

**AGENDA FOR THE 40TH MEETING OF THE  
PERMANENT FINANCE COMMITTEE (PFC)  
05 September 2019: 09:00-11:00 hours (Session I)  
05 September 2019: 11:15-13:15 hours (Session II)  
Bali, Indonesia**

**Mandate:** The Permanent Finance Committee (PFC) shall be concerned with the financial matters of the Commission and matters having significant financial implications. It will review the receipts and expenditures, advise the Council on the previous year's accounts and on the proposed or provisional budget and will make recommendations on the annual subscriptions and other support required from the National Committees and the Direct Members for the current and future years. It may give its opinion to the President and the Secretary-General on the elements to be taken into account to prepare the budgets of the future years. The Committee shall also work out and recommend to the Council ways and means of improving the financial resources of the Commission to meet the financial requirements for undertaking different programs and activities emanating from the other work bodies. The Committee shall set up a Sub-Committee to consider the applications of Direct Members and review the membership of the National Committees in arrears of subscription.

**Members:** (1) Vice President Hon. Laurie Tollefson, Chairman (Canada, 2014); (2) Vice President Mr. Naoki Hayashida (Japan, 2014); (3) Vice President Dr. Irene Bondarik (Russia, 2014); (4) Vice President Engr. Husnain Ahmad (Pakistan, 2014); (5) Mr. Ali Reza Salamat (Iran, 2016); (6) Dr. Marco Arcieri (Italy, 2017); (7) Prof. Mohamed Benmoussa (Morocco, 2018); (8) Mr. Abdul Malik Sadat Idris (Indonesia, 2018); and (9) Er. Ashwin B Pandya, Secretary General, ICID.

**General Note:** Conversion rate of US\$ versus INR (₹) (Indian Rupee) used in the budget and forecasts –

Average Exchange Rate of 1 US\$ for the last fifteen months					
Month	Indian Rupee	Month	Indian Rupee	Month	Indian Rupee
April 2018	65.68	September 2018	72.10	February 2019	71.23
May 2018	67.52	October 2018	73.58	March 2019	69.66
June 2018	67.31	November 2018	71.97	April 2019	69.43
July 2018	68.68	December 2018	70.78	May 2019	69.79
August 2018	69.47	January 2019	70.63	June 2019	69.53

1. A conversion rate of US\$1 = ₹ 65 was assumed in the forecast for the FY 2018-19 on the basis of the exchange rate in the preceding 15 months commencing from April 2017 to June 2018. Subscriptions actually received were, of course, converted based on the prevalent rate. The difference in the subscription budgeted receipts and the subscription actual receipts due to change in the exchange rate are accounted for as part of 'Other Receipts'.

2. Based upon average exchange rate of US\$ 1 for the last fifteen months from April 2018 to June 2019, an exchange rate of US\$ 1 = ₹ 70 has been assumed for the Revised Budget (proposed) for the FY 2019-2020, Budget for FY 2020-21 and Preliminary Budget for 2021-2022 and Forecast Budget for the FY 2022-2023.

**PFC Agenda Item 1. Review of the Membership of the Committee**

3. According to By-law 3.9.3 (b), PFC shall comprise of the Secretary-General (SG) and a minimum of nine and a maximum of fifteen elected members. Presently there are only 09 members on the Committee, including SG. The By-law 3.8.1(c) states that:

*"Members of each Committee will be appointed for a three-year term by the Executive Council at the time of a Congress and may continue to function up to a total of six years, continuously or intermittently. Members, who no longer are actively functioning, may be replaced at the time of the Council meeting according to the aforesaid rules".*

4. In response of minutes of 69<sup>th</sup> Executive Council meeting (IEC) at Saskatoon, Canada, nominations have been called vide email dated 13<sup>th</sup> May 2019, so far only two new nominations (Mr. Delbert M. Smith, P.E., USA NC (USCID) and Mr. Gao Lihui, China NC (CNCID)) have been received for the membership of PFC till the time of preparation of the agenda notes as per ICID By-laws 3.9.3 (b).

5. The term of the Chairman of PFC, Vice President Hon. Laurie Tollefson will be coming to an end with the conclusion of 71<sup>st</sup> Executive Council meeting (IEC) at Sydney, Australia in September 2020. As per ICID By-laws 3,9,3(b), “The Chairperson of this Committee shall be chosen at the Executive Council meeting either from among Office-Bearers (preferably those in offices) elected to this Committee or others who shall have been in service on the Committee at the time of appointment of the Chairperson”. Accordingly, the Committee may choose a Vice Chairman, who can then take over as Chairman PFC during the next meeting of the Committee at Sydney, Australia in September 2020 for a smooth transition.

## **PFC Agenda Item 2. Report on the Direct Membership Administering (DMA) Sub - Committee**

6. IEC established the Direct Membership Administering (DMA) Sub-Committee with Chair PFC as its Chair and with two members co-opted from PFC and one member from PCSO and adopted the procedure as laid down in the Guidelines for Administering Direct Membership.

7. This year, the CO has received the following applications for Direct Membership which have been found to be complete in all respects and approved by Direct Membership Administering (DMA) sub-Committee for provisional direct membership.

Sl. No.	Name of Applicant	Country	Type of Membership Applied for
1.	Maharashtra Water Resources Regulatory Authority (MWRPA)	India	The institution (3 years)
2.	Ningbo Yaofeng Hydraulic Electrics Co. Ltd.	China	Company (3 years)
3.	Prof. (Dr.) Mitthan Lal Kansal	India	Individual (Life Membership)
4.	Dr. Ajay Pradhan	India	Individual (Life Membership)

8. As informed during 39<sup>th</sup> PFC meeting at Saskatoon, Canada, Dubai Municipality, UAE and Institute of Hydraulics and Rural Management, Austria have also been granted Direct Membership.

**Supp. 8A:** The application form of Agricultural Growth of Rural India (AGRI), C-7, 1<sup>st</sup> Floor, Near Sai Chowk, Madhu Vihar, I.P. Extension, New Delhi - 110092 India for DM was sent to Indian National Committee for communicating its NOC, which has been received now. The DM application is also approved by the DMA Sub-Committee as per the guidelines laid down for the purpose.

Application form of Islamic Development Bank Group, Jeddah, Saudi Arabia also received and Performa subscription notification was also sent to remit the membership subscription which is likely to be received soon.

Jain Irrigation Systems Ltd. have still not paid their renewal membership subscription, however, they have assured that they are in the process to renew their membership very soon. We will consider them as associate member and the benefit will be stopped, if we do not receive the subscription by the end of September 2019.

9. The following 19 Direct Members have been active in ICID activities at the time of preparing this agenda notes:

Sl. No.	Name of Direct Member	Country	Category and duration of Membership
1	Dayu Water-Saving Group Co. Ltd.	China	Company (3 years)
2	WAPCOS Limited	India	Company (3 years)
3	Electrosteel Castings Limited	India	Company (3 years)
4	Jain Irrigation System Ltd.*	India	Company (3 years)
5	India Water Foundation	India	The institution (1 year)
6	Central Board of Irrigation and Power (CBIP)	India	The institution (3 years)
7	Asian Development Bank (ADB)	Multilateral	The institution (3 years)
8	Irrigation Australia Ltd	Australia	Company (Dual Membership)
9	Dubai Municipality	UAE	The institution (3 years)
10	Institute of Hydraulics and Rural Management	Austria	The institution (3 years)

Sl. No.	Name of Direct Member	Country	Category and duration of Membership
11	Mr. Deepak Khare	India	Individual (Life Membership)
12	Prof. P.K. Bordoloi	India	Individual (Life Membership)
13	Dr. Ashish Pandey	India	Individual (Life Membership)
14	Prof. Umesh Chandra Chaube	India	Individual (Retiree) (Life Membership)
15	Prof. Lal Bahadur Roy	India	Individual (Life Membership)
16	Mr. Y. Abdul Basheer	India	Individual (Retiree) (3 years)
17	Mr. Aytakin Turgay	Turkey	Individual (Life Membership)
18	Prof. Dr. Klaus Rottcher	Germany	Individual (3 years)
19	Mr. Sajid Ali Bhutto	Pakistan	Individual (Retiree) (3 years)
* Renewal under process			

### PFC Agenda Item 3. Review of the position of arrears of annual subscriptions from NCs and Membership status

10. **Active NCs in Arrears:** At the time of writing the agenda notes, a total of 18 active National Committees are in arrears of subscription for 2016, 2017 and 2018 as indicated in paras below:

11. The total amount of arrears for the year 2018 (other than the current year) at the time of preparation of agenda, is US\$ 40,978/- with the NCs of *Croatia, Fiji, Iran, Ireland, Italy, Mali, Mexico, Myanmar* (who agreed to pay in five installments of US\$1,293 each, already four installments received), *Romania, Somalia and Uzbekistan*.

**Supp. 11A:** The Committee may like to note that the Italian National Committee of ICID (ITAL-ICID) has cleared their outstanding dues of subscription for the year 2018.

