

10th Meeting

MINUTES OF THE FINANCE COMMITTEE MEETING
HELD ON 05.02.2003 AT 11.30 A.M.

The Tenth Meeting of Finance Committee was held in the chamber of Vice Chancellor, Guru Gobind Singh Indraprastha University on 05.02.2003 at 11.30 A.M. The meeting was attended by the following:-

1. Prof. K.K. Aggarwal, Vice Chancellor, GGSIPU -Chairman
2. Mrs. Geeta Sagar, Secretary (Education) - Member
3. Dr. Ranbir Singh, Additional Secretary(Finance) - Member
4. Sh. C.P. Srivastava, - Member
5. Sh. Dev Trivedi - Member
6. Prof. O.P. Goyal, Registrar, GGSIPU - Spl.Invitee
7. Mrs. Rita Mitra, Controller of Finance

Prof. K.K. Aggarwal, Chairman, Finance Committee welcomed the Members of the Committee.

Agenda Item No. 10.1

The members confirmed the minutes of the 9th Meeting held on 07.10.2002 and suggested that a copy of the minutes of the previous meeting be sent alongwith the Agenda Notes to all the members in future.

The Chairman also brought to the notice of the members the fact that in previous (i.e. 9th Meeting) the Staff proposals of the University which had been duly approved by Chancellor had also been presented but it had inadvertently been omitted to be mentioned in the Minutes of the meeting. A copy of the presentation will be enclosed with the minutes of this meeting.

Agenda Item No. 10.2

The actions taken on the earlier meeting were brought to the notice of the Members. It was suggested that in the 'Decisions' column,

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more details should be provided as to the actions resolved to be taken and under the 'Action Taken' column details of action taken may be provided.

Agenda Item No. 10.3

While discussing the item dealing with 'Review of Corpus Fund', it was brought to the notice of the members that due to a drastic fall in the rates of interest, the interest income from the Corpus Fund had been much less than what had been projected in the MOU. Also it was pointed out that the yield would not be sufficient to render the University self-sufficient as far as Recurring Expenditure is concerned beyond 2005 as was envisaged in the existing MOU.

V.C. brought to the notice of the members that while the University had contributed more to the Corpus Fund than was laid down in the MOU, the Govt. had not provided "matching" amounts and had provided less into the Fund, and urged that the short-fall be made up in the current year.

The members took note of the fact that the exact situation on the issue of Corpus Fund/grant-in-aid for the Corpus Fund would be known finally only in 2004-2005 and that the situation prevailing at that time would determine the future course of action.

The Finance Committee resolved as follows :-

- (i) The Govt. may be requested to meet the short fall in the matching amounts for the previous years as soon as possible and also continue to provide the matching grant in the subsequent years.
- (ii) The Govt. may be requested to continue to meet the full requirements of recurring and non-recurring grants till the period of validity of this amount.

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- (iii) It was felt that the Govt. will not be in a position to give one time amount as envisaged in the Agenda Item but will probably be in a position to extend the present working of MOU for few more years.
 - (iv) A more detailed exercise on the proposed rate of increased recurring expenditure be carried out at the level of the University and then projections worked out. It was further suggested that a few alternatives may be worked out and it may be possible to extend this MOU for a total period of 8 years, say, instead of 10 years as proposed.
 - (v) The contribution to CPF as well as the interest payable thereon is the liability of the Govt. and the Govt. should be requested with details to reimburse the same.
 - (vi) The University should also work out the CPF contribution due to the employees along with gratuity benefit etc. and request the Govt. to provide the same. This was suggested keeping in view that even in the absence of service rules being finalized, this is the least, which has to be done. It was further suggested that University should also provide for to make up the deficit in the interest earned based on market interest rate and the laid down rates for the CPF.

Agenda Item No. 10.4

While discussing ELFA Audit Report, it was brought to the attention of the Committee that Advances, while unavoidable for the smooth working of the University, had been greatly minimized by concerted efforts specially in Examination Wing where advances are given for holding of examinations in the various Centres. Committee desired that advances be kept to a minimum and advances especially in cash should be given only in emergent situations and steps be taken to watch their speedy settlement. It was suggested that a

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suitable performa for sanction of advances may be designed which can help in keeping track on the pending advances.

On Para 3 & 8 of the Audit Reports, the Finance Committee observed that the University has incurred additional expenditure on recurring as well as non-recurring out of their internal income as the Govt. did not provide their requirements to the full. This therefore is not a case of excess expenditure but better utilization of the income of the University. However, if the Govt. meets the projected requirements of the University in full, this issue will not arise. Rather it will help in augmenting the Corpus Funds at a faster rate, which will be in the best financial health of the University.

On Para 13, regarding the debit of Rs. 62,238/- to the provident fund account on account of short fall of interest, the Finance Committee agreed that this is an unavoidable liability and has to be met. It was desired that the Govt. be requested to approve this amount.

It was further resolved that the University may set up a separate head to take care of retirement benefits as per service rules which may be decided soon. The Finance Committee studied the observations of the University on the findings of the Audit and desired that the replies on these lines be sent to the Audit as well as to the Department.

Agenda Item No.10.5

The Committee also approved the replies of A.G. Audit Report.

Agenda Item No. 10.6

While discussing Investment Policy for Corpus Fund, the Committee considered the inclusion of IDBI, UTI, HDFC, ICICI Banks and RBI Bonds as possible alternatives. It was however desired that

the matter be referred to the Govt. for decision and till such time only Nationalized Banks be considered for investment.

Agenda item No. 10.7

While approving the amount of Rs.53 lacs. for Journals for the Library for 2002-2003, Committee has proposed to delegate full powers to V.C. to purchase books and journals. This matter may be taken up with Board of Management to give full powers to V.C for procurement of Books and Journals.

Agenda Item No. 10.8

10.8 The Finance Committee discussed the proposed changes in the designations/pay scales for certain posts of IGIT consequent to its having become a constituent college of the University. It was decided that the changes may be examined by the University in detail keeping in view the job requirements and also the possible promotional avenues. However, if any change is needed immediately to fill up the posts with changed designations/pay scales, it may be put up to the Board of Management so that the work in the Institution does not suffer.

10.9 The following were discussed :-

- (i) The position of grants-in-aid for the University as well as IGIT was deliberated upon. It was desired that the Revised Estimates, which have already been approved may be found out and if there is anything which can be done at this stage, the same be taken up immediately with the Govt. of Delhi. It was also desired that in future Budget Estimates and Revised Estimates be prepared well in advance so that the Govt. is in a position to take action in time.

(ii) The position regarding construction of campuses of the University for which a detailed proposal has been sent by the University to the Department of Higher Education, who in turn after examination have sent it to the Department of Finance with their comments. It was desired that an early approval at EFC will help the University to take up the construction at an early date and also follow the procedures suggested.

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