods) to crop, houses and public utilities during the period 1953-95 was about Rs.972.00 Crore, while the maximum damage was Rs. 4630.00 Crore in 1988.

Cyclones

- India has a very long coastline of 5700 Km., which is exposed to tropical cyclones arising in the Bay of Bengal and Arabian Sea.
- The Indian Ocean is one of the six major cyclone-prone regions in the world.
- In India cyclones occur usually between April and May, and also between October and December.
- The Eastern coastline is more prone to cyclones as about 80 percent of total cyclones generated in the region hit there.
- In the recent past the Andhra Pradesh cyclone of November 1977 and the Super cyclone of Orissa in the year 1999 are considered among the worst, in which at least 10,000 people lost their lives in both the cases.

- The impact of the cyclones is confined to the coastal districts, the maximum destruction being within 100 Km. from the centre of the cyclones and on either side of the storm track.
- The principal dangers from a cyclone are: (i) gales and strong winds, (ii) torrential rain, and (iii) high tidal waves (also known as 'storm surges').
- Most casualties are caused by coastal inundation by tidal waves and storm surges. The worst devastation takes place when and where the peak surge occurs at the time of the high tide.

Earthquakes

Earthquake is considered to be one of the most dangerous and destructive natural disasters. The impact of this phenomenon is sudden with little or no warning, making it just impossible to predict it or make arrangements and preparations against damages and collapses of buildings and other man-made structures (in the immediate time period before an earthquake).

- About 50-60 percent of total area of the country is vulnerable to seismic activity of varying intensities.
- Most of the vulnerable regions are generally located in Himalayan and sub-Himalayan belt, and in Andaman and Nicobar Islands.
- The Himalayan mountain ranges are considered to be the world's youngest fold mountain ranges. The subterranean Himalayas are, therefore, geologically very active. The Himalayan frontal arc, flanked by the Arakan Yoma fold belt in the east and the Chaman fault in the west constitutes one of the most seismically active regions in the world.
- Four earthquakes exceeding magnitude 8 (on the Richter scale) have occurred in the span of the last 53 years.
- After the Earthquake in Latur in Maharashtra in 1993, which was considered to be least prone to earthquake, no area is considered safe from this disaster.

Droughts

- Drought is a situation of less moisture in the soil (which makes the land unproductive) and scarcity of water for drinking, irrigation, industrial uses and other purposes, usually caused by deficient/less than average rainfall over a long period of time.
- It is one of the perennial features in some States of India, such as Rajasthan, Orissa, Madhya Pradesh, and Gujarat etc.
- Sixteen percent of the country's total area is drought-prone and approximately 50 million people are affected annually by droughts.
- In India about 68 percent of total sown area of the country is drought-prone.
- Most of the drought-prone areas identified by the Government of India lie in arid, semi-arid and sub-humid areas of the country.

Disaster Management in India

Our country with its federal system of Government has specific roles for the Central and State Governments. However, the subject of disaster management does not specifically find mention in any of the three lists in the 7th Schedule of Indian Constitution, where subjects under the Central and State Governments as also subjects that come under both are specified.

- The country has integrated administrative machinery for management of disasters at the National, State, District and sub- District levels.
- The basic responsibility for undertaking rescue, relief and rehabilitation measures in the event of natural disasters is that of the State Government concerned.

- The role of the Central Government is supportive, in terms of physical and financial resources and complementary measures in sectors such as transport, warning and inter-State movement of food grains.
- Relief Manuals and Codes are available for undertaking emergency operations.

An overview of the administrative structure for disaster management at National, State and District levels is given below.

National Level Organisation

Under the Indian federal system, disaster management has been seen as the direct responsibility of State Governments. However, the following decision-making and standing bodies are responsible for disaster management at the Central level:

1. **Cabinet,** headed by the Prime Minister.
2. **Empowered Group of Ministers**, headed by the Deputy Prime Minister.
3. There is a **National Crisis Management Committee** headed by the Cabinet Secretary.
4. **Crisis Management Group** under the chairmanship of the Central Relief Commissioner comprising senior officers from various Ministries and other concerned Departments, which reviews contingency plans and measures required for dealing with a natural disaster, and coordinates the activities of the Central Ministries and the State Governments in relation to disaster preparedness and relief.
5. For all natural disasters except droughts, **the Ministry of Home Affairs** is the nodal Ministry and the other Ministries play a supportive role. For droughts the nodal ministry is **the Ministry of Agriculture**, wherein the responsibility lies with its Department of Agriculture and Cooperation.
6. **Technical Organisations**, such as, the Indian Meteorological Department (Cyclone / Earthquake), Central Water Commission (Floods), Building and Material Promotion Council (Construction Laws), Bureau of Indian Standards (Norms), Defence Research & Development Organisation (Nuclear/ Biological Disasters), and Directorate General Civil Defence provide specific technical support to coordination of disaster response activities.
7. The Ministry of Home Affairs has set up **National Disaster Management Authority (NDMA)** as the apex body within the government for this purpose.
8. Among other organizational initiatives, it has been proposed to:

   - Establish a specialised response team for dealing with nuclear/biological/chemical disasters
   - Establish search and rescue teams in each State
   - Strengthen communication systems in the North Eastern Region.

The dimensions of response at the Central level are determined in accordance with the existing policy of financing relief expenditure (i.e., CRF/NCCF scheme) and keeping in view the factors like:

- The gravity of a natural disaster;
- The scale of the relief operation necessary; and
- The requirements of Central assistance for augmenting financial resources and logistic support at the disposal of the State Government.

The Contingency Action Plan identifies initiatives required to be taken by various Central Ministries and Public Departments in the wake of natural calamities. It sets out the procedures and determines the focal points in the administrative machinery to facilitate launching of relief and rescue operations in response to a disaster. Various Ministries are assigned the responsibility of providing emergency support in case of disasters that fall in their purview as indicated in the Table 5.1.

Table 5.1: Ministries Responsible for Various Categories of Disasters.

Disasters	Nodal Ministry
Natural Disasters (other than Drought)	Ministry of Home Affairs
Drought Relief	Ministry of Agriculture
Air Accidents	Ministry of Civil Aviation
Railway Accidents	Ministry of Railways
Chemical Disasters	Ministry of Environment & Forests
Biological Disasters	Ministry of Health
Nuclear Disasters	Department of Atomic Energy

State Level Organisation

- Responsibility for disaster preparedness and response in a State is usually delegated to the Relief and Rehabilitation Department or to the Department of Revenue of the State Government.
- The Chief Secretary of the State Government, with participation of many related agencies, heads the State level committee related to disaster management.
- This committee is in overall charge of the relief operations in the State and the Relief Commissioners who are in charge of the relief and rehabilitation measures function under the overall direction and control of the state level committee.
- In many States, the Secretary, Department of Revenue, is also in-charge of relief operations. State Governments usually have relief manuals and the districts have their contingency plan, which is supposed to be updated from time to time.

District and Local Level Organisation

- There exists a District Level Coordination and Review Committee headed by the Collector as Chairman with participation of all other related agencies and departments.
- The district administration is the focal point of all governmental plans and activities. The actual day-to-day function of administering relief is the responsibility of the Collector/District Magistrate/ Deputy Commissioner who exercises coordinating and supervising powers over all departments at the district level.
- At the local level, the 73rd and 74th constitutional amendments recognise Panchayati Raj Institutions as institutions of 'self-government'. These local bodies can be effective instruments in tackling disasters through early warning system, rescue operations, relief distribution, and medical assistance etc.

There can be no doubt about the fact that, at most levels, the focus of the government machinery in India has been on rescue and relief operations only. The government machinery lacks proper training in disaster management and it is ill equipped to tackle natural disasters through effective mitigation and preparedness measures. While the crucial aspects of coping with natural disasters, like, disaster mitigation and preparedness, have always been ignored, even the response of the state to disasters through rescue, relief and rehabilitation measures have been found inadequate most of the time.

Strategy Recommended by An Expert Group

In response to the review of UN Declaration of IDNDR, held at Yokohama, in 1994, the Government of India had constituted an **Expert Group** for studying certain specific issues relating to impact of natural disasters. This Expert Group had made certain pertinent recommendations ("Disaster Mitigation and Vulnerability Atlas of India- A Paradigm shift from Post-Disaster, Reconstruction and Relief to Pre-Disaster Pro-active Approach", Building Material and Technology Promotion Council (BMTPC), New Delhi, 2001) relating to natural disasters, with an emphasis on the mitigation of damage caused to housing and other infrastructure in the vulnerable areas.

Strong emphasis was put on:

(i) The need to identify areas vulnerable to earthquakes, cyclones and floods, and the vulnerability of housing and other infrastructure to damage from such disasters;

(ii) Formulating policies and legal institutional mechanisms for enforcing disaster resistant construction in the disaster prone settlements;

(iii) Preparing detailed natural vulnerability maps.

Subsequently techno-legal aspects of earthquakes, storms and floods were charted, State-wise hazard maps were prepared and some design guidelines for improving hazard resistant construction of buildings were developed. Also, some district-wise information on existing house types were collated to determine their hazard vulnerability. The aim was to bring such data to the notice of planners, professionals, decision-makers and households. Such steps taken at Central as well as State levels would be quite helpful in building up mitigation and preparedness strategies. The Expert Group had also emphasised on evolving a national policy on natural disasters and had, in their report, highlighted the following:

1. Need for restructuring the existing policy so as to carefully include prevention, mitigation and preparedness in pre-disaster phase while not disturbing the existing post-disaster relief and rehabilitation programmes under crisis management.
2. Awareness creation for disaster mitigation among cross-section of professionals and institutions including policy makers, administrators, architects, engineers, NGOs, banks and other financial institutions.
3. Increasing preparedness among communities living in vulnerable areas through the use of media, school education and other appropriate methods.
4. Introduction of relevant amendments in the legislative and regulatory instruments (State laws, master plans, building regulations and by-laws of various local bodies).
5. Work towards capacity building at various levels for undertaking rapid assessment surveys and investigations on the nature and extent of damage in post-disaster situations.
6. Carrying out micro-zonation surveys especially of big cities located in disaster-prone areas and accordingly making appropriate preparedness and mitigation plans.
7. Ensuring use of disaster resistant construction in houses and buildings by law as well as incentives and disincentives.
8. Working towards creating relevant institutional mechanisms at the national/state level for advising and helping existing disaster relief set-up in preparation of appropriate action plans.
9. Creation of detailed database on the actual impact and consequences, including that of damages and other economic losses, of disasters for their use in various strategies related to disaster management.

10. Working towards framing of policy instruments and generating funding support for disaster preparedness and prevention actions in high-risk areas.

11. Inclusion of Research and Development (R&D) work in disaster preparedness, mitigation and prevention as a thrust area, and earmarking adequate funds for the R&D organisations as well as for the concerned Central Ministries and State departments.

Recommendations of the High Powered Committee (HPC)

A High-Powered Committee (HPC) was constituted by the Central Government in 1999, under the chairmanship of Mr. J. C. Pant, to evolve a mechanism for management of natural as well as man-made disasters in the country. The HPC submitted its report in October 2001. It took an overview of all recent disasters in the country and identified common preparedness and response mechanisms on the basis of a series of consultations with a number of government, non-government, national and international agencies and media organisations. One of the most important recommendations of the HPC was that at least 10 percent of plan funds at the national, State and district levels be earmarked and allocated for schemes which specifically address areas such as disaster mitigation and preparedness.

