

AGENDA FOR THE 51<sup>ST</sup> MEETING OF THE FINANCE COMMITTEE  
SCHEDULED TO BE HELD ON THE 11<sup>TH</sup> NOVEMBER 2006 AT 4.00 P.M. AT THE  
CONFERENCE HALL OF NEHU GUEST HOUSE, PERMANENT CAMPUS,  
SHILLONG

Item No. 1 : Confirmation of the proceedings of the 50<sup>th</sup> meeting of the Finance Committee.

Copy of the minutes of the 50<sup>th</sup> meeting of the Finance Committee was forwarded to the members vide letter No.FA-2/FC-MINUTES/2005-06/3030 dt. 19.7.2006 (Annexure-I). No comments have been received from the members on the minutes.

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

Sl No	Decision of the Finance Committee	Action taken by the University	Remarks
1.	<u>Purchase of land at Guwahati :</u> The Committee noted that the land has already been purchased at Guwahati for the Guest House.	The 48 <sup>th</sup> meeting of the Finance Committee held on 11 <sup>th</sup> July 2005, agreed in principle for purchase of land and setting up of the Guest House at Guwahati; firstly since the same would endorse common facilities of conferencing, etc. for all other Central Universities of NE region and secondly subject to the fulfillment that (a) the Guest House would be self sustaining (b) the Guest House should bear minimum expenditure towards its maintenance and the same be met from the University's own resources. Accordingly, the Committee advised the University to seek permission from the University Grants Commission. The UGC has sanctioned Rs.20.00 lac towards the Guwahati Guest House during the X <sup>th</sup> Plan additional allocation.	
2.	<u>VSAT facilities at Tura Campus:</u> Committee resolved that these items be prioritized and taken care from the Plan fund available.	The requirement of Tura Campus for the expansion of the existing bandwidth connectivity to 512 kbps would cost an approximate amount of Rs.10.60 lac. Since the work for the Permanent	

	<p>3. <u>One Time Special Assistance</u> :  (a) Civil work (b) E-governance – NEHU Management system  (c) Voice &amp; data network (d) On Line Public Access Catalogue  (e) Condemnation of Offset Printing Machine (f) Computer Revolving Fund and (g) Library Furniture &amp; computerization.</p> <p>Committee resolved that these items be prioritized and taken care from the Plan fund available.</p>	<p>Campus at Tura is well in progress, the feasibility would be created accordingly. Meanwhile commercial lines would be available.</p> <p>The total requirement of the University towards One Time Special Assistance accumulates to Rs.491.93 lac which is also inclusive of a sum of Rs.10.60 lac towards VSAT facility for Tura Campus. All the items are of explicit requirement and reinforce priority, especially the improvisation works under 'Civil Work', 'Voice &amp; data network', 'Condemnation of Offset Printing Machine with a Demy offset Printing Machine', etc. Further, a number of faculty members and officers could not have been considered for Computer loan due to paucity of fund under the head. Keeping all these points in view, the Committee may recommend allocation of Rs.491.93 lac under One Time Special Assistance during the current fiscal.</p>	
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Item No. 3 : To consider the Revised Estimates for 2006-07 and Budget Estimates for 2007-08.

The Revised budget Estimates for 2006-07 and the Budget Estimates for 2007-08 has been prepared at Rs. 5281.50 lac and Rs. 6035.32 lac respectively, as per detailed break-up at Annexure – II. The estimates have been computed keeping in view the trend of expenditure of the preceding financial year vis-à-vis the requirement of fund by the University on a more realistic manner.

	<u>Proposed RE for</u> <u>2006-07 (in lacs)</u>			<u>Proposed BE for</u> <u>2007-08 (in lacs)</u>		
	<u>H.Q</u>	<u>Tura</u>	<u>Total</u>	<u>H.Q.</u>	<u>Tura</u>	<u>Total</u>
(a) Salary Component	Rs. 2878.90	176.50	<b>3055.40</b>	3321.08	190.60	<b>3511.68</b>
(b) Pension, etc.	Rs. 410.00	-	<b>410.00</b>	584.00	-	<b>584.00</b>
(c) Non Salary component	Rs. 1696.86	119.24	<b>1816.10</b>	1792.91	146.73	<b>1939.64</b>
Total	Rs. 4985.76	295.74	<b>5281.50</b>	5697.99	337.33	<b>6035.32</b>

The requirement of fund under Non Salary Component is based on the realistic need of not only the Academic departments but also for administrative management of the University.

