

AGENDA FOR THE 47<sup>TH</sup> MEETING OF THE FINANCE COMMITTEE SCHEDULED TO BE HELD ON THE 19<sup>TH</sup> NOVEMBER 2004 AT 5.00 P.M. AT THE CONFERENCE HALL OF HOTEL POLO TOWERS, SHILLONG.

Item No. 1 : Confirmation of the proceedings of the 46<sup>th</sup> meeting of the Finance Committee held on 23.7.04.

Copy of the minutes of the 46<sup>th</sup> meeting of the Finance Committee was forwarded to the members vide letter No.FA-2/FC-CONST/2003(Vol.IV) 1644 dt.28.7.04 (Annexure-I). No comments have been received on the minutes from the members.

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

The resolutions adopted in the 46<sup>th</sup> meeting of the Finance Committee and actions taken by the University are noted against each.

Decision of the Finance Committee	Action taken by the University	Remarks, if any
<p>(i) <u>Purchase of land at Guwahati Airport :-</u> For setting up of Guest House at Guwahati Airport, the 46<sup>th</sup> meeting of the Finance Committee had entrusted the Vice Chancellor to pursue the matter with the Chairman, UGC.</p>	<p>Following decision at the 46<sup>th</sup> meeting of the Finance Committee, the Vice Chancellor vide DO letter No.NEHU-VCF/33-1/2004-1074 dt.16.8.04, had yet again requested the Chairman, UGC, for consideration of the long outstanding demand of the University in the larger interest of the Central Universities of the North East.</p>	
<p>(ii) <u>Replacement of Vehicle :</u> The Committee desired to place the proposal along-with case wise history in respect of the intended Vehicles for replacement in the 47<sup>th</sup> meeting of the Finance Committee.</p>	<p>As resolved in the 46<sup>th</sup> meeting of the Finance Committee, the details and case-wise history in respect of 3(three) Heavy Vehicles (Buses) and 2(two) Light Motor Vehicles are placed separately at Item No.4(b).</p>	
<p>(iii) <u>Interest on GPF :</u> The Committee had entrusted the Vice Chancellor to request the Secretary, UGC, for sanction of the required fund on this account with details and justifications.</p>	<p>Following decision at the 46<sup>th</sup> meeting of the Finance Committee, the Vice Chancellor vide DO letter No. FA-I/CASH/Rates of GPF//03-1762 dt.8.9.04 requested the Secretary, UGC, to sanction an amount of Rs.30.00lac which is being the actual amount worked out to bridge the deficit between the interest payable by the University and the interest accrued on investment of PF money upto the period 2003-04.</p>	

<p>(iv) <u>Recoupment of fund under Investment :-</u> The Committee resolved to pursue the matter again for replenishment of the loss, for which the Vice Chancellor was entrusted to approach appropriate funding Agencies. The Committee further resolved to constitute an Investment Committee for future Investments.</p>	<p>The matter is being placed to the Executive Council. Meanwhile, a Committee to look into the investment aspects has been constituted.</p>	
<p>(v) <u>Furnishing of Library Building :-</u> Since the grant of Rs.18.00 lac recommended by the 45<sup>th</sup> meeting of the Finance Committee towards furnishing of Library Building is being included by the UGC as One Time Special Assistance in the Budget Estimates for 2004-05 of the University, the Committee RESOLVED and advised the University to carry on with the program.</p>	<p>The 45<sup>th</sup> meeting of the Finance Committee held on 17.10.03 approved an amount of Rs.18.00 lac. But, the UGC while finalizing the Budget Estimates for 2004-05 sanctioned Rs.25.00 lac. Meanwhile, the Library has shifted to its new building.</p>	
<p>(vi) <u>VSAT Facility for Tura Campus :</u> The Committee resolved to table the detailed proposal with regard to the amount of Rs.10.60 lac towards enhancement/upgradation of the existing facility at Tura Campus, in the 47<sup>th</sup> meeting of the Finance Committee for consideration.</p>	<p>As resolved in the 46<sup>th</sup> meeting, the detailed proposal is placed below for consideration of the one time grant of Rs.10.60 lac over and above the budgetary allocation in respect of the University. (Annexure – II)</p>	
<p>(vii) <u>Audited Annual Account for 2002-03 and unaudited Annual Account for 2003-04 :-</u> The Committee resolved that the Vice Chancellor may pursue the matter with the Principal Accountant General (Audit), Meghalaya, to undertake the audit in time so</p>	<p>The matter has been taken up with the P.A.G. (Audit), Meghalaya, as resolved.</p>	