Some of the important recommendations of HPC are as given below.

Culture of Preparedness

The culture of preparedness plays a crucial role in the whole vision developed for disaster management. The entire process of plan preparation needs to be carried out at four different levels, called as level 0, level 1, level 2 and level 3. The specific tasks that should be performed at these four levels are:

- Level 0: developmental phase of monitoring and preparedness
- Level 1: planning for disasters that can be handled at the district level
- Level 2: planning for disasters which need to be handled at the State Government level
- Level 3: planning for very severe disasters in which intervention of the Central Government at a significant scale is necessary.

Culture of Quick Response

The concept of 'trigger mechanism' is intended to initiate a culture of quick response in disaster management.

- The 'trigger mechanism' will be activated before or during the occurrence of a disaster. It would simultaneously start the required prevention and mitigation measures without any loss of time.
- It would require a clear delineation of duties and functions including identification of key personnel for the task of disaster response. There should be no loss of time in the first 24-48 hours in planning or seeking clearance or approval or direction from superior officers.

Culture of strategic thinking

A network of knowledge-based institutions should be developed which could combine the traditional and advanced scientific knowledge relating to disasters.

Mapping mission

The HPC recommended for mapping of vulnerable zones in appropriate resolutions for different types of disaster, and micro-zonation of multiple hazard zones in the country.

Database Management

Creation, management and regular updating of an intelligent, integrated database is a prerequisite for effective disaster management. All available data should be inter-linked into a user-friendly database for a focussed, fine-tuned and measured response and mitigation mechanism.

Model State Disaster Management Act

As regards the legal framework, a model state disaster management act has been prepared, which has been sent to all chief ministers of States/UTs and the draft of national calamity management act has also been finalized.

VASUDEVA

- The HPC felt that in order to have an effective disaster management in the field, it is imperative to involve the NGOs. After 6 consultations (involving nearly 400 NGOs) held for four regions of the country and eastern and western Himalayas, a nationwide network of NGOs was formed, which was called VASUDEVA (Voluntary Agencies for Sustainable Universal Development and Emergency Voluntary Action).
- The National Centre for Disaster Management (NCDM, operating from the Indian Institute of Public Administration, New Delhi) is the convenor of this network.

Training

The HPC also felt that training and human resource development is one of the core areas for disaster management. It has proposed for development of a network of training institutions led by a national level disaster management institute.

A National Fund for Disaster Mitigation

The HPC also recommended for creating a national fund for disaster mitigation with a corpus of Rs. 500 crore.

A District Level CRF

It recommended for creating district level CRFs for ready availability of funds during emergency.

Community based preparedness initiatives

It is proposed that every village should have a disaster management plan and it has been recommended that plan updating and rehearsal should take place in the last week of April and the first week of May every year.

Tenth Five Year Plan and Disaster Management

Expected Role of the Tenth Plan in Disaster Management

The Tenth five year plan (FYP), for the first time (among all FYPs till date), spelt out the need for financing of disaster management efforts through plan funds, as was recommended strongly by the High Powered Committee (HPC) on Disaster Management and the Eleventh Finance Commission (EFC).

- The HPC recommended that at least 10 per cent of plan funds at the national, state and district levels be earmarked an apportioned for schemes which specifically address areas such as prevention, reduction, preparedness and mitigation of disasters.

- The EFC clearly laid out that expenditure on restoration of infrastructure and other capital assets (in the wake of a natural disaster), except those that are intrinsically connected with relief operations and connectivity with the affected area and population, should be met from the plan funds on priority basis.
- Another recommendation of the EFC, which had a direct bearing on the plan, was that medium and long-term measures should be devised by the concerned Ministries of the Government of India, the State Governments and the Planning Commission to reduce, and if possible, eliminate, the occurrences of these calamities by undertaking developmental works.
- Finally, the EFC also recommended that the Planning Commission, in consultation with the State Governments and concerned Ministries, should be able to identify works of a capital nature to prevent the recurrence of specific calamities. These works may be funded under the Plan.

Disaster Preparedness and Mitigation Measures Envisaged in the Tenth Plan

The Tenth FYP document declares its perspective on disaster management as that " the future blue-print for disaster management in India rests on the premise that in today's society while hazards, both natural or otherwise, are inevitable, the disasters that follow need not be so and the society can be prepared to cope with them effectively whenever they occur. The need of the hour is to chalk out a multi-pronged strategy for total risk management, comprising prevention, preparedness, response and recovery on the one hand, and initiate development efforts aimed towards risk reduction and mitigation, on the other ''.

- The Tenth FYP lists a number of ongoing schemes which help in reducing disaster vulnerability; such as, Integrated Wasteland Development Programme (IWDP), Drought Prone Area Programme (DPAP), Desert Development Programme (DDP), Flood Control Programmes, National Afforestation and Eco-development Programme (NA&ED), Accelerated Rural Water Supply Programme (ARWSP), Crop Insurance, Sampurn Gramin Rozgar Yojana (SGRY), and Food for Work, etc.

Some of the important disaster preparedness and prevention measures dwelt upon by the Tenth FYP are as given below.

(Information and Research Network)

- A comprehensive database of the land use, demography, infrastructure developed at the national, state and local levels along with current information on climate, weather and man-made structures is crucial in planning, warning and assessment of disasters.
- State-of-the art technologies available worldwide need to be made available in India for upgradation of the disaster management system; at the same time, dedicated research activities should be encouraged in all frontier areas related to disasters.
- A National Disaster Knowledge Network, tuned to the felt needs of a multitude of users like disaster managers, decision makers, community, etc., must be developed.

(Capacity Building, Training and Education)

- Professional training in disaster management should be built into the existing pedagogic research and education. Specialised courses for disaster management may be developed by universities and professional teaching institutions, and disaster management should be treated as a district academic and professional discipline.
- Curriculum development with a focus towards dissemination of disaster related information on a sustained basis, covering junior, middle and high schools may be worked out by the different schools boards in the country.

- Identification and training of volunteers from the community towards first response measures as well as mitigation measures is an urgent imperative. A programme of periodic drills should be introduced in vulnerable areas to enable prompt and appropriate community response in the event of a disaster, which can help save lives.

(Community Level Initiatives)

- Community based approach followed by most NGOs and Community Based Organisations (CBOs) should be incorporated in the disaster management system as an effective vehicle of community participation.

(Strengthening of Plan Activities)

- The Central Sector Scheme of Natural Disasters Management Programmes has been implemented since 1993-94 by the Department of Agriculture and Cooperation with the objective to focus on disaster preparedness and mitigation measures. The major activities undertaken within this scheme include the setting up of the National Centre for Disaster Management (NCDM) at the Indian Institute of Public Administration (IIPA), creation of 24 disaster management faculties in 23 States, research and consultancy services, documentation of major disaster events and forging regional cooperation. The Eight Plan allocation of Rs. 6.30 crore for this scheme was increased to Rs. 16.32 crore in the Ninth Plan
- Creation of faculties in disaster management in 28 Sates is proposed to be taken up in the Tenth Plan, in addition to community mobilisation, human resource development, establishment of Control Rooms and forging international cooperation in disaster management.
- All development schemes in vulnerable areas should include a disaster mitigation analysis, whereby the feasibility of a project is assessed with respect to vulnerability of the area and the mitigation measures required for sustainability.
- Mitigation measures on individual structures can be achieved by design standards, building codes and performance specifications.
- Mitigation measures need to be considered in land use and site planning activities.
- Insurance is a potentially important mitigation measure in disaster-prone areas as it brings quality in the infrastructure and consciousness and a culture of safety by its insistence on following building codes, norms, guidelines, quality materials in construction etc. Disaster insurance mostly works under the premise of 'higher the risk higher the premium, lesser the risk lesser the premium', thus creating awareness towards vulnerable areas and motivating people to settle in relatively safer areas.
- For addressing natural calamities such as floods and drought, there already exist a number of plan schemes under which a lot is being done and can be done. State Governments need to make full use of the existing plan schemes and give priority to implementation of such schemes that will help in overcoming the conditions created by the calamity.
- The Planning Commission will aim at responding quickly to the needs of the Central Ministries/ Departments/States in matters relating to the plan for meeting situations arising out of natural disasters, by enabling adjustment of schemes to meet the requirements as far as possible.
- As the first responder in any disaster situation, however, each State needs to build a team of dedicated, trained, skilled personnel, make provision for specialised equipments, efficient communication network, and relevant, intelligent and easily accessible database.

What Does the Tenth Plan Deliver?

Since Five Year Plan documents have, historically, not included consideration of issues relating to the management and mitigation of natural disasters; the detailed treatment of disaster management in the Tenth Plan document is a welcome change (although it was long overdue). The vision of the Tenth Plan document s regards the disaster preparedness and mitigation measures is comprehensive and quite relevant. However, the Planning Commission was expected to take a number of specific initiatives, which were clearly identified by the Eleventh Finance Commission (EFC) as falling within the domain of the plans, but the Tenth Plan document has addressed those issues tangentially at best. As has already been discussed in chapter 3 of this report, the EFC continued treating Calamity Relief Fund as an item of non-plan expenditure, meant typically for the purpose of providing immediate relief to the victims of natural calamity. As a result, the scope of using CRF money in a calamity affected area has been quite limited, and numerous important tasks have been left for the plan. The following are some of those important tasks which have been more or less ignored by the Tenth Plan.

- The EFC had recommended that expenditure on restoration of infrastructure and other capital assets, damaged in a natural disaster, should be met from the plan funds. The Tenth Plan does not promise any increase in the plan funds meeting such expenditure in the States in the event of a natural disaster. It only promises a quick response from the Planning Commission in matters relating to transfer of funds from one scheme to another for meeting situations arising out of natural disasters. Thus, during the Tenth Plan period (2002-2007), in the wake of a natural disaster, one Department in the State will get assistance for restoration of infrastructure and other capital assets only at the cost of some other Department. Clearly, this will not only constrain the availability of funds for restoration works but also include a long time lag in the entire process.
- Similarly, the EFC recommended that the Planning Commission, in consultation with the State Governments and concerned Ministries, should identify works of a capital nature to prevent the recurrence of specific calamities and such works may be funded under the Plan. However, the Tenth Plan document only talks about incorporating disaster mitigation components into all development projects. It does not promise any significant step towards finding new capital works in disaster-prone areas, which could help in disaster prevention and mitigation. Rather, the Tenth Plan believes that under the already existing plan schemes for this purpose, "a lot is being done and can be done"; and so. State Governments need to make full use of the existing plan schemes and give priority to implementation of such schemes. Again, what the Tenth Plan promises is a mere diversion of funds from other schemes to those schemes the implementation of which will help coping with disaster situations.

It is obvious that a lot more was expected from the Tenth Plan, in terms of earmarking plan funds, raising allocations to cope with the consequences of disaster and starting new capital works for mitigating natural disaster, than what has been promised.

Appraisal of the Government Initiatives

The intention of the Central Government as regards measures for disaster mitigation in the country is a welcome change. The interest and action shown by the government authorities at the policy-making level is praiseworthy. The measures envisaged by the various expert committees, though not very comprehensive, do represent a paradigm shift in the approach of the government towards disasters.

