

**AGENDA FOR THE THIRTIETH MEETING OF THE
PERMANENT FINANCE COMMITTEE (PFC)
New Delhi, India
07 December 2009 : 14.15 – 18.00 hours**

Members: (1) VPH Dr. Saeed Nairizi, Vice Chairman (Iran, 2006); (2) Dr. James Ayars, Secretary (USA, 2007) (3) Dr. K. Palanisami, (India, 2005); (4) Dr. Ing. Stefano Salbitani (Italy, 2003); (5) VP Dr. Gao Zhanyi (China, 2007); (6) Dr. A.V. Kolganov (Russia, 2003); (7) Prof. Dr. Kinji Ohashi (Japan, 2004); (8) Dr. Laszlo G. Hayde (Hungary, 2004); (9) VPH Dr. Alain Vidal (France, 2006); (10) Mr. Syed Raghob Abbas Shah (Pakistan, 2006); (11) Er. M. Gopalakrishnan, Secretary General, ICID.

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General Note: Conversion rate of US\$ versus Indian Rupee used in the budget and forecasts -

Average Exchange rate of 1 US \$ for the last fourteen months					
Month	Rs.	Month	Rs.	Month	Rs.
April 2008	39.96	September 2008	45.29	February 2009	49.17
May 2008	41.88	October 2008	48.47	March 2009	51.03
June 2008	42.73	November 2008	48.89	April 2009	49.98
July 2008	42.79	December 2008	48.92	May 2009	48.66
August 2008	42.68	January 2009	48.66	June 2009	47.53

A conversion rate of US\$1=Rs.40 was assumed in the forecast for year 2008-09 on the basis of exchange rate in the first five months of 2008. The actual rate at which the subscription was received during 2008-09 works out at US\$1=Rs.45.87. An exchange rate of US\$1=Rs.45 has been assumed for forecast of year 2009-10, budget for Financial Year 2010-11 and preliminary budget for the Financial Years 2011-12 and 2012-13, on the basis of the average exchange rate in the first 5 months of 2009.

Item 1 : Confirmation of the minutes of 29th Meeting of Permanent Finance Committee held at Lahore, Pakistan, on 13 September 2008

The minutes of the 29th meeting of the Permanent Finance Committee (PFC) held at Lahore, Pakistan, on 13 September 2008 were circulated to the members. No comments have been received in the Central Office. The Minutes may be confirmed.

Item 2 : To review membership of the Committee

- (a) According to By-law 3.2.2(c), the Committee shall have a minimum of 9 and a maximum of 15 elected members in addition to the Secretary General (SG). Presently there are 12 members including SG.
- (b) The Central Office had invited nominations from NCs for the Committee, however, no new nominations were received.

Item 3 : To consider the position of arrears of annual subscription and consequential remedial action

3.1 Arrears

A total of 25 active NCs were in arrears of subscription as on 31 March 2009. Of these 18 were in arrears of balance of one year or more and 7 were in arrears of two years or more. After 31 March 2009 however, USCID (in September) and Taipei Committee (in September) have cleared the arrears. At the time of writing of the agenda notes, the status of arrears of subscription, excluding the current year 2009, is as follows:

3.1.1 NCs in arrears of two years or more (excluding 2009) are as follows:

1. Kyrgyz Republic (balance for 2005 & for 2006, 2007 and 2008)	:	US\$	6,896.00
2. Republic of Macedonia (MAKCID) (2005 to 2008)	:	US\$	5,625.00
3. Morocco (balance for 2006 & for 2007 and 2008)	:	US\$	4,376.52
4. Myanmar (2007 and 2008)	:	US\$	3,990.00
5. Sri Lanka (2007 and 2008)	:	US\$	3,350.00
6. Zambia (2006, 2007 and 2008)	:	US\$	3,910.00
7. USA* (2007 and 2008)	:	US\$	21,132.00

* USA has since cleared its arrears in September 2009.

Attention of these NCs had been drawn to the aggravating situation leading to their becoming “deemed inactive” from 1.1.2010, if arrears for 3 years or more remain unpaid by 31 December 2009. Despite their default in payment of subscription for 3 years or more, the application of sanctions as per the Bylaws was deferred to give them another chance to clear their dues, as recommended by PFC at its Lahore meeting. PFC had also appealed to the VPs incharge of the concerned regions to be more proactive and to persuade the defaulting NCs to clear the arrears. Subsequently, reminders were also issued to the other defaulting NCs but there is no response from them. The above NCs have been requested to attend the meetings of PFC.

3.1.2 Kyrgyz Republic (KYRCID)

KYRCID is in arrears of subscription for the years 2006, 2007, 2008, besides part arrears of the year 2005. Despite regular reminders to the National Committee, no payment has been received. Communication from them is awaited. Although in terms of ICID Bylaw 13.2, a National Committee in arrears of 3 years or more ‘shall be deemed to have withdrawn from the membership’, their status was retained to give them an opportunity to clear the arrears.

3.1.3 Macedonia (MAKCID)

The National Committee of Macedonia is in subscription arrears of more than 4 years, i.e. for 2005, 2006, 2007 and 2008 in addition to the current year 2009, and will have to be deemed inactive NC from 1.1.2008 in case the arrears are not cleared. The Central Office has been continuously writing to the NC for payment of the arrears so as to maintain its active membership status, but no communication has been received from the NC.

