

AGENDA FOR THE 43rd MEETING OF THE FINANCE COMMITTEE
SCHEDULED TO BE HELD ON 8th OCTOBER, 2001, AT 5.00 P.M. AT HOTEL
POLO TOWERS, SHILLONG.

Item No.1: Confirmation of the proceedings of the 42nd meeting of the Finance Committee held on 14.11.2000. Copy of the minutes were forwarded vide letter No.FA-2/FC-CONST/42nd Minutes/2000/3294 dt.27.11.2000 (copy at *Annexure-I*). No comments have been received from the members on the said minutes.

Item No.2 : Reporting Items (on the action taken)

- (i) Deficit :-The Revised Estimates for the year 1997-98 as approved by the Finance Committee was at Rs.22.29 crores. Against the provision, the UGC released Rs.17.46 crores and the receipt of the University was Rs.0.83 crores. Thus, there was a deficit of Rs.4.00 crores with respect to the approved budget. The University exercised drastic cut on the budget and limited the expenditure to Rs.19.33 crores. Thus, there was a straight deficit of Rs.1.04 crores. The position was intimated with details to the Commission vide our DO letter No.FA-2/UGC-NP/MAINT/96-97/879 dt.10.9.99. The reply is awaited.
- (ii) Revised pay to teachers :- The additional financial implication on payment of arrears to teachers consequent upon the 5th Central Pay Revision paid during 2001-02 is Rs.31.50 lac. The Committee may consider to recommend to the UGC for reimbursement of the expenditure.
- (iii) Investment on GPF/CPF :- The demand of the University to the Finance Committee was to make up the short-fall in the interest earned as against the interest payable to the subscribers of CPF/GPF. The position arisen because of the drastic cut in the interest rate by the Reserve Bank of India. The matter was taken up with the Ministry vide our letter No.FA-V/Inv/GPF/CPF/99 dt.8.5.2000. In response, the Ministry has forwarded the notification dt.31.3.99 on the pattern of investment to be followed by the Non Governmental Provident Funds, etc. Thus, the actual problem has not been addressed by the Ministry. The Finance Committee may kindly consider the matter.
- (iv) Transfer of Fund :- The transfer of Rs.40.00 lac from Non Plan account to H.B.A. account considered irregular by the 42nd meeting of the Finance Committee has been set-right and the

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Financial Adviser, UGC, has been formally intimated of the action taken vide DO letter No.FA-2/FC-CONST/96-97/2853 dt.6.12.2000 (Copy at *Annexure-II*).

- (v) Imprest Account :- The members of the 42nd meeting of the Finance Committee have made an observation on the number of Imprest holders and the quantum of amount sanctioned to each holder which does not conform to the provision under GFR. The University had constituted a Committee to look into this aspect and its recommendation (at *Annexure-III*) has been implemented.
- (vi) Establishment matters :- The University has followed the prescribed pattern of staffing. However, a review on the entire process has been taken up as directed by the Finance Committee. The process is likely to take some more time.
- (vii) Anomalies in the staffing position :- The discrepancies of draft budget estimate for 2001-02 tabled before the 42nd meeting of the Finance Committee was reviewed. In fact, there are no discrepancies. The position is explained as under:-

Page No. 6 – D.R. It is a typographical mistake that under the column ‘number of sanctioned post’ it was shown ‘0’ instead of ‘2’.

Page No. 4 – M.O. 1(one) M.O. was appointed against a vacant post of Lecturer. Hence, the position shown in the budget is correct. No budgetary provision was made for one Lecturer in the concerned department.

Page No.34 – Lect. It is a typographical mistake that under the column ‘number of sanctioned post’ it was shown ‘1’ instead of ‘2’.

Page No.36 – Rea. 1(one) Reader was promoted under CAS. Hence, one post of Lecturer has been upgraded making personal to him.

