

**ASSOCIATION OF INDIAN UNIVERSITIES
AIU HOUSE, 16-COMRADE INDRAJIT GUPTA MARG
NEW DELHI**

Minutes of the Finance Committee Meeting held on 16.08.2017 at 11.30 a.m. in AIU House, New Delhi. The following were present:

Prof. (Dr.) P.B.Sharma	In chair
Prof Sandeep Sancheti	Member
Prof. D.S. Chauhan	Member
Prof (Dr.) Paramjit S Jaswal	Member
Prof. Girishwar Misra	Member
Prof. Furqan Qamar	Member
Mrs. Ranjana Parihar	Deputy Secretary (Finance) as Secretary

At the outset Prof. (Dr.) P B Sharma, President AIU welcomed all the members of the Finance Committee. Thereafter, agenda items were taken up for discussion.

CONFIRMATION OF MINUTES

1. To confirm the minutes of the last meeting of the Finance Committee held on 16.08.2016.

[Note: The Minutes of the Finance Committee were circulated amongst members vide letter No.AC/FC/2016/221-224 dated 25.10.2016. The office did not receive any comments and suggestions. The minutes of the Finance Committee were approved in the 340th Governing Council Meeting held on 09.09.2016 at National Law University, Delhi].

(Appendix-I) (Pp 1-19)

Minutes confirmed.





ACTION TAKEN REPORT

2. To consider a report on the action taken on the minutes of the last meeting of the Finance Committee.

(Appendix-II) (Pp 20-27)

The members deliberated on ATR in details and approved the report. However, the Members desired that action on Sl. No. 15 of the ATR of the Finance Committee meeting held on 16.8.2016 needs to be expedited;

Further, the members felt that publishing University News in Hindi may be explored in collaboration or support from Mahatma Gandhi Antarrashtriya Hindi Vishwavidyalaya.

ITEMS TO REPORT

3. To report that 55 member universities have yet to pay Annual Membership Fee of the Association for the year(s) 2014-15, 2015-16 & 2016-17.

[Note: The letters duly signed by the Secretary General were sent to all the member universities in the month of March 2016 for remitting the Annual Subscription for the Financial Year 2016-17 and arrears of previous years. This was followed by a reminder on 25.07.2016 from the Deputy Secretary (Finance) to the Registrar(s) of the Universities in arrears of Annual Subscription. Subsequently, the Secretary General of the Association had also written a DO letter to the Vice Chancellor(s) of these universities on 9.11.2016. The Deputy Secretary (Finance) had again sent an e-mail on 12.1.2017 to all the universities in arrears of annual subscription].

(Appendix-III) (Pp 28-29)

Members resolved that the Secretary General may write DO letters to the Vice Chancellor(s) of concerned universities urging them to expedite the payment of membership fees and also highlighting the importance of membership.

Deputy Secretary (Finance) should also make an attempt for early settlement of dues of Annual Subscription by sending letters/e-mails/fax/SMSs to the Registrar(s) and Finance Officer(s) of the Universities in arrears of Annual Subscription.

4. To report that the Dearness Allowance was paid to the AIU Staff Members as per Bye Law 2.1.

[Note: The D.A. to AIU Employees was paid @ 4% (from 132% to 136%) with effect from 1.1.2017 as sanctioned by the Govt. of India for Central Government and Central Autonomous Bodies Employees continuing to draw their pay in the pre-revised pay scale as per 6th Central Pay Commission vide Order No.1/3//2008-E-II(B) dated 7.4.2017. The financial liability of this installment of DA on the different budgets of AIU during the FY

2016-17 was Rs.6.69 lacs per annum which was met against the provision made in the Budget Estimates 2016-17 in this regard.

The D.A. to AIU Employees was paid @ 7% (from 125% to 132%) with effect from 1.7.2016 as sanctioned by the Govt. of India for Central Government Employees vide Order No.1/3/2008-E-II(B) dated 9.11.2016. The financial liability of this installment of DA on different budgets of AIU during the FY 2016-17 was Rs.7.38 lacs per annum].

Noted and approved the payment of DA as announced by the Government of India.

5. To report the favorable Appellate Order issued by the Commissioner Income Tax (A)-40 in favour of AIU for the Assessment Year 2012-13.

[Note: During the course of assessment proceedings for the AY 2012-13, the Assessing Officer issued notices u/s 143(2) of IT Act, 1961. All the notices were complied with by submitting the requisite documents, details and explanations called for. The books of accounts were also produced before the Assessing Officer through our Statutory Auditors.