12. The total amount of arrears at the time of preparation of agenda is US\$ 12,320/- for the NCs of *Slovenia and Ukraine* for the years 2017 and 2018 and US\$ 4,240 for the NC of *Tajikistan* for the years 2015 and 2016. The PFC may consider recommending IEC to apply By-law 13.1 to above National Committees debarring them from holding office whether it be as an Office Bearer or as a member of a working body until such time the arrears are paid.

13. Malaysian National Committee (MANCID) has raised certain concerns regarding revised annual membership subscription which is about 111.90% of pre-revised subscription. Efforts were made to discussed and resolve this significant increase in the revised subscription with MANCID representative of Malaysian National Committee may like to clarify the issues. The PFC will take decision/advises regarding revised subscription of Malaysian National Committee.

14. **NCs relegated to associate member status:** During the 69<sup>th</sup> IEC at Saskatoon, Canada, it was decided that The National Committees of Madagascar and Tanzania would be considered as “Associate Member” from 01<sup>st</sup> January 2019 in case dues are not cleared by them by 31<sup>st</sup> December 2018. The National Committees of Madagascar and Tanzania are relegated to category of “Associate Members” w.e.f. 01<sup>st</sup> January 2019 since they have not cleared their past dues, in line with decision of 69<sup>th</sup> IEC at Saskatoon, Canada (Resolution IEC-1/69).

15. At the time of preparation of the agenda notes, *Chad, Ethiopia, Malawi, and Niger* continue to be in membership subscription arrears for the years -- 2016, 2017 and 2018 and the total amount of arrears is US\$ 20,495/- besides the membership subscription for the year 2019. *The NC of Chad*, which was going to become an associate member with the arrears of the years – 2015, 2016 and 2017 during 39<sup>th</sup> PFC, has remitted annual their subscription only for the year 2015, hence it continued as an active member but at present they are again in arrears of three years- 2016, 2017 and 2018. Several requests have been made to these NCs to clear their balance of subscription. The PFC may consider recommending IEC to apply By-law 13.2 to above National Committees debarring them from holding office whether it be as an Office Bearer or as a member of a working body until such time the arrears are paid.

**Supp. 15A:** The Committee may like to note that the Malawi National Committee on Irrigation and Drainage (MALCID) has cleared their all outstanding dues of subscription for the year 2016, 2017, and 2018 and also for the current year 2019.

16. Saudi Arabia became an Associate Member of ICID with effect from 01 January 2018. As reported during the 38<sup>th</sup> PFC which was held on 9<sup>th</sup> October 2017 at Mexico City, Mexico, However, the Secretary-General approached and requested to the Royal Embassy of Saudi Arabia in New Delhi to clear the arrears of membership for the years

2014, 2015, 2016, 2017 and 2018 so as to become an active member of ICID. Accordingly, The Saudi Arabian National Committee (SACID) has cleared their dues of US\$ 21,865 up to 2018 and now is an active member of ICID. This is for information of the Committee.

**Supp 16A.** Senegal and Serbia have expressed their desire to re-join ICID network and have been advised about the options available. However, their subscription is pending much beyond 3 years. In order to encourage their membership, they can also be considered as new members rather than charging the arrears for the years in which their membership lapsed to non-member status beyond the associate member status.

**PFC Agenda Item 4. Review of the financial status of recently held ICID events**

**PFC Agenda Item 4.1. 68<sup>th</sup> IEC and 23<sup>rd</sup> Congress, Mexico, 08-14 October 2017**

17. Mexican National Committee of International Commission on Irrigation and Drainage (MXCID) has made a special contribution to ICID budget amounting to 35% share of US \$ 1,64,055/- out of US\$ 57419/- from the registration fee collected for the 68th IEC and 23rd Congress meetings held in Mexico City, Mexico held during 08-14 October 2017. The Committee may like to record its appreciation to MXCID for the successful organization of 68th IEC and 23rd Congress meetings and special contribution to the ICID budget.

**PFC Agenda Item 4.2. 8<sup>th</sup> Asian Regional Conference, Kathmandu, Nepal, 02-04 May 2018**

18. The 8<sup>th</sup> Asian Regional Conference (ARC) was held Kathmandu, Nepal held during 02-04 May 2018. The Nepal National Committee of ICID (NENCID) has agreed to pay a special contribution to ICID budget amounting to 5% share from the registration fee collected, which is under process and expected to be received shortly. The Committee may like to record its appreciation to NENCID for the successful organization of 8<sup>th</sup> Asian Regional Conference (ARC) and agreement to make special contribution to the ICID budget.

**PFC Agenda Item 4.3. 69<sup>th</sup> IEC, Saskatoon, Saskatchewan, Canada, 12-17 August 2018**

19. Canadian National Committee of International Commission on Irrigation and Drainage (CANCID) has made a special contribution to ICID budget amounting to US\$ 30,217/- equivalent to 15% of the registration fee collected for the 69<sup>th</sup> IEC meeting held in Saskatoon, Saskatchewan, Canada held during 12-17 August 2018. The Committee may like to record its appreciation to CANCID for the successful organization of 69<sup>th</sup> IEC meeting and making special contribution to the ICID budget.

**PFC Agenda Item 4.4. 9<sup>th</sup> International Micro Irrigation Conference, Aurangabad, Maharashtra, India, 16-18 January 2019**

20. Indian National Committee on Surface Water of International Commission on Irrigation and Drainage (INCSW) will be making a special contribution to ICID budget amounting to 5% share from the registration fee collected for the 9<sup>th</sup> International Micro Irrigation Conference, Aurangabad, Maharashtra, India held during 16-18 January 2019. INCSW has been informed vide email dated 09<sup>th</sup> July 2019 for making a special contribution to the ICID budget at the earliest. The Committee may like to record its appreciation to INCSW for the successful organization of 9<sup>th</sup> International Micro Irrigation Conference. INCSW representative will brief the PFC and provide the latest updates on special contribution to the ICID budget.

**PFC Agenda Item 5. Review of financial proposals for the forthcoming ICID events**

21. The financial arrangements for the 71<sup>st</sup> IEC, 24<sup>th</sup> Congress, Sydney, Australia, 22-28 September 2020 were already approved as per minutes of the 37<sup>th</sup> meeting of the PFC of 67<sup>th</sup> IEC Meeting. The financial arrangements for the 5<sup>th</sup> African Regional Conference (5AfRC) at Rabat, Morocco in March 2020 was also approved as per minutes of the 39<sup>th</sup> meeting of the PFC of 69 IEC Meeting. However, MB in its meeting held in April 2019 at Rabat, Morocco considered ANAFIDE's request to change the venue of the 5th African Regional Conference from initially approved venue in Rabat (by 69th IEC) to Grand Hotel Savoy in Marrakech, which is considered to be very attractive and touristic place in terms of accommodation options and flight services, and approved the same. . Registration fee structure of these events is reproduced below in a tabular format.

Venue / Year	Sydney, Australia, September 2020	Marrakech, Morocco, March 2020
Event	71st IEC and 24th Congress	5 <sup>th</sup> African Region Conference
		Revised Rate*
Full Registration	\$ 800	\$ 350

Non-Member Fee	\$ 900	\$ 400
Young Professional (International)	\$ 400	\$ 175
Young Professional (Local)	--	\$ 100
Local Delegates	\$ 800	\$ 150
Retired Professionals (International)	\$ 400	\$ 150
Retired Professional (Local)	--	\$ 150
Accompanying Persons (International)	\$ 300	\$ 150
Accompanying Persons (Local)	--	\$ 150
Delegates from Low Income	--	\$ 300
*As approved in 39 <sup>th</sup> Meeting of PFC (69 <sup>th</sup> IEC)		

**PFC Agenda Item 6. Consider the audited accounts of ICID for the Financial Year 2018-19**

**PFC Agenda Item 6.1: Auditor's Report**

22. The Auditor's Report (abridged) for the financial year (1 April 2018 to 31 March 2019) is given at **Annex 1**. The PFC may consider and recommend the audited accounts for the year 2018-19 to IEC for its approval with or without comments. Some of the salient points of the Auditor's Report are highlighted in the following paragraphs:

23. The total annual subscription amount receivable from the 59 active National Committees for the year 2018 was US\$ 252,430. Against this, a sum of US\$ 199,650 was received by 31 March 2019. This shows 79.09% realization of the total subscription for the year 2018 as against a sum of US\$ 200,322 that is 78.73% of US\$ 254,457 for the year 2017, which is a matter of appreciation. PFC may note that 42 out of 59 active members paid their subscription for the year 2018 as on 30<sup>th</sup> June 2019. In addition, outstanding subscription arrears amounting to US\$ 50,540 for the year 2017, US\$ 21,350 for the year 2016 and US\$ 5,905 for the year 2015 were also received as on 30 June 2019.