During the financial year 2006-07, the Finance Committee recommended an amount of Rs. 1816.05 lac as Budget Estimates under Non Salary component. However, the UGC has curtailed the budgetary support to Rs.1400.00 lac, resulting in a reduction by 23% (approx). Similar was the situation for the financial year 2005-06. Due to imposition of last minute curtailment of fund under Non Salary component by UGC, the University had to pay over Rs.111.86 lac (approx) to dispense with the payment against the liability created during the year 2005-06, literally leaving an amount of Rs.1288.14 lac available as the Budget Estimates for 2006-07. As a result the University is undergoing an acute financial constraint. The liability created was based on the approval/recommendation of the Finance Committee. The yardstick for determining the quantum of fund under Non Salary component does not commensurate with the practical situation, which disrupts the financial and accounts administration of the University and restoration of momentous growth.

The proposed Revised Estimates for 2006-07 has been stepped up by over 16.10% as compared to the actual of 2005-06. However, this is an overall decrease to the extent of over 4 % against the Budget Estimates for 2006-07 recommended by the Finance Committee. So far as the projection under Non Plan Non Salary component is concerned, the actual requirement of the University is Rs. 1816.10 lac during the current financial

year as Revised Estimate 2006-07 including Tura Campus, this is 29.72% increase over the amount of Rs.1400.00 lac finally allocated/fixed by UGC.

Similarly, the Budget Estimates for 2007-08 for Rs. 6035.32 lac are computed by 14.27% increase over the Revised Estimates for 2006-07 i.e Rs. 5281.50 lac. The projection of fund under Salary component amounting to Rs.3382.68 lac is almost 10.71% increase over the requirement of Rs.3055.40 lac projected under Revised Estimate for 2006-07, which is attributable to the fact that the University is required to keep anticipatory provision to meet the liabilities of 90 (ninety) Non Plan faculty position which have been advertised recently (i.e. on 26.9.06 & 17.10.06). As such, the computation of Salary component is more on actual requirement basis rather than the percentage formulae. Secondly, the liability of as many as 44(forty four) faculty members are also to be charged as merger of Plan posts to Non Plan w.e.f. 1.4.2007, which entails an additional liability of Rs.129.00 lac (approx) under Non Plan. As far as Non Salary component is concerned, the Budget Estimate for 2007-08 is worked out at Rs.1939.64 lac stepping up by 6.80% over the Revised Estimates of 2006-07 i.e. Rs.1816.10 lac.

While considering the aforesaid estimates towards maintenance of the University, an amount of Rs.491.93 lac may also be considered separately to cater to the needs under 'One Time Special Assistance' during the current fiscal. This had been considered favourably and recommended by the Finance Committee in its 50<sup>th</sup> meeting. However, the same was not approved/sanctioned by the UGC. The proposal of the University towards One time Assistance is exclusively towards repair, improvisation of the existing facilities, etc.

In total, the Finance Committee may recommend sanction for a sum of Rs. 5773.43 lac as Revised Estimates for 2006-07 (including the element of Rs.491.93 lac under One Time Assistance as per serial 3 of Item No.2 above) and Rs. 6035.32 lac as Budget Estimates for 2007-08 as per proposal of the University.

Item No. 4 : Utilization of Xth Plan grants.

The University Grants Commission has originally allocated an amount of Rs. 1418.00 lacs during the Xth Plan period and further revised the allocation to Rs.4252.00 lac by allocating an additional amount of Rs.3000.00 lac. So far, an amount of Rs.3252.00 lac has already been released to the University. As far as utilization of Plan money is concerned, the Building Committee after its meeting awarded the work to the tune of Rs.3350.00 lac against the UGC share. The Committee is apprised that due to local labour problems prevailing in the State and due to the delay on the part of the Forest Department in according approval for felling of trees, etc., the progress of the building works are little behind the schedule and it is speculated that the University may not be in a position to adhere to the target date for completion of the works in all respects. In the event of such impasse, the University is contemplating on contingent plans for utilization of the balance fund available under the X th Plan within the Plan period. The University has identified the prioritized items in this regard.

Item No. 5 : Any other item with the permission from the Chair.

