

**COMMITTEE ON PAPERS LAID ON THE TABLE  
(2022-23)**

**109**

**SEVENTEENTH LOK SABHA**

**ONE HUNDRED AND NINTH REPORT**

**[Delay in laying of the Annual Reports and Audited Accounts of the Indian Red Cross Society (IRCS), New Delhi under the administrative domain of the Ministry of Health & Family Welfare (Department of Health & Family Welfare).]**

**(Presented to Lok Sabha on 27 March, 2023)**



**सत्यमेव जयते**

**LOK SABHA SECRETARIAT**

**NEW DELHI**

**March, 2023/ Chaitra, 1945(Saka)**

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**COMPOSITION OF COMMITTEE ON PAPERS LAID ON THE TABLE**  
**(2022-23)**

**Shri Girish Chandra** - **Chairperson**

**MEMBERS**

2. Shri Shafiqur Rahman Barq
3. Dr. A. Chellakumar
4. Shri Pallab Lochan Das
5. Shri Choudhury Mohan Jatua
6. Choudhary Mehboob Ali Kaiser
7. Dr. Amol Ramsing Kolhe
8. Shri Bharat Ram Margani
9. Shri Jamyang Tsering Namgyal
10. Smt. Aparupa Poddar
11. Shri T.N. Prathapan
12. Shri Sellaperumal Ramalingam
13. Shri Saptagiri Sankar Ulaka
14. Shri Devendrappa Y.
15. Shri Ashok Kumar Yadav

**SECRETARIAT**

1. Shri Vinay Kumar Mohan - Joint Secretary
2. Shri Naval K. Verma - Director
3. Shri Uttam Chand Bharadwaj - Additional Director

## INTRODUCTION

I, Chairperson of the Committee on Papers Laid on the Table of the House (2022-23), having been authorized by the Committee to present this Report on their behalf, present this One Hundred and Ninth Report in respect of the delays in laying of the Annual Reports and Audited Accounts of the Indian Red Cross Society (IRCS), New Delhi under the administrative domain of the Ministry of Health & Family Welfare (Department of Health & Family Welfare).

2. As per revised monetary ceiling, circulated to the all Ministries/Department vide this Secretariat OM dated 02<sup>nd</sup> July, 2022, the Annual Reports and Accounts of Private and Voluntary Organizations receiving recurring Grants-in-aid to the tune of **Rs. 50 lakh and above** should be laid on the Table of the House within nine months of the closure of the succeeding financial year. In the case of Private and Voluntary Organizations receiving recurring Grants-in-aid from **Rs. 10 lakh to 50 lakh**, all the Ministries/Departments of the Government of India should include in their Annual Reports a Statement showing the quantum of funds provided to each of these Organizations and the purpose for which they were utilized for the information of the Parliament. In addition to Grants-in-aid, the IRCS has been receiving funds from the Government of India for different purposes.

3. The scrutiny by the Committee revealed that the documents of the Indian Red Cross Society (IRCS), New Delhi under the administrative domain of the Ministry of Health & Family Welfare (Department of Health & Family Welfare) for the years from 2012-13 to 2019-20 were laid with repeated delays. Further the requisite documents of the IRCS for the years 2020-21 and 2021-22 have not been laid as yet. The Committee considered the matter of delays in laying the Annual Reports and Audited Accounts of the Indian Red Cross Society (IRCS), New Delhi with the Ministry of Health & Family Welfare (Department of Health & Family Welfare) and took oral evidence of the representatives of the Ministry of Health & Family Welfare (Department of Health and Family Welfare) at their sitting held on 25 July, 2022 .

4. The Committee considered and adopted the Report at their sitting held on 23 March, 2023.

5. The Committee wish to express their thanks to the officers of the Ministry of Health & Family Welfare (Department of Health & Family Welfare) Government of India for furnishing the written replies and other material/information for being placed before the Committee.

6. The Committee place on record their appreciation of the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

7. The Observations/Recommendations of the Committee have been printed in bold letters at the end of the Report.

New Delhi

**23 March, 2023**  
**02 Chaitra,1945 (Saka)**

**Girish Chandra**  
**Chairperson**  
**Committee on Papers Laid on the Table**

## Report

### **Delay in laying of the Annual Reports and Audited Accounts of the Indian Red Cross Society (IRCS), New Delhi under the administrative domain of the Ministry of Health & Family Welfare (Department of Health & Family Welfare)**

#### **Origin of Indian Red Cross Society**

During the first world war in 1914, India had no organization for relief services to the affected soldiers, except a branch of the St. John Ambulance Association and by a Joint Committee of the British Red Cross. Later, a branch of the same Committee was started to undertake the much needed relief services in collaboration with the St. John Ambulance Association in aid of the soldiers as well as civilian sufferers of the horrors of that Great War. A bill to constitute the Indian Red Cross Society, Independent of the British Red Cross, was introduced in the Indian Legislative Council on 3rd March 1920 by Sir Claude Hill, member of the Viceroy's Executive Council who was also Chairman of the Joint war Committee in India . The Bill was passed on 17th March 1920 and became Act XV of 1920 with the assent of the Governor General on the 20th March 1920 .

The Act was last amended in 1992 and rules were formed in 1994. Hon'ble President of India is the President and Hon'ble Minister of Health and Family Welfare is the Chairman of the society. The IRCS is the largest statutory humanitarian organization with a network of 36 States and Union Territory branches and 1100 branches and sub-district level. There is a large number of volunteer network spread throughout the country. The Society works as an Auxiliary to the Government and Armed Forces Medical services and contributes to saving lives and protecting livelihoods, provides relief in times of disasters and other emergencies, endeavors to ensure accessibility to health services, promotes safe and healthy living, works to reduce stigma and discrimination enabling better integration for disadvantaged people and increase social cohesion, and promotes a culture of non-violence and peace.

