

MINUTES OF THE 58TH MEETING OF THE FINANCE COMMITTEE HELD ON 31ST MARCH 2008 AT 3.00 P.M. IN THE BOARD ROOM, IGNOU CAMPUS.

The following were present:

1. Prof. V.N. Rajasekharan Pillai	Vice Chancellor	Chairman
2. Prof. Parvin Sinclair	Pro Vice Chancellor	Member
3. Sh. M.P. Gupta	Addl. Secretary (Retd.)	Member
4. Prof. N.V. Narasimham	Director (SOMS)	Member
5. Sh. R. Chauhan	Finance Officer	Secretary

Sh. K. Laxman, Registrar (Admn.) attended as a Special Invitee.

Prof. Omprakash Mishra, Sh. N.K. Sinha and Sh. S.K. Ray could not attend the meeting.

Dr. D.K. Paliwal, Deputy Educational Advisor, MHRD attended the meeting on behalf of Sh. N.K. Sinha, JS, MHRD.

Sh. Cherian Thomas, Joint Registrar; Mrs. Majula Verma, Joint Registrar; Sh. T.K. Kaul, Deputy Registrar; Sh. S.K. Sharma, Deputy Registrar and Sh. P.K. Vishwanathan, Asstt. Registrar were present to assist the Secretary.

The Chairman welcomed the members attending the meeting of the Finance Committee. The Chairman also welcomed re-nomination of Sh. S.K. Ray, Financial Advisor, MHRD to the Finance Committee by the Visitor. The Chairman mentioned that the University would continue to benefit from the suggestions and advice of Sh. S.K. Ray. It was resolved to place on record the valuable contributions made by Prof. C.L. Anand whose term has expired as a Member of Finance Committee.

The Secretary briefly apprised the members on the financial status of the University during the current financial year and stated that till last quarter i.e. December 2007, the Non-Plan expenditure was within the revenue generated till that month. He informed that University has taken suitable steps such as fees increase by 10%, introduced examination fee @ Rs.50 per course and Rs.200 from the students who participated in the Convocation. The Chairman informed that by charging the nominal fee of Rs.50/- from the students the University could reduce the expenditure on examination to a large extent. The expenditure on examination centres considerably came down as arrangements had to be made only for the students who were actually appearing at the exams. As such the University could generate surplus fund over its expenditure.

Thereafter, the Chairman requested the Secretary to present the agenda items. The following items were presented.

FC 58.1 To confirm the minutes of the 57th meeting of the Finance Committee held on 17th December 2007.

58.1.1 The Secretary informed that the minutes of the 57th meeting of the Finance Committee held on 17th December 2007 were circulated to the members. No comments have been received from any member. The minutes were placed before the Board of Management in its 93rd meeting held on 7th January 2008. The Board of Management approved the minutes. The Secretary, therefore, proposed that the minutes of the 57th meeting of the Finance Committee held on 17th December 2007 may be confirmed.

58.1.2 The Finance Committee noted the approval of the Board of Management to the minutes and confirmed the minutes.

FC 58.2 Action Taken Report on the decisions of 57th meeting of the Finance Committee held on 17th December 2007.

58.2.1 The Committee noted the action taken on the decisions of the Finance Committee in its 57th meeting held on 17th December 2007.

58.2.2 The Secretary informed the Committee that under the action taken report, Item No. 19 of the 57th meeting of Finance Committee, a separate agenda for creating budget head and allocating a token amount of Rs.2.5 crores for the anticipated expenditure for the activities of Convergence with conventional Universities is being taken up as Item No. 3 of this meeting.

FC 58.3 To consider and approve the Creation of a separate Head of Account for the Scheme “Convergence of ODL and Conventional Systems” in the Budget Estimates 2008-09 and Revised Estimates 2007-08.

58.3.1 The Committee considered and approved the creation of a separate Head of Account for the “Convergence of ODL and Conventional Systems” and allocated Rs.2.5 crores in Revised Estimates 2007-08 and Rs.25 crores in Budget Estimates 2008-09.

FC 58.4 To ratify the action taken by the Vice-Chancellor in Re-appropriation of funds during 2007-08.

58.4.1 The Committee noted the action taken by the Vice-Chancellor in re-appropriation of funds during 2007-08 as per the details given in Appendix-1.

