

**Central University of Punjab  
Bathinda**

**CONFIDENTIAL**

**MINUTES**

of  
Second Meeting  
of the  
**Finance Committee**

held on  
**March 12, 2011**

## Table of Contents

S.No.	Item	Page No.
1	Minutes	1-2
2	Annexure – I Progress Report	3-6
3	Annexure – II Action Taken Report	7
4	Annexure – III Expenditure during 2008-2011	8
5	Annexure – IV CAG SAR Paragraph	9
6	Annexure – V Financial Requirements for 2011-2012	10
7	Annexure-VI Special Audit Report	11-15

# Central University of Punjab, Bathinda

Minutes of the Second Meeting of the Finance Committee held on 12th March 2011 at 11:45 a.m.  
at National Institute of Pharmaceutical Education and Research, SAS Nagar (Mohali)

## Members present:

Prof. Jai Rup Singh	: Vice Chancellor ( <i>Ex-Officio Chairman</i> )
Prof. H.P. Dikshit	: Member
Dr. S.K. Salwan	: Member
Sh. N.S. Rattan	: Member
Dr. Shakil Ahmed	: Member
Sh. Satpal Sharma	: Representative of Director, Department of Higher Education, MHRD

### Item No. FC:2:2011:1

**Welcome address by the Vice Chancellor (*Chairman*).**

The Vice Chancellor (*Chairman*) welcomed the hon'ble members to the second meeting of the Finance Committee. He thanked all the members for sparing their valuable time from their busy schedules to participate in the meeting. He briefed the Members about the progress of the University (*Annexure I*) since the last meeting of the Finance Committee held on 13<sup>th</sup> August 2010.

### Item No. FC:2:2011:2

**To confirm the minutes of the First Meeting of the Finance Committee held on 13.08.2010**

The Committee confirmed the minutes of the First Meeting of the Finance Committee held on 13.08.2010.

### Item No. FC:2:2011:3

**To inform Actions Taken on the decisions of the Finance Committee in its First Meeting held on 13.08.2010.**

The Committee approved the Actions Taken (*Annexure II*) on the decisions of the First Meeting of the Finance Committee held on 13.08.2010. It appreciated that Prof. Dikshit has kindly agreed to chair the Committee for the Financial Code of the university.

### Item No. FC:2:2011:4

**To consider the expenditure incurred by the university during the financial year 2010-2011**

The Committee unanimously approved the expenditure incurred by the university during the financial year 2010-11 till date (*Annexure-III*).

**Item No. FC:2:2011:5**

**To consider opening of depreciation account to comply the audit objection raised by CAG SAR**

The Committee unanimously approved the opening of an account to meet the depreciation of capital goods at the rates specified by Income Tax Act, 1961 so as to comply the audit objection raised by CAG SAR (*Annexure-IV*).

**Item No. FC:2:2011:6**

**To consider the budget proposal for the financial year 2011-12**

The Committee unanimously approved the budget for Rs. 206.50 crores (*Annexure V*) for next year for the following:

Capital Assets (Non-Recurring)	Rs. 150.00 Crores
Grant-in-Aid (Recurring)	Rs. 56.50 Crores
<b>TOTAL</b>	<b>Rs. 206.50 Crores</b>

**Item No. FC:2:2011:7**

**Fixing date of the next meeting of the Finance Committee**

The Committee authorized the Vice Chancellor to fix the date of next meeting.

**Item No. FC:2:2011:8**

**Current Agenda, if any**

**8.1 To consider Special Audit Report of the Comptroller and Auditor General of India on the accounts of Central University of Punjab for the years ended 31<sup>st</sup> March 2010 (*Annexure VI*).**

The Committee expressed satisfaction on the SAR-CAG report.

**8.2 The Committee appreciated the decisions of the Academic Council and Executive Council to give relocation allowances and other perks to the permanent faculty and agreed that more increments and other special incentives be given to attract quality faculty and staff.**

The members of the Finance Committee commended the Vice Chancellor for the remarkable progress being made by the university in spite of severe handicaps, and the meeting ended with a vote of thanks to the Chair.