**PFC Agenda Item 7. Budget and Expenditure for the Financial Year 2018-19**

**PFC Agenda Item 7.1: Comparison of budget estimates and actual expenditure for FY 2018-2019**

24. A summary of the outlay for 2018-19 approved by IEC in the last meeting and payment made up to 31 March 2019 is presented at **Annex 2**. Against the anticipated receipts of ₹ 81.24 million (US\$ 1,249,846), the actual receipts were ₹ 83.14 million (US\$ 1,279,127). There is an overall surplus of ₹ 13.64 million (US\$ 209,914) in the FY 2018-19. The actual payments made during 2018-19 were ₹ 69.50 million (US\$ 1,069,213) against the anticipated budgeted payment of ₹ 74.19 million (US\$ 1,141,354).

**SPECIAL SUBSCRIPTION**

25. A sum of ₹ 0.34 million (US\$ 5,000) was received in March 2019 as a Special Subscription for technical support of activating YP Activities from Japan National Committee of International Commission on Irrigation and Drainage (JNC-ICID), Japan.

26. A sum of US\$ 20,000 out of US\$ 25,250 was received in October 2018 as a Special Subscription from Food and Agriculture Organisation (FAO) for organizing a study tour on Solar Powered Irrigation Systems for FAO delegation to highlight good practices, gain insights into how the potential of SPIS is realized (through targeted policies, innovative financing and user arrangements, etc., to promote and regulate such systems) and how risks are addressed. The study was fully completed by 30<sup>th</sup> June 2019 and balance payment received.

**PFC Agenda Item 8. Budget proposals and forecasting for the current and coming years**

27. PFC may consider the budget for FY 2019-2020 and recommend it to IEC for approval. PFC may also consider the proposed budget for FY 2020-2021 and recommend it to IEC for approval. The preliminary budget for the FY 2021-22 and forecasts budget for FY 2022-2023 is also presented for information.

**PFC Agenda Item 8.1: The revised Budget proposal for the current FY 2019-20**

**RECEIPTS**

28. **Membership Subscription:** A sum of ₹ 22.93 million (US\$ 327,557) is anticipated to be received from the annual membership subscription with respect to 56 active NCs and Direct Members and as Special subscription from members.

29. **Sale of Publications:** An amount of ₹ 1.06 million (US\$ 15,071) is budgeted to be received from the sale of publications which includes royalty receivable from M/s Wiley-Blackwell, the publisher of ICID Journal - 'Irrigation and Drainage'.

30. **Special contribution to the Budget:** A special contribution of ₹ 9.78 million (US\$ 139,750) is expected from registration fees from NCs hosting various ICID events such as 70<sup>th</sup> IEC and 3<sup>rd</sup> World Irrigation Forum, Bali, Indonesia 2019.

31. **Interest on Fixed Deposit:** It is estimated that an amount of ₹ 6.04 million (US\$ 86,343) would be received as interest on FDs with the PSU banks under the head 'Interest on fixed deposits'.

32. **Other Receipts:** An amount of ₹ 6.71 million (US\$ 95,800) is likely to be received in this year which is mainly on account of a refund from the income tax department and Security Deposits towards to be revised agreement of Rent. The nominal amount is proposed under other miscellaneous receipts for bank saving account interest.

33. **Rent Receipts:** A receipt of ₹ 56.46 million (US\$ 806,586) is anticipated during FY 2019-2020 from the rent for leasing out the part of the office premises at the Central Office building to M/s Yes Bank Ltd. Ten percent of the rent amount is directly payable to Land & Development Office, New Delhi as their tax; and at the same time, there would be the Property Tax payable to New Delhi Municipal Committee (NDMC) as well.

## EXPENDITURE

34. **The compensation package for Secretary-General:** An amount of ₹ 4.20 million (US\$ 59,971) is estimated for payment to Secretary General.

35. **Salary of staff:** Central Office is operating with 18 staff members during the FY 2018-19. An amount of ₹ 23.58 million (US\$ 336,814) is budgeted for staff salary for the FY 2019-2020. The budget provision also includes provision for career progression scheme (CPS)/ performance incentive. An increase of about eight percent is assumed due to the anticipated pay increments and inflations.

36. **Superannuation relief to retired employees:** ICID Central Office is giving superannuation relief to its retired employees recruited before 16<sup>th</sup> July 1997. The amount budgeted under this head for the FY 2019-2020 is ₹ 3.82 million (US\$ 54,614).

37. **Services and Maintenance:** A provision under the head 'Services and Maintenance' is budgeted as ₹ 7.93 million (US\$ 113,243) which is mainly due to the renewal of annual maintenance contracts of various service providers and the increased expenditure on account of inflationary pressure. This also includes ₹ 1.55 million (US\$ 22,143) to be paid to short-term consultants engaged for specific jobs on a temporary basis, as their professional fee. It may be pointed out that despite the new activities being undertaken and proposed to be undertaken during the next financial year, the work is being accomplished through the existing staff and partly by hiring the services of consultants on a temporary basis. The budget provision also includes a small provision for dissolution of EPF Trust which is to be undertaken.

38. **Taxes and Utilities:** A provision of ₹ 18.53 million (US\$ 264,771) is proposed for the year against the provision of ₹ 17.57 million (US\$ 270,308) during 2018-19. This includes an allocation of ₹ 4.98 million (US\$ 71,200) towards payment to Land & Development Office (L&DO) which is 10% of the total rental receipts from the let out the property to M/s Yes Bank Ltd. A provision of ₹ 13.00 million (US\$ 185,714) is made towards the payment of property tax, which is approximately 38% of the total rent.

39. **Rehabilitation, Refurbishing, and Maintenance of ICID CO Building:** A provision of ₹ 0.83 million (US\$ 11,857) has been made towards this head. This includes a provision of ₹ 0.80 million (US\$ 11,429) under the sub head 'Maintenance of ICID Central Building Expenses' is budgeted as and additional provision of ₹ 0.03 million (US\$ 423) for maintenance of Rain Water Harvesting system.

40. **Publication, Knowledge Management, and Dissemination:** A sum of ₹ 4.74 million (US\$ 67,743) is budgeted under this head. This comprises with provision of a major portion of ₹ 2.48 million (US\$ 35,457) towards the purchase of copies of the ICID Journal from the publisher, M/s Wiley-Blackwell (UK). This also includes provision for Software as a Services and Website maintenance of ₹ 0.90 million (US\$ 12,857) for making an efficient work environment in the Central Office. Hence, the ICID is adopting cutting-edge technology in information technology. This also includes small provision for publication of work bodies.

41. **Conference Expenditure:** An allocation of ₹ 2.70 million (US\$ 38,571) has been made for estimated expenditure during this financial year towards expenditure for 70<sup>th</sup> IEC and preparation of plaques and accordingly budgeted under respective heads.

42. **Cooperation with Other Organizations:** An expenditure of ₹ 0.11 million (US\$ 1,571) is estimated in this financial year for World Water System Heritage Programme and WWC membership fee, consequently budgeted under corresponding heads.

43. **Travel Expenditure:** A revised provision of ₹ 2.40 million (US\$ 34,286) against approved provision of ₹ 2.90 million (US\$ 44,615) has been made in view of travel both within India and abroad to attend the international meetings by Secretary-General and other professional staff of CO, particularly for attending the 70<sup>th</sup> IEC at Bali, Indonesia.

44. **Fixed Assets:** A provision of ₹ 2.90 million (US\$ 41,429) has been made to cover anticipated expenditure in respect of purchase of office equipment, furniture and fixtures, IT hardware mainly to make knowledge portal operational and for architectural consultancy including cost for obtaining statutory approvals from concerned government agencies for expansion of CO building.

45. **Workshops, Training and Studies:** An amount of ₹ 5.70 million (US\$ 81,429) has been provided under this head, out of which ₹ 3.00 million (US\$ 42,857) has been provided towards the organization of various workshops and training for young professionals including their travel, Regional and National Level Activities and staff participation in workshops and training, ₹ 2.30 million (US\$ 32,857) towards the ICID 70<sup>th</sup> Year Celebration and Foundation Day functions, ₹ 0.40 million (US\$ 5,714) to undertake some specific studies and work related to bring up-to-date Multilingual Technical Dictionary (MTD).

46. **Independent Service Unit (ISU):** An amount of ₹ 0.30 million (US\$ 4,286) has been provided in this financial year to meet expenditure related to establishing a new service unit of ICID- ISU.

47. **Other Expenditure:** An amount of ₹ 1.39 million (US\$ 19,786) has been provided for this financial year. Essentially, the major cost is under subheads 'Subscription Written Off and Exchange Fluctuation Loss. There is notional amount based on ICID earlier experience and which includes bank charges for foreign exchange.

**PFC Agenda Item 8.2: The budget proposal for FY 2020-21; preliminary budget for FY 2021-22 and budget forecast for FY 2022-23**

48. The budget proposal for FY 2020-21; preliminary budget for FY 2021-22 and budget forecast for FY 2022-23 has been estimated as shown in **Annex 2**.

**RECEIPTS**

49. **Membership subscription:** During the year 2020-2021, 2021-2022 and 2022-2023 receipts from membership subscription has been estimated as ₹16.42 million (US\$ 234,543) for all three years considering that all the NCs which are members today will continue to be active and paying their annual subscriptions and the rate of subscription will be maintained.

