

National Disaster Response Fund (NDRF)

In July 2020, the Government of India had allowed any person or institution to contribute to the National Disaster Response Fund (NDRF) for the purpose of disaster management, in the wake of the COVID-19 pandemic. What is the National Disaster Response Fund? Who operates it? Get answers to all these questions in this article. NDRF is an important topic for the <u>UPSC exam</u>, particularly for the disaster management section of GS paper III.

What is National Disaster Response Fund?

The National Disaster Response Fund is a fund managed by the Central Government and is used for meeting the expenses incurred during emergency relief, disaster response and rehabilitation in the event of a disaster.

- It was earlier called the National Calamity Contingency Fund (NCCF) which had been operated as per the guidelines laid down by the 11th Finance Commission.
- In 2005, the <u>Disaster Management Act (DMA)</u> was enacted and this renamed the NCCF as the National Disaster Response Fund (NDRF). Accordingly, the funds of the NCCF were merged into the NDRF.
 - Section 46 of the DMA defines the NDRF.
- The NDRF is placed in the "Public Account" of GOI under "reserve funds not bearing interest".
 - o Know more about 'public account' and other types of funds of GOI in the linked article.
 - Since it is placed in the public accounts, the government does not require parliamentary approval to take money out of this fund.
- The NDRF supplements the <u>State Disaster Response Fund</u> in case sufficient funds are not available with the state funds to facilitate immediate relief in case of calamities of severe nature.
- The NDRF is audited by the Comptroller and Auditor General (CAG).
- The detailed accounts of NDRF are maintained by the <u>Controller General of Accounts (CGA)</u> through the Chief Controller of Accounts, Finance Ministry.

Calamities covered under NDRF

Natural calamities such as earthquakes, cyclones, drought, fire, tsunami, floods, landslide, hailstorm, avalanche, pest attack and cloud burst deemed to be of severe nature by the Indian Government and for which the state government requires funds in excess of the balance available with its SDRF.

The fund is used for providing immediate relief to the people affected by the above-mentioned disasters when state funds are inadequate. But the NDRF (or the SDRF) is not used for disaster preparedness, restoration, reconstruction and mitigation.



Note:- Do not get confused between the National Disaster Response Fund and the <u>National Disaster</u> Response Force (NDRF).

NDRF Financing

The NDRF is financed through cesses on certain items, chargeable to excise and customs duty, and approved yearly through the Finance Bill. At present, a National Calamity Contingent Duty (NCCD) is levied to fund the National Disaster Response Fund and additional budgetary support is given as and when necessary. The NCCD is levied for goods specified in the Seventh Schedule (goods manufactured or produced).

There is also a provision according to which people or institutions can contribute to the NDRF. It is this provision the government has made use of while declaring in June 2020 that any person or institution can contribute to the fund.

UPSC Questions related to National Disaster Response Fund (NDRF)

How do I donate to the National Disaster Response Fund?

Contributions/grants can be made by any person or institution to the NDRF through physical instruments, RTGS/NEFT/UPI and Bharatkosh portal.

Can individuals contribute to NDRF?

Yes, individuals can contribute to the NDRF.

Is NDRF under RTI?

Yes, the NDRF is accessible under the Right to Information Act (RTI).