PM CARES Fund

Prelims: *Current events of national and international importance | Government policies and interventions*

Why in News?

Recently, the Prime Minister's Office directive barring Lok Sabha questions on PM CARES, the PM National Relief Fund, and the National Defence Fund has raised concerns over parliamentary oversight.

- PM CARES Fund is ***a public charitable trust.***
- **Purpose –** It is a dedicated fund to deal with emergencies like pandemics, disasters, and distress situations and provide relief to affected people.
- **Establishment –** Registered under the ***Registration Act, 1908.***
- **Objective –** Provide financial and material support during public health emergencies, disasters, and distress situations.
- Strengthen healthcare and pharmaceutical infrastructure and promote research and innovation.
- **Features – Structure –** ***Chaired by the Prime Minister*** with Union Ministers as ex officio trustees, along with nominated trustees and an advisory board.
- **Administration –** *Managed by PMO officials on an honorary basis* with administrative and secretarial support from the Prime Minister's Office.
- **Activities –** Mobilisation and allocation of relief funds to affected populations.
- Support for infrastructure projects and emergency response initiatives through grants and assistance.
- **Funding –**
- Voluntary contributions from individuals and organisations.
- CSR contributions from companies and PSUs (non-budgetary).
- Domestic and foreign donations.
- **Benefits – Section 80G –** Donations to the PM CARES Fund are eligible deduction under the Income Tax Act, 1961.
- **Section 10(23C) –** The PM CARES Fund itself is exempt from paying income tax on the contributions it receives.
- **CSR –** For corporate donors, contributions qualify as Corporate Social Responsibility (CSR) expenditure under the Companies Act, 2013

Quick Facts

PM National Relief Fund (PMNRF)

• **Established –** PMNRF was set up in January 1948, originally to accept public contributions for the assistance of partition refugees
• **Purpose –** Its scope has expanded to include medical assistance (cancer, heart surgery, acid attacks) and disaster relief.
• **Management –** Originally managed by a committee comprising the PM, Deputy PM, Finance Minister, Congress President, a Tata Trustee, and an industry representative.
• However, in 1985, the committee entrusted the entire management of the fund to the Prime Minister, who currently has sole discretion for fund disbursal.
• **Administration –** It is managed on an honorary basis by a Joint Secretary in the Prime Minister's Office (PMO), supported by staff on an ex officio basis.
• **Funds –** It accepts only voluntary donations and receives no budgetary support from the government.
• **Transparency –** The PMNRF is audited by a private auditor rather than the CAG and provides annual financial summaries while remaining outside the standard RTI mandate.

National Defence Fund (NDF)

• The NDF is used for the welfare of members of the Armed Forces and their dependents.
• **Established –** It was constituted under Section 44 of the Disaster Management Act, 2005.
• **Under –** A statutory body under the Ministry of Home Affairs.
• **Accountability –** The NDRF is mandated to be accountable and answerable under the Right to Information Act, 2005, being a public authority.
• **Audit –** It is auditable by the Comptroller and Auditor General of India.

References

1. IE | PM CARES Directives
2. IE | PM CARES
3. About | PM CARES fund

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