50. **Sale of Publications:** An amount of ₹1.06 million (US\$ 15,071) is projected to be received from M/s Wiley-Blackwell as royalty from sale of publications for all three years, based on the projections and the agreement (2019-25) with M/s Wiley-Blackwell.

51. **Special Contribution to ICID Budget:** An amount of ₹ 16.45 million (US\$ 234,929) and ₹ 0.20 million (US\$ 2,857) are expected to be received during FY 2020-2021 as ICID share from registration fee from the 71<sup>th</sup> IEC & 24<sup>th</sup> Congress, Sydney, 2020 and 5<sup>th</sup> African Regional Conference in Marrakech, Morocco in March 2020 respectively. So far host NC for 72<sup>nd</sup> IEC and 73<sup>rd</sup> IEC and WIF4 have not been finalized yet. However, anticipated receipts from these events as ICID share of registration fees have been tentatively considered as ₹ 2.00 million (US\$ 28,571) from the 72<sup>nd</sup> IEC in the Financial Year (FY) 2021-2022 and ₹ 8.00 million (US\$ 114,286) from the 73<sup>rd</sup> IEC and 4<sup>th</sup> WIF in the FY 2022-2023.

52. **Interest on Fixed Deposits:** It is estimated that interest from fixed deposit from funds parked in Canara Bank would be about ₹ 6.04 million (US\$ 86,343) for the financial years 2020-21 & 2021-22 and ₹ 6.93 million (US\$ 98,986) for the FY 2022-23, which amount is higher as compared to year 2020-21 & 2021-22 as additional security deposits would be received from M/s Yes Bank Ltd. due to upward revision of rent.

53. **Other Receipts:** An amount of ₹ 0.89 million (US\$ 12,700) in the both FY 2020-2021 & FY 2021-2022 are likely to be received under this head which is mainly receipt from Yes Bank rent and expected refund from the income tax department. An amount of ₹ 5.51 million (US\$ 78,686) is likely to be received in the FY 2022-2023 under this head which is mainly on account of a refund from the income tax department and additional security deposits from Yes Bank consequent to upward revision of the rent.

54. **Rent from Let-out of Office space:** Rent from M/s Yes Bank Ltd. is likely to be received as ₹ 58.14 million (US\$ 830,529) in the FY 2020-2021 & 2021-22 for both years and ₹ 66.63 million (US\$ 951,786) in the FY 2022-23. The rent is projected to be higher during FY 2022-23 as compared to the earlier years, due to agreed increase in rent by 18% on account of renewal of the lease agreement for the next three years.

55. **Loan for Extension of Building:** It is expected that construction of new block of CO building will start during FY 2020-21 and it is expected that 70% work will be completed during FY 2020-21 and balance 30% during FY 2021-22. The estimated cost of the new block is ₹ 140 million (US\$ 2,000,000) for which it is proposed to arrange loan from bank. Accordingly, requirement of the Loan amount of ₹ 100 million (US\$ 1,428,571) in the FY 2020-2021 and ₹ 40 million (US\$ 571,429) during FY 2021-22 has been considered in the budget proposals.

## EXPENDITURE

56. **Compensation package for Secretary General:** The sums of ₹ 4.38 million (US\$ 62,543), ₹ 4.58 million (US\$ 65,400) and ₹ 4.86 million (US\$ 69,386) are estimated towards payment to Secretary General for the FYs 2020-2021, 2021-2022 and 2022-2023, respectively. The provision includes possible increase in Dearness Allowance due to inflation.

57. **Salaries and Allowances:** The sums of ₹ 24.40 million (US\$ 348,597), ₹ 26.62 million (US\$ 380,251) and ₹ 26.18 million (US\$ 374,057) are projected under this head for the FYs 2020-2021, 2021-2022 and 2022-2023, respectively.

58. **Superannuation relief to retired employees:** ICID Central Office is giving superannuation relief to its retired employees who joined before 16th July 1997. The amounts budgeted under this head for the FYs 2020-2021, 2021-2022 and 2022-2023 are ₹ 3.90 million (US\$ 55,643) ₹ 4.23 million (US\$ 60,429) and ₹ 4.61 million (US\$ 65,800) respectively.

59. **Services and Maintenances:** The sums of ₹ 7.38 million (US\$ 105,357), ₹ 7.66 million (US\$ 109,386) and ₹ 7.95 million (US\$ 113,600) have been provided for FYs 2020-2021, 2021-2022 and 2022-2023, respectively towards building maintenance, stationary purchases, outsourcing of watch and ward services; horticultural services, equipment, fees to legal advisor/auditors, maintenance of vehicles, telephones and postage, executive expenses, annual maintenance of equipment etc. This also includes the Hardware upgradation of Computer Systems in the Central Office, in order to keep abreast with the latest configuration. This also includes ₹ 1.02 million (US\$ 14,571) estimated to be paid to short-term consultants engaged for specific jobs on a temporary basis, as their professional fee.

60. **Taxes and Utilities:** Proposed budgeted amount under this head are ₹ 18.73 million (US\$ 267,600), ₹ 18.78 million (US\$ 268,314) and ₹ 19.58 million (US\$ 279,729) for the FYs 2020-2021, 2021-2022 and 2022-2023, respectively mainly for payment towards property tax, L&DO payment and electricity and water charges.

61. **Rehabilitation, Refurbishing and Maintenance:** A sum of ₹ 0.83 million (US\$ 11,857), ₹ 1.33 million (US\$ 19,000) and ₹ 1.33 million (US\$ 19,000) is budgeted under this head for the FYs 2020-2021, 2021-2022 and 2022-2023, respectively mainly for maintenance of ICID CO building including external, internal distemper and whitewash in alternating years and others works.

62. **Publication, Knowledge Management and Dissemination:** Proposed budgeted amounts for payments under this head are ₹ 4.47 million (US\$ 63,829), ₹ 4.51 million (US\$ 64,429) and ₹ 4.86 million (US\$ 69,414) for the FYs 2019-2020, 2020-2021 and 2021-2022, in that order. Under this head, key provision of ₹ 2.55 million (US\$ 36,419) averagely, have been made for the guaranteed payment towards subscription to M/s Wiley & Blackwell (UK) towards ICID Journal. These provisions are estimated to surge as the number of ICID Journal subscriptions are likely to increase in proportion with the rise in direct membership and young professionals.

63. The budgetary provisions of ₹ 0.90 million (US\$ 12,857) has been made constant for three succeeding years concerning software development & website upgradation, purchasing software (SaaS or Cloud Version), etc.

64. **Conference Expenditure:** A sum of ₹ 3.70 million (US\$ 52,857) is budgeted to be spent in FY 2020- 2021 including ₹ 0.70 million (US\$ 10,000) for preparation of new plaque for HIS and provision of ₹ 2.10 million (US\$ 30,000) has been made in FY 2021-2022 including ₹ 0.10 million (US\$ 1,429) for preparation of new plaque for HIS. The provision of ₹ 2.60 million (US\$ 37,143) has been made in FY 2022-2023 including ₹ 0.10 million (US\$ 1,429) for preparation of new plaque for HIS. Nonetheless, Venue and Host Country of 72<sup>nd</sup> & 73<sup>rd</sup> IEC are still to be decided.

65. **Cooperation with other Organizations:** A provision of ₹ 0.05 million (US\$ 714) has been made under this head for the FYs 2020-21 & 2021-2022 to cover expenses for WSH programme besides a provision of ₹ 0.11 million (US\$ 1,571) has been made for the FYs 2022-23 to cover expenses for WSH programme and WWC membership fee.

66. **Travel Expenditure:** An amount of ₹ 2.40 million (US\$ 36,923) is budgeted in FY 2020-2021 towards travel arrangements for meetings in India and abroad. This identical amount is further acknowledged during both FYs 2021-2022 and 2022-2023.

67. **Fixed Assets:** A provision of ₹ 101.90 million (US\$ 1,455,714) and ₹ 44.20 million (US\$ 631,429) has been made under this head for the 2020-2021 and 2021-2022 respectively mainly to cover cost associated with



architectural consultancy and construction of new block of CO building, procurement of SQL Server for Knowledge Portal and other assets used at ICID Central Office. A sum of ₹ 1.20 million (US\$ 17,143) is forecasted for FY 2022-2023 which includes payment of purchase of Server for Knowledge Portal and required assorted assets used at ICID Central Office.

68. **Workshops, Trainings and Studies:** A provision of ₹ 6.30 million (US\$ 90,000), ₹ 3.80 million (US\$ 54,286), and ₹ 3.80 million (US\$ 54,286) has been proposed for the FYs 2020-2021, 2021-2022 and 2022-2023 respectively under this head. This amount would be utilized mainly for organization of various workshops and trainings mostly for young professionals including their travel, Regional and National Level Activities, undertaking specific studies, staff training and participation in seminars and workshops, The ICID Foundation Day, etc. including work related to Multilingual Technical Dictionary (MTD).

69. **Independent Service Unit (ISU):** An amount of ₹ 0.30 million (US\$ 4,286) has been forecasted for the financial years 2020-2021, 2021-2022 and 2022-2023 to cover any incidental expenses in respect of ISU.

