

LISTED GOVT FIRMS PAID OVER ₹2,900 CR TO PM CARES FUND



**EYE on CSR
PART - I**

The first of a three-part series on corporate social responsibility explores allocations to the PM CARES Fund. Government-run firms accounted for the majority of donations (59.3 per cent) that listed entities made to the fund, SACHIN P MAMPATTA writes



The first of a three-part series on corporate social responsibility (CSR) explores allocations to the PM CARES Fund. The analysis is in the context of easing of CSR disclosure rules in annual reports

Listed govt firms contributed ₹2,900 cr to PM CARES

SACHIN P MAMPATTA
Mumbai, 23 April

Government-run firms accounted for the majority of donations that listed entities made to the Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM CARES) Fund.

They contributed at least ₹2,913.6 crore between 2019-20 and 2021-22, according to an analysis of the data collated by tracker primeinfobase.com for all the companies listed on the National Stock Exchange.

Business Standard identified 57 companies in which the government had a significant stake to reach the aforementioned amount. Their contribu-

tion accounts for more than the cumulative donation made by 247 other firms to the fund - 59.3 per cent of total donation of ₹4,910.5 crore.

The top five donors among the list of 57 are Oil and Natural Gas Corporation (₹370 crore), NTPC

(₹330 crore), Power Grid Corporation of India (₹275 crore), Indian Oil Corporation (₹265 crore), and Power Finance Corporation (₹222.4 crore).

There has been controversy around the fund since it was set up in March 2020.

The chairman of the fund is the prime minister and trustees include the defence minister, home minister, and finance minister. The fund is not controlled by the Government of India, according to a reported submission by the Centre to the Delhi High Court in January 2023. This reiterates a position mentioned in a 2020 judgment by the Supreme Court of India, which noted that the trust does not receive any government money.

"The PM CARES Fund is a charitable trust registered under the Registration Act, 1908, at New Delhi on 27.03.2020. The trust does not receive any Budgetary support or any government money," stated the August 18, 2020, Supreme Court Judgment.



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NEARLY ₹1,500 CR CAME FROM TOP FIVE

Amount contributed to PM CARES, FY20-22

(in ₹ cr)

Oil and Natural Gas Corporation	370.00
NTPC	330.00
Power Grid Corporation of India	275.00
Indian Oil Corporation Limited	265.00
Power Finance Corporation	222.39
REC Limited	200.00
NMDC Limited	150.00
Bharat Petroleum Corporation Limited	125.00
Petronet LNG	120.00
Gail (India)	115.00

Source: primeinfobase.com, *Business Standard* calculations

Scrutiny over CSR spending gains significance in light of the new norms. The government in September 2022 amended norms to limit the amount of information that companies have to put out in their annual reports on CSR spends.

Pranav Haldea, managing director at PRIME Database, said the recent amendments in the CSR provisions allow less transparency. "Companies no longer have to provide as many details to shareholders on where CSR spends are going.

Greater disclosures for the donating companies, as well as large recipients, would be positive," he said.

The PM CARES Fund also receives donations from individuals and other organisations, besides companies.

It collected ₹3,076.6 crore in 2019-20, according to disclosures on its website. This rose to ₹10,990.2 crore in 2020-21. It was ₹9,131.9 crore in 2021-22.

The bulk of the amount appeared to have come from corporate India's CSR budgets in its first year.

Total CSR contribution to the PM CARES Fund was ₹1,577.8 crore or more than half the collection in 2019-20. Total CSR contributions from NSE-listed companies rose to ₹2,471.6 crore in 2020-21. The figure for 2021-22 was ₹861.1 crore.

The PM CARES Fund spent a limited amount (₹2,049) in the few days it was operational in 2019-20. This rose to ₹3,976.2 crore in 2020-21 and ₹3,716.3 crore in 2021-22.

E-mails sent to the 57 companies on Wednesday and to the PM CARES Fund on Thursday did not elicit a reply.