Page No.40 – Prof. Only 1(one) sanctioned post of Professor & 2(two) Readers were promoted under CAS.

Page No.47 – Tura The position in Tura Campus were filled-in by the repatriated persons from erstwhile Nagaland Campus. As it was transitory period, it was not clear whether the posts are to be taken as sanctioned posts. Accordingly, the column under ‘sanctioned posts’ was kept blank. The University has decided to transfer these posts to Tura Campus instead of creating new posts for the new Campus. Accordingly, the position has been reflected in the current year draft Revised Estimates for 2001-02 & Budget Estimates for 2002-03.

- (viii) UGC-Fellowship :- The provision under the head 'Fellowship' has been deleted from the Non Plan budget since the Commission has reimbursed separately the amount sought for upto 2000-01.
- (ix) Reserve Fund :- The provision contained under Non Plan budget under the head '14-Contribution to Reserve Fund' has been deleted and the Financial Adviser, UGC, has been informed of the position. (Annexure-II)
- (x) Block Grant system :- The University has already taken up the matter with UGC/MHRD, the reply of which is still awaited.
- (xi) Compassionate appointment on Daily wages :- The University has noted the proviso for its compliance.
- (xii) Replacement of Vehicle :- As decided, the matter has been taken up with UGC.
- (xiii) Non Lapsable Pool Grant :- The grant of Rs.774.00 lac under Non Lapsable Pool fund was sanctioned mainly for the project works at Shillong Campus. Accordingly, the matter was reported by the Chairman of the Finance Committee held on 14.11.2000. A letter dated 18.12.2000 received from the MHRD directs that a sum of Rs.174.00 lac out of Rs.774.00 lac relates to Mizoram Campus & PUC. Accordingly, the sum of Rs.174.00 lac has been transferred to the Mizoram University. The University has taken up the 5(five) projects as was approved by the UGC vide its letter No.F.7-1/2000(CU) dt.14.7.2000.

In the meeting of the Vice Chancellor with the Secretary(Education), Govt. of India, on 31.8.99, it was agreed upon that initially a sum of Rs.25.00 crores will be sanctioned for the construction of Kendriya Vidyalaya, construction of building for Academic departments & construction of Hostel buildings.

- (xiv) Hill Area Special Allowance (HASA) :- The Hill Area Special Allowance(HASA) was made admissible to the staff of the University with the approval of the M.H.R.D. However, the queries made by the UGC in this connection have been replied to, in which the Commission has communicated to this University vide its letter No.F.21-8/2000(CU) dt.6.8.2001 that the Commission is awaiting further communication from the Ministry. (Annexure-IV).

Item No. 3 : To approve the audited Annual Account for 1999-2000 and un-audited Annual Account for 2000-01.

The audited Annual Accounts for the financial year 1999-2000 along-with audit observations & replies thereto is placed before the Finance Committee for consideration and approval. Also, the un-audited Accounts for the financial year 2000-01 is placed for its consideration and approval. (Annexure-V & VI)

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Item No. 4 : To consider the Revised Estimates for 2001-02 and Budget Estimates for 2002-03.

The proposed Revised Estimates for 2001-02 & Budget Estimates for 2002-03 in respect of the University under Salary component and Non Salary component are projected as hereunder :-

	<u>B.E. for 01-02</u>	<u>R.E. for 01-02</u>	<u>B.E. for 02-03</u>
(a) Salary component	Rs.2183.29 lac	Rs.1943.82 lac	Rs.2017.91 lac
(b) Non Salary component	<u>Rs.1164.84 lac</u>	<u>Rs.1116.92 lac</u>	<u>Rs.1204.00 lac</u>
Total	Rs.3348.13 lac	Rs.3060.74 lac	Rs.3221.91 lac

The above projection on the requirement of fund under the Revised Estimates for 2000-01 is based on the norms stipulated by UGC/MHRD, i.e. 3% increase over the actual expenditure of the preceding financial year in respect of Salary component and 8% increase over the actual in respect of the Non Salary component.

