

MINUTES OF THE 98<sup>th</sup> MEETING OF THE FINANCE COMMITTEE HELD ON  
19<sup>th</sup> DECEMBER 2019 AT 12.00 NOON IN THE VICE CHANCELLOR'S BLOCK,  
IGNOU, MAIDAN GARHI, NEW DELHI-110 068

The following were present:-

- |    |                                   |  |             |
|----|-----------------------------------|--|-------------|
| 1. | Prof. Nageshwar Rao               | Vice-Chancellor, IGNOU                           | - Chairman  |
| 2. | Prof. Ravindra Ramchandra Kanhere | Pro Vice-Chancellor, IGNOU                       | - Member    |
| 3. | Sh. B.K. Bhadri, DEA, MHRD        | Representative of Jt. Secy., MHRD                | - Member    |
| 4. | Dr. P. Prakash                    | VC, SRM University, Sonapat & Member, BOM, IGNOU | - Member    |
| 5. | Dr. Heena K. Bijli                | Director, SOCE, IGNOU                            | - Member    |
| 6. | Dr. J.D. Gangwar                  | Finance Officer, IGNOU                           | - Secretary |

Prof. J.B.G. Tilak, Former Vice Chancellor, NUEPA could not attend the meeting due to his preoccupation and was granted leave for absence. Ms. Darshana M. Dabral, Joint Secretary & Financial Advisor, MHRD could not attend the meeting however the comments received from her office were placed before the Finance Committee which were deliberated in detail.

Ms. Rajni A. Jeet, Dy. Registrar was present to assist the Committee.

The Chairman welcomed Sh. B. K. Bhadri, Dy. Educational Advisor, MHRD and all the Members of the Finance Committee (FC) and informed that Dr. Heena K. Bijli, Director, School of Continuing Education, IGNOU, has been nominated as the Member of the Finance Committee in place of Prof. Saroj Pandey, Director, School of Education, IGNOU, as Prof. Pandey has completed her term as Director of the School. Further, he also informed that Dr. J.D. Gangwar has joined as Finance Officer.

The Committee welcomed Dr. Heena K. Bijli and Dr. J.D. Gangwar on the Finance Committee as the Member and Ex-officio Secretary, respectively. The Committee recorded its appreciation for Prof. Saroj Pandey, Member, Finance Committee. The Committee also placed on record the appreciation for services of Prof. K. Ravi Sankar as Finance Officer (I/c).



With the permission of the Chair, the Secretary extending his formal welcome to the Chair and the Hon'ble Members presented the detailed agenda items as below:

- FC 98.1**      **To confirm the Minutes of 97<sup>th</sup> meeting of the Finance Committee held on 26<sup>th</sup> June, 2019.**
- 98.1.1      The Secretary informed that no comments have been received on the Minutes of the 97<sup>th</sup> Meeting of the Finance Committee held on 26<sup>th</sup> June, 2019. Hence, the Minutes of the 97<sup>th</sup> Meeting of the Finance Committee may be confirmed.
- 98.1.2      The Committee confirmed the Minutes of the 97<sup>th</sup> Meeting of the Finance Committee.
- FC 98.2**      **Action Taken Report in respect of the Items of the 97<sup>th</sup> Meeting of the Finance Committee held on 26<sup>th</sup> June, 2019.**
- 98.2.1      The Secretary presented the Action Taken Report (ATR).
- 98.2.2      The Secretary informed the Committee that the proposal of the University for HEFA funding has been approved by the MHRD. The University has submitted the application for HEFA loan. The HEFA is in the process of evaluation of the proposal.
- 98.2.3      From the discussions arising out during deliberations on HEFA funding, the Committee advised to ensure strict monitoring of the implementation of the project proposal under HEFA funding to ensure that HEFA loan is utilized fully in time-bound manner. In this regard, the CPO (CMD) was directed to ensure the completion of pre and post construction procedural requirements strictly in a time-bound manner.
- 98.2.4      The Committee noted the Action Taken Report.
- FC 98.3**      **To consider and approve the Audited Annual Accounts of the University for the Financial Year 2018-19.**
- 98.3.1      The Secretary apprised the Finance Committee that the unaudited Annual Accounts for the Year 2018-19 were considered by the Finance Committee in its 97<sup>th</sup> Meeting held on 26.06.2019 and duly approved by the Board of

Management through circulation. Thereafter, the Annual Accounts have been audited by the Director General of Accounts (Civil Expenditure) (DGACE). DGACE has issued the Audit Report certifying the authenticity of the Annual Accounts 2018-19.

98.3.2 During deliberations on the audited Annual Accounts and Audit Report, the Secretary clarified the observations in the Audit Report on strengthening of internal audit and control system of the University. The Secretary further submitted that internal audit/internal checks and control shall be strengthened by the University by taking the services of Chartered Accountant firms. The Committee consented for the same.

