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MINUTES OF THE 88th MEETING OF THE FINANCE COMMITTEE HELD ON 20th JUNE, 2016 AT 11:30 A.M. IN THE BOARD ROOM, VICE CHANCELLOR'S BLOCK, IGNOU CAMPUS, MAIDAN GARHI, NEW DELHI.

The Eighty Eighth (88th) Meeting of the Finance Committee was held on 20th June 2016 at 11.30 a.m. in the Board Room, VCO, IGNOU, New Delhi. The Meeting was attended by the following:

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

Ms. Darshana M. Dabral, Joint Secretary & Financial Advisor, MHRD did not attend the meeting due to her preoccupation. Dr. A. Murali M. Rao, Head Computer Division was also present as Special Invitee.

Shri D.K. Issrani, Dy. Registrar, Shri Mohan Veer Gautam, Shri K.S. Bhatia, Assistant Registrars and Shri Anil Kumar, Section Officer were present to assist the Committee.

The Secretary welcomed the Chairman and Members of the 88th Finance Committee and requested the Chairman to begin the proceedings.

The Chairman informed the Committee that he had taken charge as Vice Chancellor on 28th April 2016 consequent to the erstwhile Vice Chancellor Prof. Nageshwar Rao assuming the Vice Chancellorship of Uttarakhand Open University. He welcomed all the members of the Finance Committee and assured the Members that the University would strive to maximize revenue receipts through the admission fee and would strictly follow the regulatory mechanism prescribed by the Financial Code and other such instruments as GFR etc.

It was observed by Sri S.P. Goyal, Joint Secretary, MHRD that any reduction in the fee revenue was likely to have an adverse impact on the financial health of the University and was likely to reflect poorly on the financial management. Therefore, utmost care should be exercised by the University in the matter of fee-collection and strenuous efforts must be made to augment the revenue resources.

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With these prefatory remarks the Chairman requested the Secretary to present the agenda items. The following agenda items were presented and deliberated upon:-

FC 88.1 To confirm the Minutes of 87th meeting of the Finance Committee held on 27th November, 2015.

88.1.1 The Secretary informed that comments on certain items of the Minutes of the 87th Finance Committee were received from MHRD and had been perused by the Chairman and informed that action taken on the same has been indicated in the ATR of 87th FC [Agenda Item No.2 (B)]. Hence, the Minutes of the 87th Meeting of the Finance Committee may be confirmed.

88.1.2 The Minutes were confirmed.

FC 88.2 Action Taken Reports in respect of the Items of 86th and 87th Meetings of the Finance Committee as confirmed/approved by the BoM in its 124th Meeting held on 23.01.2016.

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

88.2.2 The Finance Committee noted the Action Taken Report with the following comments:

a) 87.2: The Committee noted the assurance given by the Chairman that Internal Audit Cell would be refurbished and adequately strengthened so that the stipulation of checking of Annual Accounts was strictly observed.

b) 87.3: The Committee suggested that timely refund of security deposit by the respective Divisions after completion of the contractual obligations should be ensured.

c) 87.5: The Committee suggested that Investment Guidelines should be revisited and reworked details should be communicated to MHRD.

d) 87.9: The Chairman informed the Committee that the process for creation of a Centralized Data Base would be initiated immediately and would be finalized in a time-bound manner.

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FC 88.3 **Consideration of the Annual Accounts of the University for the Financial Year 2015-16 to be submitted to DGACE for audit.**

88.3.1 The Finance Committee considered and confirmed the Part Minutes **(Annexure)** for this item for seeking approval of the Board of Management through circulation.

FC 88.4 **Report on the action taken on re-appropriation of funds during 2015-16.**

88.4.1 The Finance Committee noted the re-appropriation of funds carried out by the University during the Financial Year 2015-16.

The Committee further suggested that in future the re-appropriation of funds must be presented for consideration along with the detailed reasons and statutory justification for such re-appropriation.

The Committee also desired that a mechanism for direct benefit scheme to SC/ST students should be devised and reported in the next meeting of the Committee.

FC 88.5 **To consider the recommendations made by the Investment Committee in its Meeting held on 31st May'2016.**

88.5.1 The Finance Committee considered for approval of the Board of Management the recommendation of the Investment Committee for enhancing the upper limit of investments of funds from the **present upper limit of Rs.80.00 cr. to Rs.160.00cr. with any single bank/financial institution for higher accrual of interest with the condition that the investments shall be made in nationalized banks, Government financial institutions and GOI bonds only.**

88.5.2 The Finance Committee also considered the recommendation of the Investment Committee for reviewing the investment guidelines and simultaneously framing a financial management system/policy for the University integrating the investment of the University funds as a policy component keeping in view the surplus funds in various heads in view of the MHRD letter F.No.61-19/2015-Desk(U) dated 3rd March, 2016 and an audit para raised by the audit party of DGACE in the audit report for the Financial Year 2014-15. The Chairman was authorized to initiate necessary measures in accordance with this recommendation.

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FC 88.6 **To consider and approve the enhancement in budget under the budget head "Office Building" in BE 2016-17 under Plan head.**

88.6.1 The Finance Committee deliberated upon the issue. CPO (CMD) apprised the Committee about the justification for requisite enhancement in the budget allocation from Rs.20.83 crore to Rs.50.83 crore under the head "Office Building" in BE 2016-17 (Plan).

88.6.2. The Finance Committee considered the aforesaid proposal of CMD and recommended the same for approval of the Board of Management.

88.6.3 The Finance Committee also recommended that a comprehensive examination/enquiry of CMD projects, other maintenance works and related matters must be initiated so that proper and judicious utilization of funds in consonance with the regulatory and statutory stipulations is strictly ensured. The Chairman was authorized to take necessary urgent measures in this regard.

FC 88.7 **Any other item**

88.7.1 The Chairman informed the Finance Committee about the steps taken by the University for settling the pending audit paras as pointed out in MHRD letter dated 3rd June, 2016. The Finance Committee suggested for handling the matter administratively and for submission of a status report in this regard to MHRD at the earliest and to ensure that audit para settlement should become a time-bound integral activity of the Finance Division based on the inputs provided by the Division/School/Unit concerned.

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

(Ravindra Kumar)
Chairman, Finance Committee

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