**Air Conditioners & Photocopier for Library :                      Rs. 20.00 lac**

The North Eastern Hill University Library, which started with a collection of 600 books in 1973, is now a premier University Library of the North Eastern Region of India with a collection of over 2.3 lakh volumes of books and bound periodicals supplemented by the enormous information resources and services provided on its webpage.

The NEHU Library shifted to its permanent building in August 2004 and is now equipped with high-end computers and other electronics equipment to provide seamless in house and online services. The library has launched a major effort to provide the best services through the innovative services, and by taking initiative to reach out to the user community through various programmes.

**Air Conditioning for the Library:** With the huge collection of books etc. as highlighted above, a good many of them being rare and valuable, the need to safeguard them from the ravages of humidity and weather change is imperative. Besides, our users need to be provided with a comfortable atmosphere to enable them to maximize their study and research work within the Library itself. Our electronic equipment also has to be guarded from the elements to ensure their maximum output and service. As such, the need for air conditioning of the entire library was taken up and a survey conducted with the experts. An overall 61 units are required to adequately cover the vital sections.

**Photoprinting/copying machine:** The library is a huge three-story building catering to a vast community of users. One of the primary services is the reprographic service. For this there are currently two machines in operation. A third machine is urgently needed to replace our obsolete Kilburn Mita machine. It is intended to place this new Canon machine proposed at a different location so as to make accessibility to this service convenient. Ideally one machine per floor would be most desirable. However, a third machine at this juncture would suffice. Therefore, the proposed for the new photocopying/printing machine is an absolute necessity.

A total financial involvement of Rs. 20.00 lac is estimated for procurement of the aforesaid tools. The Finance Committee may recommend the same so as to make the Library fully equipped. The quotations are placed at Appendix-I.

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MINUTES OF THE 51<sup>ST</sup> MEETING OF THE FINANCE COMMITTEE HELD ON  
THE 11<sup>TH</sup> NOVEMBER 2006 AT 4.00 P.M. AT THE CONFERENCE HALL OF NEHU  
GUEST HOUSE, SHILLONG

*Members present :*

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| 1. Prof. Pramod Tandon, Vice Chancellor, NEHU, Shillong                        | Chairman                                     |
| 2. Prof. S.S. Khare, Pro Vice Chancellor, NEHU, Tura Campus                    | Member                                       |
| 3. Prof. R. Lalthantluanga, Deptt. of Bio-Chemistry, NEHU, Shillong            | Member                                       |
| 4. Prof. E. D. Thomas, Deptt. of Economics, NEHU, Shillong                     | Member                                       |
| 5. Shri T.K. Hangzo, Financial Adviser, N.E.C., Govt. of India, Shillong       | Member                                       |
| 6. Shri P.S. Chakraborty, Under Secretary, M.H.R.D., Govt. of India, New Delhi | Member representative of Jt. Secretary, MHRD |
| 7. Prof. Darlando Khathing, Finance Officer, NEHU, Shillong                    | Ex-Officio Secretary                         |

Shri S K Ray, Financial Adviser, M.H.R.D. and Dr. R K Chauhan, Offg. Financial Adviser, UGC, could not attend the meeting due to their pre-occupations.

The Chairman welcomed all the members to the 51<sup>st</sup> meeting of the Finance Committee of the University and expressed sincere gratitude for attending the same. The Chairman then requested the members to introduce themselves.

Before initiating deliberations on the agenda item, the Chairman informed the Committee of the requirement of the University Grants Commission contained in letter No.F.7-5/2004(NIC) dt. 14.9.04 received from the then Coordinator (New Initiative) and Financial Adviser, UGC, with regard to the suggestive format to ensure comprehensive and meaningful deliberation on all matters relating to the financial management to be followed by the Central Universities while holding the meeting of the Finance Committees. Accordingly, the Chairman apprised the Committee of the development and brief achievements in the academic field over the past one year. The Committee was informed that apart from the three new departments; i.e. the Department of Law, Department of Bio-technology & Bio-informatics, Department of Statistics, the University has also started the School of Technology (Department of Information Technology, Electronics & Communication Engineering and Basic Science and Social Sciences) at Shillong Campus and Department of Management at Tura. The Chairman also informed the

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Committee that the foundation stone for establishment of a Permanent Campus at Tura was laid by his Excellency Shri M.M. Jacob, Governor of Meghalaya on 17<sup>th</sup> October 2006. As first phase of the construction program, Buildings for 4 academic departments, Boys and Girls Hostels, Library and Administrative Block are underway.