This was followed by a Notice of Demand of Nil Tax for the AY 2012-13 under section 156 of Income Tax Act, 1961 from the Income Tax Officer (Exemption) along with Assessment Order u/s 143(3) dated 27.3.2015 by stating the following provisions:

- By insertion of the new proviso in Section 2(15) certain type of activities (advancement of objects of general public utility) considered otherwise charitable were taken out of the definition of charitable activity if they were found to be engaged in trade and commerce.
- As already stated that the activities of the applicant fall under the last limb, i.e. advancement of any other object of general public utility and since these activities involve providing services for a fee are clearly hit by the proviso to section 2(15) of the Income tax Act. Since the activities of the assessee were same during the assessment year 2011-12, proviso to section 2(15) is clearly attracted in view of the assessee's activities.
- The inclusive definition of charitable purposes states among other things, relief of the poor, education, and medical relief etc. as in the nature of charitable purpose. The concept of charitable purpose may be manifested in different forms like relief of poor, education, medical relief etc. but a charitable purpose should always take care of the welfare and interest of the public and especially the poor section of the public. Running a society only for the purpose of co-ordination between the universities does not show any work of charity being undertaken by the society. The basic purpose of the Association is coordinating with member universities which cannot be said to be an activity of charitable nature.

In view of the above facts, contention of the assessee is rejected and assessment is completed by invoking provision to section 2(15) of the IT Act, 1961 and

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disallowing the Tax from the total computed income of (-) Rs.37,21,832/- during the AY 2012-13 on the following income:

Contribution to Gratuity Fund : Rs. 15,00,000/-
Disallowed depreciation : Rs. 11,90,754/-
FY 2011-12

An appeal under Form No. 35 (e-filing Acknowledgement No. 546049) was filed by the Association on 29.4.2015 before the Commissioner of Income Tax (Appeal) against the Notice dated 27.3.2015 by the ITO (E). The case was heard by CIT (Appeal) based on the Grounds of Appeal submitted by AIU through Statutory Auditors. The proceedings before the CIT (A) were completed in February, 2017.

The Appellate Authority (CIT-Appeal) has issued a positive order by stating:

"After due consideration of the facts and circumstances of the case, I, in exercise of powers vested in me allow the appeal of the assessee. The AO was not justified in disallowing the claim of the exemption under section 11 of the Act. The learned CIT (A) appreciated these facts and directed the AO to allow the exemption u/s 11 (1) with all the consequential benefits as the assessee is not involved in any trade, commerce or business to attract the mischief of Proviso of Section 2(15) and the object, aim and purpose of existence of Society is solitary i.e. education and non else.

Since the facts of the case are similar as those for assessment years 2010-11 and 2011-12 respectfully following the decision of my Id, predecessors, it is held that the assessee is apparently not involved in any trade, commerce and business to attract the provision to section 2(15) and that the assessee is very much in the field of education. Accordingly, the Assessing Officer is directed to allow exemption under section 11 with all the consequential benefits.

In the end result, the appeal is ALLOWED'].

Noted and approved with appreciation for the efforts made by the office in procuring the 3rd consecutive positive order from CIT (Appeal).

The Secretary General apprized the members about the notice received from the Income Tax Appellate Tribunal, Delhi for hearing on 30.8.2017. The members resolved that the Secretary General may appoint an eminent Advocate/Expert to represent the case before ITAT.

6. To report that 189 member universities have yet to pay the Annual Membership Fee of the Association for the Financial Year 2017-18.

[Note: DO letters duly signed by the Secretary General were sent to the member universities on 10th March, 2017 for remitting the Annual Subscription for 2017-18. This was followed by a reminder No. AC/VII/2017 dated 12.07.2017 from the Deputy Secretary (Finance) to the Registrars of the Universities].

(Appendix-IV) (Pp30-34)

DS (Finance) informed that as on the date of the meeting, Annual Membership fee is due from 131 Universities. It was resolved that the Deputy Secretary (Finance) shall make efforts to expedite the collection of Membership fee from the pending universities. Further, the Secretary General may also send polite reminders to the Vice Chancellors urging them to expedite the payment of membership fees.