- (a) Consequent upon the establishment of Mizoram University, which formally came into existence wef 1.7.2001, the University has incorporated the actual expenditure for the erstwhile Mizoram Campus and P.U.C. upto 30.6.2001. The reduction in the Revised Estimates for 2001-02 & Budget Estimates for 2002-03 is for excluding the provision for Mizoram Campus & PUC.
- (b) The University has made provision in the Revised Estimates for 2001-02 totaling Rs.116.78 lac for filling up of sanctioned posts totaling to Professors 14 nos., Readers 36 nos. & Lecturers 14 nos., which have been advertised & interviews held and formal appointment orders have been issued to some and for the remaining are in the offing.
- (c) Consequent upon the establishment of Mizoram University, the repatriated employees from erstwhile Nagaland Campus & SASRD and posted to Mizoram Campus & PUC have again been repatriated to Tura Campus w.e.f. August, 2001. Budgetary provision towards their salaries including provision for infrastructure and also on establishment of a sister department of Education at Tura Campus has been made in the Revised Estimates for 2001-02 & Budget Estimates for 2002-03. Hence, the rise in the budget for Tura Campus.
- (d) A total of 40 (forty) teaching posts have been sanctioned by the Commission for Shillong & Tura Campus under the IX-Plan. As a matter of course, these sanctioned posts will stand merged with Non Plan on expiry of the IX Plan period (31.3.2002) and, as such budgetary provision for meeting their liability has been incorporated in the Budget Estimates for 2002-03.

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Item No. 5 : **Additional requirement under Non Plan.**

(a) Official Language Implementation Committee, NEHU.

The Committee constituted by the University has chalked-out Hindi Training classes for the employees of the University during the current financial year, Hindi Workshop in the month of September which would be recurring on a yearly basis. To augment the infrastructure for providing such Programme, which also includes printing of bi-lingual forms for official use, such as LTC, Earned Leave application, GPF & Nomination Forms, etc., it is necessary to make budgetary provision under Non Plan. The Finance Committee may consider approving the same under the head 12-Common Services & General Charges, sub head 'Official Language Implementation' with an initial provision of Rs.5.00 lac, which will be incorporated in the Revised Estimates for 2001-02 & Budget Estimates for 2002-03, if approved.

(b) VSAT facility

The University has installed & commissioned VSAT for world wide access. The system has been catering to the need of the teaching, Research Scholars and student communities of the University with optimum benefits. The existing system will not be viable unless the University supports in providing necessary maintenance and for its upkeep and including up-gradation. The Committee may kindly consider approving a budgetary provision of Rs.10.00 lac under the Revised Estimates for 2001-02 & Budget Estimates for 2002-03 for the purpose.

(c) Computer Loan

The guideline of the 5th Central Pay Commission recommends payment of loan for procurement of Personal Computer. A number of applications have been received. But, the University is unable to entertain as no fund is earmarked for the purpose. A proposal for creating a Revolving Fund of Rs.10.00 lac initially is placed at *Annexure-VII*.

(d) Legal Expenses

A proposal for enhancement of budgetary provision under the head 12-Common Services & General Charges – sub head, 'Legal Expenses' for Rs.5.00 lac is placed at *Annexure-VIII* for the consideration & approval of the Committee.

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Item No. 6 : Transfer of Revenue earned under Plan account to Non Plan account.

The proposal for utilization of revenue generated on the recoveries made from the Contractor's bills such as, Water & Electricity charges is placed at *Annexure-IX* for consideration and approval of the Committee.

Item No.7 : Any other item from the Chair.

NORTH EASTERN HILL UNIVERSITY
SHILLONG

MINUTES OF THE 43rd MEETING OF THE FINANCE COMMITTEE HELD ON
THE 30th OCTOBER, 2001, AT 5.00 PM AT HOTEL ASHOK PINE WOOD,
SHILLONG.

