

MINUTES OF THE ADJOURNED 68TH MEETING OF THE FINANCE COMMITTEE HELD ON 8TH DECEMBER 2009 AT 10.30 A.M. IN THE BOARD ROOM, IGNOU CAMPUS.

The following were present:

13. Prof. V.N. Rajasekharan Pillai	Vice Chancellor	Chairman
14. Prof. Omprakash Mishra	Pro Vice Chancellor	Member
15. Prof. Parvin K. Sinclair	Pro Vice Chancellor	Special Member
16. Dr. Veena Vinayak Rao Thakre	Board Member	Member
17. Prof. Manohar Lal	Director, SOCIS	Member
18. Mrs. Manjula Verma	Finance Officer (Offg.)	Secretary

Sh. M.P. Gupta; Sh. S.K. Ray, AS & FA, MHRD and Sh. N.K. Sinha, JS (DL), MHRD could not attend the meeting due to their preoccupations.

Sh. Naveen Soi, Director (IFD), MHRD and Dr. D.K. Paliwal, Deputy Educational Advisor, MHRD represented Sh. S.K. Ray and Sh. N.K. Sinha, respectively.

Sh. T.K. Kaul, Deputy Registrar and Sh. S.K. Sharma, Deputy Registrar were present to assist the Committee.

The Chairman welcomed the members attending the meeting of the Finance Committee and Mrs. Manjula Verma, Finance Officer (Offg.) as new Secretary of the Committee.

The Chairman and the members placed on record deep sense of appreciation for the contributions made by Sh. Cherian Thomas as Secretary of the Finance Committee who demitted the office on 30th November 2009 on his superannuation.

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

Before the agenda items were taken up, the Secretary informed that a letter No. 5.75/2009-DL dated 26th November 2009 has been received from MHRD forwarding their comments on the agenda items. It was decided that the concern of MHRD as pointed out would be kept in view when individual items are taken up. The Secretary then presented the agenda items.

FC 68.1 To confirm the minutes of the 67th meeting of the Finance Committee held on 8th October 2009.

68.1.1 The Secretary informed that the minutes of the 67th meeting of the Finance Committee held on 8th October 2009 were circulated to all

members of the Committee with request to send their comments, if any. The Secretary informed that the comments were received from Prof. Parvin K. Sinclair, Special Member regarding item on changeover from CPF to GPF. The Chairman informed the Committee that the matter regarding changeover from CPF to GPF scheme was also discussed in the last meeting of the Board of Management. The item stands withdrawn. All those cases will be examined afresh by Administration Division and prepare a review report.

68.1.2 Minutes of the 67th meeting of the Finance Committee held on 8th October 2009 were thereafter confirmed subject to the modification as above.

FC 68.2 To consider and approve the Revised Estimates 2009-10 and Budget Estimates 2010-11.

68.2.1 The Secretary informed the Finance Committee that the Revised Estimates 2009-10 and Budget Estimates 2010-11 as presented to the Finance Committee have been taken out from ODL Soft system. The Committee was appreciative of the efforts put in by the Budget Section of F&A Division in use of technology in getting the budget reports of Revised Estimates 2009-10 and Budget Estimates 2010-11 and making the budget available on-line to the users of IGNOU. The Secretary then requested Sh. T.K. Kaul, Deputy Registrar to apprise the Committee about the salient features of the Revised Estimates 2009-10 and the Budget Estimates 2010-11.

68.2.2 The Committee was apprised that for Development Fund (Plan) against the proposed Budget Estimates of 2009-10 for Rs.523.26 crores, MHRD has allocated Rs.90 crores under four heads. The present trend of expenditure in the head 'Development Grant to IGNOU other than NER' and 'Development Grant to IGNOU in NER' is increasing. Revised Estimates 2009-10 for Plan activities has been put at Rs.484.78 crores and the Budget Estimates 2010-11 under Plan has been proposed as Rs.552.35 crores.

68.2.3 For Operational Fund (Non-Plan), the revenue realization under RE 2009-10 is estimated at Rs.357.85 crores, excluding carry forward of previous year balance of Rs.68.69 crores. The expenditure against this is estimated at Rs.426.54 crores. Similarly, revenue realization in BE 2010-11 is estimated at Rs.422.47 crores and the expenditure is estimated at Rs.480.55 crores. The gap of Rs.48.08 crores in the estimated receipt and expenditure for 2010-11 is proposed to be met from grants from MHRD. Actual Expenditure for 2008-09 in Non-Plan is Rs.273.48 crores. Summary of the Estimates of Expenditure were also circulated to all the members.