However, numerous problems crop up when we come to the ground realities in India. As of now, in terms of the infrastructure and awareness for disaster mitigation and preparedness, there is a huge gap between what the HPC and other such bodies are talking about and what exists in reality. Had there been synergy, we would not have had such major losses of lives and property in the numerous severe natural and man-made disasters that have struck different regions of the country in the last five years.

It's not that what is being talked about at the policy-making level cannot be achieved on the ground. The need of the hour is a systematic and continuous effort on the part of the government to improve the state of disaster management in the country.

- Creating a web of organisations and committees only will not help unless their recommendations are actually implemented by government authorities at all levels with the ordinary citizen involved in the entire process of disaster mitigation, preparedness, and response. In order to involve the masses in these processes it is important not only to make them aware of the risks and feasible solutions relating to disasters but also to give them **incentives for participating in such activities**. The government of course has been trying to spread awareness among masses about community-based preparedness, etc, through different channels. However, there has been no attempt from the government, at any level, to give incentives to people towards participating in such activities. To begin with, the government can provide monetary help to people below poverty line, for paying the premium, towards insuring their lives and property against losses caused by disasters. While the expert committees have recognized the potential of disaster insurance, they have not envisaged any plan of action in that direction.
- Another loophole in the disaster mitigation plan is the total ignorance of the important role that **healthcare institutions** are required to play in the wake of a disaster. It is needless to mention that the public healthcare system in India is grossly inadequate in many parts of the country even during normal times. In the aftermath of a natural or man-made disaster, the reach and effectiveness of the public healthcare institutions would be below the required levels. The private healthcare facilities are of course there, but they are based mostly in the urban areas and charge substantial amount of money for their services. In these circumstances, if the marginalized and vulnerable sections of our society are to be provided relief, the government must take strong initiatives for expanding the network of public healthcare institutions, especially in the rural areas, improving their manpower and infrastructure and for giving proper guidelines regarding their role in the wake of a disaster. It is very important to **strengthen the primary healthcare institutions which must be accessible to a widely divergent population.**
- Healthcare institutions at different levels- primary, secondary, and tertiary , should be given supportive roles regarding disaster management.
- At the village level, emergency healthcare providers need training in life-saving skills to help them provide service to local community during disasters.
- **Increase awareness among the students about the importance of effective disaster management by giving it enough importance in the educational curricula at school and college levels. Also, there must be sufficient dissemination of information through various forms of media.**
- There should be a decentralization of disaster mitigation efforts- in terms of delegating the responsibility for mitigation measures to village *Panchayats* and other local bodies.
- **The comparison of the outcome of three events in the above table tells us clearly that with better measures for disaster mitigation and preparedness in the calamity-prone areas, the death toll and the extent of damage caused by a natural calamity can be restricted to a much lower level. Then the disaster response of the State, even at the present level of costs and infrastructural facilities, will be much more adequate and effective in providing in relief to the victims of a calamity. As part of disaster mitigation process, all of** the six critical factors **(Sagar Dhara, 2001) namely,** event prediction, dissemination of warning, risk avoidance action, necessary hardware, emergency response plan and prompt activation of the emergency response plan, **or at least as many of them as are feasible in case of a particular type of disaster, should be planned and implemented in the calamity-prone regions of the country.**

Table 5.2: Comparison of outcomes of three events

Event	Machillipatnam (Andhra Pradesh)	Ersama (Orissa) Cyclone, 1999	Bhuj (Gujarat) quake, 2001
Magnitude	**Major**	**Major**	**Major**
Loss mitigating factors			
1. Event Prediction	Predicted in time	Predicted in time	Not possible
2. Warning	Given in time but, ambiguous	Given in time,	Not possible
3. Risk avoidance action available, evacuation	Cyclone shelters were no evacuation	No shelters, buildings, rescue	No quake-resistant effected effort tardy
4. Hardware	High wind-proof detect buried radio masts, etc., in place	Not much hardware in place	No equipment to people, earth moving equipments, mobilised slowly
5. Emergency response plan	Fair	Poor	Poor
6. Activating emergency response plan	Prompt	Poor	Poor
No. of People Dead	**Less then 1000**	**50,000****	**50,000-1,00,000****

Source: Sagar Dhara (2001), "The Bhuj Quake: Lessons of Previous Disasters not Learnt", The Hindu Survey of Environment

*** The official death figures were approximately 9,000-10,000 for Orissa cyclone and approximately 20,000 for Gujarat earthquake.*

- Structural and non-structural measures complement each other in preventing and mitigating disasters. So the emphasis should be on both the types of measures.

- The entire process of disaster management can be thought of as comprising two distinct phases, viz. 1. Pre-disaster Phase, and 2. Post-disaster Phase. The Pre-disaster Phase consists of measures relating to disaster preparedness and prevention, while the Post-disaster Phase involves response, rehabilitation and recovery. Many of the developed countries are able to mitigate losses from disasters because they are implementing the first phase of the process quite well. Even some of the developing countries have adopted this strategy and registered substantial decline in the losses caused by disasters. For instance, Bangladesh had suffered a major cyclone in Cox's Bazaar in 1970, which had left approximately 5 lakh people dead. But, in early 1990s, when a cyclone of similar intensity hit the country, although the population density of Bangladesh had almost doubled in comparison to 1970, only 128 people died. This could be possible because of proper implementation of the Pre-disaster Phase measures in the country.
- In India, the disaster management apparatus must learn to catch early warnings from the disaster-prone areas. This can be done easily in case of droughts. For instance, low rainfalls, distress sale of fodder, cattle and assets by the farming community can provide early signals of an impending drought. Similarly, foodgrain prices can also serve as a proxy indicator of a drought in the near future.

Chapter 6 CONCLUSION

"It is a bad plan that admits of no modification."
- Publilius Syrus, Moral Sayings

Our main objective behind highlighting the lacunae in the whole process of government intervention in the sphere of natural disasters is that we can demand for more responsible and effective action from both the Union as well as the State Governments, so that the losses caused by natural disasters are reduced and people affected by such disasters, especially the most vulnerable groups, get adequate relief in time.

Based on our analysis of the various issues that we took up, we have concluded that the Calamity Relief Fund (CRF) is better than the Margin Money scheme (which existed earlier) in financing relief expenditure of States. But the scope for CRF, combined with NFCR (during 1995-2000)/NCCF (2000-01 onwards), to enable all the States carry out quick, comprehensive and effective relief measures in the event of natural calamities, has been constrained significantly by a number of factors, such as:

- Deficiency of the method of determination of size of CRFs for different States
- Inadequate allocations to CRF
- Inclusion of only six natural calamities under the scheme
- A uniform list of items and norms of expenditure for all the States
- Unrealistic provisions of compensation as per the approved norms
- Time lag in provision of additional assistance to States for severe calamities
- Lack of provision for financing restoration of damaged capital works and long-term measures for disaster mitigation in the calamity-affected areas
- Centre's relief assistance to States being driven by political interests and
- Laxity of State Governments in implementing the schemes.

❑ The determination of size of CRF for a State solely on the basis of the average of expenditures on relief incurred in the past has led to the CRF scheme becoming unjust for a host of States, which are economically weak but have to face devastation caused by severe natural calamities. The method of determination of the quantum of CRF for a State should take into account factors like –

  - Proneness of a State to natural calamities
  - Magnitude of losses caused by calamities in the recent past
  - Occurrence of natural calamities in a State in quick succession and
  - Proportion of the population, in a State, living below the poverty line.

The various expert bodies and committees on disaster management set up by the Central Government should be assigned the task of assessing these factors on a uniform basis across the States. In particular, the National Centre for Calamity Management (NCCM), envisaged by the Eleventh Finance Commission, should take up this responsibility. Incorporation of the factors mentioned above would make the allocations through CRF more aligned to the actual requirements of relief measures.

In the coming years, if an organisation like the NCCM or any other national level organisation, equipped with adequate resources and expertise as well as instructed clearly by the Government, takes up the task of monitoring natural calamities and the damage caused by such calamities all over the country, an appropriate database can be created for the purpose of assessing the factors outlined above uniformly across all States. However, even at present, some of the existing national level organisations/centres dealing with disaster management can create a historical database of occurrence of natural calamities, magnitude of losses caused by such calamities across all States as well as some indicators of proneness of different States to natural calamities, for the period of last 40 to 50 years. Subsequently, a weighting diagram, based on- the average frequency of occurrence, the average magnitude of losses caused, the (average) proneness of each of the States to different natural calamities, and the proportion of a State's population living below poverty line- can be developed which could then be used for inflating/deflating the allocations of funds for specific States as arrived at by the method used by the Eleventh Finance Commission.

- The formula for contribution to CRF, which at present is 75:25 for the Centre and every State, needs to be changed keeping in mind the varying abilities of the different State Governments to spend money on relief. There is need for reducing the proportion for those States, which are economically weaker and face recurring natural calamities. Assam, Bihar, Orissa, Madhya Pradesh, Uttar Pradesh and West Bengal would be the foremost to fall under this category of States.

- There should be a substantial increase in the sizes of CRFs of all the States. However a quantum raise in the allocations combined with a more realistic and just distribution of the funds among the States would be worthwhile.

- Apart from earthquake, cyclone, flood, drought, fire and hailstorm; the natural calamities of heat wave, cold wave, land slides and pest attacks should be made eligible for receiving assistance under CRF/NCCF scheme.

- The State level committees, formed for managing the CRFs in the respective States, must take up the task of reviewing the norms of assistance and the items of expenditure under CRF in order to make changes appropriate for their States and include State-specific items of expenditure. For it is not at all realistic that one uniform norm would be applicable throughout the country, especially with the wide variation of geographical, economic and sociological conditions across the States. Also, the various kinds of compensations that can be given, as per the norms of assistance, should be revised substantially in order to make such provisions realistic and adequate.

- There is an urgent need for focussing the relief efforts (following natural calamities) on most vulnerable sections among the affected population. The State Governments should identify those sections of the population, in each of their districts, which suffer maximum damage from different kinds of natural calamities. Such information should then be provided to the nodal authorities for making necessary amendments in the norms of assistance under CRF/NCCF scheme.

- The National Centre for Calamity Management (NCCM) should quickly get into its role of monitoring the occurrence of natural calamities across all States, assessing the damage caused and the assistance required, and making independent recommendations for the release of assistance from NCCF in the relevant cases. This would solve the problem of time lag in release of assistance from NCCF to a considerable extent.

- The State Governments should take timely action regarding the submission of utilisation certificates (for CRF) and annual reports on disasters to the concerned Ministries of the Union Government in order to ensure that there is no unnecessary delay in the release of instalments for CRF. Also, they should ensure proper implementation of the scheme on the ground, eliminating misappropriation of funds and irregularities by the Government officials dealing with relief.

- For expenditure incurred by the poorer States on repairs and restoration of public works following floods, cyclones and earthquakes, etc., the Central assistance needs to be given as a non-plan grant. Such expenditure should not be adjusted against the Plan fund meant for the State, as an adjustment of Plan funds cuts into the size/resources of the State Plan for the subsequent years, affecting the process of development. If the CRF cannot be expanded for this purpose, then we must have another fund to replace damaged infrastructure and public works in the calamity affected areas.

- CRF can also be made an autonomous fund for better implementation purposes. We can expect that if managed by an autonomous body, it would be relatively free from being driven by political interests and the implementation of CRF would improve substantially.