70. **Other Expenditure:** A provision of ₹ 1.31 million (US\$ 18,714) is made under this head for FY 2020-21 whereas it has been kept as ₹ 1.06 million (US\$ 15,143) for the FY 2021-22 & 2022-2023 which includes bank charges, exchange rate fluctuation apart from recruitment expenses etc.

### **PFC Agenda Item 8.3: Internal Transfers**

71. ICID is maintaining a Gratuity Fund and Leave Encashment Fund treated in the Liability side of the Balance Sheet for many years even in the course of the deficit years. Provision for Gratuity and Leave Encashment has been updated as per the applicable provisions of the relevant Acts under The Constitution of India. The amount had been transferred and updated to these Gratuity Fund and Leave Encashment Fund during the financial year 2018-2019. For this purpose, an amount of ₹ 0.45 million (US\$ 6,914) was transferred from General Fund to Leave Encashment Fund and Gratuity Fund to maintain balance as per The Indian Labour Law. Even so, it is also essential to be ensured that the liability is regularly transferred to the Fund with the intention of avoiding any default on the compliance and due diligence of staff social security.

### **PFC Agenda Item 9. Surplus/Deficit and Cash Reserves**

72. Taking into consideration the total Receipts of ₹ 102.98 million (US\$ 1,471,107) and Expenditure of ₹ 79.13 million (US\$ 1,130,371), a surplus of ₹ 23.85 million (US\$ 340,736) is projected for the FY 2019-2020. Likewise, surplus of ₹ 19.15 million (US\$ 273,546), ₹ 2.93 million (US\$ 41,834) and ₹ 23.70 million (US\$ 338,514) are anticipated in the FYs 2020-2021, 2021-2022 and 2022-2023, respectively. Lesser anticipated surplus during FY 2021-22 is due to smaller receipts of registration fees share to special contribution, cost incurred for expansion of the ICID Estate and arrears of annual subscription not expected.

73. The total cash reserve is only ₹ 42.11 million (US\$ 647,854), which is about 53.22% of the annual budget for FY 2019-20 as compared to the earlier year cash reserve of ₹ 40.38 million (US\$ 621,230) which was about 54.40% of the annual budget for 2018-19. Conversely, it is a reducing trend and this is not a desirable situation for the financial sustainability of the any organization. Meanwhile, there are large deviations in the yearly revenues attributable to tricyclic nature of events and consequent revenue. It is therefore proposed ~~acclaimed~~ that after meeting all the liabilities, the cash reserve may be allowed to be built up at least equal to the annual budgeted expenditure. This is being pursued in the light of recommendations of FATF.

### **PFC Agenda Item 10. Report of the Task Team to look into Financial Aspects of Special Contribution to ICID Budget from ICID Events (TF-FASCIB)**

74. In compliance with the decision of 69th International Executive Council (IEC) Meeting held on 17<sup>th</sup> August 2018 (Resolution IEC-2/69, Saskatoon, Canada), a Task Team to look into Financial Aspects of Special Contribution to ICID Budget (TF-FASCIB) from ICID Events was set up, with the approval of the Management Board (MB) at its fourth virtual meeting (4/18) held on 01 November 2018, with VPH Laurie Tollefson, Chair PFC (Canada) as its Chair and VPH Chaiwat Prechawit (THAICID, Host NC of WIF2), VP Dr. (Mrs.) Irene Bondarik (RUCID, Host NC of 13th IDW), Dr. Luis Felipe Alcocer Espinosa (MXCID, Host NC of 23rd Congress), VP Madhav Belbase (NENCID, Host NC of 8th ARC), Dr. Warren Helgason (CANCID, Host NC of 69th IEC), Mr. Anuj Kanwal (INCSW, Host NC of 9th IMIC), Mr. Syaiful Mahdi (INACID, Host NC of WIF3), Mr. Bryan Ward (IACID, Host NC of 24th ICID Congress) and Er. Ashwin B. Pandya, Secretary General, ICID as its Members. The Terms of Reference (ToRs) of the TF-FASCIB are (a) To look into the financial aspect of special contribution to ICID budget from ICID Events in the form of share of registration fees etc. and its implications, commensurate with the inputs from ICID Central Office towards the successful organization of the ICID events, and (b) To evaluate the need, consequences and benefit of approving the initial registration fee in the local currency of host NC organizing the event and later converting it into US Dollar at the time of opening up of registration for a particular event to the public.

75. Virtual Meeting of the TF was organized on 27 June 2019 where SG Ashwin Pandya presented brief details of the background of setting up of the Task Team, past and present practices in respect share of ICID from registration fees and status of contribution received by ICID from various IEC with congresses, IEC with World Irrigation Forum (WIF) in 2013 and IEC with regional conference (RC). Background information provided to the TF is at **Annex 3**. TF noted that with the introduction of WIF in 2013 the share of ICID from events has remained almost same over 3 year's period.

76. TF deliberated on the issue and in the light of background information, actual realization of special contribution to ICID budget from events and input provided by the ICID CO in organizing events. As regards special contribution from events to ICID budget, TF noted that with the introduction of WIF, support to host NC and resources invested by ICID CO in successful organization of the event have significantly increased. ICID incurs considerable direct and indirect costs, including the man hours contributed by the Central Office Staff in terms of providing technical support to the host NC which include technical papers management, identifying, inviting and coordination with the keynote and other speakers, coordination and organization of supporting events and international workshops and so on; the costs for editing, formatting and printing the proceedings and promotional material; support for YP participation, etc. which eventually help in supporting the host NCs for the successful organization of ICID events, with a larger participation of delegates. The promotion of the event requires sustained effort for all the three preparatory years. In respect of approving registration fee in local currency during initial period and USD in later period, TT opined that generally registration is completed by the participants during last 4-5 months, mainly around last date for early bird discount. Thus, fixing registration fee in local currency or in USD may not have significant financial impact to host NC due to currency fluctuation except in case there is significant currency fluctuation due to some market crash or some other reasons. Based on deliberation TF decided as follows:

77. To continue with the present share of contribution from ICID events as indicated below.

- (i) 35 percent for IEC with World Irrigation Forum and Congress
- (ii) 15 percent in case of ordinary IEC with or without regional conference
- (iii) 5 percent in case of stand-alone Regional Conferences, International Workshops, Symposiums etc.

78. To continue with approving registration fee in USD as at present.

79. The TF Chair/SG, ICID will present the report of the meeting in the PFC.

### **PFC Agenda Item 11. Report of the Special Task Force on Independent Service Unit (STF-ISU)**

80. The 69<sup>th</sup> IEC meeting held at Saskatoon in August 2018 vide Resolution IEC-1/69 has granted an 'in principle' approval for the development of a detailed project proposal and obtain necessary statutory approvals for potential launch of ISU as part of 70<sup>th</sup> year celebrations of ICID. Accordingly, ICID CO engaged SHG Mr. Avinash C. Tyagi to prepare detailed proposal for Techno-economic viability of Independent Service Unit (ISU) of ICID and M/s. U. Shankar and Associates to undertake registration process of Independent Service Unit (ISU) of ICID.

81. A questionnaire was prepared and sent to all NCs to get their suggestions and response to prepare report. Based on input received from NCs, input received from interaction with various stakeholders (Office Bearers, NC representatives, International partners) during 9<sup>th</sup> Micro Irrigation Conference held at Aurangabad, India in January 2019, and discussions held in ICID CO, SGH Tyagi prepared a draft report.

82. In order to get proper response and feedback from all NCs, it was also decided to have virtual meeting through web-ex platform with NCs grouped in 4-5 similar time zones so as to ensure maximum participation of NCs in the virtual meetings. These virtual meetings were conducted in May 2019. Based on discussions during virtual meetings with NCs and suggestions from NCs, draft final report detailed proposal of ISU was finalized and put up to STF-ISU for discussion in its meeting held on 23 May 2019. STF-ISU approved the report with few suggestions which have been incorporated in the final report of ISU, which can be accessed through "[ISU-DPR](#)" link.

83. M/s Uma Shankar and Associates has undertaken process of completion of document and registration of ISU with competent authorities for the potential launch of Independent Service Unit (ISU) at Bali, Indonesia during 70<sup>th</sup> IEC and 3<sup>rd</sup> WIF.

84. Secretary General Er. Ashwin Pandya will explain the Committee the salient features of ISU, its organizational structure, role of NCs in ISU and its relevance to ICID mission.

**Supp. 84A:** Taking into account the concerns raised and suggestions made by the members of STF, further consultations were made in details with the financial advisors and other Taxation experts, they were of the view that presently establishment of a separate unit is not essential. Alternatively, in light of the new amendments made by the Indian Government, an NGO (ICID falls under this category) can undertake the work on fee based services and undertake such work to the extent of 20% of ICID receipts during the previous year for generating incidental income. Based on the discussions with the experts, following two phases for providing services by ICID are suggested and will be discussed during the Bail meetings.

(i) **Phase I:** Start ISU as a Service Unit (SU) of ICID and provide services to our stakeholder for generating incidental income up to the extent of 20% of total receipts of ICID.