7. To report refund of advance of Rs.3.75 lakhs from Kurukshetra University.

[Note: A sum of Rs.3.75 lakhs (50% of the approved budget) was advanced to Kurukshetra University for organising 89th Annual General Meeting of the Association in April, 2015. Due to unavoidable circumstances AGM could not be held at Kurukshetra University. Request(s) were made to the university to refund the advance amounting to Rs. 3.75 lakh given for organizing the meet. Our efforts have yielded result and the University has now refunded a sum of Rs.3.75 lakh through RTGS on 25.5.2017].

Noted.

8. To report that the enhanced Advertisement Tariff was made effective from 1.4.2017.

[Note: The Finance Committee in its meeting held on 16.8.2016 approved the enhanced tariff for printing advertisements in University News w.e.f.1.1.2017. Although the decision was taken in the Finance Committee Meeting on 16.8.2016, however, the minutes of the Finance Committee duly approved by the Governing Council were circulated in the month of October, 2016. The Publication and Sales Division expressed the difficulties to implement the new rates from the 1.1.2017 in a short span of 3 months and requested that the same may please be allowed from 1.4.2017. The matter was placed before the Secretary General in this regard and the new rates for advertisement in University News were implemented w.e.f.1.4.2017].

Noted and approved.

9. To report delegation of authority for release of funds through RTGS/NEFT mode by the Secretary General, AIU.

[Note: Under the authority of Office Bye Law 23.1 vested with the Secretary General, AIU the power of operating a bank account of the Association up to a ceiling of Rs. 20000/- was delegated to Ms. Ranjana Parihar, Deputy Secretary (Finance). Further, release of payment against the duly approved telephone, electricity and water bills of any amount was also delegated in favour of Deputy Secretary (Finance) under the general supervision, power and control of the Secretary General as per rules. This matter was reported in the Finance Committee Meeting held on 16.8.2016 under Item No. 10.

Due to demonetization move by the GOI, the Association has been encouraging on line payments including RTGS/NEFT for prompt settlement of various bills including TA Bills of Vice Chancellors attending meetings of the Association. The members

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have been requesting settlement of TA claim in favour of 3 agencies, namely, Travel Agent, University and Self as mode of e-payment. The Hon'ble Secretary General has recommended the limit for delegation of power relating to RTGS/NEFT payment as follows:

- a) DS(F) be given power to sign letters for RTGS upto Rs.20,000/- each letter.
- b) RTGS letters between Rs. 20,001 to Rs. 5,00,000/- are to be signed by DS(F) & DD (R) jointly.
- c) RTGS letters above Rs. 5,00,000/- be signed by the Secretary General.

Noted and approved.

10. To Report release of grant of Rs. 250.00 lakhs by the Ministry of Human Resource Development as Government Grant General under Object Head-31 for the FY 2017-18.

[Note: The Ministry of Human Resource Development allocated the Budget Estimate of Rs. 250 lacs for the F Y 2017-18 vide sanction F. No.9-1/2017-U.3 dated 21st April, 2017 for AIU activities which reads as:

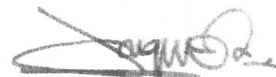
(Rs. in Lakh)	
Object Head	Amount
General (2202.03.102.24.02.31)	250.00
Allocation for "Non Salary" at last year's (2016-17) level i.e.Rs.32.00 lakh [Out of the Total Allocation made under Grants –in-aid General Object Head (OH-31)]	
Non Salary	32.00

Apparently, the MHRD has done away with the segregation of Non Plan and Plan grant from the current financial years. Accordingly, one Budget 'Government Grant – General (MHRD)' is submitted under Item No. 19 in place of separate Plan (Research) Budget and Non Plan Budget.

All the expenditure head(s) except the expenditure head 'Building Maintenance' are transferred to AIU Budget. The expenditure head(s) under Plan (Research) Budget shall continue to be a part of Budget 'Government Grant – General (MHRD)' except the expenditure head(s) 'Books & Periodicals & Furniture/Office Equipment/IT Initiative' as the same form part of the Grant-in-aid for creation of Capital Assets (OH-35) and not under Grant-in-aid General (OH-31).

Noted and approved.

