

MINUTES OF THE 54TH MEETING OF THE FINANCE COMMITTEE HELD ON 30TH JUNE, 2008 AT 9:30 A.M. AT THE CONFERENCE HALL OF THE NEHU ADMINISTRATIVE BUILDING, SHILLONG.

Members present:-

- 1. Prof. P. Tandon, Vice-Chancellor, NEHU, Shillong : Chairman
- 2. Shri J.R.Agarwal, Dy. Secretary (Finance),MHRD : Member
- 3. Shri Prem Kumar, Under Secretary, MHRD, : Member
- 4. Shri H. Vanlalhluta, Financial Adviser,NEC,Shillong : Member
- 5. Prof. Nand Dhameja, IIPA, New Delhi : Member
- 6. Prof. S.S. Khare, Pro-vice-Chancellor, NEHU : Member
- 7. Prof. H. R. Lalthantluanga, Biochemistry Deptt. NEHU : Member
- 8. Prof. D.T.Khathing,Registrar, NEHU,Shillong : Member
- 9. Shri P.C.Majhi, Finance Officer,NEHU,Shillong : Ex-officio Member-Secretary

The Chairman welcomed all the members of the 54th Finance Committee of this University and expressed his gratitude to them for attending the meeting.

Prior to taking up of the agenda items for discussion, the Chairman briefed the members on the various developmental and academic activities undertaken by the University in the recent past. He informed the members that out of the grants received during the 10th Plan, the University had taken up the construction of various Academic buildings, Hostels for the students and residential quarters for both teaching and Non-teaching staff. As a result of this, most of the Departments/Centres which were earlier functioning in the Bijni Complex have been shifted to the Permanent Campus. Steps are now being taken by the University to shift the remaining two Centres viz. RSIC and Centre for Distance Education to the permanent Campus at the earliest. Similarly, students residing in the hired buildings have also been shifted to the newly constructed Hostels. In addition to the Plan Grants, the University has also constructed four more hostels during the 10th Plan with the financial support from Ministry of Tribal Affair and Ministry of Social Justice. However, the requirement of hostel facilities of this University has not been met fully even after completion of these hostels as more number of students coming from far flung areas are still without any hostel facilities. UGC was kind enough to release additional grants of Rs.15 crore to the University during the last financial year to construct 5 more hostels. Further, in order to augment accommodation facilities to the teaching and non-teaching staff, several quarters has been taken up for construction out of the Plan grants received during the last financial year. Health Centre's building which was taken up out of the 10th special grants is nearing completion.

Considering its outstanding academic records and overall development, the University was given the status of 'University with Potential for Excellence' and this was possible mainly because of the concerted and relentless service put in by the faculty members, students and non-teaching staff of the

University. An amount of Rs.10 crore was released to the University out of allocation of Rs.30 crore and the University has already utilized more than 75% of the released amount as on 31st March 2008. A Review Committee is likely to visit the University to review the progress of utilization of the grants.

In order to study and preserve the rich cultural, linguistics, ethnic and biodiversitys of this region, North East India Centre of Diversity (NEICOD) is being set up at the Permanent Campus to show case these. For this, UGC has so far released Rs.4.22 crore out of the allocation of Rs.18.99 crore.

The Chairman informed the members that XIth Plan Visiting Team has visited our University during last part of April, 2008. The Chairman hoped that UGC would accord approval of grants to NEHU following the guidelines framed by it for all central Universities.

In the academic field, the IT and ECE programmes of the University entered in 3rd year and LLB Programme entered into the 3rd year out of 5th year course. The MBA Programme at Tura Campus is also entering the 3rd year after overcoming the constraints faced at the initial stage. Statistics Department started its Post Graduate programme from this academic session. The students intake capacity has been increased by 17% during the last Academic session alone and the University aims to achieve 50% increase in students intake capacity by the end of XI Plan Period.

The University has 67 affiliated colleges in the state. Further, this University has granted affiliation to four Minority Institutions, one each in Gujrat, Andhra Pradesh, Assam and Jharkhand. The University has also granted affiliation to NEIGRIMS for the MBBS programme in the State.