(ii) **Phase II:** Once SU reaches a turnover to the extent of 20% of ICID receipts in a year (likely period of this phase is 3-4 years), incorporate ISU as a separate legal entity under Indian Companies Act as suggested in the DPR, if considered necessary, otherwise.

This approach provides us with the reduction in overhead expenditure during the initial phase when the order book has not yet been built up and acts as a precursor to development of full-fledged operations.

In view of above it has been concluded that registration process of ISU may be put on hold for the time being and our advisors and consultants are requested to follow the same.

## **PFC Agenda Item 12. Report on the Status of addition to CO Building for financial sustainability of ICID**

85. The Central Office of International Commission on Irrigation and Drainage (ICID), is located at 48, Nyaya Marg, Chanakyapuri, New Delhi on one Acre plot (43,560 square feet/ 4046 sq. meter) allotted by Land and Development Officer, Government of India. The existing building has been constructed in two phases. The first phase was constructed during the year 1964-66 whereas the second phase construction was done during 2002-03.

86. During the MB 4/15 meeting, post-66th IEC (4/15) in Montpellier, then President had suggested that the feasibility of expanding the Covered area of ICID Central Office Building be explored. As per the building bye-laws in force, and after the demolition of the unused caretaker block, the Central Office can add up to 1918 sq m of new covered area, half of which can be rented out. Subsequently, based on the approval of the Management Board in its meeting held on 5 July 2018 (MB-2/18), M/s Deependra Prashad Architects & Planners (DPAP) was engaged in August 2018 for Architectural Consultancy and Liaison works which includes detailed designing, obtaining approvals from New Delhi Municipal Corporation (NDMC) and various other Government of India Agencies, supervision and getting the completion Certificate of additionally constructed building in ICID Central Office premises for respective authorities.

87. Various options for extension of the CO building received from M/s DPAP were submitted to MB in its meeting held on 12 April 2019 at Rabat, Morocco (MB-1/19) and MB approved the option which will create more additional area of about 2715 sq. m so as to get more revenue by renting out the additional available area. The total cost of construction as per preliminary estimate shall be around Rs.140 million and this amount is proposed to be arranged through a loan from Banks. From the additional rental income, ICID shall be able to repay the loan amount in a period of 5 years and thereafter it is expected that ICID shall be having additional income to the tune of about Rs. 43.50 million per annum. However, MB suggested that CO shall have more consultations with the banks and the Architect before firming up the design and layout and proceeding in the matter.

88. As advised by the MB, the issue has been discussed with the Banks to explore the possibility of a loan for construction of the new building and further consultations have been made with the Architect to firm up the design and layout. The Architect is now preparing detailed Drawings for submission to NDMC and L&DO for seeking the approval of the competent authorities. Number of Banks and financial institutions viz. Canara Bank, ICICI Bank, Kotak Mahindra Bank, and L&T Financial Services have been approached to explore the possibility of getting a loan for construction and to know their terms and conditions for providing a loan. However so far preliminary proposal from Canara Bank has been received and other banks are yet to submit their offers. Once all statutory approvals are received, banks would be approached to submit their final proposal. During discussions with the Banks, it also transpired that the Banks will be providing loans up to 75% of the estimated cost which is presently approx. Rupees 140 million.

89. It is expected that all statutory approvals may be obtained by 31 December 2019 and then tender for construction new building would be invited. Actual construction of the building is likely to start during April 2020 and the work shall be completed in 18 months' time. As per preliminary construction planning, 70% expenditure (Rs.100 million) will be done during the financial year 2020-21 and rest 30% (Rs.40 million) during the financial year 2021-22

90. Further updates and brief will be provided by Er, Ashwin B Pandya, Secretary-General, ICID during the meeting.

## **PFC Agenda Item 13. Miscellaneous Financial Issues**

### **PFC Agenda Item 13.1: Dissolution of ICID EPF Trust**

91. ICID EPF Trust (as a private trust) has been registered with the Income Tax Department under Section 58-B (1) of IT Act 1922. Subsequently, as a consequence of an amendment in the Finance Act - 2006, it became mandatory for all employers (such as ICID) to obtain an exemption from PF authorities in respect of their private trusts. Due to non-compliance, ICID EPF Trust was de-recognized w.e.f. 01 April 2013 onwards. Consequently, ICID has been shifted PF accounts of its staff members to Employees' Provident Fund Organisation (EPFO) w.e.f. 01 April 2013. ICID EPF Trust has paid all dues to its members. Hence, the ICID EPF Trust is in the process of dissolution, which is under progress. As per income tax department notices, liability for AY 2014-2015 & 2015-2016 is about of ₹ 03.81 million (US\$ 54,429) and case is under appeal with IT Department. This is for information of the Committee.

**PFC Agenda Item 14. Any other business**

**Supp. Agenda Item 14.1A:** CO is making constant and sincere efforts for FCRA renewal / restoration. Recently Government of India has opened a onetime window for similar organisations like ICID who have not been able to file returns on due to any genuine reason. Subsequently, their cases for renewal/ restoration will be considered. Utilizing this opportunity, CO is actively pursuing formulation of the returns and submission before the due date of 31<sup>st</sup> October 2019.

This is for the information of the Committee.

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## INDEPENDENT AUDITOR’S REPORT

**P.K.Chopra & Co.**  
**Chartered Accountants (Registered)**

To

The Members of the International Executive Council  
International Commission on Irrigation and Drainage (ICID-CIID)  
New Delhi

### Report on Financial Statements

We have audited the accompanying financial statements of **International Commission on Irrigation and Drainage (ICID-CIID)** (“the society”- PAN AAAAI1084P), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, Income & Expenditure, Receipt and Payment for the year then ended and other explanatory information.

### Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipt and payments, of the society in accordance with accounting principles generally accepted in India for Not-for-Profit Organizations.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Society’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

Further we report that, in our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (i) In the case of Balance Sheet, of the state of affairs of the Society as at March 31, 2019; and
- (ii) In the case of Income and Expenditure Account, of the excess of Expenditure over income for the year ended on that date; and
- (iii) And in case of the Receipts and Payments Account, of the Receipts and Payments for the year ended on that date.

**Further we report that**

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion proper books of accounts as required by law have been kept by the ICID, so far as appears from our examination of those books.
- (c) The Balance Sheet, Income and Expenditure Account, and Receipt and Payment account dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Income and Expenditure account, comply with the relevant Accounting Standards.

Place: New Delhi  
Date: 17<sup>th</sup> May 2019

For **P.K. Chopra & Co.**  
Chartered Accountants  
**Firm Registration No. 006747N**

Sd/-  
Arvind Mongia  
Partner  
Membership No. 085176

**INTERNATIONAL COMMISSION ON IRRIGATION AND DRAINAGE  
BALANCE SHEET AS ON 31ST MARCH 2019**

PARTICULARS		2018-19 Amount INR	2017-18 Amount INR
<b>Assets</b>			
Property & Equipment	1	9,829,590	11,016,757
Receivables	2	24,699,765	13,856,911
Bank Balances & Cash in Hand	3	84,149,599	75,930,397
Subscription Accrued		—	3,422,773
<b>Total Assets</b>		<b>118,678,954</b>	<b>104,226,838</b>
<b>Liabilities</b>			
Gulhati Memorial Lecture Fund	4	358,255	256,327
General Fund	5	57,043,515	47,781,706
Gratuity Fund	6	9,060,800	7,874,160
Leave Encashment Fund	7	7,103,806	6,258,806
Corpus Fund-WID Prizes	8	2,835,550	2,607,098
Exchange Fluctuation Reserve Fund		724,446	—
Security from Tenant	9	24,632,200	24,632,200
Unrealized Subscription	10	12,181,160	2,373,520
Sundry Creditor, Payables & Provisions	11	4,069,442	10,929,975
Duties & Taxes Payable	12	669,779	1,513,046
<b>Total Liabilities</b>		<b>118,678,954</b>	<b>104,226,838</b>

Significant Accounting Policies and Notes to Accounts forming part of Accounts-Annexure 45

As per our separate Report of even date attached

For and on behalf of  
**International Commission on Irrigation and Drainage**

For **P.K. Chopra & Co.**  
Chartered Accountants  
**Firm Registration No. 006747N**

Sd/-  
Arvind Mongia  
Partner  
**Membership No. 085176**

Sd/  
Balasaheb Anantrao Chivate  
Director (Technical)

Sd/-  
Ashwin Kumar Balwantray  
Pandya  
Secretary General

Place: New Delhi  
Dated: 17th May 2019

**INTERNATIONAL COMMISSION ON IRRIGATION AND DRAINAGE  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR FROM 1ST APRIL 2018 TO 31ST MARCH 2019**

