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AGENDA FOR THE 58TH MEETING OF THE FINANCE COMMITTEE SCHEDULED TO BE HELD ON 5TH JUNE AT 5.30 P.M. AT THE CONFERENCE HALL OF NEHU SHILLONG.

Item No.1: Confirmation of the Minutes of the 57th Meeting held on 24th October, 2009.

The Minutes of the 57th Meeting were circulated to the members vide letter No.F.2-2/FC-Minutes/2005/811 dated 10th November, 2009 (copy enclosed). No comments were received. The minutes as circulated may kindly be considered for confirmation.

Item No.2: Report of action taken on the Minutes of the 57th Meeting.

2: 1: Audited annual Accounts for the year 2008-09

The Audited Annual Accounts for the year 2008-09 was approved by the Executive Council in its meeting held on 26/10/09 and also by the University Court in its meeting held on 6.11.2009. The said Accounts were thereafter submitted to the Ministry of Human Resource Development on 16. 11. 09 for laying before the Parliament.

2:2: Replacement of old and unserviceable vehicle

The condemnation of the 7 (seven) old unserviceable vehicles is still under process.

Item No.2:3: Utilization of Plan Grants.

The utilization of Plan Grants during 2009-10 is as under:

| Opening balance 1.4.2009 | Grant received during the year 2009-10 | Total available in 2009-10 | Expenditure 2009-10 | Closing balance 31.3.2010 |
|-----------------------------|--|-------------------------------|------------------------|------------------------------|
| 1783.47 | 5683.00 | 7466.47 | 4366.52 | 3099.95 |

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The break-up of schemes and progressive expenditure is enclosed in the enclosed formats for favour of perusal of the Committee. The opening and closing balances stated above is inclusive of the deficit balance of Rs. 247.22 spill over of the X Plan and also the deficit of Rs. 580.13 lacs on the Indian Science Congress. The Statement of Expenditure and Utilization Certificate on the X Plan has already been submitted to UGC time and again but the UGC has not released this amount as yet. It is pertinent to recall that against the X Plan allocation of Rs.4252.00 lacs, the UGC had released only Rs.3963.20. If this deficit of the X Plan is not released at the earliest, it would affect the development programmes earmarked under the XI Plan.

In so far the Indian Science Congress is concerned, out of the approved allocation of Rs.1300.00 lacs, the UGC had released only the first installment of Rs.1000.00 lacs against which we have spent Rs.1580.13 lacs. Thus, an additional allocation of Rs.280.13 lacs is required to settle the accounts on this event.

Item No: 2:4: Requirement of Additional allocation for the various Projects under the XI Plan

The requirement of additional allocation for the various projects under the XI Plan works to the tune of Rs. 4035.00 lacs. The break-up of the requirement is enclosed in the Annexure B for favour of perusal of the Committee.

Item No.2:5: Utilization of grants under Non-Plan 2009-10.

The utilization of grants under Non-Plan 2009-10 is as under: -

(Amount in lacs)

| Particulars of Opening balance as on 1.4.09 | | Approved allocation for 2009-10 | Amount sanctioned/received | Expenditure | Balance out of allocation as on 31.3.10 | Cash Book balance as on 31.3.10 |
|--|---------------|---------------------------------------|----------------------------|--|---|---------------------------------|
| Withheld grant brought forward | 169.29 | Salary & Personal allowances: 8053.54 | 7784.25 | 7985.58 | 67.96 | -201.33 |
| Cash Book balance | 39.13 | Pension & RB:1232.92 | 1232.92 | 1033.61 | 199.31 | 199.31 |
| | | Non Salary :1040.27 | 1001.14 | 1465.19 Outstanding liability 111.67 | -111.67 | -111.67 |
| | | Internal Receipt:424.92 | 424.92 | | | |
| Total | 208.42 | 10751.65 | 10443.23 | 10596.05 | 155.60 | -113.69 |
| Add: Advance grant for 2010-11 accountable towards RE 2009-10 and expended for Salary & Per. allowances of March | | 621.12 | 621.12 | 548.11 | 73.01 | 73.01 |
| Grand Total | 208.42 | 11372.77 | 11064.35 | 11144.16 | 228.61 | -40.68 |

It is explicit that the cash book balance is less by Rs.269.29 lacs as against the balance out of allocation. This is due to the withholding of grants by UGC and MHRD @ Rs.169.29 lacs since 2008-09 on grounds of irregularities in grant of higher pay scale to the University Engineer and @ Rs.100.00 lacs in 2009-10 on ground of grant of HASA, besides SDA w.e.f. 1.9.08. Despite the University having brought the University Engineer to the approved pay scale and the UGC having been informed, the UGC continues to withhold the said grant of Rs. 169.29 lacs.