With the increasing number of departments, students and affiliated institutions, the work-load of the University has increased to a great extent and thus, it has become a huge problem for the University to manage the day to day work with the existing strength of non-teaching staff. At the same time, the University is not able to fill up the vacant posts which have arisen due to death and retirement of staff in view of the ban imposed by Government of India on fresh recruitments.

The Chairman thereafter asked the Finance Officer to initiate the discussion on the agenda items.

Item No. 1 : Confirmation of the Minutes of the 53rd meeting held on 14.12.07.

The Committee was informed by the Finance Officer that on the basis of the comments received from one of the member, the minute on Agenda Item No.5 i.e. replacement of old and unserviceable vehicle was modified and circulated vide letter No. FA.2-2/FC Minutes-2005-1576 dated 19-12-2007. The Committee resolved to confirm the minutes of the 53rd Finance Committee meeting held on 14.12.07.

2. Report of action taken on the minutes of 53rd meeting held on 14.12.07.

2.1 To consider the Revised Estimates for 2007-08 and BE 2008-09.

The Committee noted the action taken on the minutes of 53rd meeting held on 14.12.2007 and approved the same.

2.2 Utilization of Grants:

The Finance Officer informed the Committee that as against the Non-Plan approved RE of Rs.6011.97 lakh for 2007-08, UGC released grants amounting Rs.5719.80 lakh during the last Financial year. The unspent balance as on 31-3-2008 was Rs.313.03 lakh. The unspent balance is mainly due to non-filling up the vacant faculty positions, savings in pension payment and also due to increase of the internal receipts from Rs.260 lakh to Rs.309.67 lakh. The unspent balance under 10th plan grant was Rs.203.64 lakh and steps are being taken by the University to utilize the balance amount before 31st March, 2009. Similarly, the unspent balance under XIth plan grants received during 2007-08 was Rs.1709.72 lakh. The huge unspent balance was mainly due to release of funds in the last part of March, 2008. However, works order for construction of various buildings have been awarded by the University before 31st March, 2008 following the codal provisions. The Committee was also informed that Utilization Certificate as per Prescribed Format has already been sent to UGC.

2.3 Replacement of old and unserviceable vehicles :

The matter was discussed in the meeting and members of the Committee admitted the facts that the vehicles in the region get deteriorated very fast due to plying in difficult hilly terrain and thus the maintenance of these vehicles has been uneconomical. The Committee therefore, feels that the University is to take up the matter with the Ministry for permitting the University to replace the unserviceable vehicles as a special case.

2.4 One time special assistance during 2008-09.

The Chairman apprised the member of the Committee that in its 52nd meeting held on 29.08.07, the Committee had approved one time special grant amounting to Rs. 491.93 lakh for the year 2007-08. Accordingly, the University submitted the proposal and UGC released Rs. 40.00 lakh only to the University. The Committee advised the University to take up the matter with UGC for release of balance amount on priority basis as the items included in the special assistance are genuine requirements of the University.

3. To consider the audited Annual Accounts for the year 2006-07.

At the outset, the Finance Officer informed the committee that Audit Certificate on the Annual Accounts of the University for the year 2006-07 has been received from the Principal Accountant General (Audit), Meghalaya on 25th June 2008 and as per the Audit Certificate of the Principal Accountant General (Audit), the Accounts give a true and fair view of the state of affairs.

While discussing on these accounts, one of the members pointed out to the significant matters stated in the Audit Certificate. In reply to this, Finance Officer stated that necessary adjustments in the Accounts as stated by audit will be made in the Annual Accounts, 2008-09.

After thorough discussion, the Committee considered and accepted the audited Accounts 2006-07.

Item No. 4: To approve the unaudited accounts 2007-08:

The Chairman informed the Committee that the Annual Accounts for the year 2007-08 has been prepared by the University in accrual format like the previous year and he appreciated the efforts made by the staff of Finance Department for completing the Annual Accounts before 30th June, 2008. The Chairman also conveyed his gratitude to the members for attending the meeting to enable the University to get the Annual Accounts 2007-08 approved within the scheduled date.

Thereafter, the Chairman advised the Finance Officer to present the Highlights of the 2007-08 accounts.

