

**Minutes of the 39<sup>th</sup> Meeting of the Finance Committee of Assam University, Silchar held on 29<sup>th</sup> November, 2014 at 10.30 AM at S. M. Ali Committee Room, Raja Rammohan Roy Administrative Building, Assam University, Silchar.**

The following were present:

1. Prof. Somnath Dasgupta, Vice-Chancellor, Assam University : Chairman
2. Prof. Ramendu Bhattacharjee, Pro Vice-Chancellor, Assam University, Silchar : Member
3. Prof. Amalesh Bhowal, Pro Vice-Chancellor (i/c), Assam University, Diphu Campus, Diphu : Member
4. Shri Joydeep Sil, Registrar, IISER, Kolkata (EC Nominee) : Member
5. Shri Gour Krishna Pattanayak, Finance Officer, Jadavpur University, Kolkata (EC Nominee) : Member
6. Prof. D. K. Pandiya, Professor, Deptt. of Commerce, Assam University, Silchar (EC Nominee) : Member
7. Prof. Niranjana Roy, Registrar (i/c), Assam University : Permanent Invitee
8. Dr. Samira Behera, Deptt. of Mathematics, Assam University (Representative of SC/ST) : Special Invitee
9. CMA (Dr.) B. B. Mishra, Finance Officer, Assam University : Ex-officio-Secretary

Prof. Debasish Bhattacharjee, Pro Vice-Chancellor (Academic), Assam University; Joint Secretary & Financial Advisor, MHRD (Visitor's Nominee); Joint Secretary (CU&L), MHRD (Visitor's Nominee) and Joint Secretary (CU), UGC, New Delhi (Visitor's Nominee) could not attend meeting and were granted leave of absence.

The comments provided by the Deputy Secretary to Govt. of India with the approval of Joint Secretary (CU&L), MHRD, Gol, New Delhi (Visitor's Nominee) on dated 26<sup>th</sup> November 2014 and the comments provided by the Deputy Secretary (Finance) with the approval of JS&FA, MHRD, MHRD, Gol, New Delhi (Visitor's Nominee) on dated 27<sup>th</sup> November 2014 were placed by the Secretary, Finance Committee, Assam University before the Finance Committee and the members were noted the comments.

**Item No. FC: 39/01: Welcome and Opening Remarks by the Vice Chancellor, Assam University.**

Prof. Somnath Dasgupta, Chairman, Finance Committee and the Vice-Chancellor of the Assam University welcomed Shri Joydeep Sil, Registrar, IISER, Kolkata and Shri Gour Krishna Pattanayak, Finance Officer, Jadavpur University, Kolkata, the Executive Council nominees for attending the meeting at Silchar and other members of the Finance Committee.

The Chairman in his opening remarks seeking guidance from all the members for all round development and growth of the University. He requested the Secretary to initiate the proceedings as per the agenda items.

**Item No. FC: 39/02: Confirmation of the Minutes of the 38th meeting of the Finance Committee of the University held on June 25, 2014.**

The Minutes of the 38<sup>th</sup> meeting of the Finance Committee of the University held on June 25, 2014 placed at Annexure-A was circulated to all the members. No comments on the same have been received. The Minutes may kindly be confirmed.

**Resolution:** The Minutes of the 38th meeting of the Finance Committee of the University held on June 25, 2014 were perused and confirmed by the members with a correction in the Resolution No. FC: 38/05, "changing from the financial year 2014-15 to 2013-14".

**Item No. FC: 39/03: Action Taken Report of the 38th Meeting of the Finance Committee of the University.**

Action Taken Report of the 38th meeting of the Finance Committee of the University held on June 25, 2014 are placed at Annexure –B for necessary review.

**Resolution:** The Action Taken Report on the Minutes of the 38<sup>th</sup> Meeting of the Finance Committee of the University held on June 25, 2014 was perused and noted by the Members of the FC.

**Item No. FC: 39/04: Recommendation for approval of compliances of the Separate Audit Report of the Comptroller and Auditor General of India on the Accounts of the University for the financial year 2013-14.**

The Comptroller and Auditor General of India has conducted the audit of the Accounts of the University for the financial year 2013-14 under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 31(1) of Assam University Act, 1989. The University has submitted the compliances to the Draft Separate Audit Report on the Accounts of the University for the financial year 2013-14 to the Director General of Audit, Central, Kolkata. The C&AG have submitted the Separate Audit Report on the Accounts of the Assam University for the financial year 2013-14 which are placed at Annexure –C.

The compliances of the SAR of the C&AG on the Accounts of the Assam University for the year are placed at Annexure –D for approval.