Members present

Prof. Mrinal Miri, Vice Chancellor, NEHU	Chairman
Prof.(Mrs) K S Lyngdoh, Pro Vice Chancellor, NEHU	Member
Shri O P Nigam, Financial Adviser, U.G.C., New Delhi.	Member
Shri R D Sahay, Dy. Secretary, MHRD, New Delhi.	Representative of MHRD
Prof. J B Bhattacharjee, Deptt. of History, NEHU.	Member
Prof. M N Karna, Deptt. of Sociology, NEHU.	Member
Shri J Lhungdim, IDAS, Finance Officer, NEHU.	Ex Officio Secretary

The Chairman of the Finance Committee welcomed the members and introduced the new members of the Committee. The Principal, St. Anthony's College, Shillong, did not attend the meeting as he was reportedly out of station.

At the outset, the Financial Adviser, UGC, requested the Chairman to briefly highlight some of the important events in the University since the 42nd meeting of the Finance Committee.

The Chairman then informed the Committee of the following :-

- (a) NAAC :- The Visiting Team of the National Assessment and Accreditation Council had inspected the University during the month of September, 2000, and had formal

discussions with various sections of the University community. The NAAC has finally graded the University at a Four Star level which shows the standard of excellence the University has attained during its 28th year of existence.

- (b) CAS :- A good number of teachers were awaiting promotions under the Career Advancement Scheme(CAS). During the period, Selection Committees could be arranged and all such pending cases have been cleared.
- (c) Non Lapsable Pool Grant :- The Chairman appraised the members that the Govt. of India had released a sum of Rs.774.00 lac under the Non Lapsable Pool for construction purposes at Shillong Campus. As against this grant, an amount of Rs.174.00 lac has been transferred to the Mizoram University as directed by the MHRD. The construction of the Central School (KV), Central Library, Additional space for the existing building in the Life Sciences, Social Sciences and Boundary wall, etc. are going on in full swing under the Scheme.
- (d) Plan :- The Chairman informed the house that the Administrative building under the Plan Grant is progressing well and is expected to be completed within the stipulated time. He also informed that some other schemes like Construction of Staff Quarter, etc. have to be started very late due to the ban imposed on cutting of trees. The Committee was also of the view that the University may consider engaging Government and Private Undertakings like NBCC, BRO, L & T, etc. for future construction.

The Chairman then took up the agenda item No.1, i.e. Confirmation of the proceedings of the 42nd meeting of the Finance Committee and read out the observation made by the MHRD vide letter No.F.16-2/2001-IFD dt.29.10.2001. The Chairman confirmed that the observation on the agenda of the 42nd meeting were duly received under their letter No.F.40-19/99-IFD dt.20.10.2000 and was considered by the then Finance Committee. In-fact, the same has also been recorded in the minutes of the 42nd meeting of the Finance Committee vide page-1 of the minutes.

Similarly, the comments of the MHRD as communicated under the aforesaid letter dt.29.10.2001 on the agenda item of the 43rd meeting were duly considered while deliberating on the relevant items.

Item No.1 The proceedings of the 42nd meeting of the Finance Committee held on 14.11.2000 were confirmed since no comments were received from any other members.

Item No.2 Reporting Item (Action taken)

- (i) Deficit :- The Committee recommended that the University may pursue the matter separately with the Commission for reimbursement of the deficit of Rs.110.04 lac.
- (ii) Revised Pay to teachers :- The University is still in the process of granting the benefits under CAS to its teachers. In addition to the expenditure of Rs.31.50 lac already incurred, the Committee recommended to work out the total financial implication and to

take up the matter separately with the Commission for necessary reimbursement.