- An expert group constituted by the Central Government, with active participation from the Civil Society Organisations, should monitor the relief measures in the States utilizing the CRF. Apart from the Civil Society Organisations working at the grassroots level in the calamity affected areas, acknowledged experts in the field of disaster management should be involved in this monitoring process. The result of the assessment made by such groups should have a bearing on the allocation as well as release of funds to the States in the subsequent years. Such audits of the relief works by Civil Society Organisations and individuals working with people should be given legal validity.

  However, there would be a need for some relaxation, in this case, for the poorer States. For many of the poorer States have been showing a poor record in implementation of the various Government schemes, and hence a strict enforcement of the condition suggested above (that of allocations/releases being made contingent upon an independent assessment of past record of relief works) might end up punishing the poorer States. The logic behind such discrimination in favour of the poorer States is that the people of such States should not suffer because of poor governance of their Governments, more so because the people of such States constitute a major chunk of the marginalized population of our country. On the other hand, in case of the poorer States, the implementation of the scheme (on the ground level) should be brought under greater public scrutiny which would facilitate the process of seeking accountability from their Governments.

- The relief and rehabilitation measures should not focus on physical rebuilding alone; rather these efforts should also incorporate measures towards psychological recovery of the victims from the trauma of disasters.

- Lack of accountability of those implementing the relief measures on the ground level is one of the major reasons for the ineffectiveness of relief operations. All those taking part in relief operations should be accountable to the calamity-affected people. The calamity- affected people should be involved in the decisions that affect them. People in a particular area, affected by a particular calamity, have their own way of coping with that, so it's essential to include them in planning the relief operations, and ignoring their needs and suggestions can adversely affect the rescue and relief efforts. The state and non-state actors involved in relief activities must inform affected people about all aspects of relief operations and about their rights – through public meetings, mass media or information centres. They must know the views of affected people about their felt needs and priorities for improving relief provision. Also, the calamity-affected people should be given the opportunity to report complaints and seek quick redressal of the same.

Our argument all through this report has been that measures taken for relief and rehabilitation following a natural calamity should be much more comprehensive and effective, but the focus of disaster management efforts of the state should be on disaster mitigation and preparedness. This does not mean any neglect of the need for relief operations, rather it reflects the understanding that proper disaster mitigation and preparedness efforts can not only reduce the requirement for relief and rehabilitation but also improve the rescue and relief activities significantly.

- In spite of the Government setting up several committees and expert bodies for disaster management, and these groups giving their recommendations from time to time, no ground level improvement has been seen in the mechanism for disaster management in the country. In all three of the major natural disasters that struck India in the recent past, which we discussed in this report, the required disaster mitigation and preparedness measures were not in place.

- Training of Personnel: Government machinery in India needs to be trained in disaster management as a routine part of administration rather than a reactive measure only. Developing a skilled and trained force of personnel for rescue and relief operations backed up with adequate infrastructural/hardware facilities is essential. The Eleventh Finance Commission had suggested for constituting a group of 200-300 personnel drawn from different Government departments associated with the services for rescue and relief in each State, which in turn could constitute a national force of 3000 to 4000 personnel. Such teams could be mobilised and deployed anywhere in the country in a disaster situation. Also, these personnel need training exercises every year for a high degree of preparedness.

- Digital Mapping of Activities: At present, there is very poor mapping of activities of the different arms of the Government with respect to disaster management. There is a lot of confusion regarding who does what in the wake of a disaster. For timely and effective response to disasters, a digital mapping of the activities of the different Ministries, Departments and Government authorities vis-à-vis disasters can be very helpful.

- Critical Measures for Mitigation & Preparedness: As regards disaster mitigation and preparedness, all of the six critical factors (as mentioned in Chapter 5 of this report) namely, event prediction, dissemination of warning, risk avoidance action, necessary hardware, emergency response plan and prompt activation of the emergency response plan, or at least as many of them as are feasible in case of a particular type of disaster, should be planned and implemented in the calamity-prone regions of the country.

- Citizen's Participation: To ensure involvement of ordinary citizens in the process of disaster mitigation and preparedness, the Government, apart from spreading awareness among them, could think of providing some kind of incentive to people for participating in such activities. One feasible incentive mechanism could be the linking up of participation of people in these initiatives to schemes for paying the premium, towards insuring their lives and property against losses caused by disasters. In fact, with a significant increase in the allocations, the CRF in every State (i.e. a part of it) can be used for giving such incentives.

- Need for Transparency: There can be no doubt about the need for ensuring a significant degree of transparency in planning and execution of the disaster prevention and management activities. A transparent process of planning as well as execution will not only result in rectification of flaws at the level of policy making itself, but could also lead to much lesser irregularities and laxities at the level of implementation on the ground. Accordingly, the Central Government should involve appropriate public interest groups, Civil Society Organisations, academicians dealing with the issues of disasters, healthcare personnel and various humanitarian relief providing agencies, etc., in the process of disaster management.

- Agricultural Insurance: There is need for extending the National Agricultural Insurance Scheme to all crops in States. For the purpose of compensating for crop losses in different States, setting up of different standards of normal crop yield for different States (for instance, Punjab should have a higher level of normal crop yield of wheat than that of Madhya Pradesh) is necessary. The Government of India, in the past, has cited inadequate manpower to assess the level of crop losses as a major reason obstructing the expansion of the National Agricultural Insurance Scheme to all crops in all States. However, responsibility of assessment of crop losses can be given to the Panchayati Raj Institutions, along with monitoring by higher authorities regularly, in all the States. This step would go a long way in providing relief, as 65 per cent of the country's population is still dependent on agriculture and they suffer most from crop losses due to calamities.

- Role of Healthcare system: A major loophole in the disaster mitigation plan of our country is the ignorance of the important role that healthcare institutions play in the event of a disaster. In the aftermath of a natural or manmade disaster, the availability and effectiveness of the public healthcare institutions in India is found to be much below the required levels. The Government should take strong initiatives to expand the network of public healthcare institutions, especially in the rural areas, improving their manpower and infrastructural facilities, and for giving proper guidelines for their roles in the wake of a disaster. Also there is necessity of identifying distinct supportive roles of the healthcare institutions at different levels of specialisation – primary, secondary and tertiary, in case of disasters.

- Community Level Actions: The Government should organise community level activities for disaster mitigation and preparedness measures across the country. At the village level, emergency healthcare providers need training in basic as well as advanced life-saving skills, enabling them to serve their communities in an effective manner at the time of a disaster.

- Awareness through Education: The Government should try to increase awareness among the students by including the topics on disaster management in the educational curricula of schools and colleges.

- There should be equal emphasis on structural and non-structural measures for disaster mitigation, as the two complement each other. And, there should be a decentralisation of disaster mitigation efforts – in terms of delegating responsibility for mitigation measures to village Panchayats and other local bodies.

With a greater emphasis on disaster management at the policy level and proper implementation of the schemes on the ground, state intervention in the sphere of natural disasters will be far more adequate and effective.

Annexure 1 : Annual Provision Allowed for Expenditure by Different States on Relief from Natural Calamities for the Recommendation Period of Fifth Finance Commission (1970-71 to 1974-75) (As estimated by the Fifth Finance Commission)

S. No.	States	Amount (in Rs. Crore)
1	Andhra Pradesh	0.75
2	Assam	0.48
3	Bihar	1.50
4	Gujarat	0.80
5	Haryana	1.55
6	Jammu & Kashmir	0.40
7	Kerala	0.10
8	Madhya Pradesh	0.80
9	Maharashtra	0.86
10	Mysore	0.44
11	Nagaland	–
12	Orissa	1.25
13	Punjab	0.41
14	Rajasthan	1.08
15	Tamil Nadu	0.50
16	Uttar Pradesh	0.94
17	West Bengal	2.61
	Total	**14.47**

Source: Report of the Fifth Finance Commission

Annexure 2 : Annual Amounts of Margin Money for Different States for the Recommendation Period of Sixth Finance Commission (as estimated by the Sixth Finance Commission for 1975-76 to 1979-80)

S. No.	States	Amount (in Rs. Crore)
1	Andhra Pradesh	4.31
2	Assam	1.25
3	Bihar	4.61
4	Gujarat	4.55
5	Haryana	1.24
6	Himachal Pradesh	0.03
7	Jammu & Kashmir	0.35
8	Karnataka	1.91
9	Kerala	0.30
10	Madhya Pradesh	3.41
11	Maharashtra	4.17
12	Manipur	0.04
13	Meghalaya	0.04
14	Nagaland	0.02
15	Orissa	3.58
16	Punjab	0.33
17	Rajasthan	10.19
18	Tamil Nadu	1.52
19	Tripura	0.07
20	Uttar Pradesh	2.18
21	West Bengal	6.61
	Total	**50.71**

Source: Report of the Sixth Finance Commission.

Annexure 3 : Annual Amounts of Margin Money for Different States for the Recommendation Period of Seventh Finance Commission
(as estimated by the Seventh Finance Commission for 1980-81 to 1984-85)

S. No.	States	Amount (in Rs. Crore)
1	Andhra Pradesh	8.58
2	Assam	3.46
3	Bihar	13.08
4	Gujarat	9.56
5	Haryana	1.47
6	Himachal Pradesh	0.51
7	Jammu & Kashmir	1.30
8	Karnataka	2.00
9	Kerala	1.59
10	Madhya Pradesh	1.83
11	Maharashtra	4.57
12	Manipur	0.08
13	Meghalaya	0.07
14	Nagaland	0.14
15	Orissa	8.71
16	Punjab	2.68
17	Sikkim	7.74
18	Rajasthan	0.01
19	Tamil Nadu	8.59
20	Tripura	0.18
21	Uttar Pradesh	10.80
22	West Bengal	13.60
	Total	**100.55**

Source: Report of the Seventh Finance Commission.

Annexure 4 : Annual Amounts of Margin Money for Different States for the Recommendation Period of Eighth Finance Commission (as estimated by the Eighth Finance Commission for 1985-86 to 1989-90)

S. No.	States	Amount (in Rs. Crore)
1	Andhra Pradesh	24.50
2	Assam	7.25
3	Bihar	33.75
4	Gujarat	28.75
5	Haryana	4.50
6	Himachal Pradesh	1.75
7	Jammu & Kashmir	1.50
8	Karnataka	6.00
9	Kerala	5.00
10	Madhya Pradesh	4.75
11	Maharashtra	7.25
12	Manipur	0.25
13	Meghalaya	0.25
14	Nagaland	0.25
15	Orissa	26.25
16	Punjab	6.00
17	Sikkim	16.75
18	Rajasthan	0.25
19	Tamil Nadu	8.75
20	Tripura	0.75
21	Uttar Pradesh	32.50
22	West Bengal	23.75
	Total	**240.75**

Source: Report of the Eighth Finance Commission

Many of the terms presented here have no universally accepted definition. Some of the terms, related to the area of disaster management, are quite interlinked with each other, and therefore have close similarity in their meanings. The purpose of presenting this glossary is to give the readers some idea about what we mean, in our report, by the specific terms which have been used very frequently.