that the Audited Annual Accounts and Audit Report could be tabled before the Parliament as per the programme set by the MHRD.

(viii) One time Special Assistance during 2004-05 :

(a) Civil Work : The Committee approved an amount of Rs.101.05 lac as One Time Special Assistance which may be included while finalizing the Budget Estimates for 2004-05.

The UGC has sanctioned an amount of Rs.42.31 lac while approving the Budget Estimates for 2004-05 as against the proposed estimate of Rs.101.05 lac as approved in the 46<sup>th</sup> meeting of the Finance Committee. The amount of Rs.42.31 lac has been sanctioned exclusively towards re-carpeting of Roads. The University has already started execution of the work and is likely to complete within the current financial year. Meanwhile, the Committee may recommend sanction of the balance grant of Rs.58.74 lac in connection with maintenance and repair of the Roads, retaining walls and street lighting facilities, etc. within the Campus premise (Annexure-III).

(b) Electrical (Internal) : The Committee approved an amount of Rs.56.65 lac as One Time Special Assistance, which may be included by UGC while finalizing the Budget Estimates for 2004-05.

The UGC has sanctioned the grant of Rs.56.65 lac along-with the Budget Estimates for 2004-05 as RESOLVED in the 46<sup>th</sup> meeting of the Finance Committee. The University has already initiated the work and would be completed during the current fiscal.

(c) Electrical (External) : The Committee desired to table the proposal of Rs.46.42 lac in the 47<sup>th</sup> meeting of the Finance Committee.

The proposal is resubmitted for Rs.46.42 lac under One Time Special Assistance, as per resolution (Annexure-IV).

(d) Maintenance : The Committee approved an amount of Rs.68.73 lac as One Time Special Assistance, which may be included by UGC while

The UGC has sanctioned a grant of Rs.68.72 lac towards improvisation work of the existing residential Quarters, Fencing around VC's Bungalow, Hostels, etc. The aforesaid works are progressing well and

<p>finalizing the Budget Estimates for 2004-05.</p> <p>(e) E-Governance NEHU Management System : The Committee desired to table the proposal of Rs.65.00 lac in the 47<sup>th</sup> meeting of the Finance Committee.</p> <p>(f) Voice &amp; Data Network – Extension to residential areas : The Committee RESOLVED to approve Rs.25.00 lac for this purpose under One Time Special Assistance while finalizing the Budget Estimates for 2004-05.</p> <p>(g) On Line Public Access Catalogue (OPAC), etc. : The Committee decided to table the proposal of Rs.40.05 lac in the 47<sup>th</sup> meeting of the Finance Committee.</p> <p>(ix) <u>Creation of Supernumerary posts :</u></p> <p>The Committee resolved that the required supernumerary posts can be created as per approval of MHRD. As regards the employees to be repatriated from Nagaland, the Committee, on the advice of the member representing MHRD resolved that a detailed proposal indicating inter-alia the DOPTs guideline on casual employees be submitted to the MHRD.</p>	<p>anticipated to complete within the current financial year.</p> <p>The proposal is resubmitted for Rs.65.00 lac under One Time Special Assistance, as per resolution (Annexure-V).</p> <p>The Finance Committee recommended an amount of Rs.25.00 lac to be sanctioned along-with the Budget Estimates for 2004-05. But, UGC while approving the Budget Estimates did not approve this amount. Meanwhile on the basis of the committed liabilities, it has been computed that the actual requirement will be increased to Rs.35.00 lac against Rs.25.00 lac as detailed in Annexure-VI. As such, the amount has been included now in the proposed Revised Estimates for 2004-05.</p> <p>The proposal for Rs.40.05 lac is resubmitted, as per resolution. (Annexure-VII).</p> <p>Supernumerary posts have since been created by the University, the requirement of fund to maintain the repatriated employees, an amount of Rs.33.00 lac has been proposed in the Revised Estimates for 2004-05 (Salary component from Nov., 04 to Feb., 05).</p> <p>The matter is being taken up with the MHRD.</p>	
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<p>(x) <u>Condemnation of the offset Printing Machine :</u></p> <p>The Committee decided that the proposal for Rs.20.00 lac be submitted in the 47<sup>th</sup> meeting of the Finance Committee along-with the justification and copy of the quotation.</p>	<p>As resolved, the justification along-with the copy of quotation for procurement of a new demy Offset Printing Machine worth Rs.20.00 lac by replacement is re submitted for consideration of the Committee at Annexure – VIII.</p>	
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Item No. 3 : To consider the Revised Estimates for 2004-05 and Budget Estimates for 2005-06.