#### **Sources of funds received by IRCS at National Headquarter-**

- (i) More than Rs. 30 crore from rent of property which have been rented out to different organizations.
- (ii) Rs. 6 crore to Rs. 7crore from interest on deposits.

- (iii) Rs. 7-9 crore from International Committee of the Red Cross (ICRC) and International Federation of Red Cross (IFRC).
- (iv) Support against any specific disaster, for example, during COVID, IRCS got about Rs.160 crore.
- (v) From deposits and interest on deposits. .... We also get membership fees.
- (vi) Rs. 36 - Rs. 40 lakh from the Ministry as grants.

### **Provision of laying of the requisite documents IRCS**

2. The Ministry in their written replies stated that the Annual Report and Audited Accounts of the IRCS are being laid on the Table of the House as per the rule of the 238(5) of the General Financial Rules, 2017.

3. The Committee with concurrence of the Ministry of Finance (Department of Expenditure) has revised the monetary ceiling and circulated to the All Ministries/Departments vide this Secretariat OM No. LAFEAS-CB-II067/05/2020 dated 2<sup>nd</sup> July 2020. A copy of the OM is placed at Appendix –I

4. In respect of laying of the Annual Reports and Audited Accounts of the Private and Voluntary Organizations, the revised monetary ceiling, states that -

*“The Annual Reports and Accounts of Private and Voluntary Organizations receiving recurring Grants-in-aid to the tune of **Rs. 50 lakh and above** should be laid on the Table of the House within nine months of the closure of the succeeding financial year. In the case of Private and Voluntary Organizations receiving recurring Grants-in-aid from **Rs. 10 lakh to 50 lakh**, all the Ministries/Departments of the Government of India should include in their Annual Reports a Statement showing the quantum of funds provided to each of these Organizations and the purpose for which they were utilized for the information of the Parliament.”*

5. The Committee on Papers Laid on the Table, Lok Sabha examined the matter of the delay in laying the Annual Reports and Audited Accounts of the Indian Red Cross Society (IRCS), New Delhi for years 2012-13 to 2020-21. The examination of these requisite papers has revealed that the requisite documents of the IRCS, New Delhi from the years 2012-2013 to 2019-2020 except for the year 2015-2016 were laid with repeated delays. Further, the requisite documents pertaining to the subsequent years i.e. 2020-2021 and 2021-22 have not been laid as yet. The statement showing the actual dates of laying of the Annual Reports and Audited Accounts of the IRCS, New Delhi from 2012-13 onwards, along with the extent of delays is placed at **Appendix-II**.

6. The Committee also asked the concerned department to state the reasons for delay in laying of the Annual Reports and Audited Accounts of IRCS for 2012-2013 to 2020-2021 except for the year 2015-2016. The Department, while replying submitted as under:-

*“There has been a delay in laying the documents for the year 2019-20. Documents for earlier years have already been laid in the Parliament. The Meeting of the National Managing Body was held on 29.11.2021 which was chaired by Dr. Mansukh Mandavia (Hon’ble HFM, GoI) wherein the Annual Reports and Annual Audited Accounts for the year 2019-20 were approved. The Report and Accounts have been presented, considered and adopted by the General Body on 17.05.2022. Report and Accounts were translated in Hindi by appointing a translator after following tender process. 15 copies each of the Annual Reports and Annual Audited Accounts for the year 2019-20 in English and Hindi have been provided to the Ministry of Health & Family Welfare on 11.07.2022 for laying in the Parliament.”*

7. The Committee further asked the Ministry/Department as to whether they had identified the stages in which delays had occurred during all these years and, if so, how did the Ministry/Department propose to curtail the same. The Ministry replied:-

*“(i) One of the reasons for the delays has been delay in getting approval from Statutory Committees and adoption of Annual Reports and Annual Accounts by the General Body.  
(ii) Calamities such as Covid pandemic.”*

8. The Committee desired to know whether any Standard Operating Procedure (SOP) to mobilize the relevant documents from other organizations and to chase/follow-up/pursue with the auditing of Accounts and finally timely receipt of the final Audit Reports from the Audit Authorities(AG) has been prepared by the Ministry, the Ministry stated-

*“Parliament Section of the Ministry issues instructions on procedure to be followed for laying up Annual Reports and Audited Accounts from time to time for strict adherence.”*

9. On being enquired by the Committee as to whether the Ministry/ Organization has faced any procedural difficulties associated with convening the meeting of the Competent Authority for getting approval of the requisite documents, the Ministry stated: –

*“Procedural delays have been experienced which are explained in the delay statement.”*

A copy of the same is at **Annexure III**.

10. The Committee further desired to know the status of digitization and computerization of the process of accounting in order to facilitate speedy and timely compilation of accounts, the Ministry in their written replies stated:-

*“IRCS is using the accounting and other software by which the Annual Accounts are being prepared annually.”*

11. While replying to a question of the Committee whether any internal auditing mechanism to ensure timely compilation of Annual Reports and Audited Accounts has been constituted by the IRCS, the Ministry in their reply stated:-

*“The audit of the Accounts at IRCS is done by its Statutory Auditors. Internal Audit is also a regular process and auditors check payments related files on a daily basis. Audited Accounts are then placed before the Treasurer. The auditors of the Ministry of Health & Family Welfare audit the Blood Centre Accounts of IRCS, as the grant-in-aid of the Ministry is booked under the Blood Centre Activities.”*

12. The Committee further enquired from the Ministry/Department whether there is any mechanism in the Ministry to monitor the progress of work in this regard and to ensure timely laying of the documents. The Ministry in their reply submitted as under:-

