

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

Minutes of the Finance Committee Meeting held on 28.10.2017 at 10.00 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 16.08.2017.

[Note: The Minutes of the Finance Committee were circulated amongst members vide letter No.AC/FC/2017/122-126 dated 20.09.2017. The office did not receive any comments and suggestions.

Consideration on the Item(s) at Sl. Nos 19 to 23 of Agenda of the Finance Committee held on 16.8.2017 was deferred due to paucity of time].

Appendix-I) (Pp 1-15)

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 16-21)

Approved.

ITEMS TO REPORT

3. To report that the Dearness Allowance @ 3% shall be paid to the AIU Staff Members as per Bye Law 2.1 effective from 1.7.2017.

[Note: The competent authority has sanctioned D.A. to AIU Employees @ 3% (from 136% to 139%) with effect from 1.7.2017 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 26.9.2017. Revised DA alongwith arrears for the period July, 2017 to Sept., 2017 shall be paid to the staff members in the salary for the month of October, 2017. The financial liability of this installment of DA on different budgets of AIU during the FY 2017-18 would be Rs.2.88 lacs per annum. A provision for incurring this liability has already been made in the Budgets (Revised Estimates 2017-18).

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

ITEMS FOR CONSIDERATION

4. 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

Consideration on this item was deferred in the Finance Committee Meeting held on 16.8.2017 and is placed for reconsideration].

Approved.

(Appendix-III) (Pp 22-29)

5. To consider a proposal for acceptance of Annual Subscription up to 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 concerned 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 **2018-19** along with the subscription of 1 or 2 more subsequent years (**2019-20 & 2020-21**) coupled with following rebate criteria:

Subscription for FY 2018-19	Rebate of Rs.1000/- in case subscription is remitted on or before 30 th April, 2018.
Subscription for current plus one more year.	Rebate of Rs.3000/- in case subscription is remitted on or before 30 th April, 2018.
Subscription for current year plus two more years.	Rebate of Rs.5000/- in case subscription is remitted on or before 30 th April, 2018

The above proposal for flexi rebate criteria 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/Governing Council.

Consideration on this item was deferred in the Finance Committee Meeting held on 16.8.2017 and is placed for reconsideration].

The members deliberated on the proposals submitted with regard to rebate on Annual Subscription. However, the committee members resolved that the present system of Annual Subscription with rebate of Rs.1000/- shall continue in case the subscription is received on or before 30th April.

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

[Note: The Ministry of Human Resource Development vide Notification No. No.13/10/2016-admin 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

20

A

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 in progress.

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 this item was deferred in the Finance Committee Meeting held on 16.8.2017 and is placed for reconsideration].

The Committee resolved that the Senior Officials of Canara Bank be approached for the Gateway facility linked with AIU Website. In case the Canara Bank shows their inability to install Gateway System in AIU, the Gateway Facility from any other nationalized bank be installed for online money transfers using AIU Website.

7. 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 this item was deferred in the Finance Committee Meeting held on 16.8.2017 and is placed for reconsideration].

The members resolved that the Internal Audit/Control Mechanism for the AIU may be strengthened by employing a retired Government employee (Central/State/Autonomous Bodies etc.) having expertise in audit work on contractual basis.

8. 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



Consideration on this item was deferred in the Finance Committee Meeting held on 16.8.2017 and is placed for reconsideration].

Members deliberated that the revised TA Rules as per 7th CPC are yet to be implemented in the Universities. Therefore, the revised TA rules in AIU shall be implemented only after the notification in this regard is issued by the MHRD and UGC.

(Appendix- IV) (Pp 30-44)

9. To consider 'Tax Deduction at Source' on Sitting Allowance being paid to Governing Council and Sub Committee Members.

[Note: While concluding the Finance Committee Meeting on 16.8.2017, Members deliberated with regard to deduction of tax at source on the Sitting Allowance being paid to them for attending the meetings of the Association. Few members directed that TDS @ 10% on Sitting Allowance be deducted while making payment of Sitting Allowance.

Members were apprized about the following provision of the Income Tax Act with regard to deduction of tax at source:

"....any person who is responsible for paying fee for professional services is liable to deduct TDS @10% on fee paid in excess of Rs. 30000/- during a financial year" (Section 194J of Income Tax Act, 1961)

Since the payment of Sitting Allowance to a member normally falls below Rs. 30000/- in a year, hence tax is not deducted at source].

The members resolved that a Fact Sheet may be procured from the members attending AIU's meeting(s) and Professional Tax on Sitting Allowance may be deducted as per the declaration specified by the member for tax deduction at source.



S.1 To report the recommendations of the Committee constituted by the Finance Committee in its meeting held on 16.8.2016 to consider 7th CPC recommendations for AIU Employees.

[Note: The 7th CPC was set up by the GOI in February, 2014. The Commission finally submitted its report to the GOI on the matters covered in its Terms of Reference on 19th November, 2015. The cabinet accorded its approval on the 7th CPC recommendations on 29th June, 2016. The Government accepted the 7th CPC recommendations on Minimum Pay, Fitment Factor, Pay Matrices and general recommendations on pay without any material alteration by issuing a Gazette Notification dated 25.7.2016.

A proposal with regard to adoption of Ministry of Finance, Department of Expenditure, GOI Notification No. 1-2/2016-IC dated 25.7.2016 accepting the 7th CPC recommendations on pay relating to employees in Group 'A', 'B' & 'C' was submitted before the Finance Committee in its meeting held on 16.8.2016. A resolution of the Finance Committee reads as:

The Finance Committee recommended to the Governing Council in principle approval to adopt and implement the recommendations of the 7th CPC as notified by the Govt. of India, vide their Notification No.1-2/2016-IC dated 25.07.2016. In order to work out further details with regard to adoption and implementation of 7th CPC in the AIU, the Finance Committee resolved to constitute a Committee comprising the following:

Secretary General, AIU
Vice Chancellor, Lingya's University (Dr. R K Chauhan)
Joint Secretary (Admn)
Deputy Secretary (Finance)
Staff Representative (Deputy Director (R)

The recommendations of the Finance Committee were approved by the Governing Council by passing following resolution on 9.9.2016:

"...the Governing Council noted that a meeting of the Committee constituted for implementation of the recommendations of the 7th Pay Commission was held on 7.9.2016 and felt that the same be considered for implementation only after the notification for implementation in the autonomous bodies, particularly the Central Universities are made by the Government of India".

The Committee constituted by the Finance Committee met from time to time and deliberated on Notifications issued by the Government of India with regard to 7th CPC. Final Report with Annexure(s) I & II was submitted by the Committee on



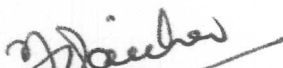


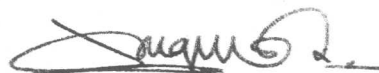
26th October, 2017. As per the recommendations of the Committee, revised pay as per 7th CPC along with arrears for the period 1.1.2016 to 31.10.2017 shall be implemented from November, 2017 salary for AIU employees].


(Annexure - I & II)

The Committee accepted the report of the Sub Committee dated 26.10.2017 with regard to 7th CPC recommendations for AIU employees. However, the members resolved that these recommendations may be implemented in AIU as and when a Notification is issued for implementing 7th CPC in Central Universities.

The meeting ended with vote of Thanks to the Chair


Ranjana Parihar
Deputy Secretary (F)


Prof. Furqan Qamar
Secretary General


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