

# Questions over India's PM CARES Fund signals failure of government-citizen collaboration

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By [Abhinav Mehrotra](#) Oct 09, 2021

Image

## PM CARES Fund

India's central government has informed the Supreme Court that ex-gratia payment of Rs. 50,000 (USD 667) will be made to the families of those who died of Covid-19 and also to the kin of those who died of the virus following involvement in Covid-19 relief operations or activities associated with the preparedness for dealing with the pandemic. This has put the spotlight on the various relief measures adopted by the government during the pandemic, and more specifically the much talked about Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM CARES Fund) that was created on 27 March 2020.

Prime Minister Narendra Modi is the fund chairman and the Ministers of Home Affairs, Defense and Finance are the trustees. The fund's stated aim is to undertake and support relief or assistance of any kind relating to a public health emergency or any other kind of emergency. However, despite having the PM and various ministers as chairman and trustees and using the national emblem of the Indian government, the fund is not a public authority as defined under the RTI (Right to Information) Act, 2005.

Simply put, the citizens in India, especially those who are poor, expect the government to provide them relief in times of distress and that has been happening since 1948 when The Prime Minister National Relief Fund (PMNRF) was set up by then Prime Minister Jawaharlal Nehru.

Government-citizen collaboration is a well-established manner in which developing countries like India respond to the need for ensuring relief during times of pandemic as the government can't act on its own. Thus it is a legitimate demand by the people to be allowed access to the transaction history of the PM CARES Fund since it is largely public money that has gone into it.

## Lack of transparency

However, what makes PM CARES special is that the citizens remain clueless about how their money has been used though that was taken from them in the name of providing relief and grants to the affected population.

The core issue is that for people to trust their government and the initiatives taken by it, a certain level of transparency and accountability is required which has not been the case so far. Although the PMNRF's functioning was also challenged on the argument that it received public contributions similar to PM CARES fund, the Central Information Commission had made it clear that the Prime Minister's Office had to comply with requests for information about the PMNRF.

What needs to be emphasized is that it was the government that had invited contributions from private citizens, public sector industries and the corporate sectors to PM CARES in addition to the existing institutional platforms for disaster relief under the NDMA, 2005, even when there was general economic distress and people were losing their jobs and means of livelihood.

For example, all steel Public Sector Undertakings (PSUs) were asked to fulfill their CSR (Corporate Social Responsibility) obligations for the year by donating to the PM CARES fund. Similarly, a circular was issued by the Department of Revenue urging all officers and staff to contribute their one day's salary every month till March 2021 to the PM CARES Fund.

Moreover, several incentives were offered to the public in the form of tax deductions under the Income Tax Act (1961, Section 80-G). The CSR obligation was allowed to be fulfilled by donating to PM CARES Fund, going against the Companies Act, 2013 that mandates only public funds/ trusts to have CSR exemptions.

## Restoring citizens' trust

Looking forward, the aim must be to restore the citizens' trust so that when future national problems arise the people get associated with the campaign out of their will and not compulsion.

At the same time, the government needs to focus on not only saving lives but also peoples' livelihoods by taking various measures that restrain the employers from taking drastic measures like lay-offs and count that as a contribution towards the government so that the people do not get into a crisis.

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