PFC may suggest if the National Committees be given another chance to pay and until then not deem them to be 'inactive'.

Item 4 : Action emerging out of ICID Internal Review- PFC

At the Lahore meeting, the PFC reiterated Internal Review Committee's recommendation that the IECs, Regional Conferences and Specialty conferences (like International Drainage Workshops) should also contribute a share of 15% of the registration fee to ICID from 2009, besides a 50% contribution from the Congresses as in the past. Already the African Regional Conference in Abuja in 2009 (which had to be unfortunately cancelled) and 5th Asian Regional Conference in New Delhi in December 2009 agreed to contribute 15% share as envisaged.

The Internal Review Committee also suggested that the membership base of ICID be broadened with a wide representation of all sectors (including the private companies, institutions, manufacturers of I&D equipments etc.) in addition to the existing NC network. A proposal to this effect has also been received from IRNCID. The Chairman, PFC during his visit to the Central Office in May 2009 suggested that, if required, a Special Committee that may be formed by IEC can look into the modalities whether the Constitution needs to be suitably amended to include this provision. It is felt that inputs from such broad-based membership will be mutually beneficial.

Report of this Internal Review Committee had already been included previously in the overview of the External Review Committee.

PFC may consider firming up the suggestions to augment ICID revenue by broad-based membership for IEC's consideration.

Item 5 : To review progress on financial and administrative arrangements for forthcoming ICID Conferences

(iv) 61st IEC Meeting and 6th Asian Regional Conference, Jogjakarta, Indonesia, July 2010

(v) 62nd IEC Meeting and 21st Congress, Tehran, Iran, 2011

(vi) 4th (now re-designated as 3rd) African Regional Conference, Mali, 2011

(iv) 24th European Regional Conference, The Netherlands, 2011

(i) 61st IEC Meeting and 6th Asian Regional Conference, Jogjakarta, Indonesia, July 2010

No information on financial aspects is so far available from INACID.

The concerned NC has been requested to attend the PFC meeting as invitee to present the current status of preparations (administrative as well as financial) for the meeting/conference being organized by them.

(ii) 62nd IEC Meeting and 21st Congress, Tehran, Iran, 2011

The host (Iran) NC of the 21st Congress 2011, through its representative has been requested to elaborate its proposal regarding the conference registration fee and 50% share to ICID from registration fee of the Congress & IEC with an explanatory statement of the anticipated receipts/expenses for consideration by the Committee. The NC has already submitted the status of its technical and administrative preparations to the Central Office

(iii) 3rd African Regional Conference, Mali, 2011

The Nigerian National Committee (NINCID) had informed the Central Office that despite their best efforts and initial progress to organize the 3rd African Regional Conference in Abuja, Nigeria in October 2009, they will not be

able to hold the 3rd ARC due to circumstances beyond their control. This information has been communicated to all National Committees/Committee of ICID and also posted on ICID website.

The 4th African Regional Conference which was approved at Lahore to be held in Mali in 2011, will now have to be renamed as 3rd African Regional Conference in view of the development cited above.

The Mali NC has been requested to attend the PFC meeting as an invitee and to present the current status of preparation (administrative and financial) for the 3rd ARC being hosted by them.

(iv) 24th European Regional Conference, The Netherlands, May 2011

The NC has been requested to inform the Central Office about the administrative, technical and financial preparations for the conference. They will also be requested to send a representative to the meeting to apprise the PFC regarding financial arrangements.

PFC may review the progress in respect of forthcoming events and report as appropriate for Council's consideration and approval.

Item 6 : To discuss and recommend to IEC the audited accounts for the year 2008-09

6.1 Auditor's Report

The auditor's report (abridged) for the period from 1 April 2008 to 31 March 2009, i.e. for the financial year 2008-09 in the format approved by IEC at Varna is given at **Annex 1**, page A-251.

- (1) Outstanding dues of subscriptions:** From the auditor's Note 2, it may be seen that the outstanding balance of subscriptions of 25 active NCs as on 31 March 2009 was US\$ 102,388.70. In comparison, the outstanding balance as on 31 March 2008 was US\$ 57,970.16 from 16 active NCs. However, some National Committees have since cleared the arrears or part thereof, after 31 March 2009.
- (2) Subscription realized:** It may be recalled that the Management Board, at its 27th Meeting held in Cape Town, South Africa on 2 October 2000, had approved the change in fiscal year of the Commission from calendar year to financial year (commencing from 1st April and ending on 31st March next year), but the annual subscriptions are being received on a calendar year basis. Against an amount of subscription totaling to US\$ 225,195 due from 63 active NCs for the year 2008, a remittance of US\$ 163,555.82 has been received by 31 March 2009. This shows 73 per cent realization of the total subscription for the year 2008, as against 78% during the year 2007. USCID has sent its subscription arrears subsequently and this makes the realization percentage as 82%.

It is seen that 42 out of 63 active members have paid their subscription for the year 2008.