Minutes Approved

Sd/-

**Prof. Dr. Jai Rup Singh**  
Vice Chancellor and  
Chairman, Finance Committee

3/21/2011

**WELCOME****Members of Finance Committee****2<sup>nd</sup> Meeting: March 12, 2011****City Campus of CUP**

- Full premises (37 acres) of BACOSPIN taken on lease for 5 years.
- 5000 sq ft air-conditioned Library
  - 49 print journals
  - 238 e-journals
  - e-access to 5000 journals
- 5000 sq ft air-conditioned Computer Centre
  - 180 workstation capacity
  - 1 Gbps lease line internet connectivity

**City Campus of CUP (contd.)**

- Separate hostels for boys and girls established
- Well equipped science laboratories developed
- Health Centre set up for students and staff
- Bank with ATM at campus
- Bus service for faculty, staff and students
- Semi-furnished transit accommodation for faculty

**Green Energy & Electricity Supply**

- Hot line for electricity supply
- Solar street lights
- 315 kW and 90 kW D.G. sets
- Wind-cum-Solar Hybrid System for 10 kW
- 60 kW SPV Solar Roof Top System

**Main Campus of CUP**

- RITES Ltd. appointed as PMC for boundary wall construction
  - Estimated cost Rs. 9.5 crores
  - First installment paid
- 8 architectural firms shortlisted for designing and development of main campus

**ACADEMICS**

- Adoption of Degree College by the university**
- Punjab Government offered university to adopt a degree college, being built on 18 acres near main site under MHRD/UGC scheme
  - State Government would build the College, provide recurring grant for it but it would be a constituent college of university

### Adoption of Sports School by University

- CM Punjab has suggested that University may adopt Sports School being built by State Govt. on 10 acres near the university's main site.
- The State proposes to build it and provide some recurring grant.

### Courses Already Running

Integrated Ph.D. Programmes	Intake	
	Present	Proposed
• Environmental Science and Technology	8	10
• Comparative Literature	8	10
• Bioscience	8	10
• South and Central Asian Studies	8	10

### New Courses Being Started in 2011-12

Integrated Ph.D. Programmes	Intake
• Social Studies (Developmental Economics)	10
• Chemical Sciences	05
• Computational Sciences	10
• Genetic Diseases and Molecular Medicine	10
• Human Genetics*	10
• Physical and Mathematical Sciences*	10
• Waste Management*	10
• Museology, Archeology and Conservation*	10
• M.Pharm-Ph.D. Int. Prog./ Pharmaceutical Sciences	05
• M.Yech.-Ph.D. Int. Prog./ Computer Sciences and Technology	10
• L.L.M. Ph.D. Int. Prog./ Environmental Law	10
* Approval pending	Total: 40+100 = 140

### New Courses Being Started in 2011-12 (Contd.)

#### Masters Courses (with intake capacity)

1 M. Arch./Green Architecture and Landscape Design	10
*2 M.Sc in Biosciences	20
*3 M.A. in Developmental Economics	20
*4 M.A. in South and Central Asian Studies	20
*5 M.A. in Comparative Literature	20
*6 M.Arch. Ancient and Modern Arch./Design and Planning	10
*7 MBA/Information Technology and Management	10
<b>Grand Total</b>	<b>140 + 110 = 250</b>

\* Approval Pending

### Registrar & Finance Officer

- Interviews held twice: No Panel
- Both positions now advertised fourth time

### TEACHING POSITIONS

	Professor	Assoc. Prof	Asstt. Prof.	Total
Approved by UGC	11	22	33	66
Faculty appointed	3*	-	12*	13

- ❖ Two Professors are appointed on regular basis. All other teaching positions have been filled on contractual basis.
- ❖ Regular appointments awaiting Visitor' nominee.