*“Parliament Section of the Ministry issues instructions on procedure to be followed for laying the Annual Reports and Audited Accounts from time to time for strict adherence.”*

13. The Committee desired to know whether any remedial measures have been taken or proposed to be taken by the Ministry and the Organization (IRCS) to ensure timely laying of documents before the Parliament within the prescribed period of nine months from the close of the accounting year, in future. The Ministry in their reply submitted that-

*“IRCS has already submitted the documents for laying in the Parliament for the year 2019-20. From 2020-21 it is not required to submit the documents for laying as per revised GFR 238 (5).”*

14. It has also been stated by the Ministry-

*“As per GFR 238 (5), the Annual Reports and Accounts of IRCS are not required to be laid before both the houses of the Parliament from 2020-21 as grant-in-aid provided by the Ministry is less than Rs. 50.00 lakhs.”*

15. On being enquired by the Committee as to whether the Ministry/Organization/Body/Institute has taken the help of Information Technology to ensure timely laying of the documents, the Ministry in their replies stated -

*“IRCS is using the accounting and other software by which the Annual Accounts are being prepared annually.”*



16. The Committee considered the matter of delays in laying of the Annual Reports and Audited Accounts of the IRCS for the years from 2012-13 to 2020-21 except for the year 2015-16 on the issue and took evidence of the representatives of the and the on 25.07.2022.

17. The Committee desired to know the funds generated by the IRCS for the their day to day functioning's, the representatives of the Ministry during evidence stated that –

“The major sources of revenue of the Society are rental income and interest on deposits. .... We also get membership fees. The members are enrolled by district-level formations. We get 15 per cent of the membership fee. We also train the candidates for first-aid and allied subjects where we get some money for training them. We also get support from our movement partners. We get some support from International Committee of the Red Cross (ICRC) and International Federation of Red Cross (IFRC). There are other partners National Societies. We get support from Canadian Red Cross, etc. Some of these National Societies offer project-based support. We get Government grant which has been approximately ranging between Rs.35 lakh to Rs.40 lakh. Last year, we got Rs.35 lakh. In 2020-21, we got Rs.38 lakh. Before that, we used to get Rs.40 lakh. We also get donations from public and from other Institutions.

Our average annual income for the last few years ranges between Rs.40 crore and Rs.43 crore. Most of it, .... comes from rental income. We get more than Rs.30 crore from rent of the property which has been rented out to different organisations. We have a building on the Red Cross Road, which is very close by. Most of the space in that building has been rented out, and this is from where we get this rent. We also have deposits, because of the surplus that we generate. We get about Rs. 6 crore to Rs.7 crore by way of deposits. So, 95 per cent comes from these two sources; interest, which is almost fixed, and the rental income which is also almost fixed.

We have a Blood Bank in Delhi, which is supposed to be one of the best blood banks in Delhi. During COVID we maintained blood supplies. There, we spent Rs.2 crore to Rs.3 crore. It is a public service that we do. Grant from the Ministry is in the region of Rs.36-40 lakh. Our annual expenditure is around Rs.24-26 crore against an income of over Rs.40 crore. .... On Blood Bank we spend Rs.4-5 crore. The average annual receipt that we get from other partner members, ICRC, IFRC, etc. is Rs.7-9 crore. We get support against any specific disaster, for example, during COVID, we got about Rs.160 crore, which is not part of this. So, if there is a major disaster, we do get money which is not a part of it. This is the expenditure only of the National Headquarters.

18. On being enquired by the Committee the reasons for delays in laying of the requisite documents of the IRCS, the representatives of the Ministry submitted that-

*“... the National Managing Body which governs our national headquarters, the hon. Health Minister is the Chairman. The Vice Chairman is elected by the members of the Governing Body. There are 18 members and 18 members elect one of them as the vice- chairman. The Managing Body with the prior approval of the President makes the rules for the management and control functions of the Society. The Secretary General and Treasurer are appointed by the Managing Body with the prior approval of the hon. President of India.*

*We also have honorary Legal Advisor. The Statutory Auditor is appointed through the Annual General Body meeting which is presided over by the hon. President of India.”*

The representatives of the Ministry further added

*“Sir, the Annual General Body meeting is chaired by the hon. President of India. We have to take time from him. Before that, it is by the Managing Committee which is chaired by the hon. Minister and by the Finance Committee. Now, we come out with some internal timelines...*

*Sir, there is some problem in that which we are trying to solve now. We are trying to get a meeting of the Managing Body now. But we do not have the nominated members. Their terms have expired. Before that the elected members term had expired. So, their terms are not co-terminus. Now, we have said that we should have co-terminus terms. ..*

*The term, as per the Act, of the elected member is two years and the term of the nominated member is as desired by the hon. President. So, we have three years for the nominated members and two years for the elected members. Now, this time we sent a proposal saying that the nominated members' tenure should be same as of the elected members so that we have same terms for the managing body.*

*We would like to have the same time frame for both categories of Members so that we can have the AGM and the managing bodies meetings in time.”*

19. Getting approval of the requisite documents of IRCS from the General Body, which is chaired by President of India, is also one of the main reasons for delays as stated by the Ministry/IRCS. In this connection, the Committee draw the attention of the Ministry to para 2.7 of 19<sup>th</sup> Report (14<sup>th</sup> Lok Sabha)- presented on 21.11.2008, which is reproduced as under –

*“2.17 The Committee further note that documents for the years 1989 to 2003-2004 were not laid on the Table in time due to delay in convening the meeting of General Body of the Society which is chaired by H.E. President of India. In the opinion of the Committee the Ministry should have devised ways and means to call the General Body meeting well in time to avoid delay in getting approval of the documents of the Society. The steps taken for timely convening of the AGM in future may be communicated to the Committee.”*

20. In response to the recommendations made by the Committee, the Ministry in their written reply, dated 09.08.2010, incorporated in Fourth Report of 15<sup>th</sup> Lok Sabha - presented on 24.03.2011, submitted as under –

The managing Body recommended for convening of the Annual General Meeting in its meeting held on 06.03.2007. Reports for convening of the AGM submitted on 08.02.02008 and 09.01.2008.

