

SC Verdict on PM-CARES Fund

August 21, 2020

The Supreme Court endorsed the PM CARES Fund as a “public charitable trust” to which donors contribute voluntarily. The SC said that there is no occasion for the Comptroller and Auditor General (CAG) to audit a **public charitable trust independent of budgetary support or government money.**

SC Verdict

Dismissing a writ petition filed by NGO Centre for Public Interest Litigation (CPIL), the bench of Justices Ashok Bhushan, R Subhash Reddy and M R Shah said: “The funds collected in the PM CARES Fund are entirely different funds which are funds of a public charitable trust and there is no occasion for issuing any direction to transfer the said funds to the NDRF.” It also rejected the prayer for a direction to the government to put in place a new National Plan under the National Disaster Management Act, 2005, to deal with Covid-19 situation.

The contributions made by individuals and institutions in the PM CARES Fund are to be released for public purpose to fulfil the objective of the trust. The PM CARES Fund is a charitable trust **registered under the Registration Act, 1908.** The trust does not receive any budgetary support or any Government money. It is **not open for the petitioner to question the wisdom of trustees to create the PM CARES Fund which was constituted with an objective to extend assistance in the wake of a public health emergency** that is pandemic COVID-19.

Outbreak of COVID-19 in India as well as other countries of the world required immediate enhancement in the infrastructure of medical health and creation of funds to contain COVID-19. At this need of the hour, no exception can be taken to the constitution of a public charitable trust, namely, PM CARES

Fund, to have necessary financial resources to meet the emergent situation.

Further, the bench said “all aspects of epidemics, all measures to contain an epidemic, preparedness, response, mitigation have been elaborately dealt in Plan, 2019 (the **National Plan made in 2016 was revised and approved in November 2019**). The petitioners are not right in their submissions that there is no sufficient plan to deal with COVID-19 pandemic. COVID-19 being a biological and public health emergency, which has been specifically covered by National Plan, 2019, which is supplemented by various plans, guidelines and measures, **there is no lack or dearth of plans and procedures to deal with COVID-19**”.