The Revised Budget Estimates for 2004-05 and the Budget Estimates for the ensuing financial year has been prepared at Rs. 4376.64 lac and Rs. 4827.97 lac respectively, as per detailed break-up below : (Annexure – IX). The same has been worked out on the basis of the actual expenditure of the preceding financial year vis-à-vis the up-to-date trend of expenditure, and by computing at 8 per cent as per the norms allowed by UGC.

	Amount approved By FC as BE 04-05	Amount approved by UGC as BE 04-05	Proposed R.E. for 2004-05
1) Salary Component	Rs. 2608.95 lac	Rs. 2374.47 lac	Rs. 2619.34 lac
2) Pension, etc.	Rs. 235.00 lac	Rs. 269.69 lac	Rs. 290.00 lac
3) Non Sal. Comp.	<u>Rs. 1248.35 lac</u>	<u>Rs. 1161.73 lac</u>	<u>Rs. 1467.30 lac</u>
Total	Rs. 4092.30 lac	Rs. 3805.89 lac	Rs. 4376.64 lac

The difference between the proposed Revised Estimates for 2004-05 of the University with respect to the amount approved by the Finance Committee as Budget Estimates for 2004-05 vis-à-vis, the allocation finalized by UGC under Budget Estimates for 2004-05 are noted hereunder for deliberation.

	Difference with respect to Finance Committee 's approval	Difference with respect to UGC's approval
1) Salary Component	Rs. 10.39 lac	Rs. 244.87 lac
2) Pension, etc.	Rs. 55.00 lac	Rs. 20.31 lac
3) Non Salary Comp.	<u>Rs.218.95 lac</u>	<u>Rs. 305.57 lac</u>
Total	Rs. 284.34 lac	Rs.570.75 lac

It would be seen that the proposed Revised Estimates for 2004-05 in respect of the University has been worked out with an increase of 6.50% over the Budget Estimates for 2004-05 approved by the Finance Committee and by 13 % over the amount finally approved by the UGC as Budget Estimates for 2004-05.

In addition to the aforesaid realistic projection of the budgetary allocation, a total amount of Rs. 708.49 lac would also be required by the University towards special nature of expenditure under 'one time special assistance' during the current financial year by laying greater emphasis on explicit recognition of the prioritized items. After adjustment of the grant of Rs.192.68 lac already included in the Budget Estimates for 2004-05 the University has worked out a total estimated expenditure of Rs. 515.81 lac under the Revised Estimates for 2004-05. Thus, the Revised Estimates for 2004-05 of the University has been worked out at Rs.5085.13 lac, which is inclusive of the element under One Time Special Assistance. The Committee is, therefore required to recommend an amount of Rs.5085.13 lac during 2004-05.