PARTICULARS		2018-19 Amount INR	2017-18 Amount INR
<b>Income</b>			
Membership & Subscriptions	13	19,490,246	16,673,089
Sale of Publication	14	13,418	1,063,971
Special Contribution to the Budget	15	6,178,416	62,700
Interest on Fixed Deposits	16	4,870,889	4,607,794
Other Incomes	17	1,041,088	23,918
Rent and Provision of Services on Let Out Property		49,263,828	49,263,828
Special Subscriptions		343,700	—
<b>Total</b>		<b>81,201,585</b>	<b>71,695,300</b>
<b>Expenditure</b>			
Opening Stock of Publications		—	251,130
Compensation for Secretary General	18	4,035,597	3,938,238
Salaries & Allowances	19	22,773,901	28,538,103
Superannuation Relief to Retd. Employees		4,416,948	3,397,226
Service & Maintenance	20	8,423,441	5,052,653
Taxes and Utilities	21	16,870,566	16,978,262
Rehabilitation or Refurbishing and Maintenance of ICID Center Office Building	22	283,072	3,529,600
Publication, Knowledge Management and Dissemination	23	3,513,626	4,156,766
Conference Expenditure	24	1,809,468	2,527,464
Cooperation with Other Organization		—	23,305
Travel Expenditure	25	1,653,563	1,303,723
Depreciation on Fixed Assets	1	1,378,293	1,486,452
Workshop, Training and Studies	26	4,908,560	956,568
Other Expenditure	27	193,485	5,705,712
<b>Excess of Income over Expenditure</b>		<b>10,941,066</b>	<b>(6,149,902)</b>
<b>Total</b>		<b>81,201,585</b>	<b>71,695,300</b>

Significant Accounting Policies and Notes to Accounts forming part of Accounts-Annexure 45

As per our separate Report of even date attached

For and on behalf of  
**International Commission on Irrigation and Drainage**

For **P.K. Chopra & Co.**  
Chartered Accountants  
**Firm Registration No. 006747N**

Sd/-  
Arvind Mongia  
Partner  
**Membership No. 085176**

Sd/  
Balasaheb Anantrao Chivate  
Director (Technical)

-Sd/-  
Ashwin Kumar Balwantray  
Pandya  
Secretary General

Place: New Delhi  
Dated: 17th May 2019



**INTERNATIONAL COMMISSION ON IRRIGATION AND DRAINAGE  
RECEIPT AND PAYMENT ACCOUNT  
FOR THE YEAR FROM 1ST APRIL 2018 TO 31ST MARCH 2019**

PARTICULARS		2018-19 (Rs.)	2017-18 (Rs.)
<b>RECEIPTS</b>			
Cash & Banks (Balance Brought Forward)	28	75,930,397	75,760,429
Membership Subscriptions	29	17,709,864	16,742,447
Sale of Publications	30	13,418	1,089,818
Special Contribution to the Budget	31	6,680,016	62,700
Interest on Fixed Deposits	32	5,112,321	4,797,114
Special Subscription		343,700	—
Other Receipts	33	1,429,669	1,459,371
Rent and Provision of Services on Let Out Property	-	48,401,695	47,789,130
Income Tax Refund	34	1,150,720	—
<b>Total</b>		<b>156,771,800</b>	<b>147,701,010</b>
<b>PAYMENTS</b>			
Compensation package for Secretary General	-	4,035,597	3,938,238
Salaries and Allowances	35	22,410,162	27,224,770
Superannuation Relief to Retired Employees	-	4,416,948	3,397,226
Services & Maintenances	36	8,452,786	5,103,228
Taxes and Utilities	37	16,793,137	16,983,611
Rehabilitation or Refurbishing and Maintenance of ICID CO Building	38	283,072	3,529,600
Publications, Knowledge Management and Disseminations	39	3,506,298	4,158,824
Conference Expenditure	40	1,809,468	2,243,164
Cooperation with Other Organisation		—	23,305
Travel Expenditure	41	1,653,563	1,303,723
Workshops, Trainings and Studies	42	5,122,457	1,016,574
Purchase of Fixed Assets	43	191,127	1,276,721
Other Payments	44	3,947,587	1,571,629
Cash & Banks (Balance Carry Forward)	28	84,149,599	75,930,397
<b>Total</b>		<b>156,771,800</b>	<b>147,701,010</b>

Significant Accounting Policies and Notes to Accounts forming part of Accounts-Annexure 45

As per our separate Report of even date attached

For and on behalf of  
**International Commission on Irrigation and Drainage**

For **P.K. Chopra & Co.**  
Chartered Accountants  
**Firm Registration No. 006747N**

Sd/-  
Arvind Mongia  
Partner  
**Membership No. 085176**

Sd/  
Balasaheb Anantrao Chivate  
Director (Technical)

-Sd/-  
Ashwin Kumar Balwantray  
Pandya  
Secretary General

Place: New Delhi  
Dated: 17th May 2019

**SUMMARY OF APPROVED BUDGET 2018-2019, ACTUAL RECEIPTS/ EXPENDITURE 2018-2019, PROPOSED REVISED BUDGET 2019-2020 AND PROPOSED BUDGETS 2020-2021, PRELIMINARY BUDGET 2021-2022 AND FORECAST BUDGET 2022-2023**

	Approved Revised Budget 2018-2019	Actual Receipts/ Expenditure 2018-2019	Approved Budget 2019-2020	Proposed Revised Budget 2019-2020	Proposed Budget 2020-2021	Proposed Preliminary Budget 2021-2022	Proposed Forecast Budget 2022-2023
	₹	₹	₹	₹	₹	₹	₹
<b>I RECEIPTS</b>							
1. Membership Subscriptions	17,249,000	18,138,902	19,295,000	22,929,000	16,418,000	16,418,000	16,418,000
2. Sale of Publications	1,205,000	1,072,875	1,055,000	1,055,000	1,055,000	1,055,000	1,055,000
3. Special Contribution to ICID Budget	6,795,000	6,680,016	3,347,500	9,782,500	16,645,000	2,000,000	8,000,000
4. Interest on Fixed Deposits	4,852,000	5,112,321	5,167,000	6,044,000	6,044,000	6,044,000	6,929,000
5. Other Receipts	1,875,000	3,737,476	5,614,000	6,706,000	889,000	889,000	5,508,000
6. Rent and Maintenance Charges	49,264,000	48,401,695	58,132,000	56,461,000	58,137,000	58,137,000	66,625,000
7. Loan for Extension of Building	-	-	-	-	100,000,000	40,000,000	-
<b>TOTAL RECEIPTS</b>	<b>81,240,000</b>	<b>83,143,285</b>	<b>92,610,500</b>	<b>102,977,500</b>	<b>199,188,000</b>	<b>124,543,000</b>	<b>104,535,000</b>
<b>II EXPENDITURE</b>							
1. Compensation Package for Secretary General	4,136,000	4,035,597	4,343,000	4,198,000	4,378,000	4,578,000	4,857,000
2. Salaries and Allowances	24,707,000	22,773,901	27,538,000	23,577,000	24,401,800	26,617,600	26,184,000
3. Superannuation Relief to Retired Employees	3,568,000	4,416,948	3,747,000	3,823,000	3,895,000	4,230,000	4,606,000
4. Service & Maintenance	6,160,000	6,615,046	6,647,000	7,927,000	7,375,000	7,657,000	7,952,000
5. Taxes & Utilities	17,570,000	16,870,566	19,986,000	18,534,000	18,732,000	18,782,000	19,581,000
6. Rehabilitation, Refurbishing and Maintenance of ICID CO Building	2,800,000	283,072	1,800,000	830,000	830,000	1,330,000	1,330,000
7. Publication, Knowledge Management and Dissemination	4,627,000	3,570,446	5,432,000	4,742,000	4,468,000	4,510,000	4,859,000
8. Conference Expenditure	2,100,000	1,809,468	2,800,000	2,700,000	3,700,000	2,100,000	2,600,000
9. Cooperation with Other Organisations	300,000	0	360,000	110,000	50,000	50,000	110,000
10. Travel Expenditure	2,400,000	1,653,563	2,900,000	2,400,000	2,400,000	2,400,000	2,400,000
11. Fixed Assets	800,000	191,127	1,500,000	2,900,000	101,900,000	44,200,000	1,200,000
12. Workshops, Training and Studies	3,870,000	5,134,427	4,000,000	5,700,000	6,300,000	3,800,000	3,800,000
13. Independent Service Unit (ISU)	-	-	-	300,000	300,000	300,000	300,000
14. Other Expenditure	1,150,000	2,144,711	1,050,000	1,385,000	1,310,000	1,060,000	1,060,000
<b>TOTAL EXPENDITURE</b>	<b>74,188,000</b>	<b>69,498,872</b>	<b>82,103,000</b>	<b>79,126,000</b>	<b>180,039,800</b>	<b>121,614,600</b>	<b>80,839,000</b>
<b>Surplus/(Deficit)</b>	<b>7,052,000</b>	<b>13,644,413</b>	<b>10,507,500</b>	<b>23,851,500</b>	<b>19,148,200</b>	<b>2,928,400</b>	<b>23,696,000</b>