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11. To report that the following deficits were met from the AIU Funds for the implementation of various Schemes of GOI (Ministry of HRD and Ministry of Youth Affairs & Sports):

(Rs. in lacs)

Grant Head	Sanction 2016-17	Expenditure Incurred 2016-17	Income from other sources	Deficit(-)/ Surplus(+)	Remarks
Sports	Nil	46.28	2.39 Fee from Non Members	(-) 43.89	Expenses on TA/DA, Salaries, Affiliation Fee and other Administrative Expenses were incurred during the FY 2016-17. The grant for organizing the IUTs for the last 4 years i.e. FYs 2013-14, 2014-15, 2015-16 and 2016-17 is still awaited from the Ministry of Youth Affairs.
Research (Plan)	190.05	161.00	12.91	(+) 41.96	The Grant of Rs.190.05 lacs was released by the MHRD including the unspent Opening Balance of Rs.57.23 during the Financial Year 2016-17. The unspent balance of Rs.41,96,466/- was available with AIU as on 31.3.17.
Non Plan	32.00	65.05	-	(-)33.05	As per the approval, expenses on Building Maintenance, Postage, Property & Other Taxes, Stationery and Staff Car were incurred during the FY 2016-17 against the Non Plan grant from MHRD. The deficit in expenditure amounting to Rs.33.05 lacs was borne by AIU from its own sources.

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[Handwritten Signature]

Grant Head	Sanction 2016-17	Expenditure Incurred 2016-17	Income from other sources	Deficit(-)/ Surplus(+)	Remarks
Youth Affairs	NIL	68.11	2.02 Regn. Fee and Fee from Non Members	(-)/66.09	Deficit is due to expenses incurred during the FY 2016-17 on account of Zonal and National Festivals, Salaries, Committee Meeting (TA/DA), Printing and other Administrative Expenses. Besides deficit of Rs.66.09 Lacs shown in the table, a sum of Rs.30.00 lacs has also been incurred during the FY 2017-18 for implementing Youth Affairs Scheme of 2016-17.

The committee discussed at length the deficit met from AIU funds for implementing various Schemes of GOI (Ministry of HRD and Ministry of Youth Affairs & Sports) and accorded approval for the final amount of the deficit shown above. However, the members desired to discuss on this issue again once the approval is accorded for Revised Estimates for the year 2017-18 under Item No. 19.

The Committee also resolved that the concerned Divisional Head(s) need to maintain close liaison and follow up with the concerned Ministries to expedite the sanction and release of grants.

12. To report that a request letter was sent to the Secretary to Govt. of India, Ministry of Human Resource Development, Department of Higher Education for revival of the exemption relating to "Auxiliary Educational Services".

Note: The Charitable Educational Institutions like AIU were given the following exemption vide Notification No. 25/2012-Service Tax dated 20.6.2012 earlier in the interest of students seeking supplementary educational services, such as Equivalence Certificates from AIU for admission to Indian Universities:

"Services provided to or by an educational institution in respect of education exempted from service tax by way of auxiliary educational services."





“...auxiliary educational services” means any services relating to imparting any skill, knowledge or development of course content or any other knowledge – enhancement activity, whether for the students or the faculty, or any other services which educational institutions ordinarily carry out themselves but may obtain as outsourced services from any other person, including services relating to admission to such institution, conduct of examination, catering for the students under any mid-day meals scheme sponsored by Government, or transportation of students, faculty or staff of such institution”.

Recently, the Association received an e-mail notice for the meeting from the Department of Commerce, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi to discuss issues pertaining to GST. Deputy Secretary (Finance) of the Association attended the meeting on 29th June, 2017 and requested the Ministry officials for revival of Para 9 of Notification No. 25/2012 in the interest of students and educational institutions.

A Notification F No. 334/2016-TRU dated 29.2.2016 has also come to our notice wherein the Ministry of Finance has exempted the services provided by IIMs from the service tax ambit based on the recommendations of MHRD.

Needless to mention that the services by way of sponsorship of sporting events organized by the Association of Indian Universities fall under the exempt list of services in GST as decided by GST Council.

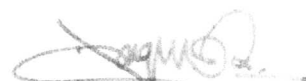
The members appreciated the efforts made by the office for revival of Para 9 of Notification No. 25/2012 pertaining to auxiliary educational services.

13. To report that the NITI Aayog has sent a feedback Performa prepared by Department of Expenditure, Ministry of Finance to review Autonomous Bodies (Statutory, Non-Statutory, Societies, Trust, Tribunals, Boards etc. of Govt. of India) in respect of . Association of Indian Universities

[Note: An e-mail dated 31.7.2017 was received from the Ministry of HRD for submitting the feedback performa in respect of Association of Indian Universities. Accordingly a reply was sent to the Ministry by stating that the Association of Indian Universities is not a Regulatory or Autonomous Body. Essentially, the Association is registered under Society Registration Act 1860 being an Act for the registration of Literary, Scientific and Charitable societies].

