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No.23(1)FCD/2005
Government of India
Ministry of Finance
Department of Expenditure
Finance Commission Division

Block No. XI, 5th Floor,
CGO Complex, Lodhi Road,

New Delhi, the 5th July, 2005

OFFICE MEMORANDUM

Subject: "Scheme for Constitution and Administration of the Calamity Relief Fund and National Calamity Contingency Fund" based on the recommendations of the Twelfth Finance Commission 2005-10.

Sir,

The Twelfth Finance Commission (TFC) has recommended that the scheme of CRF be continued in its present form with some minor changes. The size of the CRF for 2005-10 is kept at Rs.21333.33 crore. The scheme of NCCF is also to be continued in the present form with core corpus of Rs.500 crores.

Government of India has accepted the recommendations of the Finance Commission for 2005-10. Ministry of Finance has framed schemes for implementation of the recommendations of Calamity Relief Fund and National Calamity Contingency Fund in consultation with the Ministry of Home Affairs and Ministry of Agriculture.

I am enclosing a copy of each of the schemes for the CRF and NCCF respectively, for further necessary action at your end. The guidelines have already circulated to States separately.


(O.P. Shemar)
Director

To

1. ✓ Shri S.K. Swami
Director (NDM-I),
Ministry of Home Affairs
Room No.97, North Block,
New Delhi.
2. Shri S. Janakiraman
Under Secretary to the
Government of India
Ministry of Agriculture,
Department of Agriculture & Cooperation,
(Drought Management Division)
Krishi Bhawan, New Delhi

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Scheme for Constitution and Administration of the Calamity Relief Fund

Title of the Scheme

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

Period of Operation

2. The scheme will be operative from financial year 2005-06 and continue till the end of the financial year 2009-10.

Calamities covered under the Scheme

3. The CRF shall be used only for meeting the expenditure for providing immediate relief to the victims of cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst and pest attack.

Constitution of Calamity Relief Fund

4. The Calamity Relief Fund will 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 State Government concerned and would be invested as per provisions of para 9 of the scheme. However, if for some reason, a State is not in a position to invest the fund in a manner prescribed in the said para 9 of the scheme, such State can be permitted by Ministry of Finance to constitute CRF, under the head "8121- General and Other Reserve Funds - Calamity Relief Fund" in the interest bearing section of the Public Account.

Contributions to the Fund

5.1 The amount of annual contribution to the Calamity Relief Fund of each State (hereinafter the "CRF") for each of the financial years 2005-06 to 2009-10 would be as indicated in Annex-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 25% amount will be contributed by the State Government concerned. The yearly shares of the Government of India and the State Governments are shown in Annex-II and III respectively.

5.2 The share of the Government of India to the CRF shall be paid as Grants-in-aid and accounted for 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 "3601- Grants-in-aid from Central Government-6) Non- plan Grant-109 Grants towards contribution to Calamity Relief Fund".

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5.3 In order to enable transfer of the total amount of contribution to the CRF (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 Transfers to Reserve Fund and Deposit Accounts-Calamity Relief Fund". Immediately upon receipt of Government of India's share as per para 5.2 of the scheme, the States would transfer the amount, along with their share if not already transferred, to the Public Account Head indicated in para 4 of the scheme, as the case may be.

5.4 The share of the Central Government shall be remitted to the State Governments in two instalments on June 1, and December 1, in each financial year. Likewise, the State Governments shall also transfer their contribution to the CRF in two instalments in June and December of the same year, provided that if Ministry of Finance is satisfied that exigencies of a particular calamity so warrant, 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.

Release of Central Contribution to the Fund

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

1. 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&F) of the State shall be furnished by the State Government to the Ministry of Finance before July 31, 2005.

2. The State Government shall furnish a certificate to the Ministry of Finance in the months of April and October every year 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 should be in the proforma at Annex-IV.

3. Centre's contribution due on December 1, shall be released only after the 'Annual Report on Natural Calamities' as per provisions of para 11.2 of the scheme is received by the Ministry of Home Affairs and the Ministry of Finance. This Annual Report shall furnish details of expenditure incurred by the State Government on each of the calamities, and each type of expenditure allowed as per the norms of CRF so fixed.