Sl.No.	Terms	Definition
1.	**Disaster**	Any occurrence of an extraordinary event of limited duration that causes damage, economic destruction, loss of human life, and deterioration in health and health services on a scale sufficient to warrant an extraordinary response from outside the affected community or area.
2.	**Hazard**	It usually refers to the danger or risk associated with the occurrence of an extraordinary event of limited duration. It can be understood as any rare natural or man-made phenomenon which can inflict damage to life and property by causing a disaster. Thus, hazard is a threat, while disaster is an event.
3.	**Vulnerability**	It refers to the extent to which an individual, or a group of people or some structures in a particular area are likely to be adversely affected by a particular natural or man-made disaster.
4.	**Natural Disasters**	Natural disasters/calamities can be contrasted with man-made disasters. Man-made disasters are such disasters whose direct and principal causes are identifiable human actions, deliberate or otherwise. On the other hand, the direct and principal causes for natural disasters are the forces of nature.
5.	**Disaster Mitigation**	It includes policies and actions undertaken at a time distant from (i.e., much before the occurrence of) an actual disaster situation, in order to prevent or reduce the impact of the disaster.
5.1.	**Structural Measures**	Examples of such measures are the construction of cyclone shelters and food shelters for evacuation of people during cyclones and floods, construction of coastal embankments to protect coastal land from inundation by tidal waves and storm-surges, construction of drainage channels, construction of water harvesting structures, etc.
5.2.	**Non-structural Measures**	Examples of such measures are putting in place a mechanism for proper coordination between all the agencies involved (e.g., the State Administration, various Government Organisations,

Sl.No.	Terms	Definition
		Non-Governmental Organisations, Community groups at the local level, etc.) during all phases of the management of a disaster; steps for training and public awareness; formation of local contingency action plans; relevant legislation and policy making; etc.
6.	**Disaster Preparedness**	It includes the steps and measures that should be undertaken in the immediate time period before the occurrence of a disaster in a particular locality, i.e., when the probability of a disaster in the locality in the immediate future is very high. Examples of disaster preparedness measures would be the issuance of warnings, evacuation of people to safer areas, etc.
7.	**Disaster Response**	It can broadly refer to the rescue and relief measures undertaken in the affected area after a disaster has struck. Such measures are intended to cope with the consequences of a disaster by organizing timely and effective rescue operations, provision of relief and appropriate post-disaster assistance to the affected people.
8.	**Disaster Management**	It comprises all aspects of pre-disaster and post-disaster activities. Thus, it covers the policy-making/planning process relating to disasters, actions which are required to be taken in the immediate time period before a disaster strikes, as also the response of the state and the affected community to the occurrence and consequences of a disaster.
9.	**Drought**	Drought is generally considered to be occurring when the principal monsoon, i.e. South-West Monsoon for those parts which are dependent on South-West Monsoon and North-East Monsoon for areas dependent on North-East Monsoon, fail or are deficient or scanty. Monsoon failure results in crop failure, shortage of drinking water as well as undue hardship to the rural and urban community. There is no provision for declaration of drought by Government of India. Drought is declared for each State or part of the State by the State Governments under the Relief Manuals or similar documents of the State Governments.
10.	**Flood**	Flood is the temporary overflow of water from a water body to the floodplain not normally covered by water. According to water bodies, the floods are classified as river floods, lake floods, reservoir floods, on seacoast floods, floods in mines, etc. Floods cause large-scale loss of property, lives, crops, and disrupt land-to-land communication.

Sl.No.	Terms	Definition
11.	**Earthquake**	Shaking and vibration at the surface of the earth resulting from underground movement along a fault plane or from volcanic activity. Earthquakes are considered to be one of the worst natural hazards which often turn into disaster causing widespread destruction and loss to human lives.
12.	**Cyclone**	A cyclone is an area of low pressure around which the winds flow counterclockwise in the Northern Hemisphere and clockwise in the Southern Hemisphere. The cyclone is accompanied by powerful thunderstorms. Most damage from cyclones is caused by the strong winds, torrential rain and high storm tides. Floods generated by cyclonic rainfall are more destructive than the winds.
13.	**Hailstorm**	A violent weather condition with high speed winds accompanied by precipitation and thunder and lightening
14.	**Heat Wave**	A period of exceptionally hot weather, often with high humidity, during the summer is called a heat wave.
15.	**Cold Wave**	It is characterized by a persistent and widespread condition of unusually cold weather.
16.	**Landslide**	A landslide is the rapid sliding of large masses of bedrocks. Whenever mountain slopes are steep there is a possibility of large disastrous landslide. Earthquakes or sudden rock failures trigger landslides.
17.	**Finance Commission**	Finance Commission is constituted to define financial relations between the Centre and the States. Under the provision of Article 280 of the constitution, the President appoints a Finance Commission for the specific purpose of devolution of non-plan revenue resources. The functions of the Commission are to make recommendations to the President in respect of: 1). The distribution of net proceeds of taxes to be shared between the Union and the States and the allocation of share of such proceeds among the States. 2). The principles which should govern the payment of grants-in-aid by the Centre to the States. 3). Any other matter concerning financial relations between the Centre and the States.
18.	**Margin Money**	The Second Finance Commission(SFC), while estimating the States' committed expenditure (for the five years of its recommendation period of 1955-56 to 1959-60), included in their annual revenue a margin for enabling the States to set apart sizeable sums of money for accumulation in a fund for meeting expenditure necessitated by natural calamities. The annual amount as recommended by the SFC, based roughly on the average expenditure over the previous decade, was Rs. 6.15

Sl.No.	Terms	Definition
		crore for all the 14 States at that time. This scheme was later called as the 'Margin Money Scheme'. State Governments had to set up separate funds and transfer the amounts calculated for each of them to such funds annually.
19.	**Calamity Relief Fund (CRF)**	CRF is a Centrally Sponsored Scheme for financing of immediate relief expenditure incurred by the States in the wake of a natural calamity. A CRF is constituted for each State, and receives contributions from the Centre and the respective State Government in the ratio of 75:25. States' relief expenditure in case of only six natural calamities, viz. drought, flood, cyclone, earthquake, fire and hailstorm, are eligible for getting financed by this scheme.
20.	**NFCR**	The Tenth Finance Commission proposed that in addition to the CRFs for States, a National Fund for Calamity Relief should be created to which the Centre and the States will subscribe, which will be managed by a National Calamity Relief Committee on which both the Centre and the States would be represented. This fund would be dealing with calamities of rare severity and would be managed at the national level by a sub-committee of the National Development Council.
21.	**NCCF**	Another scheme interlinked with CRF is the National Calamity Contingency Fund (NCCF). Union Government set up NCCF on recommendations of the Eleventh Finance Commission, replacing National Fund for Calamity Relief (NFCR), which existed for five years form 1995-96 till 1999-2000. The NCCF, like its predecessor NFCR, is a Central Government fund maintained for providing additional financial assistance, to any State Government for incurring expenditure on relief, in excess of the Centre's contribution to the CRF of that State. Such assistance is considered by the Central Government only when the natural calamity is of rare severity.

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APPENDIX 1

Revised Scheme for Constitution and Administration of the Calamity Relief Fund and Investments therefrom

Title of the Scheme

1. The scheme shall be called 'Calamity Relief Fund Scheme'.

Period of Operation

2. It shall come into force with effect from the financial year 2000-01 and will be operative till the end of the financial year 2004-05.

Calamities covered under the Scheme.

3. The CRF should be used for meeting the expenditure for providing immediate relief to the victims of cyclone, drought, earthquake, fire, flood and hailstorm.

Constitution of Calamity Relief Fund

4. A 'Calamity Relief Fund' (hereinafter referred to as 'the Fund') will be constituted by each State (if not already constituted) for the purpose of financing natural calamity relief assistance. The Fund would be constituted in the Public Account and classified under the head "8235-General and Other Reserve Funds-111 Calamity Relief Fund" in the accounts of the Government concerned. However, if for some reason it is not possible to invest the fund in a manner prescribed in para 9 of the scheme, it should be classified under the head "8121- General and Other Reserve Funds" in the interest bearing section of the Public Account, under a distinct minor head.

Contributions to the Fund

5.1. The amount of annual contribution to the Calamity Relief Fund of each State for each of the financial years 2000-01 to 2004-05 would be as indicated in Annexure-I to this scheme. Of the total contribution indicated, Government of India will contribute 75% of the total yearly allocation in the form of a non-plan grant and the balance amount will be contributed by the State Government concerned. The yearly share of the Government of India and the State Governments are shown in the Annexures-II and III respectively. In respect of successor States of Bihar, Jharkhand, Madhya Pradesh, Chhattisgarh, Uttar Pradesh, and Uttaranchal the information is as shown in Annexure-IV.

5.2. The share of the Government of India to the Fund shall be paid to the State Government as Grants-in-aid and accounted in the Government of India accounts under the head '3601-Grants-in-aid to State Governments-01 Non-plan grants-109 Grants towards contribution to Calamity Relief Fund". The State Governments shall take these as receipts in their budget and account under the head "1601- Grants-in-aid from Central Government-01 Non- plan Grant-109 Grants towards contribution to Calamity Relief Fund".

5.3. In order to enable transfer of the total amount of contribution, to the Fund (including the State's share of contribution), the State Governments would make suitable Budget provision on the expenditure side of their budget under the head "2245-Relief on Account of Natural Calamities-05 Calamity Relief Fund -101 Transfer to Reserve Fund and Deposit Accounts-Calamity Relief Fund".

5.4. The share of the Central Government shall be remitted to the State Government in two installments on 1st May, and 1st November in each financial year. Likewise, the State Governments shall also transfer the total contribution (including State's share) to the Fund in two installments in May and November of the same year.

The arrears of first installment for the financial year 2000-01 will be paid /transferred by the Governments concerned immediately. Wherever the contribution has already been released/ transferred by the Central/State Government, suitable accounting adjustments may be carried out in accordance with the provisions of this scheme.

Release of Central Contribution to the Fund

6. The share of the Government of India to the Fund due in a year shall be released to the State Governments subject to the following conditions:

   (i) A 'Calamity Relief Fund' has been duly constituted by the State Government in the manner prescribed in para 4 above. The creation of the Fund duly certified by the Accountant General(A&E) of the State be furnished by the State Government to the Ministry of Finance.

   (ii) Before an instalment is released, the State Government shall furnish a certificate to the Ministry of Finance indicating that the amount received earlier has been credited to the Fund along with the State's share of contribution , accompanied by a statement giving the up-to-date expenditure and the balance amount available in the CRF. This statement itself shall be treated as utilisation certificate.

   (iii) Centre's contribution due on 1st November, shall be released only after the 'Annual Report on Natural Calamities' as indicated in para 11.2 of the scheme is received by the **Ministry of Home Affairs** who in turn will communicate the same to Ministry of Finance.

   (iv) The release of both the instalments shall be made by Ministry of Finance subject to the above conditions being satisfied unless advised by **Ministry of Home Affairs** for withholding of release to any State.

   (v) The State shall be able to draw 25% of the funds due to the State in the following year from the Centre to be adjusted against the dues of the subsequent year.

Relationship of Fund with General Revenues/ Public Account

7. The periodic contributions to the Fund as well as the other income of the Fund shall be kept outside the Public Accounts of the States and invested in the manner prescribed in the scheme. However if for some reason it is not possible to invest in the manner prescribed in the scheme, it should be kept in the Public Account on which the State government should pay interest to the Fund at one and half times the rate applicable to overdrafts under Overdraft Regulation Scheme of the RBI. The interest will be credited on a half yearly basis.

State Level Committee

8.1. A State-level Committee (hereinafter referred to as 'the Committee') shall be constituted by the State Government to administer the Fund, by issue of a suitable notification in this behalf.