The withholding of grants under Salary and Personal allowance component on the one hand and the unprecedented reduction in the Non-Salary budget on the other, leaves the University with barely Rs.700.00 lacs Non Salary allocation for utilization in 2010-11 against the UGC's interim budget allocation Rs.1040.27. As can be seen in Statement of Expenditure, against the UGC allocation of Rs.1465.19 lacs (Rs.1040.27 lacs by UGC allocation and Rs. 424.92 lacs by Internal Receipts) which was received only in December, 2009 i.e. towards the end of the third quarter, the University expenditure was Rs.1576.86 lacs. The excess expenditure was inevitable because the expenditure committed prior to the receipt of the UGC sanction, had to be accommodated. The University expresses concern at the huge reduction in the Non salary budget to the extent of 52% when compared to that of 2008-09. The reduction was unwarranted and a hindrance to the progress of the University.

Item No.3: Annual Accounts for the year 2009-10

The Annual Accounts for the year 2009-10 has been prepared with the rate of depreciation for vehicles provided at 20% instead of earlier years' 10 %. This revision has been done after consulting the Rule 5 of the Income Tax Act and the corresponding Table which provides the rates at which

depreciation is admissible. The depreciation admissible for motor cars, other than those used in a business of running them on hire is 20% and the Rule specifically mentions of its applicability to a University established by a Central, State or Provincial Act and declared to be a University under the UGC Act, 1956.

The Annual Accounts with the rate of depreciation for vehicles provided at the revised rate of 20 % is placed before the Committee for consideration and approval.

Item No.4: Any other Item

OVER AND ABOVE ADDITIONAL AMOUNT REQUIRED FOR ONGOING WORKS

| Sl.No | Name of work | Additional Amount required (Rs.in Lac) |
|-------|--|--|
| 1 | 2 | 3 |
| 1 | Bamboo Hut | 249.85 |
| 2 | Works relating to buildings under NEICOD | 1583.42 |
| 3 | 42 Nos Staff Quarters | 16.97 |
| 4 | Campus Development under 11th Plan sl. (6) | |
| | ii) Improvement of External Electrification and renovation of Substation, DGset | 99.8 |
| | iii) Road, retaining wall and water bodies | 54.41 |
| 5 | School of technology | 620.41 |
| 6 | Cluster of Class rooms for Science and non science | 877.91 |
| 7 | 24 units of P-Type qtrs | 141.28 |
| 8 | International hostel | 18.36 |
| 9 | Construction of Law building | 291.37 |
| 10 | Construction of 100 seated hostel building | 31.12 |
| 12 | Academic staff college electrification | 0.14 |
| 13 | Regular and stable power supply under UPE | 49.97 |
| | Total: | 4035.01 |

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**MINUTES OF THE 58TH MEETING OF THE FINANCE COMMITTEE HELD ON 5TH JUNE, 2010
AT 5:30 P.M. IN THE NEW GUEST HOUSE OF THE PERMANENT CAMPUS, NEHU, SHILLONG.**

The members present were:-

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|---|---|--------------------------------|
| 1. Prof. P. Tandon, Vice-Chancellor, NEHU, Shillong | : | Chairman |
| 2. Prof. R. Lalthantluanga, Pro-Vice-Chancellor, NEHU, Shillong | : | Member |
| 3. Shri R.D. Sahay, Director (CU) MHRD, New Delhi | : | Member |
| 4. Prof. Nand Dhameja, IIPA, New Delhi | : | Member |
| 5. Shri Vanlalhluta, IA&AS, Financial Adviser, NEC, Shillong | : | Member |
| 6. Prof. P. Nayak, Dean, SEMIS, NEHU | : | Member |
| 7. Shri Lambha Roy, Registrar, NEHU | : | Invitee |
| 8. Shri Taliremba, IDAS, Finance Officer, NEHU, Shillong | : | Ex-officio Member-Secretary |

The Chairman welcomed all the members of the 58th Finance Committee of the University and expressed his gratitude to the members for attending the meeting. The Chairman also requested all the members to introduce themselves, since new members were inducted.