Whenever CRF of a State is replenished with additional grants-in-aid from National Calamity Contingency Fund (NCCF), the State Government would treat the flow of funds from the GoI in the same manner as far as transfer and accounting is concerned. It shall furnish a specific utilization certificate, in proforma at Annex-V, within three months of the financial year in which such a grant is released.

(v) 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.

Relationship of Fund with General Revenues/ Public Account

7. The periodic contributions to the CRF as well as the other income of the CRF shall be invested in the manner prescribed in para 9 of the scheme. Wherever Government of India's concurrence has been provided for constituting interest bearing Public Account as per para 4 above, the State Government shall pay interest to the CRF at 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 CRF, by issue of a suitable notification in this behalf. A copy of the notification shall be furnished to Ministry of Finance and Ministry of Home Affairs.

Composition of State Level Committees

8.2 The Chief Secretary to the State Government shall be the ex-officio Chairperson 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.

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 from CRF.

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

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

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8.7 The accretions to the CRF, 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. No further financial assistance (beyond the Central Government's yearly contribution to the CRF) 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 CRF will rest with the Committee.

9.2 On receipt of the amounts of contributions from the Government of India and/or the State Government, the Committee would take action for investment of the funds as per the norms prescribed in para 9.3 of the scheme. The investment of the funds shall be carried out by the branch of the Reserve Bank of India (having Banking Department) at the headquarters of the State, or a Bank designated by RBI. In the case 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 CRF in the securities specified in clauses (a) to (d) under paragraph 9.3. Such instructions will be issued by the Chairman or 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 Mumbai or other metropolitan centres. The banks would send to the Government the debit on account of the investment and other incidental charges like brokerage, commission etc. in the usual course. However, in

13) 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.

9.5 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." The incidental charges like brokerage, commission etc. shall be accounted for as a charge on the Fund.

9.6 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.

9.7 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 CRF 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.

9.8 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 Mumbai or any other metropolitan Centre and credit the amount realised, less incidental charges, to the account of the Government.

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

9.10 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.

Assessing Expenditure Requirements

9.11 The Committee will assess the requirements of assistance from the CRF 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 CRF as decided/ authorised shall be withdrawn from the Fund by the Committee after disposal of the investment holdings in the manner prescribed in para 9.12 and credited to the CRF Account.

Encashment of Securities

9.12 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

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best 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.

9.13 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.

10.1 The norms for the amounts to be incurred on each approved item of expenditure shall be prescribed by the Ministry of Home Affairs. Concurrence of Ministry of Finance should be obtained on file on any changes proposed in the norms. In case any State Government exceeds the amount prescribed, the excess expenditure should be borne on the budget of the State Government and not on CRF.

10.2 Expenditure on training of the core multi-disciplinary group created in the State as per the guidelines of the Ministry of Home Affairs, shall be met from CRF.

Items and Norms of Expenditure

10.3 The expenditure on restoration of damaged infrastructure and capital assets should be met from the normal budgetary heads, except when it is to be incurred as part of providing immediate relief.

The restoration/replacement of damaged infrastructure has to be planned very often to new standards, arrived at after detailed analysis of the phenomena that caused the damage, which cannot be done as part of immediate relief assistance. Such expenditure is, therefore, to be met from plan funds.

10.4 The provision for disaster preparedness and mitigation needs to be built into the State plans, and not as a part of calamity relief.

Monitoring by the Ministry of Home Affairs

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

15 11.2 The State Governments shall be expected to furnish every year an Annual Report on Natural Calamities in the format prescribed by the Ministry of Home Affairs. This report shall be sent by every State Government to the Ministry of Home Affairs and to Ministry of Finance positively by September 30, every year.

11.3 The Ministry of Home Affairs shall, inter-alia, undertake evaluation of the expenditure incurred out of CRF. They will get such evaluation done by an independent agency for at least six States in a year, so as to ensure that the evaluation for all States is done at least once in five years. Terms of Reference for the independent evaluation shall be decided by the Ministry of Home Affairs in consultation with Ministry of Finance.