6.2 Foreign Currency Accounts

The Foreign Currency Accounts with Canara Bank, New Delhi, India and HSBC Bank plc. London were audited by the Auditors. These accounts have been incorporated in the audit of the account of the Commission for the period ending 31 March 2009. The brief details of these accounts are as follows:

- (1) In the Foreign Currency Account with Canara Bank, New Delhi, India, total receipt during the year 2008-09 was US\$ 187,215 and a balance of US\$ 126,393 from previous year was available. Out of this, a payment of US\$ 300,150 was made. Balance in the Account as on 31.3.2009 was US\$ 13,458.
 - (2) In the Foreign Currency Account (Euro) with Canara Bank, New Delhi, India, the total receipt during the year 2008-09 was Euro 48,240, while a balance of Euro 6,204 was available from the previous year. A payment of Euro 33,538 was made. Balance in the Account as on 31.3.2009 was Euro 20,906.
 - (3) In the HSBC Bank plc. London, during the year 2008-09, the receipt was US\$ 5,648 and payment of US\$ 145 was made. With the past fixed amount already available, the balance in the Account as on 31.3.2009 was US\$ 274,845, well above the recommended balance equivalent of average 1-year subscriptions of US\$ 228,485 (for the year 2000) of the NCs.
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6.3 Staff Provident Fund

The statement for the year 2008-09 in respect of the Staff Provident Fund Account under ICID Employees Provident Fund Trust was audited separately by the auditors. The amount standing at the credit of the subscribers as on 31 March 2009 was Rs.18,197,171 (excluding the Reserve Fund of Rs.55,660 of the Staff Provident Fund) compared to an amount of Rs.14,889,493 as on 31 March 2008. The Reserve Fund is mainly used for the purpose of payment of Auditor's fee and Miscellaneous Expenses of the Trust.

In the light of the Council's decision of 1983, the audited balance sheet and the receipts and payments account of 'ICID Employees Provident Fund Trust' are not included in the printed agenda.

6.4 A comparison of budgeted estimates and actual expenditure for the year 2008-09

A summary of the approved outlay for 2008-09 as presented at Lahore, Pakistan and actual expenditure ending 31 March 2009 (including receipts) is presented at **Annex 1A**, page A-254 along with clarifying notes where variations are substantial. Against the anticipated receipts of Rs. 29.39 M presented at Lahore IEC, the actual receipts were Rs. 30.11 M, while the actual payments made were Rs. 24.18 M against the anticipated payments of Rs.30.49 M as in 2008 IEC. Thus, despite lesser receipts from the Lahore Congress, there was a surplus of Rs.5.9 M as against the anticipated deficit of Rs.0.88 M for the year 2008-09, discussed in the last IEC.

The surplus as accruing is due to the following reasons:

- (i) Deferred payment to MoUD (GoI) of share of rent (of Rs. 6.7 M) received from the tenant, as allocated earlier. Payment advice is awaited from MoUD and will be payable, in future.
- (ii) Lesser expenditure on rehabilitation of building and saving in purchased services and new equipments and good use of internet for communication resulting in saving on postage expenditure
- (iii) Lesser expenditure under the head 'printing and distribution'.
- (iv) Lesser expenses in services and maintenance.

6.5 Non Transferable Fund Accounts

The non-transferable fund accounts are as follows:

- (a) **Gratuity Fund:** The fund is used for making payment to outgoing staff. Receipt in this fund consists of the transfer from main account and interest earned on fixed deposits.
- (b) **Superannuation Fund:** The fund is used for making payment to retiring personnel of the Commission. Receipts in this fund consist of transfer from main account and interest earned on fixed deposits.
- (c) **Dictionary Fund:** The fund was created long time back and is used for the revision of MTD Dictionary and any other related expenses. Receipt in this fund consists of receipt from the sale of MTD and interest earned on fixed deposit of the fund amount. The revised edition of MTD will be brought out at the time of New Delhi IEC for which expenditure will be made from this fund.

A sum of Rs. 300, 000 and Rs. 750, 000 is provided for Gratuity Fund and Superannuation Fund respectively.

Preliminary Observations on Financial Situation

From the financial situation as seen from the receipts, payments, assets and liabilities for the past six years, the current year and the subsequent three years, it is observed that the receipt of ICID share from the Congresses, held once in 3 years, had been a balancing factor to replenish the deficits of the budget for the subsequent two years. However, the 18th and 19th Congresses yielded a much lower share than anticipated and this balancing situation has been disturbed. The revenue from the 20th Congress was also low, resulting into continuance of deficit situation even during the year 2008-09. PFC earlier supported the view (which was earlier also expressed by President Hon. Lee) that starting with the 22nd Congress in 2014, the honour of hosting a Congress should go to a National Committee which offers to guarantee highest contribution beyond a fixed minimum sum (which could be of the order of US\$ 250,000 or as decided) for ICID revenue.

From the year 2009-10, revenue from the IECs and Regional Conferences has been considered starting from 3rd African Regional Conference that was to be held in Abuja, Nigeria, but could not be held. Even with this presumption, the deficit continues up to the year 2010-11. The surplus indicated during the Congress year 2011-12 is subject to receipt of anticipated amount towards ICID share of registration fee (or a fixed fee of US\$ 250,000, that may be proposed to IEC for consideration).

PFC may consider and recommend for IEC's approval the audited accounts for the year 2008-09, with or without comments.