**Resolution:** The compliances of the Separate Audit Report of the Comptroller and Auditor General of India on the Accounts of the Assam University for the financial years 2012-13 and 2013-14 were recommended with the following observations by the Finance Committee to the Executive Council of the University for approval and submission to the Director General of Audit, Central, Kolkata.

**Compliances on the SAR for the Financial Year 2012-13**

Para 1.2.1(b): The compliance provided by the University was approved. However, the amount of Work-in-Progress (WIP) during the year 2014-15 may be calculated and provided in the 'Notes on Account' under Schedule-22.

Para 2.1.1: The compliance provided by the University was approved. However, the University should start reconciliation of the GPF & CPF Ledger with the figures provided in the Balance Sheet from the starting of the above two accounts by engaging a Chartered Accountancy Firm through outsourcing basis or engaging person on contractual basis.

Para 2.2.1: The compliance provided by the University was approved with an additional compliance to be provided that 'Accounting Standards-12 (AS-12) is mainly applicable for profit making organisations and applicability of AS-12 to a central funded University like Assam University is beyond the purview of application. A note on account in this respect may be inserted under Schedule-22 in this regard.

#### **Compliances on the SAR for the Financial Year 2013-14**

Para 1.1.1: Instead of stopping the practice from the year 2014-15, the compliances should be modified that 'As the University is a central funded University, when the fund will be received, the negative balance(s) will automatically be adjusted under the Current Liabilities Schedule'.

Para 1.2.2: Instead of providing ratification entry on depreciation on the assets of TEQIP, the compliances should be modified that 'After taking over of the assets purchased from the TEQIP Fund, the assets being automatically belongs to the University and therefore, charging depreciation on the University assets in the Balance Sheet of the University will in accordance with AS-10. However, while preparing the TEQIP fund Balance Sheet separately, no depreciation will be charged on the fixed assets as per the provision of Para 6.2 (V) of Financial Management Manual of TEQIP'.

Para 1.2.3 (i): The compliance provided by the University was approved. However, University administration should verify whether insurance coverage is required for the University (Govt. Funded) building.

Para 1.2.3 (ii): The compliance provided by the University was approved. However, University should prepare the Schedule of 'Advance to Other Parties' which is at present not available in the Balance Sheet on outsourcing basis through a Chartered Accountant/contractual employee and adjust the advances outstanding with other parties after getting UC & SE from the concerned Agencies.

Para 2.1.2: Instead of providing the compliances for making necessary journal entry in the Financial Year 2014-15, the compliances should be complied with necessary journal entry by calculating depreciation based on the consequential effects of the ratification made in Para No. 1.2.1 (a) and (b).

Para 2.2.1: The compliances should be modified as provided in Para 2.2.1 of the compliances on the Financial Year 2012-13 stated above.

Para 2.2.2: The compliance provided by the University was approved. However, a note on account in this respect may be provided under Schedule-22.

Para 4.1: The compliance provided by the University was approved with an addition that 'the excess expenditure on anticipating receipts already committed by the funding agency in the sanction order(s) of the projects'.

Para 4.2: The compliance provided by the University was approved. However, the University should write to UGC with copy to MHRD and C&AG seeking permission/advice, narrating the circumstances of introduction of new format of account at the University with copy of the UGC letter, considering the

present objection made by the C&AG on the new format adopted by the University in the Financial Year 2013-14.

**Item No. FC: 39/05: Approval for correction of CPF to GPF Accounts of the Faculty Members of the University joined prior to 01.01.2014 and those who were in GPF Scheme in their previous Organization, joined after 01.01.2004 to GPF Scheme of the University.**

The Executive Council of Assam University in its 2nd Meeting held on 28th January, 1995 vide Agenda Item No. 23.(4), resolved that each regular employee of the University to be a member of either GPF or CPF and can subscribe towards the fund to which he/ she has opted. The employee who opted for GPF may opt out of the CPF and subscribe towards GPF at any time within his/her entire service period. In the event of such option, only his/her individual contribution towards his CPF account along with interest thereon will be transferred to his GPF Account.

Deptt. of Pension & Pensioners Welfare, Government of India in their letter dated 1st May 1987, notify that all CPF beneficiaries who were in service on 01.01. 1986 will be deemed to have come over to the Pension Scheme. These employees may have an option to continue under CPF Scheme. If no option is received, the employees will deemed to have come over to the Pension Scheme. It is to note that Assam University came into existence in the year 1994.

The Executive Council in its 38th meeting held on 21st August, 2003 vide Agenda Item No. 13 approved for the case of two faculty members for switching over from CPF to GPF as per the UGC's directive vide No. F. No.31-29/98 (CU).