Unspent Balance in the Fund

12. The unspent balance in the CRF as at the end of the Financial year 2004-05 shall be the opening balance of CRF for 2005-06. Any balance available at the end of 2005-10 will be available to the State Government for being used as a resource for the next plan, if the scheme of CRF is discontinued by Govt upon consideration of XIII Finance Commission recommendations. Otherwise, the closing balance would be available for relief expenditure under CRF in the ensuing period of 2010-2015.

Accounts and Audit

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

13.2 Comptroller and Auditor General of India would cause audit of CRF to be conducted every year in terms of the purposes of the CRF scheme. The State Government shall furnish a copy of the audit report of the Comptroller and Auditor General of India in respect of CRF to the Ministry of Finance, which in turn, will provide a copy to the Ministry of Home Affairs.

Savings

14. The Ministry of Finance 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 Ministry of Finance 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.


20.11.05
(Anurag Goel)

Additional Secretary to Government of India
Department of Expenditure

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ANNEX-I

Calamity Relief Fund during 2005-2010

Sl. No.	STATE						(Rs. in crore)
		2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	TOTAL, 2005-2010
1	2	3	4	5	6	7	
1	Andhra Pradesh	344.08	361.28	379.35	398.31	418.22	1901.24
2	Arunachal Pradesh	28.30	29.12	29.97	30.87	31.81	150.07
3	Assam	193.06	198.62	204.48	210.62	217.06	1023.84
4	Bihar	148.93	153.23	157.74	162.48	167.45	789.83
5	Chhattisgarh	111.75	114.98	118.35	121.90	125.62	592.60
6	Goa	2.11	2.21	2.32	2.44	2.56	11.64
7	Gujarat	246.00	258.30	271.22	284.78	299.00	1359.30
8	Haryana	124.38	130.60	137.11	143.99	151.18	687.26
9	Himachal Pradesh	100.69	103.60	106.65	109.86	113.21	534.01
10	Jammu & Kashmir	86.46	88.96	91.58	94.31	97.21	458.51
11	Jharkhand	126.07	129.71	133.53	137.55	141.75	668.61
12	Karnataka	114.66	120.39	126.41	132.73	139.36	633.55
13	Kerala	85.50	89.77	94.26	98.98	103.91	472.42
14	Madhya Pradesh	254.23	261.58	269.29	277.39	285.88	1348.37
15	Maharashtra	222.90	234.05	245.75	258.09	270.94	1231.68
16	Manipur	5.56	5.72	5.89	6.06	6.25	29.48
17	Meghalaya	11.29	11.61	11.95	12.31	12.68	59.84
18	Mizoram	6.58	6.77	6.97	7.18	7.40	34.90
19	Nagaland	3.81	3.94	4.05	4.17	4.30	20.29
20	Odisha	301.54	310.24	319.38	328.97	339.03	1599.16
21	Punjab	146.03	153.31	160.99	169.04	177.49	806.88
22	Rajasthan	415.61	436.42	458.25	481.16	505.21	2296.68
23	Sikkim	17.53	18.04	18.57	19.13	19.70	92.97
24	Tamil Nadu	209.08	219.53	230.51	242.03	254.13	1155.28
25	Tripura	12.85	13.22	13.61	14.02	14.44	68.14
26	Uttar Pradesh	295.94	304.48	313.45	322.87	332.75	1569.49
27	Uttarakhand	94.69	96.59	98.58	100.67	101.85	492.38
28	West Bengal	234.73	241.50	248.62	256.39	263.92	1244.86
Total		3944.41	4097.79	4258.85	4427.97	4604.31	21333.33

Catastrophe Relief Fund during 2005-2010
(Centre's Share)