The Finance Committee is required to approve an amount of Rs. 515.81 lac + Rs. 284.34 = Rs. 800.15 lac beyond Rs. 4092.30 + Rs. 192.68 = Rs.4284.98 lac, which had been approved by the Finance Committee held on 17.10.03 and approved by UGC in the meeting of the FO/Registrar and communicated vide letter No. F.2-16//2004(CU) dt. 13.8.04.

Similarly, the Budget Estimates for 2005-06 has been prepared at Rs.4827.97 lac by computing 10% over the Revised Estimates for 2004-05 of Rs.4376.64 lac.

In this regard, it is necessary to point-out that, the actual release of grant by UGC is much less than the recommendation of the Finance Committee vis-à-vis the actual requirement of fund by the University. The University's budget is recasted once on approval by the Finance Committee since the recommendation is not in confirmity with the projected estimates. It becomes more cumbersome again to resort to last hour recast of the budget at the fag end of the financial year due to the fact that the actual release of grant is less than the recommended amount..

Item No. 4 : One Time Special Assistance during RE 04-05.

- (a) Computer Revolving Fund :- A separate agenda item is placed at Annexure – X.
- (b) Condemnation of University Vehicle & replacement thereof :- The details of the vehicles to be condemned and replacement proposed is separately placed at Annexure- XI.
- (c) Library Furniture & Computerization, etc. (Second Phase) :- It is anticipated that for the second phase of the programme of Furnishing of the newly constructed Library Building of the University, a total expenditure of Rs.135.00 lac is estimated. The broad break-up of the estimates may be furnished as under :- (Annexure-XII)
  1. Furniture :- The newly constructed Library Building is required to be well equipped with Tables, Chairs for reading facilities of the students besides the circulation furniture, etc. An amount of Rs.13.40 lac is required to meet this liability.
  2. Computer & Furniture : The existing Computers are quite old and up-gradation of these machines would not be a feasible proposition economically. Hence, the University intends to replace the same to augment the networking system faster. An amount of Rs.50.60 lac would be required to meet this liability.

3. Auto Generator & Elevators : In order to ensure un-interrupted automated services, an Auto Generator is necessitated. Considering the size of the building and in order to ease up the shifting of books, etc. to the multi stories, 2 (two) nos. of Elevators are necessitated entailing an approximate involvement of Rs.30.00 lac.
4. Steel Rack for Book Shelves : 150 Units of Book shelves are the most prioritized items for the new Central Library. This would entail expenditure to the tune of Rs.30.00 lac.
5. Conference Room – Furnishing, regarding :- An expenditure of Rs.5.00 lac is estimated towards furnishing of the Hall for conferencing facilities, which would include 50 nos. of Tables & Chairs.

Item No.5. Any Other Item with the permission of the Chair.

MINUTES OF THE 47<sup>TH</sup> MEETING OF THE FINANCE COMMITTEE HELD ON THE 19<sup>TH</sup> NOVEMBER 2004 AT 5.00 P.M. AT THE CONFERENCE HALL OF HOTEL POLO TOWERS, SHILLONG.

*Members present: -*

1. Prof. Mrinal Miri, Vice Chancellor, NEHU	Chairman
2. Shri Pawan Agarwal, IAS, Financial Adviser, UGC	Member
3. Dr. T R Kem, Additional Secretary, UGC	Special Invitee
4. Shri Hulas Singh, Director (Finance), MHRD	Member
5. Shri S S Mahlawat, Deputy Secretary, MHRD	Member
6. Prof. S S Khare, Pro Vice Chancellor, NEHU, Tura Campus	Member
7. Prof. R Lalthantluanga, Deptt. of Bio-Chemistry, NEHU	Member
8. Prof. D T Khathing, Registrar, NEHU	Permanent Invitee
9. Shri J Lhungdim, IDAS, Finance Officer, NEHU	Ex-Officio Secretary

Prof. Gautam Barua, Director, IIT, Guwahati and Prof. E D Thomas, Department of Economics, NEHU, could not attend the meeting due to their preoccupations.

