



Anna University

Institute for Home Science and Higher Education for Women

(Estd. u/s 3 of UGC Act 1956)

Coimbatore - 641 043, Tamil Nadu, India.

AGENDA AND MINUTES OF THE 32nd MEETING OF THE FINANCE

COMMITTEE HELD ON 26.06.2014 AT 2.00P.M

REVISED ESTIMATE FOR THE YEAR 2013-14
BUDGET ESTIMATE FOR THE YEAR 2014-15

Minutes of the 32nd Meeting of the Finance Committee held on
26.06.2014 at 2.00 p.m

The 32nd Finance Committee Meeting was held on 26.06.2014 at 2.00 p.m at the Board of management Chamber at our University and the following persons participated.

1. Dr. (Mrs.) Sheela Ramachandran Vice Chancellor	Chairperson
2. The Finance Officer National Institute of Technology Trichy MHRD Nominee	Absent
3. Dr. S. Subramanyan Former Vice Chancellor Bharathiar University Nominee of BOM	Member
4. Mr. T.S. Swaminathan Correspondent of VAT Matriculation School Tirupur Nominee of BOM	Member
5. Sri. R. Somasundaram Velumani Engineering Industry Coimbatore Nominee of Trust	Member
6. Dr. (Mrs). Gowri Ramakrishnan Registrar	Member
7. Thiru S. Nagarajan Finance Officer	Non Member Secretary

The Finance Committee Meeting was started with prayer by invoking the blessings of the 'Almighty'.

The Finance Officer welcomed the Chairperson and the other members of the Finance Committee.

The Members of the Finance Committee expressed their deep sense of gratitude and appreciation to Sri. S. Sardar Malik, the former Finance Officer for his sincere and hard-work rendered and for the efforts taken to streamline several procedures during his tenure with us. In the absence of a Regular Finance Officer, Sri. S. Lakshmanan, Assistant Finance Officer, has extended his services for the smooth running of the Finance Section which is also appreciated by the Finance Committee. The members also placed on record their gratitude to Mrs. Sowmiya Srinivasan, Finance Officer, National Institute of Technology, Trichy, the MHRD nominee, for her active participation and proactive suggestions to resolve several matters. Her nomination on this committee ceases due to her transfer from National Institute of Technology, Trichy.

The Chairperson has thanked the members of the Finance Committee for extending their co-operation. The Chairperson also introduced the new Finance Officer, Shri.S. Nagarajan and welcomed him as a new member of the Finance Committee. He had joined the University on promotion as a Deputy Director. All the members wished him a successful tenure in our University. She requested the Finance Officer to present the Agenda of the meeting.

Agenda :1

Confirmation of the minutes of the 31st Finance Committee.*

The Finance Officer briefly explained the action taken in the minutes of the previous meeting of the Finance Committee, held on 26.07.2013

Sl.No.	Resolution	Action Taken
1	31 st Finance Committee Resolution Approval of Non-Salary Expenditure 2011-12 and Non- Plan A/c	Approved and the Utilisation Certificate for the same is also sent to UGC vide our letter No. F.No.20/937 dt. 4.1.2013 and F.20/8 dt. 3.4.2013
2	Approval of 2012-13 actuals for Non- Plan A/c.	Approved and the Utilisation Certificate for the same is also sent to UGC vide our letter No. f.No.20/562/672 dt. 6.2.2014.
3	Revised Proposals to be sent to UGC as per XII Plan Allocation	A new revised proposal approved by UGC in its letter No. F.14-1/2012 (DU) dt. 25.4.2014 is placed in Agenda No 6.
4	Implementation of Accrual Based Accounting from 2013-14 and e-governance of Finance Section, had been discussed. However the project was not completed. The practical difficulties in the arriving of opening balance of Assets and Liabilities was expressed to the members of the Finance Committee.	Before implementing the Accrual Based Accounting System, first of all the value of the land, value of Building's and the furniture and Equipments available in the University have to be assessed accurately. It was suggested to first list out Assets to the extent available and then to place to the Finance Committee for further discussion.
		Identification of the Assets of the University and Trust may be done with the help of Auditor.