Before presenting the highlights, Finance Officer informed the members that the Annual Accounts, 2006-07 was completed and approved by the Finance Committee on 29th August 2007. In order to complete the accounts before the due date prescribed by MHRD i.e. 30th June, the staff of the Finance Department had to work round the clock to ensure completion of the accounts before 30th June 2008 i.e. advancing the completion date by two months in compare to the previous year. For this, he expressed his gratitude to all the staff of Finance Deptt. especially to the staff of Compilation section and Asstt. Registrar(Accounts). Thereafter he presented the highlights of the accounts, 2007-08 including the various measures taken by the University to reduce avoidable expenditure. (Copy of the highlights is enclosed).

The members of the Committee complemented the Finance Officer and his team members for completion of the exercise within the stipulated time. The member from MHRD informed the committee that the presentation of the highlights of the Annual Accounts together with the details of the various measures taken to reduce expenditure has been presented for the first time by any University in the country. The committee therefore congratulated the Finance Officer and his officers and staff for their outstanding performance and the members advised the University to place the same on record.

Beginning the discussion on the Annual Accounts 2007-08, one of the member stated that the rate of depreciation provided in the account are on the lower side and he suggested that the same should be reviewed in the subsequent year accounts. In reply to this, Finance Officer stated that the rates adopted in the account are the rates followed by other Central Universities. However, he assured the member that the same will be reviewed and if feasible, new rates will be adopted and footnotes wherever required will be given to clarify the adjustments, if any, made in the accounts.

After thorough discussion, the Annual Accounts 2007-08 was approved by the Committee.

5. Any other Item(s)

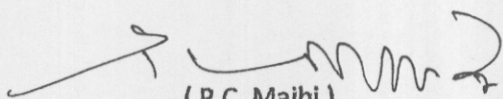
1. Special Grant for hosting Indian Science Congress

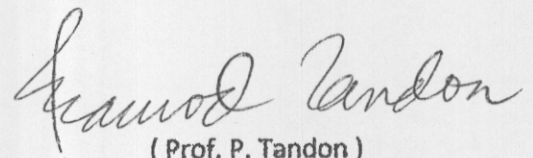
(i) The Chairman apprised the Committee members that considering the achievements made by the University in the field of scientific research and also overall development, Dr. T. Ramasami, General President, Indian Science Congress Association has selected this University to host the 96th Indian Science Congress during 3-7 January, 2009, Shillong. Since this Congress is of National importance, 5000 delegates including nearly 200 foreign delegates including Nobel Laureates from all over the world are expected to attend the Congress. For organizing this event, the total requirement of funds would be around Rs.14 crore. The Chairman requested the member to advise the University so that the event can be organized very smoothly.

Considering the importance of the event and also taking into account the likely enhancement of the image of the University after the event both at the national and international level, the committee advised the University to approach UGC, MHRD and other Ministries for special grants amounting Rs.14 crore for organizing this event.

(ii) The Chairman further stated that prior to organizing the event, the University has to augment all the infrastructure facilities like roads, buildings, accommodation for guests and other residential and non-residential buildings, drainage system, water system, repairing and painting of boundary walls, thorough checking of electrical lines and its fixtures and other repair and maintenance works. He further mentioned that the extensive repair and maintenance works of the buildings both residential and non-residential constructed at a cost of more than Rs.100 crore could not be taken up by the University so far due to inadequate funds. In order to take up these works, minimum of Rs.15 crore is required by the University. The requirement of Rs.15 crore is justified as 15% of the construction cost is allowed for special repair and maintenance works. The Committee discussed on the proposal and approved the same. Further, the committee resolves that the University may take up the matter with the UGC for special grant of Rs.15 crore for undertaking various repair and maintenance works mentioned above.

The meeting ended with Vote of Thanks from the Chair.