Item 7 : Forecast for the current financial year 2009-10

7.1 Receipts (Annex 1 A)

7.1.1 Anticipated Receipt from Subscription: Annual membership subscription in respect of the present 64 active NCs as receivable is Rs. 10,547,550.

7.1.2 Conference support

It was approved that starting from the 3rd African Regional Conference and 60th IEC that was to be held in Abuja, Nigeria in 2009, the host National Committee will also contribute 15% of the registration fee to the ICID budget. However, unfortunately this meeting could not be held and Indian National Committee had the honour of hosting the 60th IEC and 5th Asian Regional Conference in December 2009. An amount of Rs. 1,350,000 has been anticipated from this meeting towards ICID contribution.

7.1.3 Publications

Royalty from ICID Journal amounting to US\$13,046 (Rs. 587,070) is expected to be received from M/S John Wiley & Sons, Publishers during the year 2009-10.

7.1.4 Grants

A sum of Rs.500,000 has been considered as 'likely' receipt during Financial Year 2009-10 from unidentified sources (as grant for projects that might be undertaken). When received, this will be utilized during the same year. Thus, it does not add to the budget surplus or deficit.

7.1.5 Rent Receipts

A receipt of Rs.8,487,800 is anticipated in 2009-10 from the First Floor premises of Central Office leased out to M/s Yes Bank Ltd.

7.2 Payments

7.2.1 Salary and Allowances: As against the sanctioned staff strength of 28, Central Office functioned with a staff of 20, leaving 8 vacancies unfilled, thus functioning with about 70% of approved working strength. The measure was Central Office's response to IEC's call for exercising control on expenditure.

An amount of Rs.12,516,330 in the budget was approved in 59th IEC Lahore towards the salaries of ICID staff and compensation package of Secretary General.

As the salaries of staff were revised based on Government of India's Pay Commission's recommendations, effective from 1 January 2006, some dues to them arose, of which 40% had been paid in the last financial year. The balance is yet to be disbursed and the sums are payable to the staff in 2009-10.

A revised amount of Rs.18,970,400 is therefore provided now, as the forecast up to the end of this financial year 2009-10.

7.2.2 Services and Maintenance: Provision for some items under the head 'Services and Maintenance' is modified downwards according to requirements during 2008-09, keeping in view the austerity stipulations.

7.2.3 Printing and Distribution

ICID Journal

Against the approved payment of US\$36,870 (Rs.1,264,000) that was mentioned in the approved budget presented at the previous IEC in Lahore, a payment of US\$48,471 (Rs. 2,200,000) is anticipated to be made towards subscription of 800 copies to M/s Wiley & Sons, Publishers of ICID Journal, during the year 2009-10. This includes a sum of US\$9,739 which was wrongly sent by the publishers to ICID and therefore was refunded to them.

Special Publications

A provision of Rs.130,000 for the year 2009-10 had been made on account of likely special publications. However some of the publications could not be completed. Revised and improved edition of ICID Multilingual Technical Dictionary (MTD) on CD-ROM will be published during this financial year. Therefore, a provision of Rs. 360,000 has been proposed accounting for the requirements for the revised and improved ICID MTD edition.

The printing of periodicals and their mailings is restricted to a sum of Rs. 375,000, a revision downwards from the earlier approved figure of Rs. 459,000.

7.2.4 Travel / Meeting

The 60th IEC and the 5th Asian Regional Conference are being held in 2009 in New Delhi only, as such there will be no expenses relating air travel tickets for the meeting for the Secretary General and Secretary / or Executive Secretary, as the case may be. A provision of Rs. 650,000 on other international meetings, meetings in India, etc. has now been made for the balance period of this financial year, against the approved budget provision of Rs. 1,150,000.

7.2.5 Grants

A sum of Rs.500 000 that has been considered as '*likely*' receipt during Financial Year 2008-09 from unidentified sources (*as grant for studies that might be undertaken*) is shown to be utilized during the same year for the purpose of the budget.

7.2.6 Internal Transfer for gratuity and superannuation

For augmenting the Gratuity Fund and Superannuation Fund, a sum of Rs. 300,000 and Rs. 750,000 respectively is provided.

7.2.7 Likely Final Scenario for the Year

The budget for the financial year 2009-10 was approved by the Council in October 2008 at Lahore provisionally. The forecast for the year 2009-10 is as seen in **Annex 1A**, page A-254 (Summary). The year is likely to end with a deficit of Rs.4.5 M as against a deficit of Rs. 2.32 M, which was earlier placed before Lahore PFC and got approved in the 59th IEC. This is due to the proposed payment of due as per the revised structure approved by PFC/IEC.

Though there was a staff committee recommendation that the arrears can be deferred till 1 April 2010, this has been proposed in 2009-10 so as to utilize the reserves available from the amount of dues to L&DO who have still not raised their challan for payment. Our legal counsel has advised us not to make the payment *suo motu* and wait for a letter from them. The payment to L&DO is likely to happen in 2010-11 onwards in installments.

PFC may note and recommend to IEC, the approval of Budget Forecast 2009-10, with or without comments, if any.

(Note: An independent Committee of 4 members with a fair insight of ICID Central Office structure and scales of pay etc. both in Govt. of India and ICID, has been constituted under the Chairmanship of Chairman, INCID on the advice of MB in Istanbul this year. Committee's report is likely to be available at the PFC meeting in New Delhi.)

