

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2016-2019)**

EIGHTH REPORT



**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM**

2017

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
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On

**Paragraphs relating to Revenue (Disaster Management) Department
contained in the Report of the Comptroller and Auditor
General of India for the year ended 31 March 2012
(General & Social Sector)**

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INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Eighth Report on paragraphs relating to Revenue (Disaster Management) Department contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (General & Social sector)

The Report of the Comptroller and Auditor General of India for the year ended 31 March, 2012 (General & Social sector) was laid on the Table of the House on 19th March, 2013.

The Committee considered and finalised this Report at the meeting held on 16th August 2017.

The Committee place on records their appreciation of the assistance rendered to them by the Accountant General in the examination of the Audit Report.

Thiruvananthapuram,
22nd August, 2017.

V. D. SATHEESAN,
Chairman,
Committee on Public Accounts.

REPORT

REVENUE (DISASTER MANAGEMENT) DEPARTMENT AUDIT PARAGRAPH

TSUNAMI REHABILITATION PROGRAMME-HOUSING

Introduction

Government of India (GOI) formulated (December 2005) a package named 'Tsunami Rehabilitation Programme' (TRP) for the states affected by Tsunami on 26 December 2004. The objective of the programme was reconstruction of damaged physical and social infrastructure and revival of impaired livelihoods in the coastal areas affected by Tsunami.

According to the guidelines for implementation of TRP issued (December 2005) by the Planning Commission of GOI, reconstruction activities were to be undertaken under the following components:-

- Housing
- Physical Infrastructure-Roads and Bridges, Environment and Coastal Protection, Ports and Jetties, Tourism, etc.
- Livelihood - Fisheries and Agriculture.
- Social Infrastructure- Health, Nutrition, Education, etc.

GOI sanctioned (December 2005) ₹ 1,441.75 crore to the State Government for implementation of TRP. The period of implementation was four years from 2005-06.

The Honourable High Court of Kerala in its judgement delivered on 28 March 2012 on a Public Interest Litigation observed that there was diversion of massive funds for purposes other than anything related to Tsunami affected people or areas. The audit findings on the implementation of the housing component of TRP are in corroboration with the Honourable High Court's observation.

Scope and Coverage of Audit

Audit made an assessment of the housing component implemented under TRP and examined whether the State Government implemented this component according to the guidelines issued by GOI.

Audit conducted during January-March 2012 covered selected districts viz., Thiruvananthapuram, Kollam and Alappuzha for sample check¹. Records pertaining to the period from 2005-06 to 2011-12 in the TRP Cell at Government Secretariat, three District Collectorates, Taluk Office of Chirayinkil (Thiruvananthapuram), seven² Grama Panchayats and five Village Offices³ were scrutinized to derive an assurance about the efficacy of the programme.

The audit findings are discussed in the following paragraphs:-

Programme Implementation

Out of the total outlay of ₹ 1,441.75 crore approved by GOI for TRP, ₹ 45.54 crore was earmarked for the 'Housing' component. But the State Government intimated GOI in October 2006, the revised department-wise requirement for TRP where in an amount of ₹ 284.08 crore out of ₹ 432.18 crore originally allotted for the component 'Environment and Coastal Protection' was shown as diverted to the 'Coastal Housing and Rehabilitation Project' (CHRP). The component of Environment and Coastal Protection was essentially meant for construction of new sea walls, repair of existing sea walls, coastal fencing, etc. and does not contemplate construction of houses. This component could have been implemented by the Government for sea protection measures in the vulnerable coastal areas affected by Tsunami. The amount thus diverted was much larger than the amount sanctioned for the regular housing component.

CHRP designed by the State Government was not for reconstruction of damaged houses or relocation of entire habitation affected by Tsunami to alternate location as prescribed in the GOI guidelines. CHRP was a comprehensive housing

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- 1 Alappuzha and Kollam Districts were the worst tsunami affected districts and Thiruvananthapuram the capital district.
 - 2 Kulathur and Anchuthengu Grama Panchayats in Thiruvananthapuram District, Neendakara and Alappad Grama Panchayats in Kollam District, Kadakkarappally, Punnapra South and Arattupuzha Grama Panchayats in Alappuzha District.
 - 3 Kulathur and Kadakkavur Village Offices in Thiruvananthapuram District, Neendakara Village Office in Kollam District, Kadakkarappally and Punnapra Village Offices in Alappuzha District.

programme for implementation in the coastal areas throughout the State without applying the criteria whether the places were affected by Tsunami. There was deviation of GOI guidelines in the mode of financing to the beneficiaries also. The State Government failed to bring these deviations to the notice of GOI and obtain permission for the major deviations.

The State Government took up construction of houses with a budget of ₹ 325.54 crore (Housing: ₹ 45.54 crore and Environment and Coastal Protection: ₹ 280 crore) out of ₹ 1,441.75 crore sanctioned by GOI for TRP. The State Government designated (November 2007) the Kerala State Housing Board (KSHB) as the nodal agency for implementing the scheme. In the four northern districts⁴ the houses were constructed directly by KSHB and in the remaining five districts the construction was entrusted (June 2008) to eleven⁵ agencies short listed and was to be monitored by the KSHB.

The State Government stated (July 2012) that the TRP was not meant for the rehabilitation of the victims of the Tsunami and the Planning Commission had stipulated that the programme should put emphasis on improving the quality of life, using replacement and up-gradation of assets as means to achieve it.

The reply of Government was not convincing as it had only reproduced the broad objectives of the Scheme. It was specifically mentioned in the GOI guidelines (paragraph 6.2.2 (ii)) that for habitation which did not suffer any damage due to Tsunami but requiring relocation, another scheme in consultation with National Housing Bank was under consideration and guidelines would be issued separately. The State Government therefore implemented CHRP without adhering to these norms prescribed by GOI for housing component.

4 Malappuram, Kozhikode, Kannur and Kasargod.

5 Aleppey Diocesan Charitable and Welfare Society, Apex Voluntary Agency for Rural Development, Thrissur, Ernakulam Social Service Society, Habitat Technology Group, Kerala Agro Industries Corporation Ltd., Kerala Artisans Development Corporation Ltd. KIDS, Thrissur, PSK Engineering Construction and Company, Tamil Nadu, Quilon Service Society, Kollam, Rajagiri Outreach Service Society, Kalamassery, Trivandrum Social Service Society.

Selection of Beneficiaries

As per the Revised proposal submitted (February 2005) by the State Government to GOI, Tsunami caused damage to life and life supporting structures in five districts⁶. It was, however, observed that the programme was taken up in 228 villages of the nine⁷ coastal districts in State without adopting any specific criteria or norms. It was also seen that 72 out of 228 villages were not on seashore and were not affected by Tsunami.

The State Government issued guidelines (April 2007) for the selection of beneficiaries for CHRP. But, audit observed that there were no supporting details (location, title deed, etc.) relating to damaged/existing houses of the beneficiaries alongwith the list of beneficiaries to substantiate that selection was made according to these guidelines. In the absence of documentation in support of the list prepared it was not beyond doubt whether the beneficiaries were bonafied and selected as per the norms prescribed by GOI.

The State Government stated (July 2012) that the coastal and vulnerable villages were selected as Tsunami affected based on the recommendation of the District Collectors. The reply of Government was not acceptable as the Government did not verify whether the recommendations made by the District Collectors were in accordance with the specific guidelines stipulated by Government of India.