Composition of State Level Committees

8.2. The Chief Secretary of the State shall be the ex-officio Chairman of the Committee. The Committee would consist of officials who are normally connected with relief work and experts in various fields in the State affected by natural calamities. The Committee will be nominated by the State Government.

Sub-Committee

8.3. **The State Governments and/or the State level Committees may constitute sub-committees as may be considered necessary by them in connection with the work of the Committee.**

Functions of the State Level Committee

8.4. The Committee will decide on all matters connected with the financing of the relief expenditure.

8.5. The Committee will arrange to obtain the contributions from the concerned Governments, administer the Fund and invest the accretions to the Fund as per the norms approved by the Government of India from time to time. The norms of investment are indicated in para 9.3.

8.6. The Committee shall also be responsible to ensure that the money drawn from the Calamity Relief Fund is applied for the purposes for which the Fund has been set up and only on items of expenditure and as per norms contained in the guidelines issued by Ministry of Home Affairs.

8.7. The accretions to the Fund together with the income earned on the investments of the Fund will be used by the Committee to meet items of expenditure covered by the norms contained in the guidelines issued by the **Ministry of Home Affairs.** No further financial assistance (beyond the Central Government's yearly contribution to the Fund) will ordinarily be available for the purpose.

Expenditure of Committee

8.8. All administrative and miscellaneous expenses of the Committee shall be borne by the State Government under its normal budgetary provisions and not from the CRF.

Administration of the Fund

9.1. As stated in paragraph 8.1 above, the responsibility for the administration of the Fund will rest with the Committee.

9.2. On receipt of the amounts of contributions from the Government, the Committee would take action for investment of the funds as per the prescribed norms. The investment of the funds shall be carried out by the branch of the Reserve Bank of India (having Banking Department) at headquarters of the State. In the case of States in which there is no such branch of the Reserve Bank of India at the State headquarters, the investments shall be carried out by the bank designated by RBI. In the case of Government of Jammu & Kashmir and Sikkim these functions shall be carried out by their bankers.

Pattern of Investment from the Fund

9.3. The accretions to the Fund together with the income earned on the investment of the Fund shall, till contrary instructions are issued by Government of India under para 8.5, be invested in one or more of the following instruments:

(a) Central Government dated Securities

(b) Auctioned Treasury Bills

(c) Interest earning deposits and certificates of deposits with Scheduled Commercial Banks;

(d) Interest earning deposits in Co-operative Banks;

Account of Investment Transactions

9.4. The committee will, from time to time, issue instructions to the concerned local bankers indicated in para 9.2 above to invest specified amount(s) from the Fund in the securities specified in clauses (a) to (d) under paragraph 9.3. Such instructions will be issued by the Chairman and any one of the members of the Committee. The banks will immediately arrange to make the necessary investment locally or through their branches/correspondent banks/RBI at Bombay or other metropolitan centres. The banks would scroll to the Government the debit on account of the investment and other incidental charges like brokerage, commission etc. in the usual course. However, in order to ensure that the investment transactions of the Fund do not get mixed up with other transactions these may be indicated distinctly in separate scrolls.

On receipt of the scrolls the investment transactions would be accounted for under the head "8235-General and Other Reserve Fund-112 Calamity Relief Fund Investment Account." However, the incidental charges like brokerage, commission etc. shall be accounted for as a charge on the Fund.

9.5. As far as practicable, the investment in the dated securities of the Central Government should be made in their new issues, that is to say, at the time when they are offered for subscription to the public.

9.6. The bank will arrange to collect interest on these securities/bonds and credit the same to the account of the Government on the due date. These receipts shall form a part of the receipts of the Fund and would be accounted for as such. Further, these would require to be invested by the Committee as in the case of the contributions by the Government i.e. in accordance with the investment norms prescribed in para 9.3 above. On maturity of the securities, the proceeds will be collected and credited to the account of the Government or reinvested on the basis of instructions received from the Committee. As in the case of the debit scrolls the banks shall use separate scrolls for the receipts.

9.7. On receipt of instructions from the Committee, the concerned bank will arrange to sell the securities at the ruling price through its branches/correspondent banks/RBI at Bombay or any other metropolitan Centre and credit the amount realised, less incidental charges, to the account of the Government.

9.8. The receipts on account of maturity or sale of the securities would be taken to the account of the "Calamity Relief Fund Investment Account". The incidental charges on sale would be charged on the Fund.

9.9. The auctioned Treasury Bills may be purchased by the bank either at the Treasury Bill auctions on the basis of a non-competitive bid or in the market.

9.10. The Committee will assess the requirements of assistance from the Fund for financing relief expenditure. The provision for expenditure on relief will be made in the budget of the State Government under the relevant heads. The extent of relief expenditure to be financed from the Fund as decided/ authorised shall be withdrawn from the Fund by the Committee after disposal of the investment holdings in the manner prescribed in para 9.11 and credited to the CRF Investment Account. However, only the actual amount of relief expenditure shall be brought to account under the head " 2245- Relief on account of Natural Calamities- 05 Calamity Relief Fund- 901 Deduct amount met from Calamity Relief Fund", which will appear as a recovery below the line in the Demands for Grants of the State Government

9.11. To meet liability on account of the claims sanctioned for relief, the Committee will first dispose of its holdings of auctioned Treasury Bills to the extent required, the oldest lot of bills being sold first and so on. If the amount obtained by the sale of auctioned Treasury Bills is not sufficient to meet the liability towards relief sanctioned, the Committee may encash the deposits with the local branches of the scheduled commercial banks and the co-operative banks. The Central Government dated securities may be sold only if the amount realised by the sale of treasury bills and encashment of the deposits is not adequate.

9.12. The concerned State Government will pay to the RBI/SBI/ other banks a commission at the rate determined by RBI in consultation with the concerned State Government. These charges shall also be borne by the Fund as in the case of the charges indicated in paras 9.4 and 9.8. The loss or gain on the sale of securities shall also be taken to the account of the Fund.

Items and Norms of Expenditure

10.1. The expenditure on restoration of damaged capital works should ordinarily be met from the normal budgetary heads, except when it is to be incurred as part of providing immediate relief such as restoration of drinking water sources or provision of shelters etc. or restoration of communication links for facilitating relief operations. A Committee of experts and representatives of States set up by the **Ministry of Home Affairs** shall review the list of items of expenditure which alone will be chargeable to the Fund. A State-specific list shall also be finalised in consultation with the representatives of the concerned State Government after taking into consideration the State specific needs and practices.

10.2. The norms for the amounts to be incurred on each approved item of expenditure shall be prescribed by the State level Committees. The norms so fixed shall be communicated to the **Ministry of Home Affairs** which may modify them only when they are significantly high. In case any State Government exceeds the amount prescribed the excess expenditure should be borne from the normal budget of the State Government and not from CRF.

10.3. Expenditure on training of the core multidisciplinary group created in the State as per the guidelines of the **Ministry of Home Affairs,** shall be met from CRF.

Monitoring by the Ministry of Home Affairs

11.1. The **Ministry of Home Affairs** will be nodal Ministry for overseeing the operation of CRF. They shall monitor the scheme of CRF and may advise State Level Committee from time to time in this regard to ensure proper functioning of the scheme. Further, **Ministry of Home Affairs** shall recommend for adjustment/ withholding of release of any installment to the States in the event of any deficiency/shortcoming in the implementation of the scheme by the States.

11.2. The State Governments shall furnish every year an Annual Report on Natural Calamities in the format prescribed by **Ministry of Home Affairs**. This report shall be sent by every State Government to the **Ministry of Home Affairs** positively by 30th September, every year, even if the report is nil.

11.3. The National Centre for Calamity Management(NCCM) to be established by the **Ministry of Home Affairs** shall, inter-alia, undertake evaluation of the expenditure incurred out of CRF.

Unspent Balance In the Fund

12. The unspent Balance in the Fund as at the end of the Financial year 2000-05 will be available to the State Government for being used as a resource for the next plan.

Accounts

13. The Accounts of the Fund and the investment shall be maintained by the Accountant General incharge of accounts of the State in the normal course. The Committee will, however, maintain subsidiary accounts in such manner & details as may be considered necessary by the State Government in consultation with the Accountant General.

Savings

14. The Central Government shall issue instructions relating to the provisions of the scheme as may be considered from time to time to enable smooth functioning of the scheme. The Central Government may also alter/modify the scheme if considered necessary subsequently. In case of any difficulty in the operation of any provision of this scheme, the Central Government, if satisfied, may relax the provisions.

APPENDIX 2

Revised Scheme for Constitution and Administration of National Calamity Contingency Fund (NCCF) via Letter No. 43(1)PF.I/2000

Title of the Scheme

1. The Scheme shall be called 'National Calamity Contingency Fund (NCCF) Scheme.

Period of operation

2. It shall come into force with effect from the financial year 2000-01 and will be operative till the end of the financial year 2004-05.

Calamities covered under the Scheme

3. Natural calamities of cyclone, drought, earthquake, fire, flood and hailstorm, considered to be of severe nature requiring expenditure by the State Government in excess of the balances available in its own Calamity Relief Fund by the National Centre for Calamity Management (NCCM) will qualify for relief assistance under the Scheme.

Constitution of National Calamity Contingency Fund

4. A 'National Calamity Contingency Fund (hereinafter referred to as 'the National Fund') will be constituted by the Govt. of India for the purpose of dealing with the above mentioned calamities of severe nature. The National Fund would be classified in the Public Account of the Govt. of India under the major head 8235- 'General and other Reserve Funds' in the sub-section 'Reserve Funds not bearing interest'.

Contribution to the National Fund

5.1. The initial corpus of the National Fund shall be Rs.500 crore to be provided by the Government of India.

5.2. Transfers to National Fund will be made under the minor head- 797- Transfer to the 'Reserve Funds and Deposit Account' –Transfer to National Calamity Contingency Fund under the major head '2245- Relief on account of natural calamities-80-General.

5.3. An amount of Rs.500 crore being initial corpus shall be transferred to the National Fund under a new minor head 'National Calamity Contingency Fund' under major head 8235-General and other Reserve Funds by per contra debit to major head '2245'.

5.4. The debits to the major head '2245' for transfer of initial corpus as well as subsequent accretions by levy of surcharge shall be covered by budget provision to be made in the Grant "Transfers to State and UT Governments"(under Non-Plan).

National Centre for Calamity Management

6.1. A National Centre for Calamity Management (NCCM) (hereinafter referred to as 'the National Centre') shall be constituted by the **Ministry of Home Affairs**. The Centre will monitor the occurrences of natural calamities relating to cyclone, drought, earthquake, fire, flood and hailstorm on a regular basis and assess their impact on area and population.

The Centre will also assess whether the State will be in a position to provide relief in a specific case of calamity of severe nature from the CRF and its own resources. It shall then make a recommendation to the Central Government (**Ministry of Home Affairs in respect of natural**

calamities of cyclone, earthquake, fire, flood, hailstorm and Ministry of Agriculture in respect of drought.) on its own on the following :

(i) Whether the calamity is of a severe nature and, therefore, eligible for assistance from the Central Government and other State Governments;

(ii) How much of the expenditure on immediate relief and rehabilitation should be met from the National Fund and how much from the State's Calamity Relief Fund.

6.2 The **Ministry of Home Affairs** shall oversee that the money drawn from the National Fund is applied by the State Governments for the purpose for which the National Fund has been set up.

6.3 All administrative and miscellaneous expenses of the National Centre shall be borne by the **Ministry of Home Affairs** under its normal budgetary provisions.

