

MINUTES OF THE 87th MEETING OF THE FINANCE COMMITTEE HELD ON 27th NOVEMBER, 2015 AT 12.00 NOON IN THE CONFERENCE ROOM, VICE CHANCELLOR'S BLOCK, IGNOU CAMPUS, MAIDAN GARHI, NEW DELHI.

The following were present:-

1.	Prof. Nageshwar Rao	Vice-Chancellor	Chairman
2.	Prof. Sushma Yadav	Pro-Vice-Chancellor	Member
3.	Shri S.P. Goyal	Joint Secretary (TEL), MHRD	Member
4.	Prof. K.N. Tripathi	Member, BOM, IGNOU	Member
5.	Shri M.P. Gupta	Additional Secretary (Retd.)	Member
6.	Prof. P. Srinivas Kumar	Director, SOET	Member
7.	Mrs. Vidya Sonal	Finance Officer	Member Secretary

Joint Secretary & Financial Advisor, MHRD could not attend the meeting. Sh. Sudhir Budakoti, Registrar (Admn.) attended the meeting as 'Special Invitee'.

Shri D.K. Issrani, Dy. Registrar, Shri U.C. Bisht, Shri K.S. Bhatia, Shri Mohan Veer Gautam, Assistant Registrars and Shri Anil Kumar & Mrs. Rama Kapoor, Section Officers were present to assist the Committee.

The Secretary welcomed the Chairman and Members of the 87th Finance Committee. The Chairman also welcomed the new Member Prof. Sushma Yadav and other Members of the Finance Committee to the 87th Meeting. With the permission of the Chairman, Secretary presented the agenda items. The following agenda items were presented and deliberated upon:-

FC 87.1 To confirm the Minutes of 86th meeting of the Finance Committee held on 9th June, 2015.

87.1.1 The Secretary informed that no comments have been received on the Minutes of the 86th Meeting of the Finance Committee held on 9th June, 2015. Hence, the Minutes of the 86th Meeting of the Finance Committee may be confirmed.

87.1.2 The Committee confirmed the Minutes.

9/11/15

डॉ. जे. डी. गंगवार
वित्त अधिकारी, इग्नू
Dr. J. D. Gangwar
Finance Officer, IGNOU

FC 87.2 Action Taken Report in respect of 86th Meeting of the Finance Committee.

87.2.1 The Secretary presented the Action Taken Report as given against each item in Agenda note.

87.2.2 After going through the ATR on FC 86.3.3, the Finance Committee suggested that the checking of Annual Accounts of the University by the Internal Audit Cell may also be explored.

87.2.3 With the above observation, the Committee noted the Action Taken Report.

FC 87.3 To report the action taken on transfer of Rs.1,31,95,859/- on account of Security Deposits/EMD amount deposited by the Contractors.

87.3.1 The Committee noted the action taken by the Vice Chancellor for transfer of Rs.1,31,95,859/- on account of Security Deposits/EMD amount deposited by 560 Contractors which remained unclaimed for more than three years from January 2006 to 31st March, 2011 to Non Plan Account of IGNOU.

The Committee also suggested that the details regarding date of submission of bills towards refund of security deposit and their payment dates for a selected period be presented before the Vice Chancellor.

FC 87.4 To consider and approve the Revised Estimates 2015-16 and the Budget Estimates 2016-17.

87.4.1 The Secretary informed that in accordance with Statute 11(6) of the Statutes of the University, the Financial Estimates are to be placed before the Finance Committee for consideration and thereafter to be submitted to the Board of Management for approval.

V. K. S.

G. D.

287

Accordingly, the University prepared the Revised Estimates 2015-16 and Budget Estimates 2016-17 as per details given below:

Operational Fund (Non Plan)

	Estimated Revenue Realization	Estimated Budget Provision
Revised Estimates 2015-16	632.70 Crore*	598.45 Crore
Budget Estimates 2016-17	667.09 Crore**	667.09 Crore

*** Includes the carry forward balances of Rs. 146.70 Crore of the previous year and token grant of Rs. 1.00 crore from MHRD.*

*** Includes Rs.34.25 Crore as proposed receipts to be carried forward from 2015-16 and Rs.122.84 Crore token grant from MHRD.*

Development Fund (Plan)

	Grant approved by MHRD	Estimated Budget Provision
Revised Estimates 2015-16	110.0 Crore*	352.68 Crore
Budget Estimates 2016-17	110.0 Crore**	385.90 Crore

** Under two heads viz. Rs. 99 Crore under Development Grant to IGNOU other than NER, Rs. 11.00 Crore under Development Grant to IGNOU in NER.*

***Anticipated allocation by MHRD for 2016-17 is based on the actual approved allocation of Rs.110.00 Crore for 2015-16.*

A power point presentation on the above mentioned Revised Estimates 2015-16 and Budget Estimates 2016-17 was also made by Sh. U.C. Bisht, Asstt. Registrar (Budget), F&A Division.