The State Government also replied that most of the sea-faring fishermen live very close to the sea and the ownership documents like title deeds are not given to them as a matter of Government policy. The reply is not acceptable as the list of beneficiaries was prepared without full particulars of the beneficiaries to establish their bonafides.

Audit further observed that:-

- State Government allotted (June 2007) houses under TRP to 72 families in Anchuthengu (Kadakkavur Village) of Thiruvananthapuram District,

⁶ Alappuzha, Ernakulam, Kollam, Thiruvananthapuram and Thrissur.

⁷ Thiruvananthapuram, Kollam, Alappuzha, Ernakulam, Thrissur, Malappuram, Kozhikode, Kannur and Kasargod.

who had lost their houses on 17th February 2007 due to fire. Since reconstructions of these houses was not covered under the guidelines of TRP, the construction of houses for fire affected people should have been made by State Government from Calamity Relief Fund or met from other sources. The total cost of these houses worked out to ₹ two crore in addition to the cost of land (₹ 28.93 lakh) allotted to them.

State Government replied (July 2012) that the fire victims were also living in Tsunami vulnerable area and hence eligible for relocation. The reply of Government was not acceptable as the allotment of houses made to ineligible persons deprived the beneficiaries belonging to more vulnerable areas severely affected by Tsunami of the admissible benefits.

- A list of 255 beneficiaries was prepared in 2007 for the purpose of allotment of flats constructed in Kulathur village (Thiruvananthapuram District). As the selected beneficiaries protested subsequently against the construction of flats and demanded individual houses, Government decided (October 2011) to allot individual plots to the beneficiaries for the construction of houses. A new list of 255 beneficiaries was prepared (November 2011) for allotment of plots which included 136 new beneficiaries by replacing equal number of beneficiaries from the original list. This raises doubts over the fairness in preparation of list of beneficiaries. The total cost of houses allotted to these 136 beneficiaries worked out to ₹ 3.78 crore in addition to the cost of land (₹ 1.94 crore) allotted to them.

State Government replied (July 2012) that majority of the beneficiaries in the original list had got houses from other schemes and therefore new beneficiaries were selected to utilize the amount. The Government reply clearly indicates that the additional list was prepared only for utilization of the fund available, and not on a need based approach.

- In Attipra Village (Thiruvananthapuram District), 10 beneficiaries belonging to adjacent villages were provided plots and first instalment of money for construction of houses under Beneficiary Driven Cluster Housing (BDCH). But they could not start the construction due to the stiff opposition from 'sons of the soil' and other beneficiaries.

- In Chavara Village in Kollam District, out of 56 houses allotted, 10 beneficiaries did not occupy the houses as they were included in another rehabilitation package.

State Government replied (July 2012) that steps would be taken to identify new beneficiaries. The reply of Government was not acceptable as allotment of houses constructed under TRP to new beneficiaries was against the guidelines of GOI.

- In respect of construction of BDCH houses in Alapuzha District, 82 out of 546 beneficiaries did not take possession of land as the allotted land was away from their work places. The value of these plots works out to ₹ 68.40 lakh. This indicates non-compliance of guidelines regarding need-based approach in beneficiary selection.
- In Sakthikulangara Village (Kollam District) out of 112 houses constructed, 56 houses could not be allotted as the beneficiaries were reluctant to accept these houses as their place of work (Neendakara Fishing Harbour) was about four kilometres away from this site and could not continue their livelihood occupation from the new site. The selection of site was to be made in consultation with the beneficiaries as per GOI guidelines, Evidently, this has not been properly done in this case.

The State Government replied (July 2012) that attempts are being made to find out new beneficiaries for these 56 houses. This again indicates non-preparation of list of beneficiaries on a need based approach.

Selection of site

As per GOI guideline the main focus of TRP was reduction of susceptibility of the coastal communities to Tsunami like disasters in future. However, in Alappuzha District 4,037 in-situ houses were taken up for construction at a cost of ₹ 100.92 crore within 10 metres from the High tide level (HTL), in contravention of guidelines, thereby defeating the very purpose of TRP.

State Government stated (July 2012) that in-situ houses were built on the land owned by the beneficiaries and was as per the guidelines of Planning Commission to encourage the construction of in-situ houses as far as possible. The reply was not acceptable as the stipulation in the guidelines of GOI for in-situ construction was for reconstruction of damaged houses. Relocation of habitation was to be implemented by shifting their residences from vulnerable areas to non-vulnerable areas. CHRP implemented by the State Government was also framed with this objective. Construction of houses within the specified distance from the sea shore defeats the very objectives of the rehabilitation process as houses would remain vulnerable to any future disaster.

Type of Houses

In Arattupuzha Panchayat, 1,150 houses, costing ₹ 11.50 crore, constructed under Special Package were neither as per the approved design of the nodal agency, nor were in conformity with the building code for disaster resistant structures.

State Government replied (July 2012) that funds allotted at the rate of ₹ one lakh per beneficiary was not sufficient for construction of houses with disaster resistant features. Reply of Government was not acceptable as the construction of houses without disaster resistant features was vulnerable to any future disaster of this magnitude, besides being in violation of GOI guidelines.

Programme guideline envisages involvement of beneficiaries in decision making and the programme was required to be need-based. In Mayyanad Village in Kollam District, out of 168 houses constructed in May 2011, only 61 houses were allotted so far. The remaining beneficiaries (107) were unwilling to accept flats as they demanded three to four cents of land for construction of individual houses. As such, construction of flats was not as per the preferences of majority of beneficiaries.

District Collector, Kollam had acquired 32.84 acres of land at various sites for the construction of individual houses for 2,356 beneficiaries. The design of the house was changed from individual type to flats. Due to this change in design at a later stage, 5.19 acres of land already acquired in 3 plots at Mayyanad Village at a cost of ₹ 47.51 lakh became excess of requirement.

State Government replied (July 2012) that there was some difficulty in acquiring land and hence flat type of construction was adopted. Government further stated that this land is an asset to Government, which could be used for other development activities.

In Anchuthengu in Kadakkavur Village (Thiruvananthapuram District), construction of 208 flat type houses was entrusted to M/s Habitat Technology Group for an amount of ₹ 7.48 crore, without proper assessment of suitability of land. The agency was given a mobilization advance of ₹ 1.12 crore in February 2009. After executing land development work for ₹ 10.34 lakh, the agency stopped the work as there was no improvement in the load bearing capacity of the soil. The agency refunded the balance amount of ₹ 1.02 crore in two instalments (August 2010: ₹ 0.80 crore; September 2011: ₹ 0.22 crore). The agreement with the agency did not contain any provision for charging of interest for the advance released.

Without taking into account the preferences of beneficiaries for individual houses, Government decided to construct flats in Kulathur village (Thiruvananthapuram District) and entrusted the work to KSHB. An amount of ₹ 1.41 crore was paid to KSHB as mobilization advance on 11 February 2010. Due to protest by the beneficiaries, the work was abandoned after incurring an expenditure of ₹ 28.35 lakh. Balance amount of ₹ 1.13 crore was refunded by the KSHB on 18 November 2011. Absence of a clause for charging interest on the advance amount resulted in non-realisation of interest from the agency.

State Government replied (July 2012) that provision for charging interest was not included in the agreement as the agencies were selected on no loss no profit basis. Non-inclusion of a clause for charging interest in the agreement was a failure on the part of the Government. Such a clause would have addressed the risk of delay in refund of government money.