Before proceeding with the Agenda, the Chairman highlighted the various activities of the university during the last financial year. He stated that the University being the premiere central university in the region, it continues to excel in the field of higher education. The faculty members of the University have been instrumental in designing and development of different curriculum at undergraduate, post-graduate and doctoral levels and in providing guidance and support to other newly established universities in the region. A good number of them were associated with the State Government and industries in providing academic inputs in decision making through their membership in committees, taskforces and boards.

As the object of the University is to disseminate advance knowledge and to provide instructional and research facilities with special attention to the improvement of the social and economic condition and welfare of the people of the North Eastern Region, the curriculum was designed to include research and topics related to local requirements, in which the students under the supervision of faculty members go to villages to study the local issues relevant to their discipline and also to share their knowledge with the communities for improvement of their livelihoods. A number of such researches are used by the governments for policy formulation and decision making.

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The Chairman also highlighted on the success story of the three year old UGC-Academic Staff College of the University, in which it has been able to conduct many workshops in a year to the benefit of the college teachers from within the state and outside. During the year 2009-10, three main programmes were conducted, viz. (i) 3 Orientation programmes; (ii) 13 Refresher Courses in different disciplines and (iii) 1 Workshop for Principals/Academic Administrators. The Committee was also apprised of the development of the building of the UGC- Academic Staff College relating to Classrooms, Computer Lab, Hostels and the need for more improvement.

The Committee was informed about the University achievement in adhering strictly to the academic calendar without any hindrance, in which courses were completed, examinations held and results were declared in time. Also, the Academic and Administrative activities including scheduling of the meetings of various academic bodies have taken place strictly according to the university calendar.

The Chairman informed about the continuous support received under the Special Assistance Programme (SAP), DBT and FIST (DST) for funding the various research and academic activities in different areas as well as the new projects on Bio-Diversity, Bio-Informatics and Bio-Technology.

With regard to Library facilities, the Chairman informed that around 2500 students are using the Library every week and all the faculties and students have access to computers with internet facility provided in the Library. All the terminals are connected to internet with a speed of 1 Giga Bit link through National Knowledge Network (NKN) facility. The University has also enabled the students and faculty to optimally utilize the 10 Mbps INFLIBNET connections through BSNL to have access to the UGC INFLIBNET Consortium Subscribed Journals in which all can have direct interaction with different sources in different fields besides their respective discipline.

The Chairman also informed about the achievement and the recognition earned by faculty members of this University from National Academies, like the Indian Academy of Sciences, Bangalore, Indian National Science Academy, New Delhi and the National Academy of Science(India), Allahabad and Shanti Swarup Bhatnagar Award enabling faculty members special honorarium of Rs. 15,000/- per month till retirement, who are fellow of two of Science Academies.

The University have made an all out effort to fill up the vacant teaching posts. The University is publishing the Prospectus every year with updated information and it was apprised that the University

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has put all the updated data on the NEHU Website. The prospectus also depicts the new system and facility available in the University in the form of Choice Based Credit System (CBCS) where out of 72 credits, 60 credits are core courses and for the remaining 12 Credits, students opt for the optional courses offered by other departments of the University.

The Chairman informed that 6 new academic departments have been sanctioned in the XI Plan. These are Nano Technology, Energy Engineering, Biomedical Engineering, Architecture, Media Technology and Tourism and Hotel Management. The buildings for the new academic departments in the School of Technology are under construction and likely to be completed by December, 2010.

Keeping in view the need for increasing the intake of students, the University has initiated constructing Cluster of Classrooms, not specific to any particular department. These cluster of classrooms will accommodate 5280 more students.

Construction works under the North-East India Centre of Diversity (NEICOD) Projects are progressing satisfactorily. The Chairman informed that this Project will be the first of its kind in the North Eastern Region.

Regarding the construction of the residential quarters the Chairman informed that 42 nos. of quarters have been completed for the non-teaching staff, 16 nos. of quarters for the teaching staff and another 8 nos. of quarters for the teaching staff are likely to be completed very soon.