Further, the Chairman informed the Committee that the University has been placed with the status of "University with Potential for Excellence" which was possible only due to the concerted effort and relentless service put in by the faculty members, students and non teaching staff of the University. The Committee was also informed that an amount of Rs.30.00 crores has been allocated towards developmental activities under this scheme. But, due to the delay in according technical approval by the University Grants Commission in execution of the work, the University has not been able to start utilizing the fund. The Committee was also apprised that the UGC has allocated an amount of Rs.30.00 crores as additional grant under the X Plan and the projects such as Construction of (100 + 100) seated Hostel for PG students , Link Road to Mawiong, Construction of Buildings for Center of studies etc, Administrative Building Annex (for Examination Deptt. etc), Construction of Health Center & quarters for Doctors & Staff, Guest House Extension, Construction of Non Teaching Staff quarters, Campus Development (widening roads, services), Construction of Commercial Complex & Community Hall, Sports Facilities are in progress. It was informed that due to certain unforeseen reasons not attributable to the University, the progress of the building projects is little behind the expected schedule.

The Chairman also apprised the Committee that the delay in furnishing the audited Annual Account to the Ministry is a matter of concern to the University. Agreeing to the remarks of the member representing the MHRD that the laying of Accounts in the floor of the House as per scheduled programme is a mandatory requirement, the Chairman informed the Committee that the delay is not on the part of the University. The member representing the MHRD expressed the urgency of placing the Annual Account in the floor of the house and requested that the Annual Accounts (Hindi version) pertaining to the financial 2004-05 be sent to the MHRD along-with the delay statement expeditiously so that the same are tabled in the winter session of the Parliament which would begin from the last of week of November. Further, the member appealed that the Chairman may also simultaneously exert pressure at personal level so that the Audit Report pertaining to the financial year 2005-06 is received from P.A.G (Audit) without further delay.

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The Chairman thereafter initiated the agenda item for deliberation.

Item No. 1: Confirmation of the proceedings of the 50<sup>th</sup> meeting of the Finance Committee held on 15<sup>th</sup> July, 2006.

The Committee RESOLVED to confirm the minutes of the 50<sup>th</sup> meeting of the Finance Committee held on 15<sup>th</sup> July 2006 since no comments were received from the members.

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

2.1. Purchase of Land at Guwahati :

The Committee noted the action taken by the University. In reply to the query raised by the member representing the MHRD with regard to the action plan for construction of Guest House at Guwahati, the Chairman informed the Committee that the process is on and the work is likely to be completed by the end of the current fiscal.

2.2. VSAT facilities at Tura Campus:

The Chairman informed the Committee that the present arrangement of using commercial lines for providing accessibility for the increased terminals is feasible in the existing building.. Meanwhile, upgradation of the existing facility is also a requirement of the Campus. The Committee having observed that the proposal for Rs.10.60 lac towards enhancement of bandwidth connectivity has already been included for allocation under 'One Time Special Assistance', under Item No.2.3, the same may be discussed later.

2.3. One Time Special Assistance : (a) Civil work (b) E-Governance – NEHU Management system (c) Voice & data network (d) On Line Public Access Catalogue (e) Condemnation of Offset Printing Machine (f) Computer Revolving Fund and (g) Library Furniture & computerization :

The Chairman informed the Committee that the proposal of the University towards 'One Time Special Assistance' is of explicit nature and mainly towards improvisation works, for which the item-wise break-up has been proposed. The Committee, after deliberation at length RESOLVED to recommend an additional allocation of Rs.491.93 lac in principle along-with the Revised Estimates for 2006-07.

Item No. 3 : To consider the Revised Estimates for 2006-07 and Budget Estimates for 2007-08.

The Chairman informed the Committee with concern that the recommendation of the Finance Committee is not adhered-to by the UGC while releasing the grant. The Chairman invited the attention of the members on the statistics showing the recommendation made by the Finance Committee on year to year basis vis-à-vis the allocation of fund finally made available by the UGC from the financial year 2003-04 onwards, substantiating the curtailment of fund. The members were of the unanimous opinion that the recommendation of the Finance Committee is non-negotiable provided the computation of the fund requirement towards recurring (maintenance) cost of the University is projected on an actual basis and realistic manner. The Committee also noted with dismay that the allocation under 'Salary component' as well as 'Pension & Retirement benefit' has also been curtailed by UGC.