Release of assistance from the National Fund

7.1 The recommendations of the NCCM for release of assistance to States shall be considered by High Level Committee on Calamity Relief to be constituted by the **Ministry of Home Affairs**. The said Committee shall decide the manner and extent of assistance required to be provided to the States. Pending the constitution of the High Level Committee and NCCM, an interim committee consisting of **Deputy Prime Minister/Home Minister, Agriculture Minister, Finance Minister and Deputy Chairman, Planning Commission** shall assume the role of the High Level Committee in deciding the manner and extent of assistance required to be provided to the States. T**he High Level Committee will be serviced by the Disaster Management Division of Ministry of Home Affairs.** The assistance from NCCF will be only for immediate relief and rehabilitation. Any reconstruction of assets or restoration of damage should be financed through re-allocation of Plan funds.

7.2 The releases to the State Governments shall be made as per the decision of the High Level Committee on Calamity Relief .

7.3 Suitable budget provision for release of assistance to States from National Calamity Contingency Fund shall be made under the head '2245 – Relief on account of Natural Calamities-80- General –Assistance to States from National Calamity Contingency Fund (a new minor head to be opened for this purpose)' with an equivalent amount shown as recovered from the Fund , maintained in the Public Account, below the head '2245-Relief on account of Natural Calamities-80-General-Transfer from Reserve Funds and Deposit Accounts- National Calamity Contingency Fund' thereunder.

7.4 On receipt of assistance from the National Fund, the State Government shall treat them as receipts along with the receipts of Central/State shares of Calamity Relief Fund under the major head "1601" - Grants-in- aid from Central Govt. -01 Non-Plan Grants- Grants from National Calamity Contingency Fund (new minor head). In order to enable transfer of the amount received as assistance from NCCF, the State Government would make suitable budget provision on the expenditure side of their budget under the relevant minor heads under the major head "2245-Relief on Account of Natural Calamities". The State's CRF account should distinctly show the receipt of assistance from NCCF apart from the remaining four sources of receipts into the fund; namely (i) Centre's share of Calamity Relief Fund (ii) State's share of Calamity Relief Fund (iii) Return on investments and (iv) redemption of investments.

7.5 The Pay and Accounts Office, Ministry of Finance(DEA) on the basis of the sanction orders issued by the Ministry of Finance shall release payments to the State Governments. The detailed account of the Fund shall be maintained by the Controller General of Accounts through the Chief Controller of Accounts, Ministry of Finance.

Functions of the State Level Committee

8. The State Level Committee constituted by the State Govt. to administer the Calamity Relief Fund shall be responsible to ensure that expenditure incurred out of the funds received under the NCCF is as per the items and norms of expenditure as decided for in respect of the Calamity Relief Fund.

Special Surcharge on the Central Taxes

9. Any assistance provided by the Centre to the States from the National Fund shall be financed by levy of a special surcharge on the Central taxes for a limited period. Collection from such surcharge shall be initially credited to the Consolidated Fund and thereafter transferred to the National Fund. Any drawal from the Fund for providing assistance to States shall be accompanied by imposition of the special surcharge so that it is immediately recouped.

Monitoring

10. **The Ministry of Home Affairs** shall monitor the scheme of NCCF.

Unspent balances in the National Fund

11. The unspent balance in the National Fund at the end of the financial year 2004-05 will be available to the Central Government for being used as a resource for the next Plan.

Accounts & Audit

12. The accounts of the National Fund shall be maintained by the Chief Controller of Accounts, Ministry of Finance. The Controller General of Accounts (CGA) may prescribe detailed accounting procedure for the purpose as required. The Ministry of Finance will, however, maintain subsidiary accounts in such manner and detail as may be considered necessary by the Central Government (Controller General of Accounts) in consultation with the Comptroller and Auditor General of India. The accounts of the National Fund shall be audited annually by Comptroller & Auditor General.

Savings

13. The Central Government may issue instructions relating to the provisions of the scheme as may be considered necessary from time to time to enable smooth functioning of the scheme. The Central Government may also alter/ modify the scheme if considered necessary subsequently. In case of any difficulty in the operation of any provision of this scheme, the Central Government, if satisfied, may relax the provisions.

APPENDIX 3

Review and finalisation of the list of Items and Norms of expenditure to be followed by the States for incurring expenditure from the Calamity Relief Fund (CRF) and the National Calamity Contingency Fund (NCCF) for the period between 2000-2005.

The Eleventh Finance Commission (EFC) has given its recommendations on financing of relief expenditure on natural calamities for the period 2000-2005 which were accepted by the Government of India. In accordance with the said recommendations, a Committee of Experts was set up in the Ministry of Agriculture, Department of Agriculture & Cooperation under the Chairmanshipof the Central Relief Commissioner, Department of Agriculture & Cooperation on 1.11.2000 to review and finalise the list of items and norms of expenditure to be followed for incurring expenditure from CRF/NCCF for the period between 2000-2005.The Committee held discussions on this matter with Governments and Ministries/Departments of the Central Government.

The recommendations of the Committee have been accepted by the Government and accordingly the finalised list of items and norms of expenditure for assistance chargeable to CRF/NCCF in the wake of natural calamities is Annexed. The State Governments are requested to kindly ensure that the expenditure from CRF/NCCF is incurred as per these approved items/norms only.

Further, pending setting up of the National Centre for Calamity Management (NCCM), the earlier procedure of deputing Central teams for assessment of the situation and consideration of the reports of the central teams by the Inter-Ministerial Group (IMG) will continue to be followed for making recommendations to the High Level Committee in case of assistance from the NCCF. A copy of this communication along with its enclosures is also being sent to the Accountants General of the States for necessary action.

REVISED LIST OF ITEMS AND NORMS OF EXPENDITURE FOR ASSISTANCE FROM CALAMITY RELIEF FUND(CRF) AND NATIONAL CALAMITY CONTINGENCY FUND(NCCF) FOR THE PERIOD 2000-2005

S.No.		ITEMS	Norms of expenditure for assistance from CRF and NCCF
1.		Gratuitous Relief	
	(a)	Ex-Gratia payment to families of deceased persons	Rs.50,000/- per deceased.
	(b)	Ex-Gratia payment for loss of a limb or eyes.	Rs.25,000/- per person. (The Gratuitous relief for loss of limb etc. should be extended only when the disability is more than 40% and certified by a Govt. doctor or panel doctors from approved by the Govt.)
	(c)	Grievous injury requiring hospitalisationfor more than a week.	Rs.5,000/- per person
	(d)	Relief for the old, infirm and destitute, children.	Rs.20/- per adult, Rs.10/- per child, per day
	(e)	Clothing and utensils for families whose house have been washed away	Rs.500/- for clothing and Rs.500/- for utensils -per family
2.		Supplementary Nutrition.	Rs.1.05 per day per head as per ICDS norms

S.No.	ITEMS	Norms of expenditure for assistance from CRF and NCCF
3.	Assistance to small and marginal farmers for -	
	(a) Desilting etc.	
	(b) Removal of debris in hill areas, and (c) Desilting/Restoration/ Repair of fish farms	25% and 33-1/3% to small farmers and marginal farmers respectively on the basis of NABARD pattern subject to ceiling of Rs.5,000/- per hectare.
	(d) Agriculture input subsidy where crop loss was 50% and above.	
	(I) For agriculture crops, horticulture crops and annual plantation crops	—Rainfed areas Rs.1000/- per hectare —Rs.2500/- per hectare in area with assured irrigation
	(II) Perennial crops	Rs. 4,000 per hectare
	(e) Loss of substantial portion of land caused by landslide, avalanche, change of course of rivers.	Rs.10,000/- per hectare
4.	Employment Generation(Only to meet additional requirements after taking into account, funds available under Plan Schemes viz., JRY, IJRY, EAS, etc.)	As per Jawahar Gram Samridhi Yojana norms.
5.	Animal Husbandry Assistance to small and marginal farmers/agricultural labourers	
	(a) For replacement of draught animals, milch animals or animals for haulage or for livelihood	As per pattern of subsidy under Swarnjayanti Gram Swarozgar Yojana for small and marginal farmers.
	(b) For provision of fodder/fodder concentrate	Large animals — Rs.12.00 per day , Small animals — Rs.6.00 per day
	(c) Procurement, storage and movement of fodder	To be assessed by NCCM
	(d) Movement of useful cattle to other areas	To be assessed by the NCCM forNCCF/ by State level Committee for CRF
6.	Assistance to Fishermen	
	(a) For repair/replacement of boats, nets and damaged or lost — Boat — Dugout-Canoe — Catamaran — Nets	Subsidy will be provided other equipments subject to ceilings on subsidy per family as per SGSY pattern. The cost of boats will also be determined with reference to approved cost under SGSY
	(b) Input subsidy for fish seed farm	Rs.2,000/- per hectare
7.	Assistance to artisans in handicrafts sector by way of subsidy for repair/ replacement of damaged equipments.	
	(a) Traditional Crafts	
	(i) For damaged equipments	Rs.1,000/- per person
	(ii) For raw material	Rs.1,000/- per person
	(b) For Handloom Weavers	
	(i) Repairs/ replacement of loom equipments and accessories	Rs.1,000/- per loom
	(ii) Purchase of yarn and other materials	Rs.1,000/- per loom

S.No.	ITEMS	Norms of expenditure for assistance from CRF and NCCF
8.	Assistance for repair/ restoration of damaged houses	
	(a) Fully damaged houses	
	(i) Pucca house	Rs.10,000/- per house
	(ii) Kuchha House	Rs. 6,000/- per house
	(b) Severely damaged houses	
	(i) Pucca House	Rs.2,000/- per house
	(ii) Kuchha House	Rs.1,200/- per house
	(c) Marginally Damaged Houses	Rs. 800/- per house
9.	Emergency supply of drinking water including transportation of drinking water in urban areas	To be assessed by NCCM. Team for NCCF /by state level committee for CRF.
10.	Provision of medicines, disinfectants, insecticides for prevention of outbreak of epidemics	— do —
11.	Medical care for cattle and poultry against epidemics.	— do —
12.	Evacuation of people affected/ likely to be affected	— do —
13.	Hiring of boats for carrying immediate relief & saving life	— do—
14.	Provision for temporary accommodation, food, clothing, medical care etc. of people affected/ evacuated	— do —
15.	Air dropping of essential supplies	— do —
16.	Repair/restoration of immediate nature of the damaged infrastructure relating to communication, power, public health, drinking water supply, primary education and community owned assets in the social sector.	—do—
17.	Replacement of damaged medical equipments and lost medicines of Govt. hospitals/health centres	— do —
18.	Operational cost (Of POL only) for Ambulance Service, Mobile Medical Teams and temporary dispensaries.	— do —
19.	Cost of clearance of debris	— do —
20.	Draining off flood water in affected areas	— do —
21.	Cost of search and rescue measures	— do —
22.	Disposal of dead bodies/carcasses	— do —
23.	Training to core multidisciplinary groups of the State Officers drawn from different cadres-expenditure to be met from CRF	

*NCCM- National Centre for Calamity Management

NCCF - National Calamity Contingency Fund

POL - Petrol, Oil and Lubricants

Proforma to monitor the expenditure incurred by the States from the Calamity Relief Fund (CRF)/ National Calamity Contingency Fund (NCCF).