The Chairman informed that the 2nd Phase of construction in Tura Campus will begin soon. Buildings completed under the 1st Phase of construction will be occupied by July 2010 and will be operational from the next Academic Session.

The Chairman informed that the National Mission Bamboo Application (NMBA), New Delhi, did not complete the construction of the Bamboo Cottages in time for the 96th Indian Science Congress. Now, the University has started construction for Retaining Wall and Approach Road with the advice of Technical Consultant to put to use the said cottages at the earliest.

The Chairman apprised that the XVIII Convocation of the University was conducted successfully. 4797 students were conferred their respective degrees. The University also awarded *Honoris Causa* degree to some eminent personalities like Dr. G. Mādhavan Nair, who was awarded the degree of

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Doctor of Science, Shri James Michael Lyngdoh, IAS (Retd) , who was awarded the degree of Doctor of Letters; Dr. N. R. Narayana Murthy, who was awarded the degree of Doctor of Science and Ustad Amjad Ali Khan, Sarod Maestro who was awarded the degree of Doctor of Letters.

The Chairman also informed the Committee that all the students who passed out with an MBA Degree from the Management Department of NEHU, Tura Campus got placements in jobs across the country.

The Chairman informed that with a view to review the safety norms for use and disposal of radio active materials, the University has constituted a Committee and invited the experts from BARC, Mumbai. The Chairman further informed that the University has requested Atomic Regulatory Board, BARC for removal of neutron source of Physics Department that is not being used for the last several years.

After the above highlights, the Finance Committee members congratulated the Chairman, Prof. Pramod Tandon, Vice-Chancellor, NEHU on his being nominated as a member of the National Advisory Council.

The Chairman then proceeded with the Items of the Agenda.

1. Confirmation of the Minutes of the 57th meeting of the Finance Committee.

The Committee approved to confirm the Minutes of the 57th meeting of the Finance Committee held on 24th October, 2009 as circulated.

2. Report of action taken on the Minutes of the 57th Meeting.

2.1. Audited Annual Accounts for the year 2008-09

The Committee noted the follow up action taken on the audited Annual Accounts 2008-09 which was submitted to the MHRD and laid before the Parliament within stipulated time.

2.2: Replacement of old and unserviceable vehicle

The Chairman informed that though there is no ban on replacement of vehicle in respect of the head of the institution and also for the teaching departments where teaching and research programmes involve extensive field trips, it was not possible to carry out the replacement immediately because of paucity of fund.

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2.3: Utilization of Plan Grants

The Committee while discussing on the utilization, observed the low utilization in a few areas of the Merged Schemes. The Finance Committee advised to seek the approval of the UGC for re-appropriation of funds from the low utilization schemes to those which are running quite satisfactorily. The Chairman assured the members that by the next Finance Committee Meeting, there would be substantial expenditure matched with meaningful activities.

On the spill over deficit of Rs. 247.22 lacs of the X Plan, the Committee advised to continue pursuing with the UGC for release. The Chairman requested the MHRD member to also kindly pursue with the UGC.

The funds under the newly sanctioned grant for the Tura Campus was received only in January last and the University is taking all necessary step to ensure the smooth progress of the development of projects.

The Committee recommended that the University should move the UGC for releasing the balance fund of the approved allocation of the XI Plan General Development and the Special Grants and also for sanction and release of another Rs.580.13 lacs towards the actual expenses for the Indian Science Congress. The requirement of fund for the year 2010-2011 is as under:-

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(Rs. in Lakh)

| Sl.No. | Item | XI Plan Allocation | Total expdr from 2007-08 to 2009-10 | Amount required for the year 2010-11 |
|-----------|---|--------------------|-------------------------------------|--------------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| I | Non-recurring (Grants for creation of Capital assets) | | | |
| (i) | Building (a) Shillong Campus | 8826.00 | 6199.59 | 2626.41 |
| | (b)Tura Campus | 500.00 | 245.72 | 254.28 |
| | TOTAL | 9326.00 | 6445.31 | 2880.69 |
| (ii) | Books & Journals(a)Shillong Campus | 200.00 | 88.58 | |
| | (b)Tura Campus | | 9.50 | |
| | TOTAL | 200.00 | 98.08 | 101.92 |
| (iii) | Equipment (Excluding furniture, fixture & Computers) | 400.00 | 58.27 | 341.73 |
| (iv) | Campus Development (for construction of roads providing electricity, water, laying/renovating sewerage lines, plantation and development of the land etc.) | 400.00 | 217.84 | 182.16 |
| (v) | Other infrastructure which are not included (i) to (iv) | 385.00 | 68.38 | 316.62 |
| II | Recurring (Grants in aid General) | | | |
| (i) | Staff Salary: | | | |
| | Teaching | 1669.00 | 7.38 | 985.26 |
| | Non-teaching | | - | |
| (ii) | Other recurring expenses | - | | |
| | Total | 12380.00 | 6895.26 | 4808.38 |