The Chairman welcomed all the members to the 47<sup>th</sup> meeting of the Finance Committee of the University and expressed gratitude particularly to the outstation members for attending the meeting.

Before initiating deliberation on the agenda items, the Chairman apprised the Committee of the letter received from Shri Pawan Agarwal, Coordinator (New Initiatives) & Financial Adviser, UGC, suggesting a format for agenda for Finance Committee meetings. The Chairman then presented a brief summary of the major academic activities, programmes, etc. in respect of the University over the past few years and also the up-to-date financial status in addition to the developmental activities of the University. Thereafter, deliberations on the agenda items of the 47<sup>th</sup> meeting were initiated.

Item No.1 : Confirmation of the proceedings of the 46<sup>th</sup> meeting of the Finance Committee Held on 23<sup>rd</sup> July, 2004.

The member representing the MHRD raised his reservation on the item No.5(1)(i) of the minutes of the 46<sup>th</sup> meeting of the Finance Committee wherein the Committee resolved to create supernumerary posts and corresponding action envisaged by the University as reported vide item No.2(ix) of the agenda under Reporting Items with respect to the creation of supernumerary posts to accommodate the repatriates of Mizoram/Nagaland University. The member further asserted that the MHRD is of the firm view that the University should create no supernumerary posts; rather those teachers/employees to be repatriated from the erstwhile Mizoram Campus/PUC & Nagaland Campus should be adjusted against the vacant positions of the University. The decision of the MHRD in this regard has already been communicated to the University and desired that the follow-up action of the University be reported in the ensuing meeting of the Finance Committee. After threadbare discussion on the matter, the Committee noted the observations of the member representative from MHRD and RESOLVED that all the repatriated employees (both Teaching and Non Teaching) be absorbed against the vacant positions. The process of fresh recruitment should be undertaken only for the remaining posts available after absorption of the repatriated employees.

Since no other comments were received from the members, the Committee RESOLVED to confirm the minutes of the 46<sup>th</sup> meeting of the Finance Committee.

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

- (i) *Purchase of land at Guwahati Airport* :- The Special Invitee from UGC informed the Committee that the matter is under the active consideration of the UGC.
- (ii) *Replacement of Vehicle*: The Committee was informed of the ban imposed by MHRD on purchase of new vehicles and replacements, etc. by the Director (Finance), MHRD, vis-à-vis the proposed ten per cent reduction of Non Plan budgetary allocation under Non Salary components. The Committee observed that extension of austerity measures and imposition of blanket ban would not only disrupt the on going academic activities but also affect the autonomy of the Institution as promulgated in the Act, and therefore RESOLVED that the Chairman may write to UGC so as to enable UGC to set up a Committee to make a feasible study of the case and approach the MHRD for review of the decision particularly in respect of the Educational Institutions/Universities. Meanwhile, the Committee RESOLVED to submit the proposal for replacement separately to UGC for consideration.
- (iii) *Interest on GPF*:- The Committee RESOLVED to adjust the deficit of Rs.30.00 lac on account of the difference between the interest payable by the University to the employees and the interest actually earned on investment of PF money for the year 2003-04, from the Internal Resources for the year 2004-05. The Committee also RESOLVED that this arrangement shall continue till market rate of interest is stable.
- (iv) *Recoupment of fund under investment*:- After deliberation of the issue at length and having noted that in view of the constitution of an Investment Committee by the University, the Committee noted that there will not be any scope for such loss in future investments. Regarding the loss out of investment already incurred by the University, the Committee RESOLVED that the matter be inquired into by the Vice Chancellor so that the person(s) responsible for such loss could be identified. The Committee also RESOLVED that the findings may be reported to the next meeting of the Finance Committee so that the Committee can take a concrete decision on the entire issue.
- (v) *VSAT Facility to Tura Campus*:- The Committee RESOLVED to submit separate proposal to the Chairman, UGC-INFONET Programme. A Copy of the proposal should be endorsed to the Financial Adviser, UGC, so that the proposal for upgradation of the existing VSAT facility of Tura Campus to 512 kbps and VSAT facility of Shillong Campus to 2mb can be considered.
- (vi) *Audited Annual Account for 2002-03 and unaudited Annual Account for 2003-04*:- The Committee noted the action taken by the University in this regard. However, the member from UGC informed the Committee that the University may create records by writing reminders to the PAG (Audit) to expedite the audit.
- (vii) One Time Special Assistance during 2004-05:-
  - (a) *Civil Work*:- The member from UGC has clarified the difficulty in committing any grant under One Time Special Assistance at this juncture due to audit observation from C&AG on the ground that the allotment of earlier grants for capital nature of expenditure was made by UGC out of the maintenance grant. However, the Committee RESOLVED to write separately to UGC for consideration of the proposal of Rs.58.74 lac.
  - (b) *Electrical (Internal)*: The Committee has noted the action taken by the University with regard to utilization of the grant of Rs.56.65 lac.
  - (c) *Electrical (External)*: The Committee RESOLVED to submit the proposal separately to UGC for consideration of the estimate of Rs.46.42 lac.
  - (d) *Maintenance*: The Committee noted the action taken by the University with regard to utilization of the grant of Rs.68.72 lac.