68.2.4 Financial estimates were discussed in detail. It was suggested that the proposed estimates of Rs.40 crores in RE 2009-10 and Rs.45 crores in BE 2010-11 for Convergence Scheme may be taken out from the Plan estimates and put appropriately in Non-Plan estimates, as MHRD at

present is not supporting the scheme. The expenditure so far under the scheme has been met from the internal resources of IGNOU. Centres under Convergence Scheme may be treated as Convergence Study Centres under respective Regional Centres as other Study Centres are. It was also clarified by the Chairman that the assets purchased out of the grant given by IGNOU to these Centres are IGNOU assets, and should be recorded properly (and audited) in an asset register. The Chairman also suggested that there should be special drive by each Regional Centre to increase the enrolment of students in the Regional Centre and each Regional Centre be given the target of increasing enrolment by 10% to 20% of the previous year. For this some funds need to be allocated.

68.2.5 The budget head 'Special Activity' as provided in Administration Division may broadly specify the activities like facilitation for Community Colleges etc. There may also be some promotional activities of the University for which a token budget may be provided. The Chairman also informed the Committee that the University has now got permission for construction of Administrative and other buildings in the campus. These buildings may soon come up for which adequate budgetary provisions need to be made in the estimates. The Chairman was informed that for Office Buildings under Plan Capital, a provision of Rs.57.47 crores and Rs.77.50 crores have been proposed in RE 2009-10 and BE 2010-11 respectively. We may have to seek additional funds from MHRD for construction of Administrative and other buildings in the campus.

68.2.6 The Finance Committee, after detailed discussion, approved the RE 2009-10 and BE 2010-11 for Development Fund (Plan) and Operational Fund (Non-Plan) with overall ceiling of Rs.445.00 crores for RE 2009-10 and Rs.502.35 crores for BE 2010-11. This is exclusive of Rs.40 crores in RE 2009-10 and Rs.45 crores in BE 2010-11 for Convergence Scheme, which is to be shifted to Operational Fund (Non-Plan). It also fixed overall ceiling of Rs.466.55 crores for RE 2009-10 and Rs.525.55 crores for BE 2010-11. This includes Rs.40 crores in RE 2009-10 and Rs.45 crores in BE 2010-11 under Convergence Scheme.

FC 68.3 To report the summary of expenditure/utilization of funds under Plan & Non Plan.

68.3.1 Revised summary of Plan and Non-Plan expenditure (as per Appendix) upto 30th November 2009 was circulated to the members of the Finance Committee. The Committee noted that the University has incurred an expenditure of Rs.81.17 crores under Plan and Rs.171.79 crores under Non-Plan. MHRD vide its letter dated 26th November has reported concern for low utilization of funds under Plan. However, it was noted that the expenditure pattern under 'Development Grant to IGNOU other than NER' and 'Development Grant to IGNOU in NER' has shown a

remarkable increasing trend. The University may require additional allocation under these two heads from MHRD.

FC 68.4 To report the action taken in Re-appropriation of funds since last meeting of the Finance Committee.

68.4.1 The Finance Committee noted the re-appropriation made by the University since the last meeting of the Committee.

68.4.2 The Committee also noted that the University prepares its budget in a detailed fashion. Provision is made not only to the Detailed Head, but to the Primary Units also. This elaborate preparation of the budget would involve re-appropriation from one unit to another during the year, as per the rules framed in the Financial Code of the University.

FC 68.5 To consider the cases of Prof. Ram Bux Jat, Professor of Hindi and Dr. Gulab Jha, Regional Director for their admission to GPF Scheme.

68.5.1 Cases for admission of Prof. Ram Bux Jat and Dr. Gulab Jha to GPF-cum-Pension-cum-Gratuity Scheme of the University need to be examined thoroughly under provisions made under Statute 23 of the Statutes of the University and submit to the Committee again after examination.

FC 68.6 To consider and approve the Audited Annual Accounts of the University for the year 2008-09 and the comments of the University on the observations made by the Director General of Audit, Central Revenues, New Delhi.

68.6.1 The Annual Accounts of the University for the year 2008-09 duly approved by the Finance Committee and the Board of Management have been audited by DGACR and the audit certificate contained in the SAR issued alongwith the management letter dated 27th November 2009 pointing out the deficiencies noted in the accounting records/systems/Internal control. These were placed before the Finance Committee alongwith the Comments of the University against the deficiencies pointed out, for consideration.

68.6.2 The Committee considered the comments of the University against each audit observation and recommended for its approval by the Board of Management.

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

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