UGC in their letter No.F.31-39/98(CU), dated 17th May 2005, directed the Assam University to allow the employees for adoption of GPF Scheme who were recruited after IVth Commission and before 1st January, 2004 (New Pension Scheme applicable date) and to make necessary corrective measures immediately. The copy of the letter of UGC is at Annexure –E.

UGC also in their letter No.F.19-5/2003(CU), dated Sept 2013 basing on the clarification submitted by the Assam University, conveyed the decision of the

UGC on switching over from CPF to GPF in respect of the employees of Assam University under the following conditions.

- i. Who joined Assam University as fresh recruitee with no past service up to 31.12.2003, will be enrolled under GPF cum Pension Scheme.
- ii. Who joined the Assam University from other Colleges/Universities having CPF Schemes and opted to continue with same scheme, can never be switched over to GPF cum Pension Scheme.
- iii. Who joined from other Colleges/Universities having CPF Scheme and not opted for any scheme, can be covered under GPF cum Pension Scheme with the benefit of continuation of previous service provided the employer CPF contribution and other terminal benefits with up to date interest are remitted to Assam University. If the previous benefits with up to date interest are not deposited with Assam University, benefits of previous service will not be admissible.

UGC also requested in the said letter to settle the cases in view of the above clarification. The copy of the letter of the UGC is at Annexure –F.

Considering the above clarification of the UGC, Finance Committee may kindly be considered for recommendation to the Executive Council for approval of the correction of CPF to GPF Accounts of the Faculty Members of the University joined prior to 01.01.2014 and those who were in GPF Scheme in their previous organization (joined after 01.01.2004) to GPF Scheme of the University.

**Resolution:** The decision of the UGC communicated vide letter No.F.19-5/2003 (CU), dated Sept 2013 on switching over from CPF to GPF in respect of the employees of Assam University under the following conditions were recommended by the members to the Executive Council of the University for approval in principle.

- (i) Who joined Assam University as fresh recruitee with no past service up to 31.12.2003, will be enrolled under GPF cum Pension Scheme.

- (ii) Who joined the Assam University from other Colleges/Universities having CPF Schemes and opted to continue with same scheme, can never be switched over to GPF cum Pension Scheme.
- (iii) Who joined from other Colleges/Universities having CPF Scheme and not opted for any scheme, can be covered under GPF cum Pension Scheme with the benefit of continuation of previous service provided the employer CPF contribution and other terminal benefits with up to date interest are remitted to Assam University. If the previous benefits with up to date interest are not deposited with Assam University, benefits of previous service will not be admissible.

The Committee further resolved that the University should prepare the individual status report in detail of such employees based on the above categories and referred to External Committee consisting of Shri Joydeep Sil, Registrar, IISER, Kolkata and Shri Gour Krishna Pattanayak, Finance Officer, Jadavpur University, Kolkata with at least one member from MHRD for scrutiny and necessary recommendations.

The Committee further resolved and recommend to the Executive Council for approval to adopt GPF cum Pension Scheme of the Faculty Members & Employees who have joined after 01.01.2004 and having GPF cum Pension Scheme in their previous organization subject to the condition that all terminal benefits with up-to-date interest are remitted to Assam University.



**Item No. FC: 39/06: Status of Utilization of Plan and Non-Plan Grants of the University as on 31.10.2014.**

Utilization of Plan and Non-Plan Grants as on 31.10.2014 under different heads is placed at Annexure –G and Annexure – H respectively for kind perusal of the members.

**Resolution:** The status of fund utilization under XII Plan and Non-Plan were reviewed by the members. The members expressed concern over the precarious financial situation in the light of the low allocation of the funds under XII plan head. It was resolved that the UGC and MHRD may be approached for one time additional grant of Rs. 30.00 crores to tide over the crisis.

**Item No. FC: 39/07: Approval of Revised Budget Estimates of Non-Plan Grants of the University for the Financial Year 2014-15.**

Estimates of expenditure under various heads have been worked out at the barest minimum under the Revised Budget Estimates of Non- Plan Grants for the Financial Year 2014-15 is placed at Annexure - I for kind perusal of the members and approval.

**Resolution:** The members perused and approved the Revised Budget Estimates of Rs. 6450.62 lakhs for the Financial Year 2014-15 and Budget Estimates of Rs. 6690.81 lakhs for the Financial Year 2015-16 under Non-Plan Grants of the University.

