

# Contribution From Any Person/ Institution Allowed in NDRF

July 20, 2020

The Central Government has laid out the modalities for receipt of contributions/ grants **from any person or institution** for the purpose of disaster management in the National Disaster Response Fund (NDRF) as per **Section 46(1)(b) of the Disaster Management (DM) Act, 2005.**

## National Disaster Response Fund

The Ministry of Home Affairs (MHA) had invoked the Disaster Management Act, 2005 for the first time this year in wake of COVID-19. **The pandemic was notified as a “disaster”**, paving the way for the States to utilise the State Disaster Response Fund (SDRF) for treatment of patients and other logistics such as quarantine centres, setting up laboratories among other things. The other notified disasters are cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloudburst, pest attack, frost and cold waves.

The NDRF, maintained under the **accounting head of the Union Finance Ministry**, has been allocated ₹22,070 crore in the financial year 2020-21, up from ₹17,210 crore in the 2019-20 fiscal.

As per Section 46 of the DM Act, the “NDRF supplements the State Disaster Response Fund (SDRF) in case of a disaster of severe nature, provided adequate funds are not available in the SDRF.” The States have to submit utilisation certificates, pending which no future allocation is made.

**The SDRF is the primary fund available with State governments** to meet the expenses of relief operations of an immediate nature, for a range of specified disasters. The Centre contributes 75% of the SDRF allocation for general category

States and Union Territories, and 90% for special category States (northeast States, Sikkim, Uttarakhand, Himachal Pradesh, and Jammu & Kashmir).

The financial assistance from SDRF/NDRF is for **providing immediate relief and is not compensation for loss/damage to properties /crops**. In other words, NDRF amount can be spent only towards meeting the expenses for emergency response, relief and rehabilitation. For projects exclusively for the purpose of mitigation, i.e, measures aimed at reducing the risk, impact or effect of a disaster or threatening disaster situation a separate fund called National Disaster Mitigation Fund has to be constituted.