The following points have been discussed in the Finance Committee.

1. Annual Account should be annexed with the Annual Report of the Governing Body.
2. The university's Annual Accounts should be completed by 30th June of every year.
3. Dual Accounting of the Assets should be avoided.
4. While calculating the opening value of the Assets depreciation of the assets to be taken into account.
5. The list of condemned articles duly recommend by the Condemnation Committee to be brought to the notice of the Board of Management for approval.

1. Approval of the Revised Budget Estimate and Actuals for 2013-14 and Budget Estimate for 2014-15

The Revised Budget Estimate and Actual for 2013-14 which was already approved by UGC and Budget Estimate for the year 2014-15 has been approved by the Committee after a detailed discussion. The Committee also suggested that the reason for excess expenditure in Non-salary Account be analysed and also advised to get the receivable amount from the UGC.

2. Ratification of the revision in the Fees Structure of B.Ed and B.P.Ed courses

The revision of Fee structure of B.Ed. and B.P.Ed courses from Rs.7540/- to Rs. 8090 was approved.

3. Suggestion sought for the process of construction of OBC Hostel

Regarding the construction of OBC Hostel, the UGC vide its letter No. F.8-3/2008 (CU-OBC) dated 07.04.2014 has requested "to furnish the clear cut line of action and approximate time for completion of construction". The Finance Committee has suggested to get the permission of the UGC for extension of another three years to complete the project after a detailed discussion.

4. Information about the AG objection for the year 2011-12

The Accountant Generals Audit Report paras have been detailed before the Committee. The Committee has requested the Finance Officer to take suitable action to drop the objections immediately.

5. Information about the revised priorities of XII Plan allocation including requirements of Teaching and Non- teaching posts

The information about the revised priorities of the XIIth Plan allocation including requirements of Teaching and Non-Teaching posts were informed to the Finance Committee.

6. (a) & (b) :

- (a) Information about UGC's approval for B.Voc. Programme
- (b) Information about UGC's approval for SAP (DRS-I) to the Department of Textiles and Clothing

- (a) The UGC's approval for B.Voc Programme have been informed to the Finance Committee and the members raised their doubts about B.Voc. Programme
- (b) The UGC's approval for SAP (DRS-I) Programme to the Department of Textile and Clothing was also informed to the Finance Committee.

During discussion, the Vice – Chancellor explained the objectives and salient features of the two programmes.

The UGC vide its letter D.O.No.F.2-2/2014(B.Voc.) dated 5.5.2014 had submitted Rs.185.00 lakhs upto May 2017 i.e. XII Plan Period

7. Approval sought for the Fees Structure of B.Voc. Degree Programme

Fee structure of B. Voc Degree Programme was discussed by the Finance Committee and approved.

8. Consideration of Ph.D incentive to be given to those who already got only Rs. 100/- as per earlier norms

The matter of the Ph.D incentive to be given to those who had already got Rs.100/- as incentive was discussed. The Finance Officer stated that as per the TN.G.O. MISC.NO.1475 (Education Department) dated 23.12.1985, the above amount given to the Ph.D holders was allowed as Special Pay and not an incentive.

..... the above matter has been entrusted to the Finance Officer to take suitable action to drop the audit objections raised by the Local Fund Audit and to discuss with the Local Fund department and expedite the sanctioning of Ph.D increment to the eligible beneficiaries.

9. Regarding opening a Separate Bank account for EPF in SBI

Opening of a SB account in State Bank of India for the remittance of EPF was discussed in detail and approved for the deposit of amount equal to one month's EPF subscription.

10. Appointment of Finance Officer

Sri. S. Nagarajan, Deputy Director of Local Fund Audit Department has joined as Finance Officer on deputation on 06.06.2014. This has been brought to the notice of the Finance Committee for information.