**Item No. FC: 39/08: Any other items, with permission of Chair.**

- (i) **Recommendation for approval of payment of Interest on the Deposits of NPS amount kept by the University.**

It is mandatory for opening and deduction of regular monthly NPS contribution from the regular employees appointed after 01.01.2004. However, there are some lacuna for non-deposit of NPS Employees Contribution and Matching

Contribution thereon in the respective PRAN of the subscribers. There are three categories of employees in which NPS contribution have not been deposited are as follows:

1. In case of 20 (twenty) employees joined after 01.01.2004 under NPS but PRAN issued later on (as per Annexure-I) and arrear NPS Deductions and Matching Contributions for the period from their date of joining after 01.01.2004 to date of allotment of PRAN have not been deposited. It is to note that subscriptions were deducted from their salary for the period from their date of joining to the date of allotment of the PRAN. The total amount of both the contributions being Rs. 41,36,854/-.
2. Another 26 (twenty six) employees joined after 01.01.2004, not applied for PRAN and subsequently left the University. However, subscriber's contribution was deducted from their salary from their date of joining till their date of leaving the University and both the contributions were not deposited. The total amount of both the contributions for such period of such employees being Rs. 16,19,658/- as per the detailed at Annexure-II.
3. It is for kind information of the Committee that 13 (thirteen) employees joined after 01.01.2004 working at present in the University but not yet applied for PRAN even after issue of notices twice to such employees. The Employees Contribution is being deducted from their salary from their date of joining and the amount has not been deposited. The total amount of both the contributions from their date of joining till October 2014 of such employees being Rs. 1,09,25,952/- as per the detailed at Annexure-III.

**Approval Sought:**

**Category 01:** Employees and Employer's Contribution for the period from the date of joining to the date of allotment of the PRAN of the employees as per Annexure-I needs to be deposited in their respective PRAN. Decision regarding the payment of interest thereon and the rate of interest of the contributions made by employees including matching contribution is required to be finalized and recommended for approval of the Executive Council of the University for depositing the said amount in their respective PRAN.

**Category 02:** Employees and Employer's Contribution for the period from the date of joining till the date of leaving the University, of the employees as per Annexure-II needs to be remitted to their present employers. Decision regarding the payment of interest thereon and the rate of interest of the contributions made by employees including matching contribution is required to be finalized and recommended for approval of the Executive Council of the University for remitting the said amount to their present employers.

**Category 03:** It is required that the employees as per Annexure-III needs to submit the S1 Form for opening of the PRAN immediately so that University can able to deposit both the contributions from their date of joining to the date of activation of the PRAN in their respective PRAN. Decision regarding the payment of interest thereon on the subscriptions deducted & matching contributions and the rate of interest is required to be finalized and recommended for approval of the Executive Council of the University for depositing the said amount in their respective PRAN.

**Resolution:** The Committee after detailed deliberation resolved and recommended to the Executive Council as follows:

**Category 01:** The arrear NPS deductions already deducted and matching contributions thereof for the period from the date of joining on or after 01.01.2004 to date of allotment of PRAN should be deposited in the PRAN of the employees concerned along with interest component thereof at the earliest.

**Category 02:** The NPS contribution already deducted from the salary of the employees from their date of joining till the date of leaving the University should be remitted along with matching contribution to their present employers with the interest component thereof.

**Category 03:** The employees not opened the PRAN should submit the S1 Form for opening of the PRAN immediately so that University should deposit the NPS contribution already deducted

from their date of joining in their respective PRAN along with matching contribution and interest component thereof.

The Committee further recommended to the Executive Council for approval for payment of interest on both the contributions at the rate as applicable from time to time (year-wise) under GPF (CS Rule) as per the O.M. No. 1(7)/2003/TA/Part File/279, dated 02.09.2008 of the Office of Controller General of Accounts, Deptt. of Expenditure, Ministry of Finance, Govt. of India. The interest rate as appended below based on the interest rate declared on Provident Fund Accumulations should be adopted by the University while calculating the interest on both the contributions on monthly cumulative basis as per the guidelines provided in O.M. mentioned above.

<b>Year</b>	<b>Notified GPF Interest Rate</b>
2004-05	9.50%
2005-06 to 2009-10	8.50%
2010-11	9.50%
2011-12	8.25%
2012-13	8.50%
2013-14	8.75%
2014-15	8.70%

The meeting ended with vote of thanks to the Chair.

Sd/-  
(CMA (Dr.) B. B. Mishra)  
**Ex-officio-Secretary**  
Finance Committee  
Assam University, Silchar

Sd/-  
(Prof. Somnath Dasgupta)  
**Chairman**  
Finance Committee  
Assam University, Silchar