

**MINUTES OF THE 73<sup>rd</sup> MEETING OF THE FINANCE COMMITTEE HELD ON 28<sup>th</sup> DECEMBER 2010 AT 10.30 A.M. IN THE BOARD ROOM, IGNOU CAMPUS**

The following were present:

1.	Prof. V. N. Rajasekharan Pillai	Vice Chancellor	Chairman
2.	Dr. Latha Pillai	Pro-Vice-Chancellor	Member
3.	Shri Anant Kumar Singh	Joint Secretary, MHRD	Member
4.	Dr. Veena Vinayak Rao Thakre	Member, BOM	Member
5.	Prof. Manohar Lal	Director, SOCIS	Member
6.	Shri L. M. Pandey	Finance Officer	Secretary

Shri M. P. Gupta could not attend the meeting as he was out of station. Shri S. K. Ray, AS & FA, MHRD also could not attend the meeting due to his pre-occupation.

Prof. Parvin K. Sinclair, Pro-Vice-Chancellor and Shri U. S. Tolia, Registrar (Admn) attended the meeting as Special Invitees.

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

The Chairman welcomed the members attending the meeting of the Finance Committee and thereafter requested the Secretary to present the agenda items. The following agenda items were presented:

**FC 73.1 To confirm the minutes of the 72<sup>nd</sup> meeting of the Finance Committee held on 8<sup>th</sup> November, 2010.**

73.1.1 The Secretary presented a letter bearing No. 5-58/2010-DL dated 22<sup>nd</sup> December 2010 from Shri Anant Kumar Singh, Joint Secretary (HE), and MHRD. In the said letter, it has been pointed out that the minutes of 72<sup>nd</sup> meeting of Finance Committee held on 8<sup>th</sup> November 2010 was listed as agenda item No. 8 in 106<sup>th</sup> meeting of Board of Management held on 19<sup>th</sup> November 2010 for confirmation. One of the members of Board of Management pointed out that unless the minutes of the Finance Committee are confirmed by Finance Committee itself, it cannot be approved by the Board of Management. Apart from this, Joint Secretary (HE), MHRD in his letter pointed out with reference to the proposal No. 72.10 for creation of core faculty in the disciplines of Nutritional Sciences and Child Development in the School of Continuing Education, was approved because it was presented before the Committee that the

School is generating enough surplus to sustain additional expenditure involved in the proposal. But in the minutes, it was observed that there was surplus of only Rs. 18.00 lakhs whereas the expected expenditure on the proposal is Rs. 44.77 lakhs.

Hence the proposal be taken as disapproved. During the 106<sup>th</sup> meeting of the Board of Management, it was reiterated that the School is generating sufficient surplus and it was then decided to place the proposal before the next meeting of Finance Committee with all relevant facts to be certified by the Finance Officer for consideration. It has also been pointed out for item No. 72.17, the Finance Committee decided to retrieve the seed money of Rs. 1.00 cr. in three years and not “after three years” as recorded in the minutes.

73.1.2 The Secretary clarified that as per practice, the minutes of the Finance Committee are placed before the immediately following meeting of the Board of Management for approval. In case there is any change(s) in the minutes of the preceding meeting, the same is recorded in the minutes of the current meeting and is again placed before the Board of Management for approval.

73.1.3 In so far as item No. 72.10 for creation of core faculty in the disciplines of Nutritional Sciences and Child Development in the School of Continuing Education was concerned, it was inadvertently recorded in the minutes that School of Continuing Education has generated a sum of Rs. 1.79 cr. as fee during the year 2009-10. Actually, School of Continuing Education has generated a sum of Rs. 4.68 cr. by way of fee during the year 2009-10. The figure recorded in the 72<sup>nd</sup> meeting of Finance Committee pertained to only one cycle of admissions instead of two cycles of admissions, hence the error. The minutes recorded under 72.10.2 may be read as under:

**“The Committee noted that the financial implication for creation of faculty positions would involve an expenditure of Rs. 44.77 lakhs per annum. The Committee also noted that School of Continuing Education has generated a sum of Rs. 4.68 cr. as fee during the year 2009-10 and the expenditure of School was Rs. 1.79 cr. in 2009-10”.**

73.1.4 Similarly, the minutes recorded in 72<sup>nd</sup> meeting of Finance Committee for item No. 17 under para 3 i.e. 72.17.3 may be read as under:

**“The Finance Committee after deliberations approved the proposal for Rs. 1.00 cr. as seed money to Haryana – IGNOU Society for Community Education and Training which shall be retrieved in three years, by the time the said Society shall become self-sufficient”.**