Sl. No.	STATE						(Rs. in crore)
		2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	TOTAL 2005-2010
1		2	3	4	5	6	7
1	Andhra Pradesh	258.06	270.96	284.51	298.73	313.67	1425.93
2	Assam	21.23	21.84	22.48	23.15	23.86	112.56
3	Assam	144.79	148.97	153.36	157.97	162.80	767.89
4	Bihar	111.69	114.92	118.31	121.86	125.59	592.37
5	Chhattisgarh	83.81	86.23	88.76	91.43	94.22	444.45
6	Coo	1.38	1.66	1.74	1.83	1.92	8.73
7	Gujarat	184.50	193.73	203.41	213.58	224.25	1019.47
8	Haryana	93.28	97.05	102.85	107.99	113.39	514.56
9	Himachal Pradesh	75.52	77.70	79.99	82.40	84.91	400.52
10	Jammu & Kashmir	64.84	66.72	68.68	70.75	72.90	343.89
11	Jharkhand	94.56	97.28	100.15	103.16	106.31	501.46
12	Karnataka	86.00	90.28	94.81	99.55	104.52	475.16
13	Kerala	64.13	67.33	70.70	74.23	77.93	354.32
14	Madhya Pradesh	190.67	196.18	201.97	208.04	214.41	1011.27
15	Malharashtra	167.18	175.54	184.31	193.53	203.21	923.77
16	Manipur	4.17	4.29	4.42	4.54	4.69	22.11
17	Meghalaya	8.47	8.71	8.96	9.23	9.51	44.88
18	Mizoram	4.94	5.08	5.23	5.39	5.55	26.19
19	Nagaland	2.87	2.95	3.03	3.12	3.22	15.19
20	Orissa	226.16	232.68	239.53	246.73	254.27	1199.37
21	Punjab	109.52	115.00	120.74	126.78	133.12	605.16
22	Rajasthan	311.73	327.32	343.68	360.87	378.90	1722.50
23	Sikkim	13.15	13.53	13.93	14.35	14.78	69.74
24	Tamil Nadu	156.81	164.65	172.88	181.52	190.60	866.46
25	Tripura	9.64	9.92	10.21	10.52	10.83	51.12
26	Uttar Pradesh	221.95	228.36	235.10	242.15	249.55	1177.11
27	Uttaranchal	71.02	72.44	73.93	75.50	76.39	369.28
28	West Bengal	176.05	181.12	186.47	192.07	197.93	933.64
Total		2958.31	3073.34	3194.14	3320.97	3453.23	16999.00

Calamity Relief Fund during 2005-2010
(State's Share)

		(Rs. in crore)					
Sl. No	STATE	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	TOTAL 2005-2010
1		2	3	4	5	6	7
1	Andhra Pradesh	86.02	90.12	94.84	99.58	104.56	475.12
2	Arunachal Pradesh	7.08	7.28	7.49	7.72	7.95	37.52
3	Assam	48.26	49.66	51.12	52.66	54.27	255.97
4	Bihar	37.23	38.31	39.44	40.62	41.86	197.46
5	Chhattisgarh	27.94	28.74	29.59	30.48	31.41	148.16
6	Goa	0.53	0.55	0.58	0.61	0.64	2.91
7	Gujarat	61.50	64.58	67.80	71.19	74.75	339.82
8	Haryana	31.10	32.65	34.28	36.00	37.80	171.82
9	Himachal Pradesh	25.17	25.90	26.66	27.47	28.30	133.50
10	Jammu & Kashmir	21.61	22.24	22.89	23.58	24.30	114.63
11	Jharkhand	31.52	32.43	33.38	34.39	35.44	167.13
12	Karnataka	28.67	30.10	31.60	33.18	34.84	158.39
13	Kerala	21.38	22.44	23.57	24.75	25.98	118.12
14	Madhya Pradesh	63.56	65.39	67.32	69.35	71.47	337.09
15	Maharashtra	55.73	58.51	61.44	64.51	67.74	307.92
16	Manipur	1.39	1.43	1.47	1.51	1.56	7.36
17	Meghalaya	2.82	2.90	2.99	3.08	3.17	14.96
18	Mizoram	1.65	1.69	1.74	1.80	1.85	8.73
19	Nagaland	0.96	0.98	1.01	1.04	1.07	5.06
20	Orissa	75.39	77.56	79.84	82.24	84.76	399.79
21	Punjab	36.51	38.33	40.25	42.26	44.37	201.72
22	Rajasthan	103.91	109.11	114.56	120.29	126.30	574.17
23	Sikkim	4.38	4.51	4.64	4.78	4.93	23.24
24	Tamil Nadu	52.27	54.88	57.63	60.51	63.53	288.82
25	Tripura	3.21	3.31	3.40	3.51	3.61	17.04
26	Uttar Pradesh	73.98	76.12	78.36	80.72	83.19	392.37
27	Uttarakhand	23.67	24.15	24.64	25.17	25.76	123.39
28	West Bengal	58.68	60.37	62.15	64.02	65.98	311.20
Total		986.10	1024.44	1064.68	1107.02	1151.09	5333.33