### Teaching Positions (Contd.)

2009-2011

POSITION	APPLICATIONS RECEIVED
Professor	57
Associate Professor	109
Assistant Professor	862

Interview Process : Appointment of the Visitor's nominee pending  
ROLLING SYSTEM for the recruitment of faculty adopted

### Non-Teaching Positions Filled

	Grade A	Grade B	Grade C	Grade D	Total
Regular	1	1	1	-	3
Contractual	3	1	11	3	18

### Agenda Items

- Item No. FC:2:2011:2
  - Confirmation of Minutes of 1<sup>st</sup> FC
  - Minutes were circulated and no comments received*
- Item No. FC:2:2011:3
  - Actions taken on FC decisions
  - Annexure : 1*
- Item No. FC:2:2011:4
  - Expenditure by University during 2010-2011
  - Annexure: 2*

### Item FC:2:2011:4:Expenditure During 2010-11

Budget Head	Expenditure
Buildings	
Campus development	2,95,00,000.-
Transit campus + Infrastructure development	93,05,217.-
Books & Journals	86,25,101.-
Equipment	3,71,03,477.-
Salaries	1,28,46,762.-
Library	51,30,624.-
Laboratories	2,03,51,162.-
Recurring Grant	2,75,65,009.-
Others (Furniture, Vehicles, etc.)	1,25,85,127.-
Merged Schemes	

Total Expenditure Rs. 16,30,15,429.-

### Expenditure during 2008-2011

Grant Released by UGC	Rs. (Lakhs)
2008-09	150.00
2009-10	1500.00
2010-11	1500.00
Total	3150.00
Interest Earned	75.62
Total Funds Available	3225.62
Funds Utilized	2602.99
%age of Utilization	80.70
Unspent Balance	622.63
Committed/Expected Expenditure: Wall, Equipment, 66Kw Grid, Furniture, Software, etc.	1652.74

### Agenda Items

- Item No. FC:2:2011:5
  - To consider opening of depreciation account to comply the audit objection raised by CAG SAR:
  - Annexure 3*

*To comply the audit objection raised by CAG SAR, university proposes to create depreciation fund by opening an account to meet the depreciation of capital goods at the rates specified by Income Tax Act, 1961*

**Item No. FC:2:2011:6: Budget Proposal for 2011-2012***Annexure 4*

Campus Development (Road & other utilities)	20.0
Temporary Accommodation	
(i) Repair/renovation	4.0
(ii) Annual Rent	1.0
(iii) Conversion of Transit Campus into permanent City Campus	35.0
Construction of Buildings	90.0
Grant-in-Aid (Recurring)	56.5
<b>TOTAL</b>	<b>Rs. 206.5 Crores</b>

**Agenda Items**

- Item No. FC:2:2011:7  
– Fixing date for the next meeting
  
- Item No. FC:2:2011:8  
– Current Agenda, if any





Item No. FC:2:2011:3

**ACTIONS TAKEN ON FINANCE COMMITTEE DECISIONS**

<u>Item No.</u>	<u>Decision in Brief</u>	<u>Action Taken</u>
Item No. FC:1:2010:1	Welcome address of Chairperson	Noted
Item No. FC:1:2010:2	Physical/Financial Progress Report	Noted
Item No. FC:1:2010:3	Expenditure incurred during financial years 2008-2009, 2009-2010 and from 1.04.2010-31.07.2010	Noted
Item No. FC:1:2010:4	Statement of accounts for the years 2008-09 and 2009-10	Noted
Item No. FC:1:2010:5	Budget proposal for financial year 2010-2011	Noted
Item No. FC:1:2010:6	Fixation of Sitting Fee/Honorarium for members of various authorities/bodies and committees of the University	Noted
Item No. FC:1:2010:7	Fixation of next meeting	Noted
Item No. FC:1:2010:8	8.1 Adoption of Financial Code of another Central University  8.2 Constitution of committee for drafting Financial Code of the University	In process

# Expenditure during 2008-2011

Grant Released by UGC	Rs. In Lakhs
2008-09	150.00
2009-10	1500.00
2010-11	1500.00
<b>Total</b>	<b>3150.00</b>
Interest Earned	75.62
<b>Total Funds Available</b>	<b>3225.62</b>
<b>Funds Utilized</b>	<b>2602.99</b>
% age of Utilization	80.70
Unspent Balance	622.63
Committed/ Expected Expenditure: Wall, Equipment, 66 Kw Grid, Furniture, Software, etc.	1652.74