- 73.1.5 The Revised Estimates 2010-11 and Budget Estimates 2011-12 as considered under item No. 19 in the 72<sup>nd</sup> meeting of the Finance Committee was placed for consideration by the Board of Management in its 106<sup>th</sup> meeting held on 19<sup>th</sup> November 2010. The Board noted that there were differences in the estimates of receipts and expenditure projected in the Estimates. The Board of Management directed that the estimates for Revised Estimates 2010-11 and Budget Estimates 2011-12 be recast/revised and placed before the Finance Committee again. The Board of Management also authorized the Finance Committee to approve the Revised Financial Estimates after these are revised/recast by the University.
- 73.1.6 The University has revised/recast the estimates for RE 2011-11 and BE 2011-12 and are placed separately as agenda item No. 3 in the present meeting.
- 73.1.7 The Finance Committee confirmed the minutes of 72<sup>nd</sup> meeting of the Finance Committee with the modifications as stated above at 73.1.3 and 73.1.4.
- 73.2 To consider the White Paper on Financial Status of the University as on 31<sup>st</sup> March 2010.**
- 73.2.1 The Secretary made a power point presentation to the Finance Committee on the White Paper which reflected the financial status of the University as on 31<sup>st</sup> March 2010 in respect of receipts and expenditure on major heads. The analysis of receipts and expenditure has been made for the last 5 years showing the trends in the major items of revenue and the expenditure for the past 5 years with variations, percentages and graphical representations. Value of assets, investments and the cash balances as on 31<sup>st</sup> March 2010 were also discussed.
- 73.2.2 Finance Committee appreciated the financial analysis made in the White Paper for the past 5 years under major heads. The Committee was also appreciative of the financial health of the University which has shown consistent growth in the generation of revenue.
- 73.2.3 The Finance Committee was also of the view that the analysis may also be projected in the relevant documents of the University alongwith the

other analysis like student enrolment and other deliverables of the University.

73.2.4 The Finance Committee resolved to place the White Paper in the next meeting of the Board of Management and the suggestion given in the White Paper be implemented.

**73.3 To consider and approve the Revised Estimate 2010-11 and Budget Estimates 2011-2012.**

73.3.1 The Secretary presented the modified Revised Estimates 2010-11 and Budget Estimates 2011-12 for Development Fund (Plan) and Operational Fund (Non-Plan) of the University. The Secretary made a Power Point presentation on this item to the Finance Committee. The modified Revised Estimates 2010-11 for Development Fund (Plan) has been proposed at Rs. 439.59 cr. and Budget Estimates 2011-12 at Rs. 517.58 cr. Similarly for Operational Fund (Non-Plan), modified Revised Estimates 2010-11 has been proposed at Rs. 450.98 cr. and the Budget Estimates 2011-12 at Rs. 486.01 cr. The internal receipts are estimated at Rs. 421.03 cr. for the Revised Estimates 2010-11. The bulk of the internal receipts are the estimated fee, sale of forms, fee from international students, exam fees. etc. The internal receipts for the year 2011-12 is estimated at Rs. 486.01 cr. The surplus balances of Rs. 68.69 cr. of 2009-10 have gone down to Rs. 29.95 cr. This amount has been shown as surplus carried over from the previous year in the Operational Fund in the Revised Estimates 2010-11. **No deficit is proposed for Revised Estimates 2010-11 and Budget Estimates 2011-12 for the Operational Fund (Non-Plan).**

73.3.2 During the discussions, it was pointed out that MHRD has allocated Rs. 100.00 cr. to IGNOU as Grant-in-Aid during the year 2010-11 for the Development Fund i.e. Plan activities under the following four heads:

- i) Development Grant to IGNOU other than NER - Rs. 45.00 cr.
- ii) Development Grant to IGNOU in NER - Rs. 5.00 cr.
- iii) Assistance to SOUs other than NER - Rs. 45.00 cr.
- iv) Assistance to SOUs in NER - Rs. 5.00 cr.

- 73.3.3 Keeping in view the growth of the University and the ongoing construction activities for development of campus at Headquarters, Maidan Garhi and at some Regional Centres and further to significantly contribute for achieving the national objectives/initiatives such as enhancement of GER and reaching the unreached etc., the Committee was of the considered view that there need to be commensurate enhancement in the allocation of funds by MHRD during the year 2011-12.
- 73.3.4 The Finance Committee after deliberations approved the Revised Estimates 2010-11 and Budget Estimates 2011-12 for Development Fund (Plan) and Operational Fund (Non-Plan) of the University as under :
- Rs. 439.59 cr. and Rs. 517.58 cr. in Revised Estimates 2010-11 and Budget Estimates 2011-12 respectively for Development Fund (Plan) and Rs. 450.98 cr. and Rs. 486.01 cr. for Revised Estimates 2010-11 and Budget Estimates 2011-12 respectively for Operational Fund (Non-Plan).
- 73.3.5 As per the authorization given by the Board of Management in its 106<sup>th</sup> meeting held on 19<sup>th</sup> November 2010, the Revised Estimates 2010-11 and Budget Estimates 2011-12 stands approved for operationalisation. However, these will be reported in the next meeting of the Board of Management.

The following table item was presented with the approval of the Chairman, Finance Committee.

- 73.4 To consider the proposal for the Establishment of 24 X 7 Student Assistant Helpline System for IGNOU, providing effective and comprehensive services to the student population.**
- 73.4.1 The Committee after discussions approved the proposal of the University for carrying out the study to outline the existing information and support structure of IGNOU by EdCIL at an estimated cost of Rs. 7.00 lakhs. Further action will be taken in this regard by the University after following all due procedures.

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

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