The Committee after a threadbare discussion RESOLVED to approve the Revised Estimates for 2006-07 at Rs.5773.43 lac (including the element under One Time Special Assistance) and the Budget Estimates for 2007-08 at Rs.6035.32 lac as per detailed break up below.

	<u>Revised Estimates for 2006-07</u>	<u>Budget Estimates for 2007-08</u>
(a) Salary Component	Rs. 3055.40 lac	Rs. 3511.68 lac
(b) Pension, etc.	Rs. 410.00 lac	Rs. 584.00 lac
(c) Non Salary Component	Rs. 1816.10 lac	Rs. 1939.64 lac
(d) One Time Special Assistance	Rs. 491.93 lac	-
<b>Total</b>	<b>Rs. 5773.43 lac</b>	<b>Rs. 6035.32 lac</b>

The Committee observed that taking base of the actual expenditure incurred during the financial year 2005-06 and 10 per cent mandatory increase thereof, along-with the provision for anticipated posts to be filled in during the remaining period of the current fiscal, the proposed estimates towards Salary component under the Revised Estimates for 2006-07 exhibits a realistic calculation and justified.

As regards the proposal of the University under Non Salary component, the Committee RESOLVED that a case be made to UGC with proper justification so that the Commission does not impose any curtailment of fund during the financial year 2006-07.

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The Committee also observed that the University has projected the up-to-date expenditure upto the end June 2006 for determining the Revised Estimates for 2006-07. The Chairman informed the Committee that the University is continuing with the old practice when there was only one meeting of the Finance Committee convened in July/August of every year for finalization of the Revised Estimates. The Committee RESOLVED that since the meeting of the Finance Committee is convened twice in a financial year and exclusively in November for finalization of the Revised Estimates, the position of up-to-date expenditure upto September of every year be provided so as to have more accurate and justified proposal.

Item No. 4 : Utilization of X Plan grant

The Chairman informed the Committee that the University has awarded works to the tune of Rs.3350.00 lac against the UGC sanctions under the X Plan. The Chairman also informed the Committee that the progress of the building projects are little behind the expected schedule due to unforeseen reasons such as labour problems and delay in according approval by the State government in felling of trees, which are considered beyond the control of the University. The Chairman informed the Committee that all out efforts would be made so as to complete the works within the target date. However, the Committee was informed that in the event, the University is not in a position to complete the work as per schedule, the University may be allowed to keep a contingent plan ready establishing priorities. The Committee RESOLVED to approve the proposal of the University in principle and advised that the University may explore all possibilities to avoid resorting to contingent plan so that all the construction projects are completed within the current fiscal and the contingent plan should be the last resort.

Item No. 5 : Any other item with the permission from the Chair

5.1. Air Conditioners & Photocopier of Library :

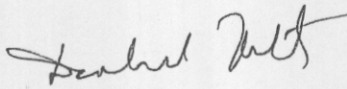
Although this item was placed for discussion, but the same was dropped by the Chairman with the advice that feasibility be explored to meet this liability out of the grant of Rs.135.00 lac approved tentatively under One Time Special Assistance towards NEHU Library.

5.2. Accounting policies on adoption of Accounts on accrual basis :

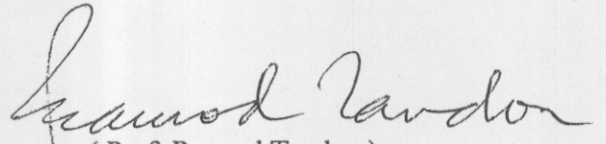
The Chairman took up the agenda item for deliberation and informed the Committee that the University had constituted a Working Group to prepare a white paper on the policy for implementation of the accounts on accrual basis.

The Committee observed that the Annual Accounts of the University is still being prepared on cash basis. The Committee RESOLVED that the Annual Account for the year 2006-07 be prepared on accrual basis without fail based on the accounting standard set by the Government of India as well as consistent with other Central Universities as far as possible.

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



(Prof. D T Khathing)  
Member Secretary & Finance Officer  
N.E.H.U., Shillong



(Prof. Pramod Tandon)  
Chairman & Vice Chancellor  
N.E.H.U., Shillong