11. Abstract of XI Plan accounts as 31.03.2014

The account details of the XI Plan has been placed before the committee and the unspent balance available in this account has been explained to the committee. The reason narrated by the Vice Chancellor that this amount is due to unpaid salary of Teaching Staff kept vacant during the XI Plan period.

The committee has approved the above Agenda.

12. Ratification of the approval for outsourcing

The Local Fund Audit has raised an objection in 2011-12 report, for payment of salary to the out-sourced employees working in the University.

This important issue has been discussed in detail. The method of engaging the employees through outsourcing to be analyzed carefully as per the guidelines stipulated by the UGC.

13. Accumulated Pension Surplus Fund

The University's accounts indicate a surplus fund of Rs. 6,08,53,441/- which was earned by means on Bank Interest in Pension Fund Account. We wrote a letter to UGC on 10/02/2012 requesting permission to utilize the surplus fund for the construction of "Centre of Excellence in Nutri Genomics in our university Campus – II". But, UGC had declined our request and conveyed this vide letter No.F-1-2/2011 (DU) dated, 23 May 2012 and instructed to transfer the amount along with principal amount to the UGC maintenance grant account (i.e. Non- Plan Grant)

As per our letter No.VC/83(a) dated 09.03.2013 we have requested the UGC for granting permission to create an Endowment for student's welfare by utilizing the above Fund, (vide 31st Finance Committee's Minutes dated 26.07.2013). But, as per UGC's Letter No.F.1-2/2011 (DU) dated 18.06.2013 it has been re-iterated the decision already conveyed by the UGC as per their letter dated 23.05.2012. Further, we had requested permission from UGC to surrender the amount in a phased manner. But, we have not received any reply from UGC so far.

This has been discussed during the Finance Committee Meeting. As per the suggestion given by the members, the accuracy of the fund available as surplus in the pension A/c to be confirmed. The confirmation has to be obtained from the Auditor. On getting the confirmation, we may act according to the directions from the UGC, by explaining the facts and figures in writing.

14. Payment of Penalty of Income Tax

The Local Fund Concurrent audit had raised an objection for the non-remittance of Income Tax for the EL encashment exceeding Rs.3.00 Lakhs and Terminal benefits on VRS exceeding Rs.5.00 Lakhs based on the Circular No. 14/2012 CRC No.2378/1554/2012 dated 23.07.2012 issued by the Director, Local Fund Audit Department, Chennai.

This matter has been brought to the notice of the UGC vide our letter No.FO/ADU/TDS/1025/2013 dated 15.02.2013.

The UGC has informed vide Lr. F. 1-2/2011 (U) dated 4.4.2013, that the rebate exemption available to Central/State Government Employees as per Income Tax Act are also available to the Employees of deemed to be Universities”.

We had informed this to the Director of Local Fund by enclosing a copy of the above UGC letter and requested to drop the objection Vide Ref. no. ADU/LF Audit/2010-11 (para 56) dated 12.07.2013.

We had also written to the Additional Commissioner of Income Tax TDS Range, Coimbatore for enlightenment. According to the Letter No.Do/Addl/TDS/CBE/MISC/2012-13 dated 07.03.2013, the Additional Commissioner of Income Tax TDS Range, Coimbatore has clarified that our university employees cannot be treated as Central Government Employees for the sake of Income tax exemption.

As our university Employees are not treated as Central Government Employees for the sake of Income Tax exemption, a sum of Rs. 6,91,042/- has been remitted to the Income Tax Department on 17.01.2014 in respect of 12 Teaching Staff already retired. This expenditure has been met-out from the Self Finance Account.

Regarding the retiring Employees the eligible Income Tax will be calculated on the Taxable Terminal benefits and remitted to the Income Tax Department immediately on retirement.

At the end of the meeting, the Finance Officer thanked the Chairperson and other Finance Committee members for their participation, valuable suggestions and best wishes.