Time taken for execution

As per the agreement executed with KSHB and other implementing agencies, the houses were to be constructed within six months from the date of handing over of site. But in the districts test-checked, there was a delay of three

months and above in the construction of houses. The reason for the delay was attributed to scarcity of construction materials, non-availability of laboures etc.

The construction of houses was proposed in two phases; 5,876 houses in phase I to be completed by May 2009 and 5,124 houses in phase II to be completed by September 2009. Out of the target⁸ of 11,000 houses, construction of 9,123 houses were taken up. But the achievement up to July 2012 was 8,549 houses only. 444 houses were under various stages of construction. 130 houses were not taken up for construction due to court stay and lack of interest by beneficiaries. The remaining 1,877 houses were not taken up for construction. Out of ₹ 324.37 crore released to the nine District Collectors (₹ 322.80 crore) and Kerala State Housing Board (₹ 1.57 crore) towards the acquisition of land and construction of houses, the District Collectors and KSHB utilized ₹ 285.50 crore. The physical target and achievement in construction of houses in the nine districts as of July 2012 are shown in Table below:

TABLE DETAILS OF CONSTRUCTIONS OF HOUSES

Details	Thiruvananthapuram	Kollam	Allappetty	Ernakulam	Thirissur	Malappuram	Kozhikode	Kannur	Kasargod	Total
Target (Nos.) 8	1375	2356	4544	486	1066	208	567	128	270	11000
Taken up for Construction (Nos.)	648	2144	4496	82	1001	108	257	126	261	9123
Achievement (Nos.)	387	2143	4338	82	854	108	257	126	254	8549
Under Construction (Nos.)	261	01	158	0	24	0	0	0	0	444

8. Target- Achievement (Nos.)+Under construction (Nos.)+Court Stay (Nos.)+Not taken up for construction (Nos.).

Court stay (Nos.)	0	0	0	0	123	0	0	0	7	130
Not taken up for construction (Nos.)	727	212	48	404	65	100	310	02	9	1877
Amount released (₹ in crore)	18.67	95.07	120.31	5.93	46.12	7.08	12.44	6.90	10.28	322.80*
Amount Utilized (₹ in crore)	16.54	76.15	117.71	5.56	38.25	3.57	10.59	5.64	9.92	283.93*
* ₹ 1.57 crore released to KSHB towards technical fees was not included as district wise figures were not available.										

Source: TRP Cell, Government Secretariat, Thiruvananthapuram.

The Government stated (July 2012) that scarcity of labourers, non-availability of construction materials, long monsoon during 2010, etc. , were the reasons for the delay.

Financial assistance

As per GOI guideline financial assistance for damaged houses was available under the scheme by way of grant (₹ 1.20 lakh). For relocation, financial assistance was to be provided by way of loan (₹ two lakh). However, the State Government implemented the component relating to relocation with financial assistance to beneficiaries by way of grant.

State Government replied (July 2012) that beneficiaries were not willing for availing loan and hence included the re-location and construction of houses under TRP. The reply of Government was not acceptable as assistance through grant for relocation was in violation of the GOI guidelines.

As per GOI guidelines, the provision of grant for construction of houses was ₹ 1.20 lakh per unit for a minimum core accommodation of 300 sq.ft. at the rate of ₹ 400 per sq.ft. But State Government sanctioned different rates as detailed below:

- In Arrattupuzha panchayat, two housing schemes under TRP Special Packages were sanctioned (July 2008); 1,150 houses at ₹ 1 lakh each and 500 houses at ₹ 2.50 lakh each.
- In Alappad panchayat, under Special Package ₹ 3 lakh each was sanctioned (July 2008) for 729 houses.
- For Beneficiary Driven Cluster Housing (BDCH) sanctioned in June 2009, ₹ 2.78 lakh each was given to 1,146 beneficiaries.
- In the case of construction of houses by agencies, the cost was as per Schedule of Rates which ranged from ₹ 3 lakh to 4 lakh.
- For in-situ housing ₹ 2.50 lakh per house was sanctioned (December 2008).

Granting different rates to the beneficiaries under same scheme was not only violative of guidelines of Planning Commission, but also against the principles of fairness.

State Government replied (July 2012) that lesser amount was allotted to in-situ houses as the beneficiaries had re-used materials of old houses and electric connection and water connection were already available to them.

Other points of Interest

- The period of implementation of TRP was from 2005-06 to 2008-09 which was further extended up to 31 December 2011. The houses were to be constructed and allotted to the beneficiaries on war footing. Even though lands were acquired for the construction of houses in Fast Track Method, there was a delay of 4 months to 16 months in handing over the acquired land to the implementing agencies.

State Government replied (July 2012) that the procedural delay was inevitable. The reply was not acceptable as Government had designated KSHB as the nodal agency for the speedy implementation of the scheme. The work should have been taken up on a war footing for the speedy rehabilitation of the affected people.

- As per guidelines the houses and land vacated by the re-settled beneficiaries were to be placed under the custody of local body for the purpose of 'Bio-shield formation'. Even though 4,515 families were resettled in other places, their existing land was not taken over by Government/Local bodies. Thus, the very objective of the scheme of Bio-shield formation for coastal protection has not been achieved.

State Government replied (July 2012) that the land was not taken over by the local bodies based on the Cabinet Sub Committee decision on 16 February 2011 that the original land of the beneficiaries would vest with them even after relocation. The reply of Government may be viewed in the light of the fact that the stipulation by GOI regarding taking over of land addresses the risk of beneficiaries staying back in the vulnerable area and would also have served the objective of bio-shield formation.

- As per GOI guidelines, insurance of dwelling units constructed under the programme was mandatory. But none of the houses constructed under TRP was got insured.

Conclusion

The implementation of housing component under TRP by the State Government was not in accordance with the GOI guidelines. Though Tsunami caused damages to life and life supporting structures in five districts, the scheme was implemented in all nine coastal districts in the State, thereby diverting the funds earmarked for 'Environment and Coastal Protection', to un-affected districts. The component relating to relocation was implemented with financial assistance by way of grant instead of loan by violating guidelines of GOI. Selection of beneficiaries was not in accordance with the guidelines. CHRP intended relocation, but construction of in-situ houses within 10 metres of HTL was

allowed, thereby defeating the purpose of relocation. As against the target of 11,000 houses, construction of 9,123 houses were taken up and out of these only 8,549 houses were completed as of July 2012. In some cases, houses constructed were far away from their work places, resulting in non-allotment of completed houses.

Recommendations

- The Government should ensure that funds sanctioned by GOI for the relief/rehabilitation measures in connection with national calamities, reach the affected population.
- The Government should take urgent steps to complete the construction of the remaining houses without delay.

{Audit Paragraphs 2.4.1 to 2.4.11 contained in the report of the Comptroller and Auditor General of India (Civil) for the year ended 31st March 2012.