The Committee had therefore, recommended that -

“...What is further disquieting to note is the fact that the Annual Reports and Accounts of the Society have not been placed at the Annual General Meeting till August, 2010. Significantly, the Action taken note of the Ministry of health and Family Welfare is silent about the time taken by the Society for further processing of the documents and the scheduled time period by which the Ministry will be able to lay these documents in the House. The Committee take strong exception to this state of affairs and urge the Ministry to take immediate measures to ensure that the Annual Reports and the Audited Accounts up to the year 2009-2010 are laid on the Table of the House without any further delay.”

21. The Committee also desired to know whether the accounts of these branches are complied separately or consolidated centrally. The Ministry in their reply dated 17<sup>th</sup> November, 2022 submitted that –

- a) *Indian Red Cross Society (IRCS) was constituted by an Act of Parliament, namely, the Indian Red Cross Society Act XV of 1920. As per section 4 ( A) of the Act, Hon'ble President of India shall be the President of IRCS. Section 5 of the Act empowers the Managing Body of IRCS to make Rules, with the approval of Hon'ble President, for the management, functions, control and procedure of the Society.*
- b) *In exercise of the powers vested under section 5 of the Act, the Managing Body with the approval of Hon'ble President IRCS, has framed Rules for the State/ UT/ District Branches. These Rules have also been laid on the table of both Houses of Parliament, as required under section 5(2) of the Act. As per these Rules, Hon'ble Governor or equivalent shall be the President of the State /UT Managing Committee. The Annual General Meeting of the State/ UT Branch is to be presided over by its President. The Rules provide that the annual accounts of the Society as well as funds administered by the Society shall be audited by a practicing Chartered Accountant to be appointed as a statutory Auditor for the purpose of compilation and certification of accounts by the Managing Committee/Annual General Meeting.*
- c) *Annual Accounts of all the Branches in the State/UT are not complied and consolidated in the Annual Accounts of the National Headquarter. Apparently, the issue of consolidation of accounts of all branches for payment of income tax has been examined in the past. The Income Tax Department while issuing Assessment Orders for the year 2006-07 and 2007-08, based on the CBDT letter dated 21.07.1994, demanded consolidation of all 700 branches of the State/ District Red Cross with the National Headquarters and raised a tax liability of about 11 crores for these two assessment years without giving the benefits of Section 11 and 12 and adding a national income of Rs. 1 Lakh per Branch. The matter was taken up with CBDT, making it clear that as per section 12 of the IRCS Act,1920 ( as amended in 1992) all the branch committee of IRCS are independent entities empowered to receive, hold and expend all the monies received by them for the purpose as they feel like. In addition, it was also appraised that branches have been sued and have been suing in their own names in their individual capacities in different courts of India.*

- d) *The Central Board of Direct Taxes, Department of Revenue, Ministry of Finance vide its letter No. 176/04/2009-ITAI-I dated 19.05.2010 re-examined the case in consultation with the Ministry of Law and decided that all branch committees of the IRCS may be treated as separate entities under the Income Tax Act, 1961 provided that they seek registration under section 12A 80G as separate bodies from their respective jurisdictional officers. It was further clarified vide their letter No. 176/04/2009-ITA-I dated 19.05.2010, re-examined the case in consultation with the Ministry of Law and decided that all branch committees of the IRCS may be treated as separate entities under the Income Tax Act, 1961, provided that they seek registration under section 12 A and 80G as separate bodies from their respective jurisdictional officers. It was further clarified vide their letter No. 176/04/2009-ITA-I dated 24-09-2010 that the earlier direction for consolidation of account issued by the Board vide letter dated 21.07.1994 is no longer valid and has been superseded.*
- e) *However, the issue of compilation and consolidation of Annual Accounts of all Branches of IRCS first at State/UT level and thereafter centrally at NHQ shall again be placed before the Managing Body of IRCS.”*

22. The Committee desired to know as to whether the state bodies of the IRCS are receiving funds from the National Head quarter of IRCS. The representative of the Ministry, during evidence, submitted before the Committee –

*“As far as States are concerned, there are some States which are financially quite strong. Haryana State branch, Gujarat State branch are strong but there are some State branches which are dependent upon the grant from the National Headquarters. We give money for project-based grant. We do not spend ourselves Rs.7-9 crore that we get from different partners. We do not have the wherewithal to implement the project. These are implemented by State branches. So, this money goes to them.*

The representative of the Ministry/IRCS further added –

*“We do give grants for different projects. Whenever there is a disaster ..... flood or cyclone, we give relief materials. We get income and resources and that are being used for giving to the branches. But we do not give a fixed amount. Two years ago, we came out with a scheme that if any State branch comes out with a new innovative scheme which has an impact on the ground, 80 per cent of that scheme will be funded by the National Headquarter and the State Headquarters must chip in 20 per cent so that they have some ownership. That is how, we came out with that scheme. Most of the State branches depend on the National Headquarter.”*

23. On being specifically desired by the Committee as to whether the funds received by the States bodies are incorporated in the Annual Report of the Central body the IRCS, the representative of the Ministry/IRCS stated that –

*“They do it. We do get their annual reports.”*

He further added –

“Sir, there are two flows. One is, whatever is received by us and given to the State branches. That is taken care of us. I am giving the complete picture. Regarding FCRA funds, whatever fund comes to the national headquarters, is passed to the State branches. The money that we receive and we pass on the State Governments is included. The money that I am not including is the money which is received by the State branches.... But if we are giving them the grant, they are spending. We get the entire thing, and that is included. Nevertheless, I think, that is the point which we will examine and revert back.”