**BACKGROUND INFORMATION PROVIDED FOR  
VIRTUAL MEETING OF TF-FASCIB ON 29 APRIL 2019**

1. Chair of C-CONGR while providing the background on the Letter of Agreement between host NCs and ICID at the Committee meeting held at Saskatoon on 14 August 2018, indicated that it was important that ICID had a very active events program and that member countries should be competing vigorously for future events. However, this was not the case and currently no events are formalized after 2020. (Even though, presently there are bids in pipeline for 2022 WIF and regional conferences). After discussing this with several member countries, there was a view that the 35% share of registration fees payable to ICID was a disincentive to host forums and congresses.
2. It would be relevant to provide a historical context for the issue, as given in the succeeding paragraphs. In the initial years of ICID's formation, the source of income to ICID was from membership subscriptions and grants received from the National Committees, in the form of cash and office equipment, etc. During initial periods, the activities of ICID were also quite limited, incurring expenditure in tune with the receipts.
3. However, on account of considerable expenditure on account of printing Congress Transactions, which resulted in huge deficit in ICID budget, it was decided and approved at the 6th International Executive Council (IEC) meeting held at Montreux, Switzerland that 50% of the share of the registration fee for the 3rd Congress be given to the Central Office for meeting the expenses towards the printing of Congress transactions, etc. The decision was also in line with the practice followed by other International Organizations.
4. At the 55th IEC meeting held in Moscow, Russia in 2004, the then Chairman of PFC Mr. Peter Lee made a presentation on the need to augment the meeting receipts in order to meet the direct and indirect expenditure from ICID budget for the successful organization of ICID annual events. This was reported in IEC minutes as follows:
  5. "Vice President Hon. Peter S. Lee came to the issue of ICID share of registration fee and said that currently ICID received 50% share from the Congress fee, which however varied considerably from a high of US\$ 352,000 in Cairo (1996) to as low as US\$ 144,000 from Montreal Congress (2002). Analysis of 9 years registration fees that accrued from 1994 to 2002 showed that the average registration fees received in Congresses was US\$ 261,000, while in IEC meetings it was US\$ 234,000. In that cycle of 9 years i.e. 3 cycles of 3 years each, the 50% share yielded an average of US\$ 391,000 or 18% of total fees. However, since Montreal Congress receipt could be considered as an outlier and making an adjustment for that typical case, the 0/0/50% share from respectively 2 IECs and a Congress would have been 21% of the total fees. With the help of graphs, VPH Peter Lee explained how the same amount of share could also be received by varying the receipts from Congress and IECs. For example, he said, if instead of 50% from the Congress a receipt of 35% was assumed from the Congress and 10% from the other IEC meetings, on an average it would give the same income. Therefore, he proposed to go progressively to a formula of 10% / 10% / 50% of receipts from IEC/Congress as the ICID share of 3 years between 2006 and 2008, yielding 27% overall. Alternatively, he proposed that a fixed fee of US\$ 150,000 from Congress and US\$ 20,000 from each IEC could be charged that would guarantee to ICID US\$ 190,000, which was equivalent to 8% / 8% / 43% or equivalent to an overall 22% share. VPH Peter Lee further said that the ICID share for the next 3-year cycle i.e. 2009-11 provisionally could be considered at 20% / 20% / 40%, yielding 28% of the fee overall. Or alternatively, a fixed fee of US\$ 125,000 from Congress and US\$ 40,000 from each of two IEC meetings could be charged, yielding a guaranteed US\$ 205,000 at present prices, equivalent to 16%/16%/36% or 24% overall. He, however, added that this could be finalized in 2006 after the Beijing Congress for which already a 50% share for ICID had been decided."
6. However, this recommendation was kept in abeyance as the venues of 2005 and 2008 Congresses were decided on the basis of 50% share of registration fees. With the continued dismal receipt of actual share of registration fees compared to the projected ones in ICID Budgets for 19th ICID Congress at Beijing, China in 2005 and 20th ICID Congress at Lahore, Pakistan 2008, resulting into substantial deficit in ICID Budgets; the 60th IEC meeting at New Delhi, India in December 2009 also recalled the recommendation made at the PFC meeting in Sacramento in 2007 by Prof. Chandra Madramootoo, Convenor, Special Committee to Review the Revenue and Cost Options to Improve ICID's Finances and the subsequent discussions (as recorded under item 12 of Minutes of the PFC and Item 13 (External and Internal Reviews of ICID)) in the 58th IEC Minutes. The IEC decided after long deliberations that in the light of some of the key recommendations made by the Internal Review Committee and looking to the critical financial condition of the Commission, it had become imperative that the ICID share of registrations from ICID meetings be fixed as follows and the payments be made within three months of conclusion of an event.
  - (a) A 50% share of all registration fees for the Congress
  - (b) 15% share of registration fees for the IEC meeting (with or without Regional Conference), and
  - (c) 5% share in case of a separate Regional Conference / Micro irrigation Congress / International Drainage Workshop approved by IEC where ICID logo or banner was used.

7. With the introduction of World Irrigation Forum at Mardin, Turkey in 2013, the 64th IEC meeting (Mardin, Turkey) carried out an in-depth analysis about the share of registration fees as stipulated by ICID By-law 7.4, considering the (i) significant time resources invested by CO in supporting the efforts of the host NCs, (ii) the actual share contributed by the host NCs to ICID budget in the past, after the financial projections in the budgets, (iii) the financial feasibility of the events for the host NCs and (iv) special contributions being made by the host NCs to the ICID budget were being ploughed into supporting the activities of the ICID events. After proper analysis, the 64th IEC vide its Resolution IEC-1/64 decided:

- (a) To reduce the contribution of the host National Committees towards ICID Budget from 50 to 35 per cent of the total registration proceeds in case of Congress; and
- (b) To fix the contribution at 35 percent for the NCs hosting World Irrigation Forum and continue with a contribution of 15 per cent in case of ordinary IEC, and 5 percent in case of stand-alone Regional Conferences, International Workshops, Symposiums etc., as share of the total registration proceeds.

8. As could be seen from the narrative given above, the fixation of special contribution to ICID budget from ICID events as stipulated in ICID By-laws 7.4 has been time and again revisited and deliberated upon, before reviewing and deciding a number of times since the inception of the Commission.

9. It may also be noted that ICID incurs considerable direct and indirect costs, including the man hours contributed by the Central Office Staff in terms of providing technical support to the host NC which include technical papers management, identifying and inviting key notes and other speakers, organization of supporting events and international workshops and so on; the costs for editing, formatting and printing the proceedings and promotional material; support for YP participation, etc. which eventually help in supporting the host NCs for the successful organization of ICID events, with a larger participation of delegates. It has been seen that promotion of the event requires sustained effort for all the three preparatory years. National committees generally do not have adequate resources in place in the run up to the event and consequently the central office has to virtually own up the event in its initial phases and build the tempo based on which the success and revenues are generated. Thus, in the present circumstances, the central office plays a prime mover role. On the other hand, the actual realization of the contribution as against the projected and agreed one is generally remaining short as shown in **Annexure**. Thus, it is a moot point whether the support activities provided by the central office can be discounted further.



**TASK TEAM TO LOOK INTO FINANCIAL ASPECTS OF SPECIAL CONTRIBUTION TO ICID BUDGET FROM ICID EVENTS (TT-FASCIB)**

**Contribution from Host NC of Event - Budgeted and Actual**

(Figure in US \$)

Sl. No.	Conferences/Particulars	ICID share from event (%)	Projected in budget as ICID share	Actual Receipt	Sortfall (-)/ Excess (+)	Actual receipt as % of Budget receipt
1	44th IEC and 15th Congress (1993), The Hague, The Netherlands	50	150000	140000	10000	93.3
2	47th IEC and 16th Congress (1996, Cairo, Egypt	50	162500	176426	-13926	108.6
3	50th IEC and 17th Congress (1999), Granada, Spain	50	175000	143487	31513	82
4	53rd IEC and 18th Congress, Montreal, Canada, 2002	50	167500	71841	71841	42.9
5	56th IEC and 19th Congress, Beijing, China, 2005	50	275000	60000	63006	21.8
6	59th IEC and 20th Congress, Lahore, Pakistan, 2008	50	107337.5	40267	40267	37.5
7	62nd IEC and 21st Congress, Iran, 2011	50	200000	100000	201250	50
8	63rd IEC and 7th Asian Regional Conference, Australia, 2012	15	113475	54626	54689	48.1
9	64th IEC and WIF1, Turkey, 2013	35	55194	50594	60255	91.7
10	65th IEC + 22nd Congress, South Korea, 2014	35	173375	134844	134844	77.8
11	66th IEC Meeting & 26th ERC, France, October 2015	15	60000	33573	33573	56
12	67th IEC Meeting 2016 & WIF2, Thailand, 2016	35	124939	80159	74480	64.2
13	68th IEC and 23rd Congress, Mexico, 2017	35	104545	62187	62187	59.5
14	69th IEC Saskatoon, Canada & America Regional Conference 2018	15	45000	31909	31909	70.9
15	70th IEC, Indonesia 2019 & 3rd World Irrigation Forum	35	135000			
16	Australia 71st IEC & 24th Congress, Sydney, 2020	35	253000			