Noted.

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ITEMS FOR CONSIDERATION

14. To consider the Receipt and Payment Account, Income and Expenditure Account, Balance Sheet, Audit Report and Points for Attention for the Management in respect of AIU including AIU Employees Group Gratuity Scheme for the year 2016-17 received from M/s. Sanjay Satpal & Associates, Chartered Accountants, New Delhi, AIU Auditors.

(Appendix-V) (Pp 35-66)

The Finance Committee considered the Receipt & Payment Account, Balance Sheet along with Audit Report of AIU & AIU Employees Group Gratuity Scheme received from the Statutory Auditors M/s Sanjay Satpal & Associates, CA and after due deliberations the same were recommended for kind approval of the Governing Council.

15. To consider the Revenue Account, Balance Sheet along-with audit report for the year 2016-17 in respect of AIU Provident Fund Trust received from M/s. P S Bajaj Associates, Chartered Accountants, New Delhi.

(Appendix-V) (Pp 67-73)

The Finance Committee considered the Revenue Account, Balance Sheet along with Audit Report of AIU Provident Fund Trust of the Statutory Auditors M/s P S Bajaj & Co. CA and after due deliberations the same were recommended for kind approval of the Governing Council.

16. To consider the Audit report for the period 1.4.2012 to 31.3.2016 received from the Office of the Director General of Audit, Central Expenditure (DGACE), New Delhi.

[Note: The audit of accounts of the Association for the Financial Years 2012-13 to 2015-16 was conducted by the Govt. Auditors during the period 25.4.2017 to 12.5.2017. The Inspection Report was received on 23.6.2017.

Audit paras for the Audit Report 1.4.2012 to 31.3.2016 were sent to the concerned Divisions for submitting necessary replies thereon the draft office replies to the audit paras shall be submitted on the table. Based on the replies received from concerned Divisions, the report is placed for the approval of the Finance Committee].

(Appendix-VI) (Pp74-109)

The Finance Committee was informed about the response of the office on audit paras for the Audit Report from the office of DGACE for the period 2012-2016. The Committee Members desired that the reply be sent to the Government Auditors within the stipulated time.

17. To consider the appointment of AIU Auditors for the Financial Year 2017-18 in respect of AIU, AIU PF Trust and AIU Employees Group Gratuity Scheme.

[Note: The Accounts of AIU, AIU Employees Group Gratuity Scheme and AIU Provident Fund Trust for the Financial Year 2016-17 were audited by M/s Sanjay Satpal & Associates, Chartered Accountants, New Delhi and M/s P S Bajaj & Associates, on a remuneration of Rs.30000/- & Rs.11250/- respectively. The services of the Statutory Auditors (M/s.Sanjay Satpal & Associates) have been satisfactory.

A Gazette notification dated 30.1.0.2003 received from EPFO stating that "The same auditors should not be appointed for two consecutive years and not more than two years in a block of six years in respect of accounts of Employees Provident Fund Trust" is placed below for kind consideration of the members.

The Auditors for AIU, A.I.U. Provident Fund Trust and AIU Employees Group Gratuity Scheme may accordingly be finalized].

(Appendix-VII) (Pp 110)

The Finance Committee members authorized the President and Secretary General, AIU to approve the Statutory Auditors for AIU, AIU Employees Group Gratuity Scheme and AIU Provident Fund Trust for the FY 2017-18 on an appropriate remuneration for Audit and other related works.

18. To consider to write off pending dues of Rs.5000/- recoverable from the BCCI for organizing Vizzy Trophy Cricket (M) Tournament during the year 2004-05.

[Note: As per existing practice, the AIU organized Vizzy Trophy Cricket (Men) Tournament during the year 2004-05. For this purpose, a sum of Rs.6.00 lakh only was received from the BCCI. An expenditure of Rs.6.05 lakhs was incurred by the host University for the successful conduct of the mega event. Accordingly an U.C. duly authenticated by the competent authority was submitted to the BCCI.

In spite of repeated reminders by Sports Division officials, the BCCI has not responded to the request, in this regard. Since this is a very old case, it is, therefore, proposed that the balance amount of Rs.5000/- may be written off to clear the dues from the pending accounts].

