

CHAPTER X : MINISTRY OF OVERSEAS INDIAN AFFAIRS

10.1 Non-creation of self sustaining corpus funds for Indian Community Welfare Scheme

Failure to create self-sustaining corpus fund by the Ministry of Overseas Indian Affairs out of ₹ 23.95 crore collected for Indian Community Welfare Scheme resulted in loss of interest amounting to ₹ 1.00 crore.

Para 3.1.2 of the Comptroller and Auditor General of India's Report No 13 of 2012-13 had revealed that due to delay in implementation of the "Indian Community Welfare Fund Scheme" in 17 Missions and Posts, an amount of ₹ 15.29 crore on account of additional fees was not collected.

The Ministry of Overseas Indian Affairs (MOIA) is the administrative Ministry, which, monitors and issues the necessary guidelines for the operation of the ICWF and all associated issues including revenue generation and expenditure.

As per the guidelines, issued in December 2010, the Scheme aimed at meeting contingency expenditure for welfare activities of Overseas Indian Citizen in distress. The funds required for the Scheme were to be raised by Indian Missions through service charge on consular services, voluntary contributions by Indian Community and budgetary support of Ministry of Overseas Indian Affairs. The budgetary support was to be initially for three years or till the Fund became self sustaining, whichever was earlier. The corpus¹ established for the Scheme was thus intended to become self sustaining within a maximum period of three years of its establishment. Moreover, the Standing Committee on External Affairs in its 7th Report (15th Lok Sabha) had expressed concern over the functioning of the ICWF and desired to know (March 2011) about the total fund collected in each Mission/Post through contribution and the aid received through budgetary support as well as the number of workers benefited and the expenditure made so far at each location. They also reiterated for making provision of corpus fund in the Scheme so that the welfare of workers in distress does not suffer due to paucity of fund. The responsibility of creating the corpus fund under ICWF rested with the MOIA.

¹ Corpus Fund: A fund denotes a permanent fund kept for the basic expenditure needed for the administration and survival of the organisation.

Audit noted that in 26 Missions and Posts, ₹ 23.95 crore had accumulated up to March 2012, under the ICWF accounts. None of these Missions had created a corpus fund out of the amounts collected so far. As a result, these balances remained idle in ICWF current accounts of the Missions for varying periods ranging from two to twenty two months. The Missions had utilised just ₹ 76.95 lakh out of it (March 2012 - **Annex-12**). The Ministry, thus, by holding the amount in current accounts without any emergent need, lost the opportunity of receiving additional funding of ₹ 1.00 crore through interest (March 2012). Also the objective of creating a sustainable corpus fund for welfare of workers in distress could not be achieved.

The matter was referred to the MOIA in May 2013; their reply was awaited as of June 2013.