(P.C. Majhi)
Member-Secretary


(Prof. P. Tandon)
Chairman

208

MAJOR HIGHLIGHTS OF THE ANNUAL ACCOUNTS, 2007-08

1. CORPUS FUND GROWN UP BY Rs.69 LAKHS (14%) BECAUSE OF ADDITIONS OF INTEREST ON SPONSORED PROJECTS (Rs.29 LAKHS), ACCRUED INTEREST (Rs.8 LAKHS), UNIVERSITY SHARE OF SPONSORED PROJECTS (Rs.8 LAKHS) AND OTHERS.
2. CURRENT LIABILITIES & PROVISIONS DECREASED BY 7% (Rs.20.15 CR,) MAINLY BECAUSE OF REDUCTION IN PROVISION FOR PENSION AND REDUCTION IN UNUTILISED GRANTS FROM Rs.48.16 CR TO Rs.34.64 CR
3. NET FIXED ASSETS INCREASED BY 54% (Rs.47.50 CR) DUE TO ADDITIONS OF FIXED ASSETS OF Rs.42.79 CR AND REDUCTION FOR PROVISION FOR DEPRECIATION FROM Rs.6.92 CR TO Rs.4.70 CR
4. INVESTMENT OF FUNDS WENT UP BY 7%(Rs.39 LAKH)
5. DEBIT BALANCE OF CAPITAL FUND DECREASED BY 109% (Rs.67.61CR) LARGELY BECAUSE OF ADDITION OF FIXED ASSETS (Rs.42.79 CR) AND SURPLUS (Rs.15.42 CR) IN INCOME AND EXPENDITURE SCHEDULE.
6. INCOME INCREASED BY MORE THAN 24%(Rs.13.66 CR) MAINLY BECAUSE OF INCREASE IN GRANTS (Rs.2.16 CR), ACADEMIC RECEIPTS (Rs.35 LAKHS), INTEREST INCOME (Rs.1.65 CR) AND PRIOR PERIOD INCOME (Rs.9.42CR).
7. SURPLUS INCOME STOOD AT Rs.15.42 CR AS AGAINST THE DEFICIT OF Rs.232 CR IN THE PREVIOUS YEAR MAINLY DUE TO PRIOR PERIOD INCOME (Rs.9.42 CR), WRITE BACK OF EXCESS PROVISION FOR PENSION MADE IN THE PREVIOUS YEAR (AS PER ACTUARIAL VALUATION).

THE REAL SURPLUS WAS HOWEVER MORE BY Rs.6 CR AFTER PROVIDING DEPRECIATION OF RS.4.70 CR(IT DOES NOT INVOLVE CASH OUT GO).

SO THE REAL SURPLUS IS Rs.10.70 CR

INCREASE IN INCOME IS ALSO BECAUSE OF INCREASE IN INTEREST INCOME AND REDUCTION IN ESTABLISHMENT EXPENSES.

8. ESTABLISHMENT EXPENSES REDUCED BY 98%(Rs.36.95 CR) DUE TO THE UNIVERSITY NOT HAVING TO PROVIDE ANY PROVISION IN THE CURRENT YEAR BECAUSE ACTUARIAL VALUATION REVEALED A LIABILITY OF Rs.206.83 CR WHEREAS THE VALUATION AS ON 31.3.2008 WAS ONLY Rs.194.02 CR
9. PAYMENT OF ELECTRICITY CHARGES CAME DOWN BY MORE THAN Rs.25 LAKHS
10. VEHICLE RUNNING CHARGES BROUGHT DOWN BY MORE THAN Rs.28 LAKHS
11. SAVINGS OF Rs.7 LAKHS MADE IN TA/DA TO STAFF
12. THE EXPENDITURE ON PAYMENT OF FEES AND HONORARIUM REDUCED BY 21%
13. EXPENDITURE ON TA/DA TO MEMBERS OF COMMITTEES REDUCED BY 106%(Rs.22,20,860) FROM Rs.43,65,227 TO Rs.20,84,867
14. ADVT. & PUBLICITY COST BROUGHT DOWN BY 86%(Rs.22,96,474) FROM Rs.49,75,328 TO Rs.26,70,854
15. HOSPITALITY EXPENSES REDUCED BY 424% (Rs.9,69,074) FROM Rs.11,97,713 TO Rs.2,28,719
16. INTT. EARNED ON INVESTMENT INCREASED BY 53%(Rs.1.64 CR.)