58.4.2 To an observation of a member it was clarified that the general conditions for re-appropriation as given in Rule 8, Section IX, Chapter IV of Financial Code have been observed before carrying out re-appropriation.

- FC 58.5 To report the Summary of Expenditure/Utilizations of Funds under Plan and Non-Plan.**
- 58.5.1 The Committee noted the utilizations of funds in major Plan and Non Plan heads of Accounts upto 28th March 2008 as given in Appendix-II.
- FC 58.6 To consider University's Accounts upto third quarter i.e. April – December 2007.**
- 58.6.1 The Committee noted the compilation of University's Accounts upto third quarter of the current year i.e. April to December 2007 (Appendix-III) and expressed its deep satisfaction over the progress in compilation of Annual Accounts of the University. Members also made suggestions for further improving the quality of Accounts.
- FC 58.7 To consider the financial implications involved in implementing the Ordinance on designating certain positions in the University as Teachers.**
- 58.7.1 The Committee noted that the Board of Management in its 92nd meeting held on 29th August 2007 suggested that financial implications of the proposal involved in implementing the Ordinance on designating certain positions in the University as Teachers should be worked out and considered by the Finance Committee. The Committee noted that the financial implications work out to Rs.12 lakhs as on 31st March 2008. The Committee also observed that with the change in designating certain positions as Teachers, there would be change in the Superannuation age also which will also have some financial implications.
- FC 58.8 To consider and approve Enhancement in Payment of Honorarium to resource persons for STRIDE Training.**
- 58.8.1 The Committee was apprised that STRIDE has suggested for an increase in payment of honorarium to External Resource Persons for STRIDE Training Programmes from Rs.500/- per session of 90 minutes or less duration to Rs.1000/- per session of 90 minutes or less duration with subsequent session @ Rs.750/- subject to maximum of Rs.3000/- per day.
- 58.8.2 The Committee after deliberation recommended enhancement of honorarium to External Resource Person for STRIDE Training programmes @ Rs.750 per session of 90 minutes or less subject to a maximum of two sessions per day.
- FC 58.9 To consider and approve Licence Fee Payment to Ministry of Telecommunications for wireless Operating Licence (WOL) for Gyan Vani FM Radio Stations.**
- 58.9.1 The Committee was apprised that 26 Gyan Vani Stations of IGNOU are in operation. Out of these licences of 8 Gyan Vani Stations namely Mumbai, Visakhapatnam, Jaipur, Nagpur, Indore, Kanpur, Aurangabad & Hyderabad are expiring on 31st March 2008. The licence fees to be paid to WPC Wing of

Ministry of Communication is Rs.72,500/- per licence per annum (Royalty @ Rs.72,000/- per station per annum + Fixed licence fee @ Rs.500/- per station per annum).

58.9.2 The committee approved the payment of Rs.5,80,000/- to be paid to Ministry of Communication for 8 stations for Wireless Operating licences for 8 Gyan Vani stations mentioned above.

FC 58.10 To consider and approve the proposal for revision of the rates of financial assistance and additional expenditure for Research and Teaching Assistantship Scheme.

58.10.1 The Committee was apprised that under IGNOU-DEC IGNOU-DEC Research and Teaching Assistantship on the lines of JRF/SRF of UGC was introduced in the year 2007 with financial assistance @ Rs.10,000/- + HRA per month for the first 3 years with annual contingent grant of Rs.20,000/-. For the 4th and subsequent year @ Rs.12,000/- + HRA per month and Rs.20,000/- contingent grant per year.

58.10.2 The Committee took note of the revision in the rates of fellowships to JRF/SRF and Research Associate by UGC. The Committee after deliberations felt that to attract talent to Research & Teaching Assistantship Scheme in the ODL System has to be more attractive. The Committee also noted that the original rates of the fellowships of RTA were higher than the UGC fellowships. The Committee recommended the rates of fellowship of RTA @ Rs.14,000/- for the first two years and Rs.16,000/- from 3rd year onwards plus admissible HRA.

FC 58.11 To consider and approve the proposal for delegation of financial powers to the Joint Registrars of Finance & Accounts Division regarding financial concurrence and passing of bills.

