

NDRF Grants

September 19, 2020

National Disaster Response Fund is defined in **Section 46 of the Disaster Management Act, 2005 (DM Act)** as a fund managed by the Central Government for meeting the expenses for emergency response, relief and rehabilitation due to any threatening disaster situation or disaster.

Features of NDRF Grants

- NDRF is constituted to **supplement the funds of the State Disaster Response Funds (SDRF)** of the states to facilitate immediate relief in case of calamities of a severe nature.
- The financial assistance from SDRF/ NDRF is for **providing immediate relief and is not compensation** for loss/damage to properties/ crops. 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 of a disaster, a separate fund called **National Disaster Mitigation Fund** has to be constituted.

Administration of NDRF

- **The National Executive Committee (NEC) of the National Disaster Management Authority** takes decisions on the expenses from the National Disaster Response Fund, in accordance with the guidelines laid down by the Central Government in consultation with the National Authority.
- Based on the recommendations of NEC, a **High Level Committee (HLC) will approve the quantum of immediate relief** to be released from NDRF. HLC consists of Finance Minister, Agriculture Minister, Home Minister, and Vice Chairman-NITI AAYOG as members.
- The NDRF is financed through the **levy of a cess** on

certain items and approved annually through the Finance Bill. The requirement for funds beyond what is available under the NDRF is met through **general budgetary resources**.

- NDRF is **located in the Public Accounts** of Government of India under **'Reserve Funds not bearing interest'**.
- **The Department of Agriculture** and Cooperation under the Ministry of Agriculture (MoA) **monitors relief activities for calamities associated with drought, hailstorms, pest attacks and cold wave/ frost** while rest of the natural calamities are **monitored by the Ministry of Home Affairs (MHA)**.
- **Comptroller and Auditor General of India (CAG)** audits the accounts of NDRF.