2.4: Requirement of additional allocation for the various Project under XI Plan

In view of the full utilization of the XI Plan General Development Grant, the requirement of additional allocation for the various projects as follows was recommended by the Committee for obtaining additional sanction from the UGC and MHRD:

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| Sl.No. | Name of Work | Additional amount required (Rs.in lacs) |
|--------|--|---|
| 1. | Bamboo Hut (including Rs. 18.65 lacs for furnishing) | 268.50 |
| 2. | Works relating to buildings under NEICOD | 1583.42 |
| 3. | 42 Nos. Staff Quarters | 16.97 |
| 4. | Campus Development : | |
| (ii) | Improvement of External Electrification and renovation of Substation, DG Set | 99.80 |
| (iii) | Road, retaining wall and water bodies | 54.41 |
| 5. | School of Technology | 620.41 |
| 6. | Cluster of Class rooms for Science and Non Science | 877.91 |
| 7. | 24 units of P-type quarters | 141.28 |
| 8. | International Hostel` | 18.36 |
| 9. | Construction of Law Building | 291.37 |
| 10. | Construction of 100 seated Hostel Building | 31.12 |
| 11. | Academic Staff College electrification (incl.Rs.11.27 for furnishing) | 11.41 |
| 12. | Regular and stable power supply under UPE | 49.97 |
| | TOTAL | 4064.93 |

2.5 Utilization of grants under Non-Plan 2009-10

While discussing on the utilization of Non-Plan Grants, 2009-10, The Committee expressed concern at the financial situation of the University. The Chairman informed about the difficulties in running the University and put forward his argument against the huge reduction in the Non-Salary Budget. He apprised the Committee that besides the outstanding liabilities of Rs. 111.67 lacs, the University is also compelled to meet the deficit in the salary fund from the Non-Salary component and if the UGC does not sanction this outstanding liabilities of the Non-Salary 2009-10 and does not release the withheld grants in the salary components, the University will be left with only Rs. 650.00 lacs to manage the Non-Salary requirements. The member from MHRD informed that such reduction happened in respect of all Central Universities because of reduction in allotment of funds by the Ministry of Finance. While the MHRD member agreed to pursue for allotment of more funds, he advised the University to explore measure to face such situation by augmenting internal resources. He suggested the University to have an overview of the fees structure and income realization and to adopt an innovative approach not only to

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improve resource generation but also to award incentives to meritorious students. Then the Committee decided to refer this matter to the Executive Council of the University.

3. Annual Accounts for the year 2009-10

The Committee approved the Annual Accounts for the year 2009-10 with the rate of depreciation of vehicles revised to 20%. The Committee also suggested to look into the possibilities of revising the rates of depreciations in respect of other assets as well.

4. Any Other Item:

Issue of Hill Area Special Allowance:

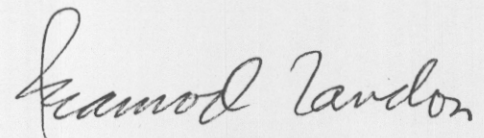
The Finance Committee considered the finance of the University and the huge reduction in the Non-Salary budget, and the UGC imposing financial penalty for non-compliance of its directive with regard to stoppage of HASA consequent upon the grant of Special Duty Allowance after the implementation of the Sixth Pay Commission. The Finance Committee felt that the issue in this regard should have been brought before the Finance Committee as a regular item on the Agenda.

The Finance Committee was of the view that the propriety of allowing two allowances simultaneously is questionable and accordingly recommended to the Executive Council for a decision in the matter.

The meeting ended with a Vote of Thanks from the Chair.



**Finance Officer
Ex-Officio Member-Secretary**



**Vice-Chancellor
Chairman**