Notes furnished by the Government on the above audit paragraphs is included as Appendix II]

The Committee reprimanded the Department for violating norms prescribed by Government of India regarding the implementation of Tsunami Rehabilitation Programme (TRP) in the State and observed that the funds for Housing Component were diverted for Education and Tourism sectors and enquired the reasons for the same. The witness, Principal Secretary, Revenue Department agreed with the observation made by the Committee in this regard and clarified that prior sanction of Government of India had already been accorded for enhancing the fund for Housing Component to ₹ 248 crore as against the sanctioned sum of ₹ 45 crore. The Committee also noticed the diversion of fund meant for sea wall construction to Housing Component but refrained from making serious remarks as the diversion had highly benefitted the people living in the coastal area. Though the Committee, didn't made a serious comment in this regard, it reminded the importance of sea wall as it was the only pragmatic method available to curb the ill effects of high tides, tidal waves and rough seas. The witness, Principal Secretary, Revenue Department supplemented that the

Government of Kerala (GoK) has formulated a TRP Cell, but it is extinct at present and also informed that TRP had also been implemented in non-Tsunami affected areas in the State. The witness, Principal Secretary, Revenue Department also delineated the practical difficulty in implementing Central Government Scheme as such in Kerala, as the cost of construction and infrastructure creation is on the higher side in the State. As an example it is detailed that, Government of India allocates only ₹ 1.25 lakh as relief assistance for death during monsoon calamities as against ₹ 2 lakh granted from Chief Minister's Disaster Relief Fund (CMDRF) in the State. The Principal Secretary, Revenue Department also acknowledged that some mistakes have been occurred regarding the construction of houses in some places and explained that the construction of 11104 out of 12367 houses were completed and construction of 970 houses have been progressing and construction of 293 houses were stalled due to court stay and other reasons. Then the Committee pointed out some observation made by the Accountant General regarding the implementation of TRP, the witness, Principal Secretary, Revenue Department substantiated the stance taken by the department in this regard, by submitting a letter issued by Planning Commission in the year 2007 wherein they have agreed in principle the request made by GoK regarding the utilisation of funds allocated by Government of India.

2. Regarding the audit observation that the selection of beneficiaries for Coastal Housing and Rehabilitation Project (CHRP) were biased, the Committee wanted to know the modalities of the selection of 228 villages for the above project. The witness, Principal Secretary, Revenue Department explained that the selection of villages for the implementation of this Project was done by the District Collectors concerned in consultation with the local administrative authorities and the same was notified on 25th January 2015 itself.

3. In this context, the Committee intervened and reminded that the Department has failed to follow the objective norms for the selection of beneficiaries. Then the witness, Principal Secretary, Revenue Department informed that the guidelines regarding TRP and Housing Assistance Programme clearly classifies the categories and properties which should be given, and the Department strictly adhered to the norms prescribed in the statute as well. Then

the Committee asked whether Seventy two non-Tsunami affected villages were selected for the project, the witness, Principal Secretary, Revenue Department acknowledged that even Tsunami prone villages can be adopted for the project as per the guideline stipulated by Government of India. The motive of the Department was to extend the helping hand to maximum number of people and it was done in good faith, he added. Then the Committee agreed with the observation arrived at by Accountant General that there was no supporting details to substantiate that, selection of beneficiaries was made according to the guidelines. The Committee opined that the case of Anchuthengu in Thiruvananthapuram District, Tsunami Rehabilitation Project was extended to 72 families who lost their houses in fire was a specific case. Then the Committee wanted to know the steps taken to avoid duplication of financial reparation extended by various agencies to same beneficiaries in the case of Kulathur Village in Thiruvananthapuram District, Principal Secretary, Revenue Department acknowledged that the new list was prepared by the District level Monitoring Committee (DLMC).

4. The Committee expressed its apprehension regarding the veracity of the new list prepared. The Committee opined that the list prepared by the Revenue, Fisheries and Panchayath should be integrated together and the Committee also insisted that beneficiaries should be selected from that integrated list at the forum of Gramasabha to avoid duplication in future, and in the case of duplication revenue recovery proceeding should be initiated. The witness, Principal Secretary, Revenue Department informed that a Committee was constituted under the Chairmanship of District Panchayath President in which District level officers of various Departments such as Publicworks, Water Resources, Agriculture, Tourism, Social Justice, Industries, Fisheries and Ports and Power and Presidents of Block and Grama Panchayaths, members and concerned District Collectors being the Member Secretary and Convenor. Principal Secretary, Revenue Department also assured that beneficiaries will be ruled out from the newly prepared list if any case of duplication was noted, and thereafter second and final list will be prepared. In this context the Committee strictly recommended that a comprehensive list of houseless people with objective criteria should be prepared at the earliest since housing being an important and continuous programme of the Government. The Committee also stood for the non-biased selection of beneficiaries for the Housing Scheme in future.

5. The Committee also urges that Government should consider the preparation of a comprehensive list for every village in Kerala for potential housing beneficiaries, based on objective criteria in future. With regards to disaster management in the State, the witness, Principal Secretary, Revenue Department continued that, the Department had set up a full fledged Disaster management Cell in the State and mapping of the disaster prone area has been carried out using GPRS facility at present. He also added that GOI has sanctioned some additional funds for setting up an exclusive operation room in State Level Disaster Management Cell. The Committee remarked that the State Disaster Management Department is still ill-equipped in handling natural havocs, when compared to other Indian States. The Witness, Principal Secretary, Revenue Department was optimistic that, pursuing innovative technologies in this field would give a paradigm shift in disaster management strategies.

6. Regarding the audit observation that about 4,037 in-situ houses were constructed in Alappuzha districts at a cost of ₹ 100.92 crore is within ten meters from the High Tide Level (HTL) is contravene to the guidelines stipulated by GOI. The witness, Principal Secretary, Revenue Department informed that in many cases beneficiaries were reluctant to shift from their immediate surroundings. He also disclosed that Department had a plan to construct flats for beneficiaries due to dearth of land, but beneficiaries were reluctant to accept the proposal.

7. Regarding the audit observation that 1,150 houses constructed under special package in Arattupuzha Panchayath were neither as per the approved design nor disaster resistant, the Committee sought the reason for the same and the witness, Principal Secretary, Revenue Department detailed that, the guidelines were constantly got revised in this case, as the ground realities in Kerala is very much different compared to other Indian States such as high density of population, and thick inhabitation along the coastal regions of Kerala. He also submitted that there were many hurdles to implement the guidelines stipulated by Government of India, in its nascent form and also informed that the funds allocated by the Government of India is based on all India norms which was insufficient to carry out the work in Kerala. In this context the Committee pointed the importance of

constructing disaster resistant houses in the coastal areas of the State and opined that Government should give more importance to this in future. It also observed that the mission has failed in its Disaster Management objectives laid down by GOI in terms of resistance, structure and in focusing the area which is truly vulnerable.

8. While discussing the case of M/s Habitat Technology group, the witness, Principal Secretary, Revenue Department informed that, the department had entrusted the firm since no other groups were willing to undertake the work and due to the impeccable integrity and commitment they had shown over the years in this field and also considering the fact that they are being the largest non-governmental organisation in the shelter sector in India. The agencies like Habitat and KSHB were selected on no loss no profit basis and so charging interest on the advance amount would be untenable. Agreeing with the remarks made by the witness in this regard, the Committee decided to recommend that no further action need be pursued against M/S Habitat Group of Technology and Kerala State Housing Board (KSHB).

9. While discussing the matter regarding the execution of an agreement with the KSHB and other implementing agencies, that the houses were to be constructed within six months from the date of handing over of site, the Committee wanted to know the current position of the construction of houses. The witness, Principal Secretary, Revenue Department explained that it was proposed to construct 12, 367 houses under general as well as special packages and out of it construction of 11,014 houses is nearing completion and construction of 970 houses is in progress and construction of 293 houses were entangled in legal shackles. In this context the Committee opined that Department should do the best possible things to lift the stay proceedings imposed by the court in this regard so as to complete the construction of the houses on war footing.