### **Oservations/Recommendations**

**24. The Committee examined the reasons for delay in laying the requisite documents of the Indian Red Cross Society (IRCS) and observed that the documents of the IRCS have not been laid within the stipulated time since the year 2012-2013 except for the year 2015-2016. On being inquired by the Committee about the reasons for delay in this regard, no specific replies have been given by the Ministry. They stated that the requisite documents of the IRCS only for the year 2019-2020 is pending for laying, however, the Requisite documents of the IRCS for earlier years have already been laid. The Ministry have further stated that Annual Report and Audited Accounts of the IRCS for the year 2020-2021 are not required to be laid as per the rule 238(5) of the General Financial Rules, 2017, which inter-alia, states that the Annual Reports and Audited Accounts of Private and Voluntary Organizations receiving recurring Grants-in-aid less than Rs. 50 lakh should not be laid on the Table of the House. Instead, in respect of the Private and Voluntary Organizations receiving recurring Grants-in-aid from Rs. 10 lakh to 50 lakh, all the administrative Ministries/Departments of the Government of India should include in their own Annual Reports a Statement showing the quantum of funds provided to each of these Private and Voluntary Organizations and the purpose for which they were utilized for the information of the Parliament. They, therefore, submitted before the Committee that as the IRCS has been receiving the Grants-in-aid from the Government of the India less than 50 Lakh, therefore, the requisite documents of the IRCS henceforth i.e. from 2020-21 are not required to be laid on the Table of the House.**

The Committee examined the matter of not laying the requisite documents of the IRCS for the years 2020-2021 and observed that in addition to recurring grants, the IRCS has been receiving funds from the Central Government, State level bodies or by the private institutions and even from abroad in case of some natural disaster like epidemic diseases, flood, earthquake etc,. The Committee are of the opinion that rule 238(5) of the General Financial Rules is implemented by the organizations which are receiving only recurring Grants-in-aid less than 50 Lakh from the Government of India, however, as the IRCS has been receiving substantial funds and other kind of assistance/donation from the Government for different purposes. The Committee are of the considered view that the Annual Reports, Audited Accounts and other relevant documents of the IRCS must be laid on the Table of the House. The Committee would like to be informed of the action taken by the Ministry in this regard.

25. The Committee further note that getting approval of the requisite documents of the IRCS from their Competent Authorities i.e. Managing Committee and General Body is also stated to be one of the major reasons for delay in laying of the documents on the Table of the House. The Committee were apprised that the term of the elected members (Managing Committee) is two years and for nominated members is three years. Due to different term period of the elected members (Managing Committee) and nominated Members and time taken in the process of nomination of the new members, the meeting of the Managing Committee could not be held. However, to resolve the issue, the IRCS has sent a proposal stating that the nominated member's tenure should be the same as of the elected members so that we have the same term for the Managing Body.

26. Another reason for delay in laying of the documents of the IRCS was time taken in convening the meetings of the National Managing Body, which is chaired by the H.E. President of India. During the last eight years the meetings of the National Managing Body were convened in 2014, 2016, 2020 and also in May, 2022. In this connection, the Committee draw the attention of the Ministry to 19<sup>th</sup> Report (14<sup>th</sup> Lok Sabha) and 4<sup>th</sup> Report (15<sup>th</sup> Lok Sabha) wherein it had been recommended that the Ministry should devise ways and means to call the General Body meeting well in time to avoid delay in getting approval of the documents of the Society so that the requisite documents of the IRCS are laid within the stipulated time.

The Committee are disappointed to note that the Ministry has failed to comply with the specific recommendations of the earlier Committees referred above for laying the requisite documents of the IRCS before Parliament during the years 2012-2013 to 2019-2020. The Committee consider it as an irregularity on the part of the administrative Ministry/IRCS, which simply cannot be overlooked. The Committee, therefore, strongly recommend to delegate the power to Managing Committee in respect of getting approval of the requisite documents of the IRCS from the General Body so that these documents could be laid within the stipulated time.

27. While examining the matter of delays with the representatives of the IRCS, the Committee specifically desired to know as to whether the funds received by the State bodies of IRCS from the Central Body are incorporated in the Annual Report and Audited Accounts of the IRCS. The representatives of the Ministry/IRCS stated that they would examine the matter and report back. However, no reply has been received from the Ministry in this regard. Taking a note thereof, the Committee recommend to the Ministry that the requisite information must be furnished to the Committee at the earliest and also with the valid explanation for not furnishing the required information as desired by the Committee.

The Committee are of the considered opinion that each and every Rupee which is financed out of the Consolidated fund of the India must be audited by the C&AG and is laid on the Table of the House for the information of the Members of the Committee. The Committee, therefore, desire that the matter may be taken with these States Bodies (IRCS Unit/Branches) and efforts should be made to ensure that the Annual Report and Audited Accounts of the State Bodies, which are receiving funds from the Government, must be incorporated in the Annual Report and Audited Report of the Central Body of IRCS. The Committee would like to be informed of the steps taken by the Ministry in this regard.

28. The Committee, also recommend that the Ministry should prepare a 'Portal' wherein the updated position regarding laying of the requisite documents of all the organisations under their administrative control could be made available ensuring an alert system be incorporated into the 'Software/Dash Board' which may warn the Institutions a week before the deadline for the completion of their work at each stage as per the time schedule given so

that the requisite documents of all organizations are laid within the stipulated time. The Committee would like to be informed of the action taken by the Ministry in this regard.

