

PM CARES Fund

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PM CARES Fund: Contributions, Achievements, and Concerns

Context : The PM CARES Fund received ₹912 crore in contributions during the financial year 2022-23. Of this, ₹909.64 crore came from voluntary donations and ₹2.57 crore from foreign contributions. This continued support reflects trust in the fund even after the peak of the COVID-19 pandemic.

What is the PM CARES Fund?

About

The **Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)** was established on **March 27, 2020**, as a public charitable trust. It was specifically created to deal with **emergencies or distress situations** like the COVID-19 pandemic.

- **Tax Benefits:** Donations are eligible for **100% tax exemption** under Section 80G of the Income Tax Act and qualify as **Corporate Social Responsibility (CSR)** expenditure under the Companies Act, 2013.
 - **Foreign Contributions:** The Fund has received an **FCRA exemption**, enabling a separate account to accept foreign donations. This aligns with practices for the **Prime Minister's National Relief Fund (PMNRF)**, which has been receiving foreign contributions since 2011.
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Objectives

The PM CARES Fund focuses on providing relief and assistance in emergencies, whether natural or man-made. Its objectives include:

1. **Emergency Support:** Financing healthcare, pharmaceutical facilities, and infrastructure during public health emergencies or other calamities.
 2. **Financial Assistance:** Providing **grants or payments** to aid affected populations.
 3. **Research and Development:** Funding relevant research to address public health challenges.
 4. **General Relief Activities:** Undertaking any other activities consistent with the Fund's objectives.
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Members

- **Ex-Officio Members:** The **Prime Minister** is the Chairperson, and the Defence Minister, Home Minister, and Finance Minister serve as trustees.
 - **Appointed Trustees:** The Prime Minister can appoint **three additional trustees** to serve on a non-profit basis.
 - **Administrative Support:** The **Prime Minister's Office (PMO)** provides administrative and secretarial assistance.
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Performance of the PM CARES Fund

Total Contributions (2020-2023):

- **Overall Contributions:** ₹13,605 crore
 - **Voluntary:** ₹13,067 crore
 - **Foreign:** ₹538 crore
- **Interest Income:** ₹565 crore

Contributions in 2022-23:

- **Total:** ₹912 crore
 - **Voluntary:** ₹909.64 crore
 - **Foreign:** ₹2.57 crore

Disbursals in 2022-23:

- **Total Amount Disbursed:** ₹439 crore
 - **₹346 crore:** PM CARES for children.
 - **₹91.87 crore:** Procurement of 99,986 oxygen concentrators.
 - **₹1.51 crore:** Contribution refunds.

Closing Balance (2022-23): ₹6,284 crore

Criticism of the PM CARES Fund

1. Lack of Transparency

- **Audit Concerns:** The Fund is **not audited by the Comptroller and Auditor General (CAG)**.
- **RTI Exclusion:** It does not fall under the purview of the **Right to Information (RTI) Act**, raising questions about public accountability.

2. Overlapping Purpose

Critics question the necessity of PM CARES when the **Prime Minister's National Relief Fund (PMNRF)** already exists to handle disaster relief.

3. Utilization of Funds

- **Underutilization:** A significant portion of funds remains unused.
- **Refunds:** ₹202 crore was refunded from ventilator procurement, suggesting potential inefficiencies in planning.

4. Foreign Contributions

The acceptance of **foreign donations** has sparked debates about potential external influence over domestic decision-making.

Conclusion

The **PM CARES Fund** has been instrumental in addressing emergencies like the COVID-19 pandemic, showcasing its value in crisis management. However, concerns over **transparency**, **fund utilization**, and its **overlap with existing mechanisms** need to be addressed. **Enhanced accountability** and better communication with the public could bolster trust and maximize its impact.



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