10. When the Committee enquired whether prior sanction from GOI had been procured for converting the loan of ₹ 2 lakh to grant-in-aid, the witness, Principal Secretary, Revenue Department answered in the affirmative. Responding to a query regarding the reason for galactic variation in the per unit cost, the witness attributed so many reasons for the same viz., lack of a fixed model of

house, non-uniformity of land conditions and variation in accessibility of materials from one place to another. Regarding the monitoring of the project it is informed that each and every stages of construction such as foundation level, plinth level and floor level were being regularly and properly inspected by the officers concerned. However, the witness could not give a proper answer to the question that whether the plan and estimate got approved before starting the process of construction. The Committee also expressed its dissatisfaction over the reply furnished by the witness, that cost escalation factor, and different mode of construction were attributed to different rates to the beneficiaries, and strictly directed to submit a detailed report in this regard, and the witness, Principal Secretary agreed to do so.

11. The Committee wanted to know in detail the other components of Tsunami such as health, education, building construction and self-employment etc. The witness, Principal Secretary, Revenue Department deposed that there were many schemes such as Japan Fund for Poverty Eradication, Tsunami Emergency Assistance Project (TEAP) and TRP which were amounted to ₹ 4.49 crore, ₹ 245 crore and ₹ 1146 crore respectively. He also informed that, most of the objections and observations were confined to Tsunami Rehabilitation Project (TRP) but major part of the works were done satisfactorily eventhough some lagging was reported in the case of Social Welfare and Education sectors. In this context the Committee opined that Government should ensure that funds sanctioned by GOI for the relief/rehabilitation measures in connection with natural calamities reach the affected people. The Committee directed the department to submit a detailed report regarding the beneficiaries who stay back in their original land in the vulnerable areas.

Recommendations/Conclusion

12. The committee observes that the Department had failed to follow the objective norms for the beneficiary selection of 'Coastal Housing and Rehabilitation project'. The Committee recommends that, Government should prepare a comprehensive list of houseless people in every village of Kerala with Objective Criteria. The Committee also recommends that, beneficiaries should be selected from the list in the forum of Gramasabha to avoid duplication in future and to initiate revenue recovery proceedings against beneficiaries in case of duplication.

13. The Committee analyses that TRP housing mission in Kerala had failed in its disaster management objectives laid down by Government of India in terms of resistance, structure and in focussing the area which is truly vulnerable. Hence the Committee directs that Government should ensure construction of disaster resistant houses in the Coastal Areas of the State in its future housing initiatives.

14. On agreeing with the explanation of Government regarding non realisation of interest on advance amount sanctioned to agencies like M/S Habitat Group of Technology and KSHB the Committee recommends that no further action need be persuaded against the said implementing agencies as they are selected on no loss no profit basis.

15. The Committee understands that the proposal was to construct 12,367 houses under Tsunami rehabilitation Programme, out of it construction of 11,014 houses were nearing completion and construction of 970 houses were in progress and construction of 293 houses were entangled in stay proceedings. The Committee recommends that the Government should take serious effort to lift the stay proceedings imposed by the court so as to complete the construction of houses at the earliest.

16. The Committee expresses its dissatisfaction over the argument that cost escalation factor and different mode of construction were attributed to different rates to the beneficiaries under same scheme and directs the department to submit a detailed report in this regard at the earliest.

17. The Committee recommends that Government should ensure that funds sanctioned by Government of India for the relief/rehabilitation measures in connection with natural calamities reach the affected people.

18. The Committee directs that the Government should submit a detailed report regarding the beneficiaries who stay back in their original land in the vulnerable areas.

Thiruvananthapuram,
22nd August, 2017.

V. D. SATHEESAN,
Chairman,
Public Accounts Committ'ee.

APPENDIX I

SUMMARY OF MAIN CONCLUSION/RECOMMENDATION

Sl. No.	Para No.	Department Concerned	Conclusion/Recommendation
(1)	(2)	(3)	(4)
1	12	Revenue (Disaster Management) Department.	The committee observes that the Department had failed to follow the objective norms for the beneficiary selection of 'Coastal Housing and Rehabilitation project'. The Committee recommends that, Government should prepare a comprehensive list of houseless people in every village of Kerala with Objective Criteria. The Committee also recommends that, beneficiaries should be selected from the list in the forum of Gramasabha to avoid duplication in future and to initiate revenue recovery proceedings against beneficiaries in case of duplication.
2	13	Revenue (Disaster Management) Department.	The Committee analyses that TRP housing mission in Kerala had failed in its disaster management objectives laid down by Government of India in terms of resistance, structure and in focussing the area which is truly vulnerable. Hence the Committee directs that Government should ensure construction of disaster resistant houses in the Coastal areas of the state in its future housing initiatives.
3	14	Revenue (Disaster Management) Department.	On agreeing with the explanation of Government regarding non realisation of interest on advance amount sanctioned to agencies like M/S Habitat group of

(1)	(2)	(3)	(4)
			Technology and KSHB the Committee recommends that no further action need be persuaded against the said implementing agencies as they are selected on no loss no profit basis.
4	15	Revenue (Disaster Management) Department.	The Committee understands that the proposal was to construct 12,367 houses under Tsunami Rehabilitation Programme, out of it construction of 11,014 houses were nearing completion and construction of 970 houses were in progress and construction of 293 houses were entangled in stay proceedings. The Committee recommends that the Government should take serious effort to lift the stay proceedings imposed by the court so as to complete the construction of houses at the earliest.
5	16	Revenue (Disaster Management) Department.	The Committee expresses its dissatisfaction over the argument that cost escalation factor and different mode of construction were attributed to different rates to the beneficiaries under same scheme and directs the department to submit a detailed report in this regard at the earliest.
6	17	Revenue (Disaster Management) Department.	The Committee recommends that Government should ensure that funds sanctioned by Government of India for the relief/rehabilitation measures in connection with natural calamities reach the affected people.
7	18	Revenue (Disaster Management) Department.	The Committee directs that the Government should submit a detailed report regarding the beneficiaries who stay back in their original land in the vulnerable areas.