- (iii) Investment on CPF/GPF :- The Committee recommended that the University may pursue the matter with the MHRD for further advice.
- (iv) Transfer of Fund :- The Committee noted the action taken by the University in transferring a sum of Rs.40.00 lac from HBA account as per decision of the 42nd meeting of the Finance Committee.
- (v) Imprest Account :-The Committee considered the report submitted by the Committee constituted to review the number of Imprest Holders and was of the opinion that the report of the sub Committee does not mention that the provisions of the GFR were followed while sanctioning the Imprests. It was, therefore decided that the matter may be reviewed again whether the imprests were sanctioned under the provisions of GFR.
- (vi) Establishment matters :- The Committee noted that the University had constituted a Committee to review the staffing pattern and recommends that its report be placed before the next Finance Committee meeting.
- (vii) Anomalies in the staffing position :- The Committee noted the corrections made with regard to the staffing pattern and observed as follows :-
 - (a) The University should take utmost precaution to avoid any such mistakes in future. The Committee recommended that the Registrar's office should maintain the Strength Check Register to be periodically updated showing the sanctioned strength/posts filled-in, etc. against each cadre;
 - (b) The Committee resolved not to agree to the diversion of the post of Lecturer of Hindi Department to that of Medical Officer. The Committee, however recommended that the University should submit a detailed and self contained case note to the Commission separately highlighting justification for creation of an additional post of Medical Officer.
 - (c) The Financial Adviser, UGC, informed the Committee that the Commission has prepared a guideline of Standard Recruitment Rules which may form the basis for filling up of posts. The University may obtain a copy of the same for guidance.
- (viii) UGC-Fellowship :- The Chairman informed the Committee that the UGC has reimbursed the expenditure on UGC NET Fellowship from the year 1996-97 to 2001-02.
- (ix) Reserve Fund :- The Committee noted the action taken by the University in deleting the budgetary provision under 14-Contribution to Reserve Fund in the Non Plan budget.

- (x) Block Grant :- The Committee was informed that the University has communicated its views on Block Grant System to the UGC under its letter No.Fin.V/Expdr.statement/92/2025 dt.7.8.2000.
- (xi) Compassionate appointment on Daily Wages :- The Chairman informed the Committee that no appointments under compassionate ground have been made on Daily wage since the last meeting of the Finance Committee.
- (xii) Replacement of Vehicle :- The Committee noted that the University has not purchased any new Vehicle, however the Committee was informed that the University has since initiated necessary correspondence with the Commission for purchase of 2(two) new Buses and 1(one) Jeep as replacement. The Commission is yet to respond to the proposal and the University may again pursue the matter with the Commission.

The Committee also discussed at length the issue of granting of Transport Allowance to the University employees vis-à-vis granting of Transport facility. The Committee was of the firm view that those employees who have been granted Transport Allowance as per entitlement should not be provided with the University transport irrespective of the fact whether bus fares have been realized. Considering the fact that the public transport facilities are very limited, the employees may either forfeit the Transport Allowance and avail University transport or may draw the Transport Allowance and make their own transport arrangement. Accordingly, the Committee recommended that the entire issue be reviewed and administrative orders be passed to this effect immediately.

The Committee took note of the excessive expenditure on maintenance of Vehicle and resolved that the University may constitute a Committee to suggest remedial measures in curtailing the expenditure on maintenance of vehicles.

- (xiii) Non Lapsable Pool Grant :- The Committee noted the transfer of an amount of Rs.174.00 lac to the Mizoram University against the grant of Rs.774.00 lac. The Chairman requested the members from UGC/MHRD to replenish the corresponding amount to the University so as to complete the construction work for the Projects originally sanctioned for Shillong Campus. The Committee decided that the shortfall may be met from the 2nd phase of the grant.
- (xiv) HASA :- The Committee took note of the observation made by MHRD on payment of HASA to the employees which directs the University to stop payment of the said allowance immediately and also to effect recovery of the amount already paid. The member

from the MHRD informed the Committee that the issue is still under active consideration by the Ministry and final decision is yet to be arrived-at.