Item 8 : To consider and recommend to IEC the budget for the financial year 2010-11

8.1 Receipts

8.1.1 Membership subscription

During the year 2010-11, a receipt of Rs.10.86 M from annual membership subscription is expected from 64 active NCs, as shown in the **Annex 1A**.

8.1.2 Publications

ICID Journal – a total Royalty of US\$ 13,929 (Rs. 626,800) as per projections supplied by the Chairman, EB(Journal) in his report presented at the MB meeting in Lahore, 2008 has been assumed as revenue during the year 2010-11.

Other Publications - It is expected that sale of other ICID publications will be able to generate Rs.147,000. In accordance with the procedure of valuation of publications inventory, the receipt from sale of publications during year 2010-11 is estimated only for publications issued after 2002.

8.1.3 Conference Support

61st IEC and 6th Asian Regional Conference, Jogjakarta, Indonesia

With the ICID share of 15% of registration fee, a sum of Rs. 200,000 is presumed in 2010-11 to be accrued from the registration fee of the conference.

8.1.4 Interest and Other Receipts

Interest on fixed deposits in the Accounts is likely to yield Rs. 1,055,000 and other recoveries of advances will amount to Rs. 95,000.

8.1.5 Rent from Let-out Portion

A sum of Rs. 9,760,700 (Gross) is likely to be received as rent from the tenants, M/s Yes Bank.

8.1.6 Grant

A sum of Rs.500,000 has been considered as '*likely*' receipt during Financial Year 2010-11 from unidentified sources (*as grant for works that might be undertaken*). However, this amount is also shown as utilized during the same year.

8.2 Payments

8.2.1 Salaries and Allowances

The provision includes dues on account of annual increment and possible increase in dearness allowance on the approved lines of the Government of India norms, which had been approved for payment by Staff Committee, with their cognizance.

Secretary K.N. Sharma will be superannuating from the service of ICID on 31 March 2010 and his one-time retirement dues will become payable on 1.4.2010 during the financial year 2010-11.

8.2.2 Services and Maintenance

A provision of Rs. 221, 000 has been made for ICID Website/TDS Hardware and Software in the Central Office.

8.2.3 Printing and Distribution

ICID Journal

A provision of US\$ 34,600 (Rs. 1.56 M) has been made for the guaranteed payment towards subscription of 800 copies (200 online copies @US\$36 (for 2010) and US\$ 38 (for 2011) each and 600 printed + online copies each @US\$43 (for 2010) and US\$ 45 (for 2011) to M/s Wiley & Sons, Publishers of ICID Journal for the year 2010-11. This is as per Chairman EB-JOUR's tentative estimates in his Annual Report for the year 2008 presented before IEC in its 59th meeting in Lahore.

8.2.4 Travel (Meetings)

A total of Rs.1 M has been allocated towards travel for meetings as follows -

Meetings in India

A lumpsum provision of Rs. 100,000 is made for participation of Secretary General and other staff for meetings in India.

International Meetings

A lumpsum provision of Rs.700,000 is made for Secretary General's participation in two International Meetings outside India as per the approved practice.

Council Meeting/Regional Conference

A provision of Rs.200,000 is made in financial year 2010-11 for Secretary General's and Executive Secretary's participation in 61st IEC Meeting and 6th Asian Regional Conference to be held at Jogyakarta, Indonesia in 2010. This is as per approved practice.

8.2.5 Payment to L & DO

So far the notice (challan) for payment of dues from the rent of let-out portion has not been received from the Land and Development Officer of the Govt. of India. It is expected that since a substantial amount has become payable over the past 5 years, the payment will be accepted in installments. A sum of Rs. 4 M is allocated for payment to L&DO during the financial year 2010-11.

8.2.6 Printing and Distribution

A budget provision of Rs. 300,000 has been made for publication of periodicals and other special publications, as well for their distribution during the year.

8.2.7 Grant Utilisation

Grant anticipated during the year 2010-11 will be utilised with no carryover.

8.2.8 Contingency

An amount of Rs. 100, 000 is made for unforeseen items.

8.3 Surplus (Deficit)

Taking into account the total receipt of about Rs.24.55M and a total payment of Rs.28.00M, a deficit of Rs.3.45M is anticipated as on 31 March 2011. The deficit during a non-congress year has been seen in all the past years. A one-time payment of dues to the retiring Secretary is also to be made during this financial year.

8.4 Internal Transfer for gratuity and superannuation

Augmenting the funds, a sum of Rs. 300,000 and Rs. 750,000 is provided for Gratuity Fund and Superannuation Fund respectively.

PFC may kindly consider the budget for 2010-11 and recommend it to IEC for approval.

Item 9 : To consider the preliminary budgets for years 2011-12 and 2012-13

The preliminary budget for the subsequent two Financial Years 2011-12 and 2012-13 is prepared based on the previous years budgets and other likely changes that are likely to occur. A summary statement of the above, indicating receipts and payments is set out in **Annex 1A**, page A-254.

9.1 Receipts

9.1.1 Membership subscription

For the present, no account is taken of the receipts of membership fee from the new members who might join ICID hereafter, or the members '*deemed inactive*' getting re-activated. It is presumed that subscription as due is received without default from active member countries. The subscription rates, with 3% increase per year as approved in 2007 at Sacramento is applied.