29. The Committee, in addition to above, also impress upon the Ministry that if due to some unavoidable reasons, the Annual Reports and Audited Accounts of the IRCS could not be laid on the Table of the House within the stipulated time, a Statement explaining the reasons as to why the requisite documents could not be laid within the prescribed time period should be laid on the Table of the House within 30 days or as soon as the House convenes, whichever is later.

New Delhi

23 March, 2023  
02 Chaitra, 1945 (Saka)

Girish Chandra  
Chairperson  
Committee on Papers Laid on the Table



## LOK SABHA SECRETARIAT

FAX: 23010756

COMMITTEE BRANCH - II  
(Committee on Papers Laid on the Table)PARLIAMENT HOUSE ANNEXE  
NEW DELHI-110001

No. LAFEAS-CBII067/05/2020-CBII

02<sup>nd</sup> July, 2020OFFICE MEMORANDUM

**Subject : Revision in monetary ceiling in laying of the Annual Reports and Audited Accounts of various Organizations receiving funds from Government of India.**

The undersigned is directed to state that with the concurrence of the Ministry of Finance (Department of Expenditure) it has been decided to revise the existing monetary ceiling in respect of laying of Annual Report and Audited Accounts of the Ministries/Departments/Organisations etc., on the Table of the House (Lok Sabha) as given below:-

Existing Monetary ceiling	Revised Monetary ceiling
The Societies/Organizations receiving <b>one-time assistance of Rs. 50 lakh or above</b> should be required to lay their Annual Reports and Audited Accounts before Parliament. In the case of societies receiving one-time assistance of <b>Rs.10 lakh and below Rs.50 lakh</b> , all the Ministries/ Departments of Government of India should be required to include in their own Annual Reports a statement showing the quantum of funds provided to each of these societies and purpose for which the funds were utilized, for the information of the Members of Parliament.	The Societies/Organizations receiving <b>one-time assistance of Rs. 05 Crore or above</b> should be required to lay their Annual Reports and Audited Accounts before Parliament. In the case of societies receiving one-time assistance of <b>Rs.10 lakh and below Rs. 05 Crore</b> , all the Ministries/ Departments of Government of India should be required to include in their own Annual Reports a statement showing the quantum of funds provided to each of these societies and purpose for which the funds were utilized, for the information of the Members of Parliament.
The Annual Reports and Accounts of Private and Voluntary Organizations receiving recurring Grants-in-aid to the tune of Rs. 25 lakh and above should be laid on the Table of the House within nine months of the closure of the succeeding financial year. In the case of Private and	The Annual Reports and Accounts of Private and Voluntary Organizations receiving recurring Grants-in-aid to the tune of <b>Rs. 50 lakh and above</b> should be laid on the Table of the House within nine months of the closure of the succeeding financial year. In the case of Private and

<p>Voluntary Organizations receiving recurring Grants-in-aid from Rs. 10 lakh to 25 lakh, all the Ministries/Departments of the Government of India should include in their Annual Reports a Statement showing the quantum of funds provided to each of these Organizations and the purpose for which they were utilized for the information of the Parliament.</p>	<p>Voluntary Organizations receiving recurring Grants-in-aid from <b>Rs. 10 lakh to 50 lakh</b>, all the Ministries/Departments of the Government of India should include in their Annual Reports a Statement showing the quantum of funds provided to each of these Organizations and the purpose for which they were utilized for the information of the Parliament</p>
<p>All statutory/ Autonomous Organizations, Public Undertaking, Corporations, Joint Ventures, societies, etc. which are financed out of funds drawn from the Consolidated Fund of India, after being voted by Parliament, in the form of Shares, Subsidies, Grants-in-aid, etc. either wholly or partly should lay their Annual Reports/Audited Reports. At present, there is no ceiling of amount making it obligatory to lay the Report on the Table of the House.</p>	<p>All statutory/ Autonomous Organizations, Public Undertaking, Corporations, Joint Ventures, societies, etc. which are financed out of funds drawn from the Consolidated Fund of India of <b>Rs.02 Crore and above after being voted by Parliament, in the form of Shares, Subsidies, Grants-in-aid, etc. either wholly or partly should lay their Annual Reports/Audited Reports. In case where these Organizations etc. are getting fund less than Rs. 02 Crore, all the Ministries/Departments of the Government of India should include in their Annual Report a Statement showing the quantum of funds provided to each of these Organizations and the purpose for which they were utilized for the information of the Parliament.</b></p>

All Ministries/ Departments are requested to take note of the above mentioned Revised Monetary ceilings, in connection with all the organisations/ institutions etc. under their administrative control.

*Kushal Sarkar*  
(KUSAL SARKAR)  
DIRECTOR  
Ph.23035833/5713

To,  
All Ministries/ Department Government of India

**Statement showing the dates of laying the Annual Reports and Audited Accounts of Indian Red Cross Society, New Delhi for the years 2012-13 to 2021-2022**

Year	Date by which required to be laid	Date of laying of Annual Reports and Audited Accounts	Extent of Delay (in months)
2012-13	31.12.2013	24.04.2015	15 Months 24 days
2013-14	31.12.2014	24.04.2015	03Months 24 days
2014-15	31.12.2015	09.12.2016	11 Months 09 days
2015-16	31.12.2016	09.12.2016	No Delay
2016-17	31.12.2017	05.01.2018	05 days
2017-18	31.12.2018	12.02.2021	25 Months 12 days
2018-19	31.12.2019	12.02.2021	13Months 05 days
2019-20	31.12.2020	09.12.2022	23 months 12 days
2020-21	31.12.2021	Not laid	-
2021-22	31.12.2022	Not laid	-

**INDIAN RED CROSS SOCIETY**  
**DELAY STATEMENT**

**LAYING OF ANNUAL REPORT AND AUDITED ACCOUNTS OF THE INDIAN RED CROSS SOCIETY FOR THE YEAR 2019-20.**

Indian Red Cross Society, National Headquarters, New Delhi was constituted by an Act of Parliament in the year 1920. It is the largest statutory humanitarian organisation. It provides services to the vulnerable people affected by manmade and natural disasters by mobilising human and material resources.