Encl.

Statement of Expenditure/Balance in Calamity Relief Fund

Annex-IV

(Rs. in lakh)

(A) Crediting of earlier released amounts to the Calamity Relief Fund (CRF)

1. Whether entire Centre's share of CRF amounting to for the financial year released earlier has been credited to CRF: Yes No
2. Whether corresponding State share of CRF for the financial year Has been credited
CRF : Yes No
3. If yes, amount of State share credited to CRF:
4. Amount received under NCCF :
5. Total amount credited to the CRF during the current financial year
Amount as on

(B) Statement of utilization as on

- i) 31st March, 200.....
- ii) 30th September, 200.....

1. Opening balance:
2. Receipt during the current financial year

(i) Centre's share	<input type="text"/>
(ii) State's share	<input type="text"/>
(iii) Assistance under NCCF	<input type="text"/>
(iv) Interest earned	<input type="text"/>
(v) Others	<input type="text"/>
(vi) Arrears of Centre's/State's share if any to be credited to CRF	<input type="text"/>
(vii) Total (i) to (vi)	<input type="text"/>
(viii) of which amounts credited to CRF	<input type="text"/>

3. Total amount available in the CRF ((1+2 (viii)))
4. Total Expenditure incurred during the year out of the Fund
i) As on 31st March, 200.....
ii) As on 30th September, 200.....

5. Balance available in the Fund (3-4) :

(C) Submission of 'Annual Report on Natural Calamities'.

- (i) Whether "Annual Report on Natural Calamities" for the previous year
has been sent to Ministry of Home Affairs (Yes/No).
- (ii) If yes, date on which sent

Signature

(Signature)
Designation

Dated

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Annex-

Expenditure incurred by the State from the Calamity Relief Fund (CRF) / National Calamity Contingency Fund (NCCF)

Date:-

-Quarter-Month ending:-

Sl. No.	Particulars	Calamity										
		Earthquake	Flood	Fire	Storm	Calamity	Unkown	Landslide	Ambush	Time	Part	Part
		1	2	3	4	5	6	7	8	9	10	11
1	Gratuitous Relief											
	Ex-Gratia payment to families of deceased persons											
	Ex-Gratia payment for loss of a limb or eyes											
	Grievous injury requiring hospitalization for more than a week											
	Relief for the old, in firm and destitute children											
	Clothing and utensils for families whose house have been washed away/ fully destroyed due to a natural calamity.											
	Supplementary Nutrition											
	Assistance to small and marginal farmers for:											
	Desilting etc.											
	Removal of debris in hill areas, and											
	Desilting/Restoration/Repair of fish farms											
	Agriculture input subsidy where crop loss was 50% and above											
	For agriculture crops, horticulture crops and annual plantation crops											
	Input Subsidy to farmers other than Small & Marginal Farmers in case of severe natural calamity occurring for second consecutive year (or subsequent year)											
	Perennial crops											
	Assistance to sericulture farmers											
	Loss of substantial portion of land caused by landslide, avalanche, change of course of rivers											
	Employment Generation (only to meet additional requirements after taking into account, funds available under Plan various Plan Schemes with elements of employment generation)											
	Animal Husbandry Assistance to small and marginal farmers / agricultural labourers											
	Replacement of draught/milch animals or animals used for haulage.											
	Provision of fodder in cattle camps.											
	Water supply in Cattle Camps											
	Additional cost of medicines and vaccine (calamity related requirements)											
	Supply of fodder outside Cattle Camps											
	Movement of useful cattle to Other areas.											
	Assistance to Fishermen											
	For repair / replacement of boats, nets and damaged or lost											
	Boat											
	• Dupont - Canoe											
	• Catamaran											
	• Net											
	Input subsidy to fish seed farm											