98.3.3 In view of the time schedule prescribed for presenting the Audited Annual Accounts to Govt. of India, the Secretary requested the Committee to approve the Annual Accounts 2018-19. The Committee accorded its approval on the Annual Accounts 2018-19 and directed that the audited Annual Accounts along with the Audit Report be submitted to the MHRD after approval of the Board of Management.

**FC 98.4 To consider the Revised Estimates 2019-20 and the Budget Estimates 2020-21.**

98.4.1 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.

98.4.2 The Secretary explained the Finance Committee that the expenditure of the University is being met from two sources i.e. Revenue from Internal Resources and the Grant from MHRD. Accordingly, the Budget Estimates (Revised Estimates 2019-20 and the Budget Estimates 2020-21) of the University have been summarized and presented in the table below:

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(Rs. in Crore)				
S. No.	Object Head (OH)	Revised Estimates 2019-20	Budget Estimates 2020-21	Fund Source
1.	General Expenditure (other than Capital & Salary OH-31)	661.69	693.05	Grant from MHRD/Revenue from Internal Resources
2.	Creation of Capital Assets (OH-35)	82.10	113.47	Revenue from Internal Resources/HEFA Loans
3.	Salaries (OH-36)	376.52	379.56	Revenue from Internal Resources/Grant from MHRD
	Other Components	62.88	68.61	
	<b>GRAND TOTAL</b>	<b>1183.19</b>	<b>1254.69</b>	Details are shown in <i>Annex. FC 98.4.1</i>

The projected funds/revenue are given in the table below:

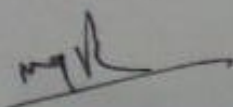
(Rs. in Crore)			
S. No.	Fund Source	RE 2019-20	BE 2020-21
1.	Revenue from Internal Resources	710	740
2.	Grant from MHRD/Carry forward from previous years (Internal Resources)	* 443.19	** 469.69
3.	HEFA Loan through MHRD for creation of Capital Assets	30.00	45.00
	<b>Total</b>	<b>1183.19</b>	<b>1254.69</b>

\* For the Financial Year 2019-20 MHRD has conveyed sanction of Rs.120.00 Crore under OH-31 (General 90.00 Crore + 30.00 Crore EWS) and Rs.10.00 Crore under OH-36 towards EWS. Besides this MHRD has also conveyed recommendation of Rs.30.00 Crore under OH-35 as HEFA Loan.

\*\* For the Financial year 2020-21 MHRD has conveyed sanction towards EWS for Rs.35.00 Crore under OH-31, Rs.5.00 Crore towards OH-36 and has also conveyed recommendation of Rs.45.00 Crore towards HEFA Loan. The General grant under OH-31 is yet to be communicated by the MHRD, however the same is anticipated on the basis of grant for the financial year 2019-20 i.e. Rs.90.00 Crore.

98.4.3 The Committee took note of the considerable difference in the revenue (Rs.740 Crore) and expenditure (Rs.1183.19 Crore) in the Revised Estimates 2019-20 and advised that University should make an objective assessment on the viability of the Schools/RCs having low student enrolment.

98.4.4 After detailed deliberations, the Committee directed that the Revised Estimates for 2020-21 be prepared based on realistic estimates by taking into account the actual expenditure of the financial year 2019-20. However, the Committee accorded its approval on the Revised Estimates 2019-20 for Rs.1183.19 Crore and Budget Estimates 2020-21 for Rs.1254.69 Crore on realistic basis and subject to availability of funds. The Finance Committee recommended that the same may be placed before the Board of Management for its consideration and approval.



FC 98.5 Reporting of Appropriation details for the period 2018-19 in respect of Grant from MHRD and Revenue from Internal Resources.

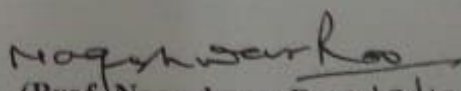
98.5.1 The Secretary informed that as per Rule 10(1) of Chapter IV of the Financial Code, a statement called 'Appropriation Account' of the actual expenditure of the University, during the preceding financial year as compared with the budget provisions for that year shall be prepared by the Finance Officer 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.

98.5.2 Accordingly, Appropriation details for the financial year 2018-19 showing a comparison of the Revised Estimates 2018-19 with the actual expenditure of 2018-19 indicating Variance and percentage of Variance for each sub head for all the 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.

98.5.3 The Committee noted Appropriation details for the year 2018-19.

Before the proceedings of the 98<sup>th</sup> FC meeting were concluded, the Committee confirmed the Minutes of the 98<sup>th</sup> FC Meeting as the Annual Accounts of the University are required to be placed before Both Houses of the Parliament through MHRD in time bound and RE/BE are to be made operational.

The meeting ended with thanks to the Chair.

  
(Prof. Nageshwar Rao) 19/12/19.  
Chairman, Finance Committee

आचार्य नागेश्वर राव  
कुलपति, इग्नू  
Prof. Nageshwar Rao  
Vice Chancellor, IGNOU