- (e) *E-Governance NEHU Management System*: The Committee RESOLVED to submit the proposal separately to UGC for consideration of the estimate of Rs.65.00 lac.
- (f) *Voice & Data Network*: The Committee RESOLVED to submit the proposal separately to UGC for consideration of the estimate of Rs.35.00 lac.
- (g) *On Line Public Access Catalogue (OPAC)* : The Committee RESOLVED to submit the proposal separately to UGC for consideration of the estimate of Rs.40.05 lac.
- (viii) *Creation of Supernumerary posts*: Decision of the Committee in this regard has already been recorded under Item No.1.
- (ix) *Condemnation of the offset Printing Machine*: The Committee RESOLVED to submit the proposal separately to UGC for consideration of the estimated expenditure of Rs.20.00 lac.

Item No.3 : To consider the Revised Estimates for 2004-05 and Budget Estimates for 2005-06.

The Committee deliberated at length the proposed estimates of the University in the light of the MHRD's guideline governing expenditure management – fiscal prudence and austerity as communicated vide letter No.F.19-2/2004-Desk (U) dt.1.11.04. The Committee was also informed by the member from UGC that the fund for maintenance would depend entirely on sanction of grant by MHRD, however the Committee RESOLVED to the proposed expenditure against the estimates of the University as detailed below:

	Revised Estimates For 2004-05	Budget Estimates for 2005-06
(a) Salary Component	Rs. 2619.34 lac	Rs. 2926.03 lac
(b) Pension, etc.	Rs. 290.00 lac	Rs. 313.00 lac
(c) Non Salary Component	Rs. 1467.30 lac	Rs. 1588.94 lac
(d) One Time Assistance	<u>Rs. 192.68 lac</u>	-
Total	Rs. 4569.32 lac	Rs. 4827.97 lac

Item No. 4 : One Time Special Assistance during RE 2004-05

- a) *Computer Revolving Fund* : The Committee RESOLVED to submit the proposal separately to UGC for consideration of the amount of Rs.30.00 lac.
- b) *Condemnation of University Vehicle & replacement thereof* : The decision of the Committee has already been recorded under Item No. 2(ii).
- c) *Library Furniture & Computerization, etc. (second phase)* : The Committee RESOLVED to submit the proposal separately to UGC for consideration of the estimated amount of Rs.135.00 lac.

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

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

Sd/-  
( Mrinal Miri )  
Chairman &  
Vice Chancellor