Assistance to artisans in handicrafts sector by way of subsidy for repair/replacement of damaged equipments										
(a)	Traditional Crafts									
(b)	For damaged equipments									
(c)	For raw material									
(d)	For Handloom Weavers									
(e)	Repairs/replacement of hand equipments and accessories									
(f)	Purchase of yarn and other materials									
Assistance for repair/restoration of damaged houses										
(a)	Fully damaged houses (where the house is beyond repair and needs to be reconstructed)									
(b)	Pucca House									
(c)	Kuchha House									
(d)	Severely damaged house									
(e)	Pucca									
(f)	Kuchha House									
(g)	Partially Damaged Houses (where the damage is minimum of 15%)									
(h)	Emergency supply of drinking water in rural areas and urban areas									
(i)	Provision of medicines, disinfectants, insecticides for prevention of outbreak of epidemics									
(j)	Medical care for cattle and poultry against epidemics									
(k)	Evacuation of people affected/likely to be affected									
(l)	Hiring of boats for carrying immediate relief and saving life									
(m)	Provision for temporary accommodation, food, clothing, medical care etc. of people affected/evacuated									
(n)	Air dropping of essential supplies									
(o)	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.									
(p)	Replacement of damaged medical equipments and lost medicines of Govt. hospitals/health centres									
(q)	Operational cost (of POL. only) for Ambulance Service, Mobile Medical Teams and temporary dispensaries									
(r)	Cost of clearance of debris									
(s)	Draining off flood water in affected areas									
(t)	Cost of search and rescue measures									
(u)	Disposal of dead bodies/carcasses									
(v)	Training to specialist multi disciplinary groups/teams of the State personnel drawn from different cadres/services									
(w)	Procurement of essential Search, Rescue and evacuation equipments including communication equipments subject to ceiling of 10% of the CRP allocation of the year									
(x)	Installation of Public utility 4 digit code telephone (cell not metered)									
(y)	Grand Total									

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**Scheme for Constitution and Administration of the National Calamity
Contingency Fund**

Title of the Scheme

1. The scheme shall be called 'National Calamity Contingency Fund' Scheme.

Period of operation

2. The scheme shall come into force with effect from the financial year 2005-06 and will be operative till the end of the financial year 2009-10.

Calamities covered under the Scheme

3. Natural calamities of cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst and pest attack considered to be of severe nature by Government of India and requiring expenditure by the State Government in excess of the balances available in its own Calamity Relief Fund, will qualify for relief assistance under the scheme.

National Calamity Contingency Fund

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

Contribution to the National Fund

5.1 The National Calamity Contingency Fund has a corpus of Rs.500 crore provided by Government of India. The closing balance of the fund at the end of financial year 2004-05 shall be the opening balance of the fund in the year 2005-06.

5.2 During the course of the year transfers to the National Calamity Contingency Fund established in the Public Account of India will be made by operating the following heads of account

Major Head "2245-Relief on account of Natural Calamities - 80-General-797-Transfers to Reserve Funds and Deposit Account'-Transfer to National Calamity Contingency Fund.

5.3 The budget provision for transferring funds to the National Calamity Contingency Fund as mentioned in para 5.2 above shall be made in grant No. 36-"Transfers to State and UT Governments" (under non-plan provision) of the Ministry of Finance.



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6. The Ministry of Home Affairs may make appropriate arrangements to monitor the occurrences of natural calamities relating to cyclone, drought, earthquake, fire, flood, hailstorm, landslide, avalanche, cloud burst and pest attack on a regular basis and assess their impact on area and population and set up a committee consisting of scientists, flood control specialist and other experts to study and map the hazards to which several States are subject to, given the geophysical and agro-meteorological heterogeneity of the country.