APPENDIX II

NOTES RECEIVED FROM THE GOVERNMENT

GOVERNMENT OF KERALA
DISASTER MANAGEMENT (TRP-CELL) DEPARTMENT

RMT STATEMENT ON AUDIT PARAGRAPHS CONTAINED IN REPORT OF C & AG
FOR THE YEAR ENDED 31ST MARCH 2012

Sl. No.	Para No.	Department	Audit Para	Action Taken
(1)	(2)	(3)	(4)	(5)
1.	2.4.3	Disaster Management (TRP Cell)	<p><u>Programme Implementation</u></p> <p>Out of the total outlay of Rs.1441.75 crore approved by GOI for TRP Rs.45.54 crore was earmarked for the 'Housing' component. But the State Government intimated GOI in October 2006, the revised department-wise requirement for TRP wherein an amount of Rs.284.08 crore out of Rs.432.18 crore originally allotted for the component - 'Environment and Coastal Protection' was shown as diverted to the 'Coastal Housing & Rehabilitation Project' (CHRP). The component of Environment and Coastal Protection was essentially meant for construction of new sea walls, repair of existing sea walls, coastal fencing, etc. and does not contemplate construction of houses. This component could have been implemented by the Government for sea protection measures in the vulnerable coastal areas affected by Tsunami. The amount thus diverted was much larger than the amount sanctioned for the regular housing component.</p> <p>CHRP designed by the State Government was not for reconstruction of damaged houses or relocation of entire habitation affected by Tsunami to alternate location as prescribed in the GOI guidelines. CHRP was a comprehensive housing programme for implementation in</p>	<p>Revised estimate proposal was submitted by Government of Kerala as per letter No.TRP-ADMN-A/1-0/06-07/D/2005 dated, 10.10.2006 (Annexure-I) and approval of EGOM for reappropriation within the approved outlay (Rs.1441.75 crores) was obtained from the Planning Commission vide letter No.G-31010/05/2006-TRP(Vol.71) dated, 16.4.2007 (Annexure-II). So the utilization of Rs.284.08 crore allotted for the component 'Environment and Coastal Protection' for CHRP cannot be considered as diversion of funds. Actually the aim of the project was to improve the quality of life of the people living in the coastal areas. The stress was on restructuring the life of coastal population, who were always in the fear of ill effects of high tides, tidal waves and rough seas. There was no major deviation of Government of India guidelines in this regard. The</p>

the coastal areas throughout the State without applying the criteria whether the places were affected by Tsunami. There was deviation of GOI guidelines in the mode of financing to the beneficiaries also. The State Government failed to bring these deviations to the notice of GOI and obtain permission for the major deviations.

The State Government took up construction of houses with a budget of Rs.325.54 crore (Housing : Rs.45.54 crore and Environment and Coastal Protection : Rs.280 crore) out of Rs.1,441.75 crore sanctioned by GOI for TRP. The State Government designated (November 2007) the Kerala State Housing Board (KSHB) as the nodal agency for implementing the scheme. In the four northern districts i.e., Malappuram, Kozhikode, Kannur and Kasargode, the houses were constructed directly by KSHB and in the remaining five districts the construction was entrusted (June 2008) to eleven agencies short listed and was to be monitored by the KSHB.

The State Government stated (July 2012) that the TRP was not meant for the rehabilitation of the victims of the Tsunami and the Planning Commission had stipulated that the programme should put emphasis on improving the quality of life, using replacement and up-gradation of assets as means to achieve it.

The reply of Government was not convincing as it had only reproduced the broad objectives of the Scheme. It was specifically mentioned in the GOI guidelines (paragraph 6.2.2. (ii)) that for habitation which did not suffer any damage due to tsunami but requiring relocation, another

implementation of CHRP was done by adhering to the norms prescribed by Government of India.

Though it was mentioned in the draft guidelines of TRP that the possibility of extending the National Housing Bank Scheme for "Refinance Assistance for Housing in Tsunami affected areas" for vulnerable houses and also upgradation

2

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scheme in consultation with National Housing Bank was under consideration and guidelines would be issued separately. The State Government therefore implemented CHRP without adhering to these norms prescribed by GOI for housing component.

Selection of beneficiaries

As per the Revised proposal submitted (February 2005) by the State Government to GOI, Tsunami caused damage to life and life supporting structures in five districts. i.e., Thiruvananthapuram, Kollam, Alappuzha, Ernakulam and Thrissur. It was, however, observed that the programme was taken up in 228 villages of the nine coastal districts in State without adopting any specific criteria or norms. It was also seen that 72 out of 228 villages were not on seashore and were not affected by Tsunami.

The State Government issued guidelines (April 2007) for the selection of beneficiaries for CHRP. But, audit observed that there were not supporting details (location, title deed, etc.) relating to damaged/existing houses of the beneficiaries along with the list of beneficiaries to substantiate that selection was made according to these guidelines. In the absence of documentation in support of the list prepared it was not beyond doubt whether the beneficiaries were bonafide and selected as per the norms prescribed by GOI.

loans and that separate guidelines will be issued, it was not issued.

As the beneficiaries were not willing to avail loan to construct houses it was decided to give grant. Also it is to be noted that Government of India has released the entire fund to State Government under grant head.

Coastal villages and vulnerable villages were selected based on the recommendation of the District Collectors concerned and notification in this regard has been issued through Gazette (Annexure-III). Hence the observation of audit, that there were no supporting details to substantiate that selection was made according to the guidelines, is not relevant.

The State Government stated (July 2012) that the coastal and vulnerable villages were selected as Tsunami affected based on the recommendation of the District Collectors. The reply of Government was not acceptable as the Government did not verify whether the recommendations made by the District Collectors were in accordance with the specific guidelines stipulated by Government of India.

The State Government also replied that most of the sea-faring fishermen live very close to the sea and the ownership documents like title deeds are not given to them as a matter of Government policy. The reply is not acceptable as the list of beneficiaries was prepared without full particulars of the beneficiaries to establish their bonafides.

- State Government allotted (June 2007) houses under TRP to 72 families in Anchuthengu (Kakakkavur village) of Thiruvananthapuram District, who had lost their houses on 17 February 2007 due to fire. Since reconstruction of these houses was not covered under the guidelines of TRP, the construction of houses for fire affected people should have been made by State Government from Calamity Relief Fund or met from other sources. The total cost of these houses worked out to Rs.2 crore in addition to the cost of land (Rs.28.93 lakh) allotted to them.

State Government replied (July 2012) that the fire victims were also living in Tsunami vulnerable area and hence eligible for relocation. The reply of Government was not acceptable as the allotment of houses made to ineligible persons deprived the beneficiaries belonging to more

The beneficiaries in Anchuthengu were those living in vulnerable areas. The families who lost their houses in fire in Anchuthengu were also living in vulnerable areas and hence eligible for resettlement as per the CHRP guidelines. So the observation that allotment of houses to them deprived other beneficiaries from getting admissible benefits is not true.

vulnerable areas severely affected by Tsunami of the admissible benefits.

A list of 255 beneficiaries was prepared in 2007 for the purpose of allotment of flats constructed in Kulathur Village (Thiruvananthapuram District). As the selected beneficiaries protested subsequently against the construction of flats and demanded individual houses, Government decided (October 2011) to allot individual plots to the beneficiaries for the construction of houses. A new list of 255 beneficiaries was prepared (November 2011) for allotment of plots which included 136 new beneficiaries by replacing equal number of beneficiaries from the original list. This raises doubts over the fairness in preparation of list of beneficiaries. The total cost of houses allotted to these 136 beneficiaries worked out to Rs.3.78 crore in addition to the cost of land (Rs.1.94 crore) allotted to them.

State Government replied (July 2012) that majority of the beneficiaries in the original list had got houses from other schemes and therefore new beneficiaries were selected to utilize the amount. The Government reply clearly indicates that the additional list was prepared only for utilization of the fund available and not on a need based approach.

In the case of Kulathoor, a new list was prepared since majority of beneficiaries in the first list had got houses and other benefits from other schemes. The remark that the additional list was prepared not on a need based approach is not correct since the new list also has been approved by the DLMO.

In Attipra village (Thiruvananthapuram District), 10 beneficiaries belonging to adjacent villages were provided plots and first instalment of money for construction of houses under Beneficiary Driven Cluster Housing (BDCH). But they could not start the construction due to the stiff opposition from 'sons of the soil' and other beneficiaries.

In Chavara village in Kollam District, out of 56 houses allotted, 10 beneficiaries did not occupy the houses as they were included in another rehabilitation package.