The Finance Committee considered the proposal and recommended to the Governing Council to write off a sum of Rs. 5000/- from the Books of Account of the Association as per AIU Bye Law 25.

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19. To consider the Revised Estimates for the year 2017-18 and the Budget Estimates for the year 2018-19 in respect of the following Budgets along-with relevant schedules:

- AIU Main Budget
- Govt. Grant General (MHRD) Budget
- Youth Affairs Budget (only actuals 2016-17 & BE 2017-18)
- Sports Budget (only actuals 2016-17 & BE 2017-18)

[Note: A schedule showing the designation, pay bands, total expenditure on salaries under above mentioned Budgets is enclosed. The provision of DA, Bonus, Children Education Allowance, vacant positions, 7th Pay Commission arrears is made in the Budgets.

Non Plan Budget is not submitted as the MHRD has done away with the segregation of Non Plan and Plan Grant from the current financial year].

(Appendix-VIII) (Pp 111-118)

Consideration on the item was deferred due to paucity of time and is to be taken up in the next meeting of the Finance Committee.

20. To consider a proposal for acceptance of Annual Subscription upto 3 years collectively from the Member universities on flexi rebate basis.

[Note: The members of the Finance Committee in its meeting held on 16.8.2016 suggested for acceptance of Annual Subscription of 3 years collectively from member universities on flexi rebate criteria i.e. receiving subscription of 2 to 3 years together.

A rebate of Rs.1000/- is admissible to those member universities which remit the annual membership fee on or before 30th April of the current financial year. This rebate on annual subscription is in vogue for the last 20 years or so.

It is, therefore, submitted for kind consideration that AIU may accept the Annual Subscription of Financial Year 2017-18 alongwith the subscription of 1 or 2 more subsequent years (2018-19 & 2019-20) coupled with following rebate criteria:

Subscription for FY 2017-18	Rebate of Rs.1000/- in case subscription is remitted on or before 30 th April, 2017.
Subscription for current plus one more year	Rebate of Rs.3000/- in case subscription is remitted on or before 30 th April, 2017.
Subscription for current year plus two more year	Rebate of Rs.5000/- in case subscription is remitted on or before 30 th April, 2017

The above rates for implementation of flexi rebate on subscription received for the FY 2017-18 was placed before the Secretary General for obtaining approval from the

Governing Council. The Hon'ble Secretary General suggested that the proposal may be placed in the forthcoming Finance Committee/GC].

Consideration on the item was deferred due to paucity of time and it is to be taken up in the next meeting of the Finance Committee.

21. To consider promoting payments through Cards and Digital Means.

[Note: The Ministry of Human Resource Development vide Notification No. No.13/10/2016-admn dated 12.8.2016 communicated the decision of the Ministry of Finance, Department of Investment and Public Asset Management (DIPAM) mentioning the short-term steps for promotion of payments through cards/digital means to be undertaken by all the regulatory bodies like UGC, AICTE and Institution viz. Universities, Autonomous Institutions. All the regulatory bodies were given instructions to set up infrastructure to facilitate payment of any kind of fees for any service being provided to the students through any of the digital means, i.e. internet banking, credit/debit cards, Aadhar based POS or UPI systems at no extra cost to students.

Prior to the direction of the Ministry, the Association has been promoting digital means for receipt of income and payment of expenditure e.g. debit/credit cards using POS Machine are accepted from 2013 onwards, RTGS/NEFT are done for the last 5 years or so and the efforts to install Payment Gateway System from our Banker are made from 2015.

Further, we would like to bring to the notice of the members that the Finance Committee in its meeting held on 28.9.2015 approved the proposal received from the AIU Banker (Canara Bank) for implementation of Payment Gateway Facility linked with AIU Website through Net Banking using AIU's SB A/c No.0158101000975.

Although the Canara Bank officials brought the Gateway Aggregator for inspection of AIU's Information Technology System but the Payment Gateway System is not installed till date in spite of our reminders/emails dated 5.11.2015, 11.12.2015, 29.1.2016, 5.4.2016, 14.7.2016, 15.9.2016, 3.10.2016, 25.10.2016, 4.11.2016, 30.11.2016, 4.4.2017 and personal discussions with the Chief Manager, Canara Bank from time to time.