Letter No. CAW/DBC/DSAR/CPUB/2009-10/2010-11/392 dated 20-1-2011

**Para A.2.1. Fixed Assets – Rs. 3.20 Crore**

As per Notes and Instructions for compilation of financial statements of Non Profit Organization and other similar institution of Uniform Format of Accounts that “Depreciation shall be provided so as to charge the depreciable amount of a depreciable assets over its useful life”. The management in point 1.4 of its Significant Accounting Policies (Schedule -10) disclosed that deprecation has been provided on written down value method at the rates specified in the Income Tax Act, 1961. However, in contravention to the disclosure no depreciation on these assets has been provided in the accounts for the year 2009-10. This has resulted in understatement of other administrative expenses and overstatement of fixed assets and excess of incomes over expenditure by Rs. 33.01 lakh.

## Details of actual financial requirements for the year 2011-2012 for physical and academic Infrastructure

	<b>Capital Assets (Non-Recurring):-</b>	<b>Rs. 150.00 Crores</b>
<b>I.</b>	<b>Campus Development:-</b>	
	(i) Road and other utilities	Rs. 20.00 Crores
<b>II.</b>	<b>Temporary Accommodation</b>	
	(i) Repair/renovation	Rs. 4.00 Crores
	(ii) Annual Rent	Rs. 1.00 Crores
	(iii) Conversion of Transit Campus into permanent City Campus (As Recommended by the Executive Council)	Rs. 35.00 Crores
<b>III.</b>	<b>Construction of Buildings:-</b>	
	(i) Administrative Buildings	Rs. 7.50 Crores
	(ii) Academic Buildings	Rs. 10.00 Crores
	(iii) Central Library	Rs. 15.00 Crores
	(iv) Guest House	Rs. 3.00 Crores
	(v) Teaching Staff Quarters	} Rs. 10.00 Crores
	(vi) Non-Teaching Staff Quarters	
	(vii) VC Lodge	Rs. 0.50 Crores
	(viii) Health Centre	Rs. 2.00 Crores
	(ix) Sports Complex indoor	Rs. 5.00 Crores
	(x) Hostels (One block each for boys and girls)	Rs. 12.00 Crores
	(xi) Auditorium	Rs. 15.00 Crores
	(xii) Computer Centre	Rs. 10.00 Crores
	<b>Grant-in-Aid (Recurring):-</b>	<b>Rs. 56.50 Crores</b>
<b>IV.</b>	<b>Recurring Expenditure on salary, Books &amp; Journals, Equipments / Consumables, TA / DA for various meetings etc. , Other expenses</b>	
	(i) Salary	Rs. 4.00 Crores
	(ii) Office expenses	Rs. 2.00 Crores
	(iii) Books & Journals	Rs. 3.00 Crores
	(iv) Equipments	Rs. 15.00 Crores
	(v) Consumables	Rs. 15.00 Crores
	(vi) TA/DA for various meetings/conferences, etc.	Rs. 1.00 Crores
	(vii) Community Centre, Crèche etc	Rs. 0.50 Crores
	(viii) Security, Housekeeping & General, and other out-sourced Services	Rs. 1.00 Crores
	(ix) Other Expenses	Rs. 5.00 Crores
	(External utilities- Gas Plant, De-ionization, Soft Water Plant, etc.)	
	(x) Furniture, Teaching Aids, ICT	Rs. 10.00 Crores
<b>TOTAL</b>		<b>Rs. 206.50 Crores</b>



INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
Office of the Pr. Accountant General (Audit) Punjab & UT  
Sector 17, Chandigarh-160 017

No. CAW/DBC/CUP/BTD/SAR/2009-2010/2010-11/ 442-443  
Dated: 10-3-2011

To

The Secretary  
Government of India  
Ministry of Human Resources and Development  
Department of Education  
New Delhi

Subject: Separate Audit Report on the Accounts of Central University of Punjab, Bathinda for the year ended 31 March 2010

Sir,

I am to enclose a copy of the Separate Audit Report on the accounts of Central University of Punjab, Bathinda for the year ended 31 March 2010 for necessary action at your end. The report may please be kept confidential till its presentation in the Parliament.

Yours faithfully,

*Sd/-*

Deputy Accountant General (C)

Encl: As above

✓ Copy of the above along with copy of Separate Audit Report is forwarded to the Director, Central University of Punjab, Bathinda for information and necessary action. The report may please be kept confidential till its presentation in the Parliament.