87.4.2

After detailed deliberations, the Committee recommended the Revised Estimates 2015-16 and Budget Estimates 2016-17 for approval of the Board of Management as under :

Operational Fund (Non Plan)

Revised Estimates 2015-16 of Rs.598.45 Crore against the estimated revenue of Rs.632.70 Crore (including carry forwarded balance of Rs.146.70 Crore of the previous year and Rs.1.00 Crore token grant from MHRD).

Budget Estimates 2016-17 of Rs.667.09 Crore against the estimated revenue realization of Rs.667.09 Crore (including Rs.34.25 Crore as proposed receipts to be carried forward from 2015-16 and Rs.122.84 Crore token grant from MHRD).

Development Fund (Plan)

After detailed deliberations, the Committee is of the view that the proposed estimates are on higher side in view of the past trend of expenditure. The Committee recommended to reduce the Revised Estimates 2015-16 and Budget Estimates 2016-17 as follows:

- Revised Estimates 2015-16 at Rs.252.68 Crore against the approved Budget allocation by MHRD for Rs.110 Crore. (The estimated difference of Rs.142.68 Crore will be met from internal resources of IGNOU and also pursue the matter with MHRD for release of additional grant).
- The Budget Estimates 2016-17 has been proposed at Rs.277.90 Crore.

In order to operationalise the Revised Estimates 2015-16 & Budget Estimates 2016-17, the Finance Committee confirmed the part Minutes of this item.

FC 87.5

To consider the recommendations of the meeting of the Investment Committee held on 30-10-2015 regarding reviewing of guidelines for investment of IGNOU funds.

Vandana

87.5.1 The Committee deliberated in detail regarding recommendations of the meeting of the Investment Committee held on 30-10-2015 for reviewing of guidelines for investment of PF funds IGNOU and suggested to write a letter to MHRD for issuing a notification declaring that IGNOU has Provident Fund Scheme, by adding it to the Schedule of Government Provident Funds under Provident Fund Act, 1925.

87.5.2 The Finance Committee further suggested that till the time the above notification is issued by MHRD, the existing investment guidelines of IGNOU be continued.

FC 87.6 To ratify rates for Practical Contact Session of PG Level Medical Programmes.

87.6.1 The Committee ratified the action taken by the Vice Chancellor for revision of rates in r/o PG level practical counseling session under medical programmes from Rs.450/- to Rs.1000/- per session of 2 hrs. at par with 2 hr. theory counseling session for PG Programmes.

FC 87.7 To consider the Appropriation Accounts of the University for the period 2014-15 (Plan & Non Plan).

87.7.1 The Secretary informed that as per Rule 10(1) of Chapter IV of the Financial Code, a statement called Appropriation Account of the actual expenditure of the University, during the preceding financial year as compared with the budget provisions for that year shall be prepared by the Finance Officer in the prescribed form and shall be submitted to the Finance Committee. A similar statement shall be submitted in case of actual Receipts of the University during the preceding financial year as compared with the Budget Estimates for that year.

Accordingly, Appropriation Account for the financial year 2014-15 under Plan and Non-Plan accounts showing the Revised Estimates 2014-15, Actual of 2014-15, Variance and Variance percentage for each sub head for all Schools of studies, Centres, Divisions and Units, variance and the variance percentage

245

87.5.1 The Committee deliberated in detail regarding recommendations of the meeting of the Investment Committee held on 30-10-2015 for reviewing of guidelines for investment of PF funds IGNOU and suggested to write a letter to MHRD for issuing a notification declaring that IGNOU has Provident Fund Scheme, by adding it to the Schedule of Government Provident Funds under Provident Fund Act, 1925.