9.1.2 Rent from Let-out property

A sum of Rs. 9.76 M during the year 2011-12 and 2012-13 is expected to be the receipts from rent of let-out property in the Central Office building.

9.1.3 Conference Support

21st Congress and 62nd IEC meeting are going to be held in Iran in 2011. At 50% contribution from the Congress registrations, an amount of Rs.10 M has been assumed as Conference support for ICID, out of which Rs.9 M is shown towards support and Rs.1 M towards publication receipts (which is likely to be the expenditure in editing and printing of Congress transactions and freight to Iran).

During the year 2011-12, two regional conferences are also going to be held. These are 24th European Regional Conference in The Netherlands and 3rd African Regional Conference in Mali. A tentative contribution of Rs. 2.5 M from the European conference and a contribution of Rs. 1.5M from the African Conference have been assumed.

9.1.4 Publications

- (i) In accordance with the procedure of valuation of publications inventory, the receipts from sale of publications during Financial Years 2011-12 and 2012-13 have been estimated only for publications issued in and after 2004 (for 2011-12) and 2005 (for 2012-13).
- (ii) ICID Journal – Royalty from sale of ICID Journal for the year 2010-11 and 2012-13 is expected to be received in as indicated on page A-. This has been projected on the basis of likely royalty receipts projected by Chairman (EB-Jour) in his report to MB at Lahore, 2008.

9.1.5 Grant

A sum of Rs.500 000 has been considered as 'likely' receipt (as grant for works that might be undertaken) during Financial Years 2011-12 and 2012-13 from unidentified sources. However, the same shall be utilized during that year without any change in the budget position.

9.1.6 Other receipts

Sums of Rs.100,000 and Rs.105,000 respectively have been assumed for the years 2011-12 and 2012-13 from recovery of advances, miscellaneous and advertisement in the ICID media.

9.2 Payments**9.2.1 Salaries and Allowances**

The provision includes dues on account of annual increment and increase in dearness allowance on the lines of the Government of India norms. This is applicable to Central Office staff as per approved Rules and Regulations decided by Staff Committee from time to time. A total provision of Rs. 15.6 M has been made.

9.2.2 Services and Maintenance

A sum of Rs.2,350,000 and Rs.2,725,000 has been made for the forecast Financial Years 2011-12 and 2012-13 respectively for ICID Website/TDS Hardware and Software and other equipment.

9.2.3 Printing and Distribution*Congress Publications*

A sum of Rs.900, 000 has been provided in Financial Year 2011-12 for printing of Transactions and Vol.-II of 21st Congress. Additionally, other expenditure, including air freight of transactions is expected to cost Rs. 400,000

Other publications

A sum of Rs.265,000 and Rs. 220,000 has been allocated towards other publication expenses during the years 2011-12 and 2012-13 respectively.

9.2.4 Payment to L&DO

A sum of Rs. 6 M and Rs. 2 M respectively are proposed to be paid as installments of dues to the Land and Development Office of the Govt. of India during the years 2011-12 and 2012-13.

9.2.5 Travel (Meetings)*(i) International Meetings*

A lumpsum provision of Rs.700, 000 is made for the preliminary budget years 2011-12 and 2012-13 each for participation of Secretary General in two International Meetings outside India.

(ii) Congress/Council Meeting/Regional Conference

A provision of Rs. 300, 000 is made in 2011-12 for Secretary General's, Executive Secretary's and one professional's participation in 62nd IEC Meeting and 21st Congress, Iran, 2011.

A provision of Rs. 300, 000 is made in 2012-13 for Secretary General's and Executive Secretary's participation in 63rd IEC Meeting, 2012.

9.2.6 Grant Utilisation

Grant anticipated during the years 2011-12 and 2012-13 will be utilised with no carryover.

9.3 Surplus (Deficit)

Taking into account the total receipts of about Rs. 37 M and Rs.25.93 M in the Financial Years 2011-12 and 2012-13 and the corresponding total payments of about Rs. 31.2 M and Rs. 26.92 M respectively, the preliminary budgets indicate a surplus of about Rs. 5.8 M in 2011-12 and a deficit of about Rs. 0.98 M in 2012-13. The surplus will be on account of the ICID share of registrations from the 21st Congress to be held in Iran in 2011.

9.4 Internal Transfer

The non-transferable accounts/funds relate to Gratuity, Superannuation and Dictionary Funds. For the financial years 2011-12 and 2012-13, a sum of Rs. 300,000 for Gratuity Fund and Rs. 750,000 for the Superannuation Fund has been shown as transferred.