Item No.3 Annual Accounts

The Committee approved the audited Annual Account for the year 1999-2000 and considered the un-audited Annual Account for the year 2000-01.

Item No.4 Revised Estimates for 2001-02 & Budget Estimates for 2002-03.

The University has presented the Revised Estimates for 2001-02 & Budget Estimates for 2002-03 as under :-

	R.E. for 2001-02	B.E. for 2002-03
(a) Salary component	Rs. 1943.82 lac	Rs. 2017.91 lac
(b) Non Salary component	<u>Rs. 1116.92 lac</u>	<u>Rs. 1204.00 lac</u>
Total	Rs. 3060.74 lac	Rs. 3221.91 lac

The Committee, however decided to re-cast the budget as per the annual allotment made by the UGC and accordingly the following ceiling was fixed.

	<u>R.E. for 2001-02</u>	<u>B.E. for 2002-03</u>
(a) Salary Component	Rs. 1841.90 lac	Rs. 1933.99 lac
(b) Pension, etc.	Rs. 205.11 lac	Rs. 225.62 lac
(b) Non Salary Component	<u>Rs. 863.74 lac</u>	<u>Rs. 950.11 lac</u>
Total	Rs. 2910.75 lac	Rs. 3109.72 lac

The figure for the Budget Estimates for 2002-03 was arrived at by adding five per cent on Salary Component and ten per cent on Non Salary Component.

As per the observations made by the MHRD vide its letter dt.29.10.2001, the Committee took care that the provisions for the erstwhile Mizoram Campus and P.U.C. are not included in the above said budgetary provision. The Chairman also informed the house that the Tura Campus of the University was established as per provision of the Act of the University and that the Campus was inaugurated by Shri P V Narasimha Rao, Hon. Prime Minister, in 1996.

The Committee also suggested that the University Grants Commission may be moved to sanction additional amount of Rs.25.00 lac for Office automation and Rs.40.00 lac for Special Repair of Buildings.

Item No.5 Additional requirement under Non Plan

(a) Official Language Implementation Committee :- The Committee recommended that the additional expenditure for implementation of official language should be met from the University from its existing

budgetary provision since creation of separate sub head of temporary nature is not advisable as opined by the MHRD under letter dt.29.10.2001.

- (b) VSAT :-The Financial Adviser, UGC, also informed the Committee that the matter is under the active consideration of the Commission and its decision will be communicated shortly.
- (c) Computer Loan :- The Committee considered the requirement of additional fund for extending Computer Loan to its employees and recommended that the University may submit proposal to the Commission for additional grant on H.B.A. from which an amount of Rs.10.00 lac may be temporarily diverted for opening a sub Revolving Fund towards Computer loan and the said sum may be recouped from the recoveries.
- (d) Legal expenses :- The Committee recommended that the additional fund for meeting legal expenses may be increased and adjusted against the overall budgetary allocation under Non Salary component.

Item No.6 Transfer of revenue earned under Plan account to Non Plan account
The Committee took note of the observation of the MHRD under its letter dt.29.10.2001 and resolved to accept its advise that the revenue receipt earned under Plan account may form part of other receipt of the University and duly accounted for.

Item No.7 Item from the Chair

- (a) Unassigned Grant :- The Committee was informed that the UGC had released a grant of Rs.8.00 lac as Unassigned Grant for the year 2001-02. The Chairman informed the Committee that during the preceding years the University had been receiving annual grant amounting to Rs.12.00 lac and the present cut in the UGC share will adversely affect the academic activities as this will prevent many of the teachers from availing opportunities for updating themselves in their specialized fields. The Committee, therefore recommended that the Commission be approached to have special consideration for restoration of the grant to Rs.12.00 lac in the general interest of the University.

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

Sd/-
(J Lhangdim)
Ex-Officio Secretary &
Finance Officer

Sd/-
(M Miri)
Chairman & Vice Chancellor