87.5.2 The Finance Committee further suggested that till the time the above notification is issued by MHRD, the existing investment guidelines of IGNOU be continued.

FC 87.6 To ratify rates for Practical Contact Session of PG Level Medical Programmes.

87.6.1 The Committee ratified the action taken by the Vice Chancellor for revision of rates in r/o PG level practical counseling session under medical programmes from Rs.450/- to Rs.1000/- per session of 2 hrs. at par with 2 hr. theory counseling session for PG Programmes.

FC 87.7 To consider the Appropriation Accounts of the University for the period 2014-15 (Plan & Non Plan).

87.7.1 The Secretary informed that as per Rule 10(1) of Chapter IV of the Financial Code, a statement called Appropriation Account of the actual expenditure of the University, during the preceding financial year as compared with the budget provisions for that year shall be prepared by the Finance Officer in the prescribed form and shall be submitted to the Finance Committee. A similar statement shall be submitted in case of actual Receipts of the University during the preceding financial year as compared with the Budget Estimates for that year.

Accordingly, Appropriation Account for the financial year 2014-15 under Plan and Non-Plan accounts showing the Revised Estimates 2014-15, Actual of 2014-15, Variance and Variance percentage for each sub head for all Schools of studies, Centres, Divisions and Units, variance and the variance percentage

reflecting the non-utilized part of the budget were placed before the Committee. A similar statement for actual Receipts with the Budget Estimates was also placed before the Committee for its consideration.

87.7.2 The matter was discussed at length. The Committee took note of the underutilization of the approved allocated budget in respect of certain Schools/Divisions/Units etc. and expressed its concern about it as underutilization of the budget adversely reflects on the performance of the concerned School/Centre/Division/Unit, etc.

The Committee suggested that details regarding expenditure against activities of Schools/ Units/ Regional Centres be presented in the next meeting of the Finance Committee.


87.7.3 With the above suggestions, the Committee recommended Appropriation Accounts 2014-15.

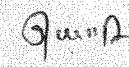
FC 87.8 To consider the proposal for review of rates relating to Examination Centres and Evaluation activities.

87.8.1 Sh. N.P. Singh, Registrar (SED) presented the item and apprised the Finance Committee that rates for various activities related to examination centres and evaluation were earlier approved in the year 2009. In order to revise the rates for these activities, a Review Committee was constituted by the Competent Authority which recommended the revision of rates as per Annexure-I & II (details at page No. 1, 2 and 3 of the Annexure-II of FC 87.8). It was also apprised to the Finance Committee that for most of the activities the revision is recommended at 100% of the existing rates. In order to meet the additional expenditure due to revision of rates, the Review Committee also recommended additional revenue generation through revision of fees for various examination related services provided by the University to its learners (details at page No. 4 and 5 of the Annexure-II of FC 87.8).

- 87.8.2 After deliberations, the Finance Committee accepted the recommendations of the Review Committee for revision of rates for activities relating to Examination Centres & Evaluation and revision of fees for various services provided by the University to its learners and recommended the same for approval of the Board of Management. The Finance Committee also recommended that the Term End Examination fee shall be revised to Rs.120/- instead of Rs.100/- as recommended by the Review Committee from the existing rate of Rs.60/-.
- FC 87.9 To consider the Audited Annual Accounts of the University for the Financial Year 2014-15.**
- 87.9.1 The Committee was informed that as per Section 29 of IGNOU Act, a copy of the audited accounts and the audit report have to be submitted to the Visitor after obtaining the approval of the Board of Management. The same set is also to be submitted to the MHRD for laying it before both the Houses of Parliament, once approved by the Board of Management.
- 87.9.2 The Finance Committee gone through the responses to the Paras mentioned in the Separate Audit Report (SAR) and suggested the remedial/corrective measures to overcome the deficiencies being pointed out by the audit from time to time.
- 87.9.3 In view of the urgency to submit the Audited Annual Accounts for the Financial Year 2014-15 to MHRD, the Finance Committee confirmed the Part Minutes of this item and recommended the same for approval of the Board of Management.

The Meeting ended with a vote of thanks to the Chair.


(Nageshwar Rao 29/11/15)
Chairman, Finance Committee


डॉ. जे. डी. गंगवार
वित्त अधिकारी, इग्नू
Dr. J. D. Gangwar
Finance Officer, IGNOU