Assessment of Relief Assistance from the NCCF

7 The Ministry of Home Affairs in respect of natural calamities of cyclone, earthquake, fire, flood, landslide, avalanche and cloud burst and the Ministry of Agriculture in respect of drought, hailstorm and pest attacks will assess, upon a request made by a State not having adequate balance in their Calamity Relief Fund, whether the State will require additional assistance from NCCF to provide relief in any specific case of calamity of severe nature. Following procedure will be adopted for making the assessment:

- (i) Memorandum of State Government will be examined to assess whether the State is affected by a severe calamity, and the likely requirement of funds as per norms of CRF/NCCF. If the preliminary examination reveals that there are adequate funds with the State for providing relief as per the norms, the State would be advised accordingly.
- (ii) If the preliminary examination reveals that the State is in need of assistance, a Central Team will be deputed for making on the spot assessment.
- (iii) The report of the Central Team shall be examined by an Inter-Ministerial Group (IMG) to be constituted by the Ministry of Home Affairs/Ministry of Agriculture, for assessing the requirement of assistance from NCCF. The IMG shall then make recommendations to the High Level Committee (HLC) regarding the likely expenditure for meeting the calamity, and the extent of assistance and expenditure which may be funded from the NCCF.

High Level Committee (HLC)

8. The High Level Committee/Group of Ministers will consist of Agriculture Ministry, Home Minister, Finance Minister and Deputy Chairman, Planning Commission. The High Level Committee will decide about the quantum of assistance and release of funds from NCCF, for meeting the severe calamity. HLC will be serviced by the Disaster Management Division of Ministry of Home Affairs.

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Ministry of Home Affairs to supervise

9. The Ministry of Home Affairs shall oversee that the money drawn from the NCCF is actually utilised by the State Governments for the purpose for which the NCCF has been set up.

Inadmissible assistance from NCCF

10. The assistance from NCCF will be only for immediate relief and rehabilitation. Any reconstruction of assets or restoration of damage infrastructure should be financed through re-allocation of Plan funds.

Allocation of foodgrains

11. The expenditure on allocation of food grains to the affected States by the Central Government is essentially relief expenditure for mitigation in the aftermath of drought or other calamities. Foodgrains would be allocated by HLC. A transparent policy will be formulated by the Ministry of Home Affairs and approved by HLC for this purpose.

Releases to States

12.1 Release of assistance to the State Governments from NCCF shall be made under the head "2245 - Relief on account of Natural Calamities - 80- General - 103 - Assistance to States from NCCF" with equivalent amount shown as recovery from the fund maintained in the Public Account of India, under the head - "8235-General and Other Reserve Funds-119 National Calamity Contingency Fund". The amount recovered from the fund shall be shown as below the line recovery in the demands for grants.

12.2 On receipt of assistance from the NCCF, 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 Government -01 Non-Plan Grants-Grants from National Calamity Contingency Fund. 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.

12.3 The Pay and Accounts Office, Ministry of Finance 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.

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13 The State Level Committee constituted by the State Government to administer the Calamity Relief Fund shall also 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

14. Any assistance provided by the Centre to the States from the NCCF shall be financed by levy of a special surcharge on the Central taxes for the period 2005-06 to 2009-10. Collection from such surcharge shall be initially credited to the Consolidated Fund and thereafter transferred to the NCCF. 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

15. The Ministry of Home Affairs shall monitor the scheme of NCCF.

Unspent balances in the National Fund

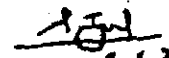
16. The unspent balance in the NCCF at the end of the financial year 2009-10 will be available to the Central Government for being used as a resource for the next Plan, provided the scheme is not continued further.

Accounts and Audit

17. The accounts of the NCCF 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 NCCF shall be audited annually by Comptroller & Auditor General. The State Government shall furnish a copy of the audit Report of CAG to Ministry of Finance and Ministry of Home Affairs.

Savings

18. 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.


(Anurag Goel)

Additional Secretary to Government of India
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