State Government replied (July 2012) that steps would be taken to identify new beneficiaries. The reply of Government was not acceptable as allotment of houses constructed under TRP to new beneficiaries was against the guidelines of GOI.

In respect of construction of BDCH houses in Alappuzha District, 82 out of 546 beneficiaries did not take possession of land as the allotted land was away from their work places. The value of these plots works out to Rs.68.40 lakh. This indicates non-compliance of guidelines regarding need-based approach in beneficiary selection.

In Sakthikulangara village (Kollam District) out of 112 houses constructed, 56 houses could not be allotted as the beneficiaries were reluctant to accept these houses as their place of work (Neendakara Fishing Harbour) was about

District Collector, Thiruvananthapuram has found out the land belonging to Fisheries Department. Suitable for relocating 10 beneficiaries from Attipra. But due to opposition from Fisheries Department, the proposal did not materialize. Now the District Collector has been requested to find alternate land for the relocation of beneficiaries.

In the case of Chavara and Sakthikulangara identification of new beneficiaries in the place of those beneficiaries who are not willing to occupy the completed cannot be considered as victims of guidelines of the Government of India, since new beneficiaries are selected from vulnerable areas with the approval of DLMC. In respect of the construction of BDCH houses in Alappuzha District 82 beneficiaries did not take possession of the land for their own reasons. 28 houses are now allotted in Sakthikulangara village now.

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four kilometers away from this site and could not continue their livelihood occupation from the new site. The selection of site was to be made consultation with the beneficiaries as per GOI guidelines. Evidently, this has not been properly done in this case.

The State Government replied (July 2012) that attempts are being made to find out new beneficiaries for these 56 houses. This again indicates non-preparation of list of beneficiaries on a need based approach.

Selection of site

As per GOI guidelines the main focus of TRP was reduction of susceptibility of the coastal communities to Tsunami like disasters in future. However, in Alappuzha District 4,037 in-situ houses were taken up for construction at a cost of Rs.100.92 crore within 10 metres from the High Tide Level (HTL), in contravention of guidelines, thereby defeating the very purpose of TRP.

State Government stated (July 2012) that in-situ houses were built on the land owned by the beneficiaries and was as per the guidelines of Planning Commission to encourage the construction of in-situ houses as far as possible. The reply was not acceptable as the stipulation in the guidelines of GOI for in-situ construction was for reconstruction of damaged houses. Relocation of habitation was to be implemented by shifting their residences from vulnerable areas to non-vulnerable areas. CHRP implemented by the

The allegation that the list of beneficiaries was not prepared on a need base approach is also baseless. Also it is to be noted that while preparing the first list all beneficiaries could not be included. ie, same has been limited based on the availability of fund. In this connection it is to be noted that the additional list was prepared by including those beneficiaries who were identified earlier, but not included in the first select list. (due to shortage of fund).

In many cases beneficiaries were unwilling to move from their immediate surroundings. As per CRZ notification dated 6.1.2011, reconstruction and repair works are permissible with CRZ in accordance with the local town and counting planning regulation (Annexure-IV). Hence constructing new houses with disaster resistance features is the only option to such beneficiaries who are reluctant to move from the present location considering the safety at this location.

4.

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State Government was also framed within this objective. Construction of houses within the specified distance from the sea shore defeats the very objectives of the rehabilitation process as houses would remain vulnerable to any future disaster.

Type of houses

In Arattupuzha Panchayat, 1,150 houses, costing Rs.11.50 crore, constructed under Special Package were neither as per the approved design of the nodal agency, nor were in conformity with the building code for disaster resistant structures.

State Government replied (July 2012) that funds allotted at the rate of Rs.1 lakh per beneficiary was not sufficient for construction of houses with disaster resistant features. Reply of Government was not acceptable as the construction of houses without disaster resistant features was vulnerable to any future disaster of this magnitude, besides being in violation of GOI guidelines.

Programme guideline envisages involvement of beneficiaries in decision making and the programme was required to be need-based. In Mayyanad Village in Kollam District, out of 168 houses constructed in May 2011, only 61 houses were allotted so far. The remaining beneficiaries (107) were unwilling to accept flats as they demanded three to four cents of land for construction of individual houses. As such, construction of flats was not as per the preferences of majority of beneficiaries.

Construction of houses under Special Package was taken up very early before finalizing the design by the Nodal Agency and consequent approval by Government. These 1150 houses were constructed mainly changing the roof (from thatched to RCC) and by strengthening wall etc. with the amount released to the beneficiary as a special case.

Only 6 houses are remaining vacant in the Moorthikavu site, Mayyanadu village.

Out of the 5.19 acres of land 4.08 acres of land being utilized for the construction of 85 houses (at Chirayathvayal and Panayilvayal).

District Collector, Kollam had acquired 32.84 acres of land at various site for the construction of individual houses for 2,356 beneficiaries. The design of the house was changed from individual type of flats. Due to this change in design at a later state, 5.19 acres of land already acquired in 3 plots at Mayyanad Village at a cost of Rs.47.51 lakh became excess of requirement.

State Government replied (July 2012) that there was some difficulty in acquiring land and hence flat type of construction was adopted. Government further stated that this land is an asset to Government, which could be used for other development activities.

In Anchuthengu in Kadakkavur Village (Thiruvananthapuram District) construction of 208 flat type houses was entrusted to M/s.Habitat Technology Group for an amount of Rs.7.48 crore, without proper assessment of suitability of land. The agency was given a mobilization advance of Rs.1.12 crore in February 2009. After executing land development work for Rs.10.34 lakh the agency stopped the work as there was no improvement in the load bearing capacity of the soil. The agency refunded the balance amount of Rs.1.02 crore in two instalments (August 2010 : Rs.0.80 crore, September 2011 Rs.0.22 crores). The agreement with the agency did not contain any provision for charging of interest for the advance released.

Without taking into account the preferences of beneficiaries for individual houses, Government decided to construct flats in Kulathur Village (Thiruvananthapuram District) and

In the case of Anchuthengu action is being taken to charge interest for the unutilized amount from the Habitat Group.

With regard to Kulathoor site, Agency refunded the amount to Government in time, soon taking and conveying decision

5.

2.4.7

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entrusted the work to KSHB. An amount of Rs.1.41 crore was paid to KSHB as mobilization advance on 11 February 2010. Due to protest by the beneficiaries, the work was abandoned after incurring an expenditure of Rs.28.35 lakh. Balance amount of Rs.1.13 crore was refunded by the KSHB on 18 November 2011. Absence of a clause for charging interest on the advance amount resulted in non-realisation of interest from the agency.

State Government replied (July 2012) that provision for charging interest was not included in the agreement as the agencies were selected on no loss no profit basis. Non-inclusion of a clause for charging interest in the agreement was a failure on the part of the Government. Such a clause would have addressed the risk of delay in refund of Government money.

Time taken for execution

As per the agreement executed with the KSHB and other implementing agencies, the houses were to be constructed within six months from the date of handing over of site. But in the districts test-checked, there was a delay of three months and above in the construction of houses. The reason for the delay was attributed to scarcity of construction materials, non-availability of labourers, etc.

The construction of houses was proposed in two phases; 5,876 houses in phase I to be completed by May 2009 and 5,124 houses in phase II to be completed by September 2009. Out of the target of 11,000 houses, construction of 9,123 houses were taken up. But the achievement up to

to drop flat scheme. Also agency put the advance amount in separate current account which fetch no interest to the agency. The intention of the Government was to implement the project at a fast rate. So the advance was given to the agency so that beneficiary get the units rather than keeping the Central fund in bank to get the interest.