9.5 Overall financial scenario for the period 2011-13

The overall financial scenario over the triennial span 2011-2013 indicates the following:

- (i) Congresses have been the main source to support the ICID budgets during the past 50 years. However unfortunately starting with 2002 (18th Congress), the subsequent congresses (19th and 20th) have also not been able to meet the expectations as regards finances of ICID. Accordingly, the Congress year 2008-09 was not able to generate anticipated contribution for ICID due to special circumstances resulting in lower international attendance.
- (ii) This deficit is reflected in the non-congress years 2010-11, 2012-13 as the receipts continue to be lesser than the payments. The likely contributions from regional conferences/IECs will help to reduce the deficit to some extent.
- (iii) There is no scope for further reducing the figures on the payment side. There has been some unavoidable increase due to salary revision.
- (iv) The conference contribution for ICID from the 21st Congress in the year 2011-12 assumes significance for ICID's financial strength. In order to insulate ICID from future shocks (as seen happening from the earlier congresses), it may be mentioned that the PFC had earlier considered to make a recommendation that the host National Committee of the Congress ensure a fixed sum of US \$ 250,000 or 50% of registration fee, whichever is higher. Reinforcing the earlier suggestion, the PFC may consider making a recommendation to IEC on these lines. For the present, a contribution of Rs. 10M has been assumed from the congress and Rs. 3.5 M from the two regional conferences which will also be held during the financial year 2011-12.
- (v) One of the suggestions earlier made by the then Chair, PFC was that for approving future congress venues, IEC could go by "*the best bid*". In other words, those bidding NCs who can guarantee a sum not less than US \$ 250,000 would be recommended for consideration by IEC. The highest bidder would be opted if other conditions do not bar such a choice. This was already recommended earlier.
- (vi) PFC may consider making a recommendation to IEC that the National Committee offering to host an International Drainage Workshop should also contribute 15 percent of the registration (as per the norm approved by IEC for annual IEC and Regional Conference related events).

The PFC may consider the preliminary budgets for the Financial Years 2011-12 and 2012-13 and recommend with comments, if any, for approval by the Council.

Item 10 : To note the external funding assistance received in 2009-10 and identify additional funding sources

During the year 2009-10 no external funding was received. ICID Office Bearers who are in an influencing position in their respective Governments can help to explore avenues for such support/study on the lines of Country Policy Support Programme (CPSP) that the Central Office handled with funding support from The Netherlands.

The report of the internal review committee of PFC had also suggested that the Central Office should separately explore the possibility of organizing one International Conference every year in India on relevant and topical issues of concern to be able to generate some revenue for the Commission. Action on the above suggestions will be initiated by the Central Office.

Item 11 : Any other business (with the permission of the Chair)

AUDIT REPORT FOR THE YEAR ENDING 31 MARCH 2009

RAGHU NATH RAI & CO.
Chartered Accountants

International Executive Council
International Commission on
Irrigation and Drainage
48 Nyaya Marg, Chanakyapuri
New Delhi 110 021

Dear Sir,

We have carried out the audit of the accounts of the Commission for the year ending 31st March 2009. In this connection, we have to report as under:

1. Receipts and payments account for the year under report has been checked with the cash book, vouchers, bank statements of accounts and the other records. We have also verified by test check that the payments are within the authority of the respective officers.
2. The Balance Sheet has been prepared after incorporating certain provisions which have been made in the accounts with regard to the amounts payable, amounts recoverable, estimated realisable value of stock of publications in hand. These provisions have been estimated by the AACO have been relied upon by us.
3. These accounts do not incorporate the entries in respect of Provident Fund for which separate accounts have been prepared and audited.
4. We have compared the receipts and expenses with the budgeted provisions. There are some variations between the budgeted amount and the actuals.
5. Foreign currency in the foreign currency accounts with HSBC Bank plc., London and Canara Bank, New Delhi, India has been converted at budgeted rate of exchange and incorporated in these accounts.
6. Subscription and publication due for more than 6 years amounts to Nil.

Subject to the above, Balance Sheet and the Receipts and Payments Account are correct in accordance with the books and vouchers produced before us and as per the information and explanations given to us and upon which we have relied.

Yours faithfully
For Raghu Nath Rai & Co.,
Chartered Accountants

New Delhi
Dated : 30 May 2009

(PREM PRAKASH)
Partner
Membership No.7648

INTERNATIONAL COMMISSION ON IRRIGATION AND DRAINAGE
RECEIPT AND PAYMENT ACCOUNT
for the Period from 1 April 2008 to 31 March 2009

	Notes	2008-09 Rs.	2007-08 Rs.
RECEIPT			
Membership Subscription	2	7 082 834	9 556 932
ICID Journal	3	923 897	457 320
Publications	3	640 810	80 591
Conference Support	3a	1 691 200	160 000
Interest	4	940 085	1 190 962
Grants	5	–	220 150
Others	6	2 541 360	306 553
Let out property	7	16 289 641	–
Total Receipts		30 109 827	11 972 508
PAYMENT			
Salaries, Compensation Package and Retirement Dues	9	15 166 102	10 504 087
Services and Maintenance	9a	1 973 203	2 034 038
Property Tax and Utilities	9b	1 884 257	1 752 515
Rehabilitation / Refurbishing	10	266 905	–
ICID Journal	3	1 474 800	1 398 800
Printing and Distribution	3	787 171	451 580
Conference Expenditure	3	1 574 293	–
Subscription to other organizations	11	151 776	–
Travel Expenditure	12	892 779	1 139 931
Grants Utilisation	5	–	–
Others	13	9 152	–
Payment to L & D O	13a	–	–
Contingency			
Total Payments		24 180 438	17 280 951
SURPLUS (DEFICIT)		5 929 389	(5 308 443)