The Association has been receiving almost 40 to 45% receipts for Equivalence Certificate, 20% receipts of Annual Subscription and 10% Publication receipts through RTGS/NEFT. Although we have made request(s) to the applicants sending payment through RTGS/NEFT to send us the UTR details through e-mail/letter but we hardly receive response from the applicants/universities in this regard. Therefore, linking of receipts directly transferred to our Bank Account without UTR details is posing lot of trouble in linking the receipts.

Since the Canara Bank is not responding to our requests in this regard, we may install the Payment Gateway System of some other Bank for online money transfer

using AIU website].

Consideration on the item was deferred due to paucity of time and it is to be taken up in the next meeting of the Finance Committee.

22. To consider Internal Control Mechanism for AIU as directed by the Ministry of Human Resource Development vide Notification dated 22.3.2017 for Autonomous Institutions/Bodies.

[Note: Ministry of HRD vide Notification No.5-09/2016-U.3 dated 22.3.2017 has requested a conformity report from the Autonomous Bodies for strengthening the Internal Control Mechanism as circular issued by the Principal Chief Controller of Accounts, MHRD, Shastri Bhawan, New Delhi. The compliance is sought from the autonomous institution(s) which are sanctioned grant-in-aid by the MHRD for various activities. It has also been stated that every Autonomous Institution must have an Audit Committee by Head of the Institution which can meet quarterly and review the status.

Further, it has been communicated that the provision for effective Internal Control and Internal Audit mechanism for such bodies are laid down in the General Financial Rules 208 to 212, however, following information is necessary in respect of Internal Audit Mechanism:

- a) The internal audit mechanism, manual, manpower etc. be available with the institutions.
- b) Whether the subsidiary accounts of the government grants, if received, are maintained. If so, copy of the last five years be sent to this office.
- c) Details of capital assets (Project-wise along with cost) created with government grants along with project cost of last five years.
- d) Whether any peer review has been conducted.
- e) Mechanism available for cashless transaction (receipt and payment) and percentage of cashless transaction in the wake of recent demonetization. How the technology enabled solution for cashless transaction with the banking interphase in the area of receipts and payment are functioning.

The reply of the above letter is yet to be sent to the MHRD].

Consideration on the item was deferred due to paucity of time and it is to be taken up in the next meeting of the Finance Committee.

23. To consider TA Rules as amended by the GOI as per the recommendations of the Seventh Central Pay Commission vide Office Memorandum No.19030/1/2017-E.IV dated 13th July, 2017 issued by the Ministry of Finance, Department of Expenditure.

[Note: At present the Association has been implementing the TA/DA rules of the GOI as recommended by the 6th CPC and approved in the Finance Committee Meeting of

the Association held on 30.9.2009 (copy enclosed). The GOI order may please be adopted for implementation in AIU].

(Appendix- IX) (Pp 119-133)

Consideration on the item was deferred due to paucity of time and it is to be taken up in the next meeting of the Finance Committee.

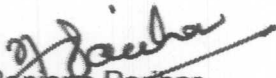
24. To consider the utilization of surplus fund available for the F.Y.2016-17 (Assessment Year 2017-18) for charitable objects within the period of five years by specifying the purposes.

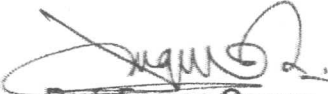
[Note: The Accounts of the Association for the F.Y.2016-17 have been audited by our Statutory Auditors M/s Sanjay Satpal & Associates. The approval was sought under item No.12 above. The Income Tax Return of the AIU is to be finalized by our auditors by 31.10.17. As per Audited Accounts, there is a surplus of Rs. 96,45,985/- with AIU for the F.Y.2016-17. The following resolution needs to be submitted to the Assessing Officer alongwith Form No.10 after procuring the approval from the FC/Governing Council:


Resolved that an amount not exceeding Rs.96,45,985/- (Rupees Ninety Six Lakhs Forty Five Thousand Nine Hundred Eighty Five only) which is available out of the surplus for the Financial Year 2016-17 (Assessment Year 2017-18) be utilized for charitable objects within the period of next five years and the said amount be kept in the manner laid down in Section 11 (2) (b) of the Income Tax Act, 1961."


The Finance Committee accorded its approval for the above resolution.

The meeting ended with vote of thanks to the Chair.


Ranjana Panthar
Deputy Secretary (F)


Prof. Furqan Qamar
Secretary General


(Prof. (Dr.) P.B Sharma)
President, AIU

Confirmed

28/10/17.
(President, AIU)