

Government companies gave huge amount to PM CARES

By News Desk



Government companies have contributed more to the donations made by listed companies to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES). An analysis of data compiled by primeinfobase.com, a firm that tracks companies listed on the National Stock Exchange (NSE), shows that the contribution of government companies to PM CARES is around Rs 2,913.60 crore.

BLITZ identified 57 companies in which the government has a majority stake. Their contribution is more than that of around 247 other companies that have donated to PM CARES. The contribution of those government companies was 59.3 per cent in the total donation amount of Rs 4,910.50 crore (government and private companies).

Out of these 57 companies that have donated to PM CARES, the top 5 companies are ONGC (Rs 370 crore), NTPC (Rs 330 crore), Power Grid Corporation of India (Rs 275 crore), Indian Oil Corporation (Rs 275 crore), IOC (Rs 265 crore) and Power Finance Corp (Rs 222.4 crore).

The PM CARES Fund has been embroiled in controversies since its inception in March 2020. The Prime Minister is the chairman of this fund and while its trust consists of the Defense Minister, the Home Minister and the Finance Minister. According to a report submitted by the central government to the Delhi High Court in January 2023, it is not a fund controlled by the Government of India.

It has also been said in the report that this trust does not get funds from the government. The Supreme Court in one of its judgments on August 18, 2020 had said, 'PM CARES Fund is a charitable trust registered at New Delhi on March 27, 2020, under the Registration Act, 1908. It does not get budget support or government funds.

Scrutiny of expenditure under Corporate Social Responsibility (CSR) has also become important under the new parameters. The government changed the rules in September 2022 to limit information on companies' CSR spending in their annual reports.

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Pranav Haldia, Managing Director, Prime Database, said that due to the recent amendment made in the CSR provisions, the transparency has become less than before. "Companies no longer have to give as much information to shareholders about where CSR spending is going," he said.

PM CARES Fund also receives donations from individuals and other organizations. According to the information given on its website, a total of Rs 3,076.60 crore was received in the year 2019-20. In the year 2020-21, this amount increased to Rs 10,990.20 crore.

The total CSR contribution to the PM CARES Fund stood at Rs 1,577.80 crore, which is more than half of its total collection in the year 2019-20. The total CSR contribution of NSE listed companies increased to Rs 2,471.60 crore in the year 2020-21. In the year 2021-22, this figure was Rs 861.10 crore only.