As per the provision of the Indian Red Cross Society Act 1920 the President of India is the President of the Society. As per Rule 4 of the Indian Red Cross Society Rules, 1994, the General Meeting of the Society is held every year at the Station of the Headquarters of the Society upon a date (or dates) to be fixed by the President. The Annual Report and the Audited Annual Accounts are to be presented, considered and adopted at the Annual General Meeting (AGM) of the Society.

As per Section 4B (1) of the Indian Red Cross Society Act XV of 1920, the Managing Body of the Indian Red Cross Society shall consist of the following members:

- (a) Chairman to be nominated by the President for such term as he may deem fit;
- (b) Six members to be nominated by the President for such term as he may deem fit;
- (c) Twelve members to be elected by the State Branch Committees for a term of two years in accordance with the rules made by the Managing Body under Section 5;

It is submitted that due to pandemic conditions and diversion of attention towards COVID-19 relief, the National Headquarters was busy in relief operations. All supplies from abroad for the Government of India have also been routed through Indian Red Cross.

It is also submitted that meeting of the National Managing Body under the Chairmanship of Dr. Mansukh Mandavia (Hon'ble Minister of Health & Family Welfare and Minister of Chemicals & Fertilizers, GoI) was held only on 29.11.2021 wherein the Annual Report and Annual Audited Accounts for the year 2019-20 were approved. The Report and Accounts have been presented, considered and adopted in the AGM held on 17<sup>th</sup> May, 2022. The AGM was presided over by the Hon'ble Chairman, IRCS (Hon'ble Minister of Health & Family Welfare). It is also submitted that the Annual Report and Annual Audited Accounts are being translated in Hindi. These will be provided to the Ministry of Health & Family Welfare, Govt.of India for laying on both the Houses of the Parliament in the coming Monsoon Session.

In view of the above, the delay caused in laying the Annual Report and Annual Accounts for the year 2019-20 is due to unavoidable circumstances and the same is deeply regretted.

**Appendix - IV**

**Statement showing the chronological sequence, as submitted by the Ministry, in respect of the finalization of the Annual Reports and Audited Accounts of the Indian Red Cross Society, New Delhi for the years 2011-2012 to 20120- 2021**

Annexure "A"											
Sub	Points	Year-wise details for the last ten years									
Question		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
(i)	Date of approach to the audit authorities	The Statutory Audit of the Indian Red Cross Society, NHQ is done by a practicing Chartered Accountant. The Statutory Auditors are appointed in the Annual General Meeting. Hence IRCS does not approach audit authorities.									
	Time taken after the closure of accounting year										
(ii)	Date of appointment of statutory auditors	27.9.11	27.9.11	03.05.13	18.11.14	18.11.14	30.8.16	May' 2018 *	23.8.2019 *	15.10.2020	15.10.2020
	Time taken after the approaching the audit authorities for appointment of auditors	The auditors were approached immediately after their appointment. * The appointment of Statutory Auditors was under process. The audit was got conducted from the existing Auditors									
(iii)	Date of compilation of annual accounts	May-2012	June-2013	Aug-2014	Aug-2015	July-2016	Sept-2017	Aug-2018	Aug-2019	Sept-2020	Sept-2021
	Time taken after the closure of the accounting year	1 month	3 months	5 months	5 months	4 months	6 months	5 months	5 months	6 months	6 months
(iv)	Date of submission of annual accounts to auditors	May-2012	June-2013	Aug-2014	Aug-2015	July-2016	Sept-2017	Aug-2018	Aug-2019	Oct-2020	Oct-2021
	Time taken after closure of respective accounting year	1 month	3 months	5 months	5 months	4 months	6 months	5 months	5 months	7 months	7 months

(v)	The date and duration for auditing the annual accounts by statutory auditors	1 month	1 month	2 month	2 month	1 month	1 month	2 month	1 month	2 month	1 month
(vi)	The date of queries raised by auditors during auditing/after completion of the annual accounts	As such no written queries raised by the auditors during audit. However verbal queries were raised and replied during the audit									
	Time taken by auditors in raising the queries during auditing/after completion of the annual accounts to audit authorities	As such no written queries raised by the auditors during audit. However verbal queries were raised and replied during the audit									
(vii)	The date on which the replies to the audit queries were furnished to the Auditors	As such no written queries raised by the auditors during audit. However verbal queries were raised and replied during the audit									
	The time taken to resolve the queries	As such no written queries raised by the auditors during audit. However verbal queries were raised and replied during the audit									
(viii)	The date on which draft Audit Report was issued by Audit Authorities	As such no draft report was submitted by the Auditors									
	The time taken after auditing of the annual accounts	As such no draft report was submitted by the Auditors									
(ix)	The date on which the final audit report received by the Institute	15.6.2012	17.7.2013	30.9.2014	29.9.2015	17.8.2016	24.10.2017	8.10.2018	Accounts signed on 27.9.2019 and audit report given by statutory auditors on 27.9.2020	Accounts signed on 26.12.2020 and audit report given by statutory auditors on 18.11.2021	26.11.2021
	Time taken after issue of draft report	As such no draft report was submitted by the Auditors									

(x)	Total time taken by the audit authorities after receiving of the annual accounts to furnishing the final audit report to the Institute	1 month	1 month	1 month	1 month	1 month	1 month	2 month	1 month	2 month	1 month
<b>Note : Annual General meeting has adopted the Annual accounts of IRCS in its meetings held on :</b>											
	Date of adoption in the AGM	03.05.2013	18.11.2014	18.11.2014	30.8.2016	30.8.2016	15.10.2020	15.10.2020	15.10.2020	17.05.2022	17.05.2022
NB : Annual Reports are submitted to the Ministry of Health & Family Welfare after having been considered and adopted by the General Body.											