*Anurajit*

Deputy Accountant General (C)

Encl: As above

CENTRAL UNIVERSITY OF PUNJAB Letter Received	
11 MAR 2011	
Sr No 5958	Signature

**Separate Audit Report of the Comptroller and Auditor General of India on the accounts of Central University of Punjab, Bathinda for the year ended 31 March 2010**

We have audited the attached Balance Sheet of the Central University of Punjab, Bathinda as at 31 March 2010 and the Income & Expenditure Account/Receipt & Payment Account of the Central University of Punjab, Bathinda for the year ended 31 March 2010 under section 19 (2) of the Comptroller and Auditor General's (Duties, Powers & Conditions of Service Act, 1971) read with section 31 (1) of the Central Universities Act, 2009. These financial statements are the responsibility of the Central University of Punjab's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This Separate Audit Report contains the comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms etc. Audit observations on financial transactions with regard to compliance with the Laws, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects etc. if any, are reported through Inspection reports/ CAG's Audit Report separately.

3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. Based on our audit, we report that

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. The Balance Sheet and Income & Expenditure Account / Receipt and Payment Account dealt with by this report have been drawn up in the format approved by the Government of India.
- iii. In our opinion, proper books of accounts and other relevant records are maintained by the Central University of Punjab, Bathinda in so far as it appears from our examination of such books.
- iv. We further report that:

**A General**

1 The Authority has prepared the accounts on cash basis (Accounting Policy No.1.6 and 1.7). However, preparation of Current Liabilities & Provision (Schedule-3) is in contravention of the above policies.

2 The management in para 1.4 of its Significant Accounting Policies (Schedule -10) disclosed that depreciation has been provided on written down value method at the rates specified in the Income Tax Act, 1961. However, no depreciation on the depreciable assets has been provided in the accounts for the year 2009-10.

**B Grant-in-Aid (Schedule 2)**

The University received grants in aid of ₹ 15.00 crore during the year 2009-10, besides unspent grants of ₹ 1.49 crore brought forward from the previous year, out of which grants of ₹ 4.55 crore were utilized leaving unspent balance of ₹ 11.94 crore during the year by the University.

- v. Subject to our observation in the preceding paragraphs, we report that the Balance Sheet and Income & Expenditure Account/ Receipt and Payment Account dealt with by this report are in agreement with the books of accounts.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and subject to the significant matters mentioned in the Annexure to this Audit Report give a true and fair view in conformity with accounting principles accepted in India.
- a. In so far as it relates to the Balance Sheet of the State of affairs of the Central University of Punjab, Bathinda as on March 31, 2010 and
- b. In so far as it relates to Income and Expenditure Account of the Surplus for the year ended on that date.



Date: 9-3-2011

Principal Accountant General (Audit) Pb & UT

Place : Chandigarh



**Annexure**

**1. Adequacy of Internal Audit System.**

The Internal audit of the University is conducted by the Chartered Accountant appointed by the Institute. Internal Audit Manual needs to be prepared.

**2. Adequacy of Internal Control System**

The Central University, Punjab, Bhatinda is in the initial stage of setting and has started functioning in the year 2009-10. Presently, it has not recruited regular staff. As such proper Internal Control System by preparing an Internal Control Manual needs to be set up considering the scientific and technical nature of activities of the organization.

**3. System of Physical verification of fixed assets**

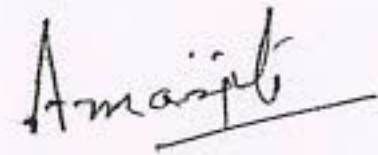
Fixed assets were physically verified as per provision of Rule 192 (2) GFR during 2009-10. However, details like date of asset put to use, depreciation thereon, location and specification of assets was not mentioned in the fixed assets register. The fixed assets register needs to be prepared properly.

**4 System of Physical Verification of Inventory**

Inventories are physically verified once in a year as per provision of Rule of 192(2) GFR.

**5 Regularity in payment of statutory dues**

Institute is regular in payment of statutory dues.



**Deputy Accountant General (C)**