58.11.1 The Committee noted that all cases of expenditure exceeding Rs.1 lakh need prior concurrence of Finance Officer or the officer authorized by him in his behalf. The cases of Rs.1 lakh to Rs.5 lakhs are to be concurred by Deputy Registrar (Finance) and cases above Rs.5 lakhs are concurred by Finance Officer himself.

58.11.2 The Committee after deliberations, approved the delegation of financial powers to Joint Registrar of Finance &Accounts Division for concurring the cases and passing of bills valuing above Rs.5 lakhs and upto Rs.10 lakhs in each case. Concurrence cases and passing of bills of more than Rs.10 lakhs shall be carried out by the Finance Officer himself. The existing financial powers delegated to Deputy Registrar and Assistant Registrar will also continue.

- FC 58.12 To consider and approve Non-availing of benefit of discount of 10% amount of Rs.39.20 lakhs from Department of Posts.**
- 58.12.1 The Committee was apprised of the background of the case that in the year 2003, audit para for non-availing of discount of 10% amounting to Rs.39.20 lakhs was raised which was included in CAG report No. 4 of 2004 (Civil). The Committee also took note that on the basis of audit objection an inquiry was conducted by IGNOU to fix the responsibility on the erring officials. The Committee also took note of the salient points of the Inquiry Report which has blamed none. The Committee was also apprised that now MPDD is claiming full discount from Postal Department and has initiated remedial measures to avoid such recurrence. The committee also noted that some employees have been cautioned and instructed to be more careful on such time-bound claims in future.
- 58.12.2 The Committee after deliberations noted that it is a serious lapse and appropriate action should be taken.
- FC 58.13 To report the action taken by the Vice-Chancellor in circulating for considering and approving the audited Annual Accounts of the University for the year 2006-07 and the comments of the University on the observations made by Director General of Audit, Central Revenues, New Delhi amongst the members of Finance Committee.**
- 58.13.1 The Committee noted that since the audited Annual Accounts for the year 2006-07 has been approved by majority of the members of the Finance Committee by circulation, these may be treated as approved by the Finance Committee. The members made certain suggestions on the replies proposed in the agenda to the SAR and Management letter and desired that after incorporating these, the Accounts may be placed before the Board of Management. After its approval by the Board of Management, it may be sent to the Visitor through MHRD under Section 29 (2) of IGNOU Act and to be placed before both the Houses of Parliament.
- 58.13.2 The members desired that immediately some mechanism should be evolved so as to ensure completion of all the asset registers and physical verification within next 3 months.
- FC 58.14 To consider and approve bulk procurement of paper by MPDD.**
- 58.14.1 The Members noted that the quality of the papers supplied to the University by the HPCL has been found satisfactory and no complaint received from any of the empanelled printers of IGNOU and other users as also appreciatively noted the terms and conditions of paper purchase by NCERT which have been proposed for adoption by IGNOU in the Agenda. Taking note of the facts stated in the Agenda Note, the Committee deliberated on the issue of continuous purchase from HPCL on the rate, terms and conditions on which NCERT has purchased the papers.

58.14.2 After due deliberations, the Committee decided to recommend to continue purchase of paper from HPCL for the next year also on the rate terms and conditions on which NCERT has purchased the paper from HPCL with deviations which are necessary for IGNOU and do not have any additional financial implications.

58.14.3 The Committee noted that NCERT is exempt from payment of excise duty etc. The University may make efforts for seeking exemption of excise duty etc.

FC 58.15 To report on procurement of 70 GSM Maplitho Printing Paper.

58.15.1 The Committee noted the University have issued supply order for supply of 1,30,000 reams of 70 GSM Maplitho printing paper from HPCL @ Rs.771.076656/ream at a total cost of Rs.10,07,84,748/-. The Committee also noted that Supply Order for 1,20,000 reams of paper have also been placed with HPCL at a total cost of Rs.9,25,29,198.72.

58.15.2 The Committee also noted that during the process of purchase some deviations which were necessary to meet IGNOU requirements to implement Board of Management directives took place which had no additional financial implications.

FC 58.16 To consider and approve introduction of Courier Services.

58.16.1 The Committee considered the item and approved the use of Courier Services on pilot basis in NCR to supplement the services of Postal Department.

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

**(V.N. Rajasekharan Pillai)
Vice-Chancellor & Chairman**