S. N.	Heads	State	Quarter Ending	Rs in Lakh	Code No.	ITEMS	Calamity	Total
1.	**Gratuitous Relief**							
	(a) Ex-Gratia payment to families of deceased persons							
	(b) Ex-Gratia payment for loss of a limb or eyes.							
	(c) Grievous injury requiring hospitalization for more than a week							
	(d) Relief for the old, infirm and destitute, children.							
	(e) Clothing and utensils for families whose house have been washed away							
2.	**Supplementary Nutrition.**							
3.	**Assistance to small and marginal farmers for** -							
	(a) Desilting etc.							
	(b) Removal of debris in hill areas, and							
	(c) Desilting/ Restoration/ Repair of fish farms							
	(d) Agriculture input subsidy where crop loss was 50% and above.							
	(i) For agriculture crops, horticulture crops and annual plantation crops							
	(ii) Perennial crops							
	(e) Loss of substantial portion of land caused by landslide, avalanche, change of course of rivers.							
4.	Employment Generation (Only to meet additional requirements after taking into account, funds available under Plan Schemes viz., JRY, IJRY, EAS, etc.)							
5.	Animal Husbandry Assistance to small and marginal farmers/ agricultural labourers							
	(a) For replacement of draught animals, milch animals or animals for haulage or for livelihood							
	(b) For provision of fodder/fodder concentrate							
	(c) Procurement, storage and movement of fodder							
	(d) Movement of useful cattle to other areas							
6.	Assistance to Fishermen							
	(a) For repair/ replacement of boats, nets and damaged or lost							
	— Boat							
	— Dugout - Canoe							
	— Catamaran							
	— Nets							
	(b) Input subsidy for fish seed farm							
7.	Assistance to artisans in handicrafts sector by way of subsidy for repair/ replacement of damaged equipments.							

S. N.	Heads	State	Quarter Ending	Rs in Lakh	Code No.	ITEMS	Calamity	Total
	(a) Traditional Crafts							
	(i) For damaged equipments							
	(ii) For raw material							
	(b) For Handloom Weavers							
	(i) Repairs/ replacement of loom equipments and accessories							
	(ii) Purchase of yarn and other materials							
8.	Assistance for repair/ restoration of damaged houses							
	(a) Fully damaged houses							
	(i) Pucca house							
	(ii) Kuchha House							
	(b) Severely damaged houses							
	(i) Pucca House							
	(ii) Kuchha House							
	(iii) Marginally Damaged Houses							
9.	**(a)** Emergency supply of drinking water in Rural areas							
	(b) Transportation of drinking water in urban areas							
10.	Provision of medicines, disinfectants, insecticides for prevention of outbreak of epidemics							
11.	Medical care for cattle and poultry against epidemics.							
12.	Evacuation of people affected/ likely to be affected							
13.	Hiring of boats for carrying immediate relief & saving life							
14.	Provision for temporary accommodation, food, clothing, medical care etc. of people affected/ evacuated							
15.	Air dropping of essential supplies							
16.	Repair/restoration of immediate nature of the damaged infrastructure relating to communication, power, public health, drinking water supply, primary education and community owned assets in the social sector.							
17.	Replacement of damaged medical equipments and lost medicines of Govt. hospitals/ health centres							
18.	Operational cost (of POL only) for Ambulance Service, Mobile Medical Teams and temporary dispensaries.							
19.	Cost of clearance of debris							
20.	Draining off flood water in affected areas							
21.	Cost of search and rescue measures							
22.	Disposal of dead bodies/ carcasses							
23.	Training of Search & Rescue Teams, core multidisciplinary groups of the State Officers drawn from different cadres-expenditure to be met from CRF							
24	Procurement of essential Search, Rescue and evacuation equipments including communication equipments subject to ceiling of 10% of the CRF allocation of the year.							
	Grand Total							

APPENDIX 4

List of approved amendments incorporated in the Revised list of Items and Norms of expenditure eligible for incurring expenditure from CRF/NCCF

NEW ITEMS

Sl.No.3(d)III Assistance to sericulture farmers:	Rs.2000/- per hectare for muga Rs.1500/- per hectare for Eri and Mulbery
Sl.No.24 Procurement of essential search, rescue and evacuation equipments including communication equipments subject to a ceiling of 10% of the CRF allocation of the year	To be assessed by the State level Committee for CRF
Sl.No.25 Installation of public utility 4 digit code telephone (calls not metered) :	Expenditure to be met from CRF.

AMENDMENTS TO THE EXISTING ITEMS

Sl.No.1(c)

Existing

Clothing and utensils for families whose houses have been washed away.

Proposed

Clothing and utensils for families whose houses have been washed away/fully destroyed due to a natural calamity.

Sl.No.4

Existing

Employment generation as per Jawahar Gram Samridhi Yojana (JGSY) norms.

Proposed

Employment generation as per Sampoorna Gramin Rojgar Yojana (SGRY) norms

Sl.No.9

Existing

Emergency supply of drinking water including transportation of drinking water in urban areas

Proposed

Emergency supply of drinking water in rural areas and transportation of drinking water in urban areas

Sl.No.23

Existing

Training to core multi disciplinary groups of the State Officers drawn from different cadres – Expenditure to be met from CRF.

Proposed

Training to specialist multi disciplinary groups/teams of the State personnel drawn from different cadres/services: — Expenditure to be met from CRF.

REVISED LIST OF ITEMS AND NORMS OF EXPENDITURE FOR ASSISTANCE FROM CALAMITY RELIEF FUND (CRF) AND NATIONAL CALAMITY CONTINGENCY FUND (NCCF) FOR THE PERIOD 2000-2005 (MHA letter No.32-3/2003-NDM.I Dated the April 23, 2003)

S.No.	ITEMS	Norms of expenditure for assistance from CRF and NCCF
1.	Gratuitous Relief	
	(a) Ex-Gratia payment to families of deceased persons	Rs.50,000/- per deceased.
	(b) Ex-Gratia payment for loss of a limb or eyes.	Rs.25,000/- per person. (The Gratuitous relief for loss of limb etc. should be extended only when the disability is more than 40% and certified by a Govt. doctor or panel doctors from approved by the Govt.)
	(c) Grievous injury requiring hospitalisationfor more than a week.	Rs.5,000/- per person
	(d) Relief for the old, infirm and destitute, children.	Rs.20/- per adult, Rs.10/- per child, per day
	(e) Clothing and utensils for families whose houses have been washed away/fully destroyed due to a natural calamity.	Rs.500/- for clothing and Rs.500/- for utensils -per family
2.	Supplementary Nutrition.	Rs.1.05 per day per head as per ICDS norms
3.	Assistance to small and marginal farmers for -	
	(a) Desilting etc.	
	(b) Removal of debris in hill areas, and (c) Desilting/Restoration/ Repair of fish farms	25% and 33-1/3% to small farmers and marginal farmers respectively on the basis of NABARD pattern subject to ceiling of Rs.5,000/- per hectare.
	(d) Agriculture input subsidy where crop loss was 50% and above.	
	(I) For agriculture crops, horticulture crops and annual plantation crops	—Rainfed areas Rs.1000/- per hectare —Rs.2500/- per hectare in area with assured irrigation
	(II) Perennial crops	Rs. 4,000 per hectare
	(ii) Assistance to sericulture farmers:	Rs.2000/- per hectare for muga Rs.1500/- per hectare for Eri and Mulbery
	(e) Loss of substantial portion of land caused by landslide, avalanche, change of course of rivers.	Rs.10,000/- per hectare
4.	Employment Generation(Only to meet additional requirements after taking into account, funds available under Plan Schemes viz., JRY, IJRY, EAS, etc.)	As per Sampoorna Gramin Rojgar Yojana (SGRY) norms
5.	Animal Husbandry Assistance to small and marginal farmers/agricultural labourers	
	(a) For replacement of draught animals, milch animals or animals for haulage or for livelihood	As per pattern of subsidy under Swarnjayanti Gram Swarozgar Yojana for small and marginal farmers.
	(b) For provision of fodder/fodder concentrate	Large animals — Rs.12.00 per day , Small animals — Rs.6.00 per day
	(c) Procurement, storage and movement of fodder	To be assessed by NCCM

S.No.	ITEMS	Norms of expenditure for assistance from CRF and NCCF
	(d) Movement of useful cattle to other areas	To be assessed by the NCCM forNCCF/ by State level Committee for CRF
6.	Assistance to Fishermen	
	(a) For repair/replacement of boats, nets and damaged or lost — Boat — Dugout-Canoe — Catamaran — Nets	Subsidy will be provided other equipments subject to ceilings on subsidy per family as per SGSY pattern. The cost of boats will also be determined with reference to approved cost under SGSY
	(b) Input subsidy for fish seed farm	Rs.2,000/- per hectare
7.	Assistance to artisans in handicrafts sector by way of subsidy for repair/ replacement of damaged equipments.	
	(a) Traditional Crafts	
	(i) For damaged equipments	Rs.1,000/- per person
	(ii) For raw material	Rs.1,000/- per person
	(b) For Handloom Weavers	
	(i) Repairs/ replacement of loom equipments and accessories	Rs.1,000/- per loom
	(ii) Purchase of yarn and other materials	Rs.1,000/- per loom
8.	Assistance for repair/ restoration of damaged houses	
	(a) Fully damaged houses	
	(i) Pucca house	Rs.10,000/- per house
	(ii) Kuchha House	Rs. 6,000/- per house
	(b) Severely damaged houses	
	(i) Pucca House	Rs.2,000/- per house
	(ii) Kuchha House	Rs.1,200/- per house
	(c) Marginally Damaged Houses	Rs. 800/- per house
9.	Emergency supply of drinking water in rural areas and transportation of drinking water in urban areas	To be assessed by NCCM. Team for NCCF /by state level committee for CRF.
10.	Provision of medicines, disinfectants, insecticides for prevention of outbreak of epidemics	— do —
11.	Medical care for cattle and poultry against epidemics.	— do —
12.	Evacuation of people affected/ likely to be affected	— do —
13.	Hiring of boats for carrying immediate relief & saving life	— do—
14.	Provision for temporary accommodation, food, clothing, medical care etc. of people affected/ evacuated	— do —
15.	Air dropping of essential supplies	— do —
16.	Repair/restoration of immediate nature of the damaged infrastructure relating to communication, power, public health, drinking water supply, primary education and community owned assets in the social sector.	—do—
17.	Replacement of damaged medical equipments and lost medicines of Govt. hospitals/health centres	— do —

S.No.	ITEMS	Norms of expenditure for assistance from CRF and NCCF
18.	Operational cost (Of POL only) for Ambulance Service, Mobile Medical Teams and temporary dispensaries.	— do —
19.	Cost of clearance of debris	— do —
20.	Draining off flood water in affected areas	— do —
21.	Cost of search and rescue measures	— do —
22.	Disposal of dead bodies/carcasses	— do —
23.	Training to specialist multi disciplinary groups/teams of the State personnel drawn from different cadres/services	Expenditure to be met from CRF.
24.	Procurement of essential search, rescue and evacuation equipments including communication equipments subject to a ceiling of 10% of the CRF allocation of the year	To be assessed by the State level Committee for CRF
25.	Installation of public utility 4 digit code telephone (calls not metered)	Expenditure to be met from CRF.

*NCCM- National Centre for Calamity Management
NCCF - National Calamity Contingency Fund
POL - Petrol, Oil and Lubricants

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