Delay in the completion of work is mainly attributed to the beneficiaries themselves, since nearly half of the houses were constructed under BDCH and 'in-situ' projects. The scarcity of labourers, non availability of construction materials, monsoon etc also contributed to the delay.

Now the target has been refixed to 9498 houses and as on 30.11.2013, 8772 houses completed 603 in progress and 123 are held up due to court stay, other reasons. Action is being taken to

6.

2.4.8

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July 2012 was 8,549 houses only. 444 houses were under various stages of construction. 130 houses were not taken up for construction due to court stay and lack of interest by beneficiaries. The remaining 1,877 houses were not taken up for construction. Out of Rs.324.37 crore released to the nine District Collectors (Rs.322.80 crore) and Kerala State Housing Board (Rs.1.57 crore) towards the acquisition of land and construction of houses, the District Collectors and KSHB utilized Rs.285.50 crore. The physical target and achievement in construction of houses in the nine districts as of July 2012 are shown in Table 2.26.

The Government stated (July 2012) that scarcity of labourers, on-availability of construction materials, long monsoon during 2010, etc., were the reasons for the delay.

Financial Assistance

As per GOI guidelines financial assistance for damaged houses was available under the scheme by way of grant (Rs.1.20 lakh). For relocation, financial assistance was to be provided by way of loan (Rs.2 lakh). However, the State Government implemented the component relating to relocation with financial assistance to beneficiaries by way of grant.

State Government replied (July 2012) that beneficiaries were not willing for availing loan and hence included the re-location and construction of houses under TRP. The reply of Government was not acceptable as assistance through grant for relocation was in violation of the GOI guidelines.

complete balance houses within 3 months except under Court stay. Status report may be seen at Annexure-V.

The beneficiaries were not interested in availing loans and hence Government implemented the programme by way of grant and proposal was submitted to Government of India. The Planning Commission accepted the proposal and released funds as per request of the State.

The sanctioned amount for 'In'situ' houses is Rs.2.50 lakhs and for BDCHS is Rs.2.78 lakhs. The variation is due to reasons mentioned in the reply dated July 2012.

As per GOI guidelines, the provision of grant for construction of houses was Rs.1.20 lakh per unit for a minimum core accommodation of 300 sq.ft. at the rate of Rs.400 per sq.ft. But State Government sanctioned different rates as detailed below :

- In Arattupuzha panchayat, two housing schemes under TRP Special Packages were sanctioned (July 2008); 1,150 houses at Rs.1 lakh each and 500 houses at Rs.2.50 lakh each.
- In Alappad panchayat, under Special Package Rs.3 lakh each was sanctioned (July 2008) for 729 houses.
- For Beneficiary Driven Cluster Housing (BDCH) sanctioned in June 2009, Rs.2.78 lakh each was given to 1,146 beneficiaries.
- In the case of construction of houses by agencies, the cost was as per Schedule of Rates which ranged from Rs.3 lakh to Rs.4 lakh.
- For in-situ housing, Rs.2.50 lakh per house was sanctioned (Decemeber, 2008).

Granting different rates to the beneficiaries under same scheme was not only violative of guidelines of Planning Commission, but also against the principles of fairness.

State Government replied (July 2012) that lesser amount was allotted to in-situ houses as the beneficiaries re-used materials of old houses and electric connection and water connection were already available to them.

The scheme started early during 2008 and continued for 3 years. Cost escalation factor and different mode of constructions attributed to different rates to the beneficiaries.

7.

2.4.9

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Other points of interest

- The period of implementation of TRP was from 2005-06 to 2008-09 which was further extended upto 31 December 2011. The houses were to be constructed and allotted to the beneficiaries on war footing. Even though lands were acquired for the construction of houses in Fast Track Method, there was a delay of four months to 16 months in handing over the acquired land to the implementing agencies.

State Government replied (July 2012) that the procedural delay was inevitable. The reply was not acceptable as Government had designated KSHB as the nodal agency for the speedy implementation of the scheme. The work should have been taken up on a war footing for the speedy rehabilitation of the affected people.

- As per guidelines, the houses and land vacated by the re-settled beneficiaries were to be placed under the custody of local body for the purpose of 'Bio-shield formation'. Even though 4,515 families were resettled in other places, their existing land was not taken over by Government/Local Bodies. Thus, the very objective of the scheme of Bio-shield formation for coastal protection has not been achieved.

State Government replied (July 2012) that the land was not taken over by the local bodies based on the Cabinet Sub Committee decision on 16 February 2011 that the original land of the beneficiaries would vest with them even after relocation. The reply of Government may be viewed in the

Delay is inevitable as pointed out in the reply dated, 27.7.2012, since lot of formalities including preparation of lay out and design preparation of estimate and execution of agreement by the agencies have to be completed in between acquiring of land and starting of construction. There was no extraordinary delay in the implementation, except procedural delay as mentioned above. As regard 'Bioshield formation', reply given on 27.7.2012 is very clear. Action is being taken to insure all the houses constructed under TRP.

Beneficiaries are not permitted to carryout any construction in their original land.

8.

2.4.10

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light of the fact that the stipulation by GOI regarding taking over of land addresses the risk of beneficiaries staying back in the vulnerable area and would also have served the objective of bio-shield formation.

- As per GOI guidelines, insurance of dwelling units constructed under the programme was mandatory. But none of the houses constructed under TRP was got insured.

Conclusion

The implementation of housing component under TRP by the State Government was not in accordance with the GOI guidelines. Though Tsunami caused damages to life and life supporting structures in five districts, the scheme was implemented in all nine coastal districts in the State, thereby diverting the funds earmarked for 'Environment and Coastal Protection', to un-affected districts. The component relating to relocation was implemented with financial assistance by way of grant instead of loan by violating guidelines of GOI. Selection of beneficiaries was not in accordance with the guidelines. CHRP intended relocation, but construction of in-situ houses within 10 metres of HTL was allowed, thereby defeating the purpose of relocation. As against the target of 11,000 houses, construction of 9,123 houses were taken up and out of these only 8,549 houses were completed as of July 2012. In some cases, houses constructed were far away from their work places, resulting in non-allotment of completed houses.

Action is being taken to insure these houses.

The scheme was implemented in the nine coastal districts with a view to restructure the social and economic back ground of coastal Kerala as desired by Government of India. Since beneficiaries were not willing to avail loans, the proposal was drafted changing the loan into grant and submitted to Government of India. The Planning Commission has accepted the proposal and released funds as per request.

Beneficiaries were selected in a transparent manner with the approval of DLMC.

Though Government faced many problem like procuring suitable land, escalation of cost of materials etc. Government could complete the targeted number of houses.

9.	2.4.11	Disaster Management (TRP Cell)	<p><u>Recommendation</u></p> <ul style="list-style-type: none"> • The Government should ensure that funds sanctioned by GOI for the relief/rehabilitation measures in connection with national calamities, reach the affected population. • The Government should take urgent steps to complete the construction of the remaining houses without delay. 	<p>1) Government implemented TRP keeping in mind the entire coastal population, who is vulnerable to various problems like rough sea, high tide etc. Government took it is an opportunity to improve the life standard of coastal population.</p> <p>2) Only 747 houses remaining to be completed due to Court stay, other issues etc. against the targeted number of 12060 houses (including Special Package).</p>
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