Sd/-
V.K. Dureja
Asstt. Accounts Officer

Sd/-
K.N. Sharma
Secretary

Sd/-
M. Gopalakrishnan
Secretary General

Auditor's Report
As per our separate report of even date

For Raghu Nath Rai & Co.,
Chartered Accountants

New Delhi
Dated : 30 May 2009

Sd/-
(PREM PRAKASH)
Partner
Membership No.7648

INTERNATIONAL COMMISSION ON IRRIGATION AND DRAINAGE
Balance Sheet as on 31 March 2009

	Notes	As on 31.3.2009 Rs.	As on 31.3.2008 Rs.
ASSETS			
Property and Equipment	14	8 933 472	9 330 183
Receivables	15	7 622 064	2 391 173
Stocks	16	1 154 760	1 475 953
Cash at bank and imprest	17	26 551 385	23 911 559
Total Assets		44 261 681	37 108 868
LIABILITIES			
Accounts payable		3 114 948	3 114 948
Grants	5	–	284 784
Gratuity Fund	18	2 982 138	2 869 781
Superannuation Fund	19	1 583 289	1 503 292
Total Liabilities		7 680 375	7 772 805
NET ASSETS		36 581 306	29 336 063
RESERVES			
General Fund		35 841 615	28 644 261
Dictionary Fund	20	739 691	691 802

Sd/-
V.K. Dureja
Asstt. Accounts Officer

Sd/-
K.N. Sharma
Secretary

Sd/-
M. Gopalakrishnan
Secretary General

Auditor's Report
As per our separate report of even date

For Raghu Nath Rai & Co.,
Chartered Accountants

New Delhi
Dated : 30 May 2009

Sd/-
(PREM PRAKASH)
Partner
Membership No.7648

**SUMMARY OF ACTUALS 2008-09, APPROVED BUDGET 2009-10, FORECAST 2009-10
BUDGET 2010-11 AND PRELIMINARY BUDGETS 2011-12 AND 2012-13**

		Actuals 2008-09 Rs.	Approved Budget 2009-10 Rs.	Forecast 2009-10 Rs.	Budget 2010-11 Rs.	Preliminary Budget 2011-12 Rs.	Preliminary Budget 2012-13 Rs.
I	RECEIPTS						
	1. Membership Subscriptions	7,082,834	9,442,628	10,547,550	10,864,350	11,190,600	11,526,300
	2. ICID Journal	923,897	530,500	586,575	626,800	658,100	691,000
	3. Publications	640,810	161,000	110,000	147,000	1,141,000	169,000
	4. Conference Support	1,691,200	1,350,000	1,350,000	2,000,000	13,000,000	2,500,000
	5. Interest	940,085	1,049,370	993,000	1,055,000	1,145,000	1,180,000
	6. Other receipts	2,541,360	137,550	93,000	95,000	100,000	105,000
	7. Let out property Rent and Arrears	16,289,641	7,284,000	8,487,800	9,760,700	9,760,700	9,760,700
	TOTAL RECEIPTS	30,109,827	19,955,048	22,167,925	24,548,850	36,995,400	25,932,000
II	PAYMENTS						
	1. Compensation Package for Secretary General	1,796,867	1,328,180	2,426,800*	1,875,000	1,961,000	2,050,000
	2. Salaries and Retirement dues of Staff	13,369,235	11,188,150	16,543,600*	14,879,000	13,644,000	14,599,000
	3. Service & Maintenance	1,973,203	2,702,000	1,995,000	2,210,000	2,350,000	2,725,000
	4. Property Tax & Utilities	1,884,257	1,890,000	1,900,000	1,920,000	1,940,000	1,990,000
	5. Rehabilitation / Refurbishing	266,905	300,000	100,000	150,000	100,000	150,000
	6. ICID Journal	1,474,800	1,264,000	2,200,000	1,560,000	1,630,000	1,730,000
	7. Printing and Distribution	787,171	589,000	735,000	300,000	265,000	220,000
	8. Conference Expenditure	1,574,293	120,000	35,000	10,000	1,950,000	305,000
	9. Subscription to other organizations	151,776	-	-	-	200,000	-
	10. Travel Expenditure on Meetings	892,779	1,150,000	650,000	1,000,000	1,050,000	1,050,000
	11. Payment to L&DO (MoUD) from Rent	-	1,640,000	-	4,000,000	6,000,000	2,000,000
	12. Other Payments	9,152	-	-	-	-	-
	13. Contingency	-	100,000	100,000	100,000	100,000	100,000
	TOTAL PAYMENTS	24,180,438	22,271,330	26,685,400	28,004,000	31,190,000	26,919,000
	Surplus (Deficit) (1)	5,929,389	(-) 2,316,282	(-) 4,517,475	(-) 3,455,150	5,805,400	(-) 987,000
	Grant Receipts	-	500,000	500,000	500,000	500,000	500,000
	Grant Utilisation	-	500,000	500,000	500,000	500,000	500,000
	Surplus (Deficit) of Grant (2)	-	-				
	Net Surplus/Deficit (1)+(2)	5,929,389	(-) 2,316,282	(-) 4,517,475	(-) 3,455,150	5,805,400	(-) 987,000
	Internal Transfer to Gratuity and Superannuation Funds	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000

* These figures include 60% of arrear (due for payment for the period 2006-08) which is payable.