**Extract of the Minutes of the sitting of the Committee on Papers Laid on the Table held on 25<sup>th</sup> July, 2022**

The Committee sat on Monday, 25<sup>th</sup> July 2022 from 15:00 hours to 17:15 hours in Committee Room 'C', Parliament House Annexe, New Delhi.

***Present***

Shri Ritesh Pandey - ***Chairperson***

***Members  
(Lok Sabha)***

1. Shri A. Chellakumar
2. Shri Pallab Lochan Das
3. Smt. Aparupa Poddar ( Afrin Ali)
4. Shri Saptagiri Sankar Ulaka

***Secretariat***

1. Smt. Suman Arora - Joint Secretary
2. Shri Sundar Prasad Das - Director
3. Shri Uttam Chand Bharadwaj - Additional Director

***Witnesses***

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(iii) Ministry of Health and Family Welfare (Department of Health and Family Welfare)

Shri Rajesh Bhushan - Secretary

(iv) Indian Red Cross Society (IRCS), New Delhi

Shri R.K. Jain - Secretary General



2. At the outset, the Chairperson welcomed the Members of the Committee to the sitting and apprised them of the agenda.

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7. The Committee, thereafter, took up the matter of the delays in laying the Annual Reports and Audited Accounts of the Indian Red Cross Society (IRCS), New Delhi which is under the administrative control of the Ministry of Health and Family Welfare (Department of Health and Family Welfare) for 2012-2013 to 2020-2021.

*Then the witnesses of the Ministry of Health and Family Welfare (Department of Health and Family Welfare) and the Indian Red Cross Society (IRCS), New Delhi were called in.*

8. The Chairperson welcomed the representatives of the Ministry of Health and Family Welfare (Department of Health and Family Welfare) and the Indian Red Cross Society (IRCS), New Delhi to the sitting of the Committee and informed them of the agenda of the sitting. The Chairperson also informed the witnesses about the provisions of Direction 55(1) of Directions by the Speaker, Lok Sabha, regarding the confidentiality of the proceedings.

9. The Chairperson pointed out the repeated delays in laying the Annual Reports and Audited Accounts of Indian Red Cross Society (IRCS), New Delhi for 2012-2013 to 2020-2021 before the Parliament, except for the year 2015-2016 when the requisite documents were laid within stipulated time. The Secretary General, IRCS made a brief Power-point about the functions of the IRCS. The Committee was apprised that there had been delay on account of holding the Annual General Meeting and the meeting of the Managing Body. Thereafter, Dr. A. Chellakumar, MP and the Member of the Committee enquired from the representatives as to whether the branches or the State units of the IRCS are receiving grants from the Ministry or from the Government of India or in the form of any donation. The representative of the IRCS submitted that the Annual Reports of the State units have been received by them but they have not compiled it, as on date. The accounts for the national headquarter (New Delhi) only are laid. Here, both the Chairperson and Dr A. Chellakumar, MP, reiterated and emphasized the need for compilation of accounts of all the subordinate units/offices under the IRCS at the national level so that it gives the clear picture of the Annual accounts of the IRCS, in total. The representative of the IRCS submitted that it was a good suggestion and assured the Committee that they would examine it.

10. The Chairperson thanked the representatives of the Ministry of Health and Family Welfare (Department of Health and Family Welfare) and the Indian Red Cross Society (IRCS), New Delhi for their free and frank views and requested them to respond to various queries raised especially on the creation of dashboards.

*The witnesses then withdrew.*

A Copy of the verbatim proceedings of the sitting is kept.

The Committee then adjourned.

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**Committee On Papers Laid On The Table (2022-23)**

**The Extracts of the Minutes of the sitting of the Committee on Papers Laid on the  
Table held on 23 March, 2023**

The Committee sat on Thursday, 23<sup>rd</sup> March, 2023 from 15:00 hours to 17:10 hours in Committee Room 'C', Parliament House Annexe, New Delhi.

***Present***

Shri Girish Chandra - ***Chairperson***

***Members  
(Lok Sabha)***

1. Shri Pallab Lochan Das
2. Choudhary Mehboob Ali Kaiser
3. Shri Jamyang Tsering Namgyal
4. Shri Ashok Kumar Yadav

***Secretariat***

1. Shri Vinay Kumar Mohan - Joint Secretary
2. Shri Naval K. Verma - Director
3. Shri Uttam Chand Bharadwaj - Additional Director

2. At the outset, the Chairperson welcomed the Members of the Committee to the sitting and apprised them of the agenda.

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4. At first, the Committee took up the following four draft Reports and eight Action taken Reports for consideration and adoption:-

- i. to iii
- iv. Action Taken by the Government on the recommendations made by the Delay in laying of the Annual Reports and Audited Accounts of the Indian Red

Cross Society (IRCS), New Delhi under the administrative domain of the  
Ministry of Health & Family Welfare (Department of Health & Family Welfare).

v. to xii

The above mentioned four Reports and eight Action Taken Reports were unanimously adopted by the Committee and the Chairperson was authorized by the Committee to finalize and present Reports to the Lok Sabha.

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*(A Copy of the verbatim proceedings of the sitting is kept.)*

The Committee then adjourned.

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