

**1. Introduction:**

**1.1** The third meeting of the First Finance Committee of Sikkim University was held on 9.11.2009 at 1000 hours at Hotel Ttakshang Residency, Gangtok.

**1.2.** The following members were present.

Name & Designation		
1	<b>Prof. Mahendra P. Lama,</b> Vice-Chancellor, Sikkim University, Gangtok	<b>Chairperson</b>
2	<b>Shri R.D.Sahay</b> Director (CU), Government of India, Ministry of Human Resource Development, Department of Higher Education	<b>Member</b>
4	<b>Shri Arjun Syangden</b> Former Principal Chief Conservator of Forests,	<b>Member</b>
5	<b>Shri T.P.Koirala,</b> Finance Secretary (Officiating), Government of Sikkim, Gangtok	<b>Member</b>
6	<b>Shri P V Ravi,</b> Finance Officer Sikkim University, Gangtok	<b>Secretary</b>

**1.3** The following members could not attend the meeting due to official exigencies.

1	<b>Dr. (Mrs.) Renu Batra,</b> Joint Secretary, University Grants Commission, New Delhi	<b>Member</b>
2	<b>Shri S.Mohan,</b> Director (Finance), Ministry of Human Resource Development, Department of Higher Education, New Delhi.	<b>Member</b>
3	<b>Shri M.P.Bezbaruah,</b> Honorary Director, Administrative Staff College of India, New Delhi	<b>Member</b>



**1.4** The Chairperson informed the members that Shri R.D.Sahay is representing Shri Amit Khare in the meeting. He had also informed that the other three members could not attend the meeting due to their official exigencies and for them leave of absence was granted. Then the Chairperson briefed the Committee highlighting the progress made by the University on various academic fronts since the last meeting of the Finance Committee held on 28.5.2009. The Chairperson thanked the members for their continued support and guidance to the University but for which the progress so far could not have been achieved. The Chairperson urged the Committee members for their innovative suggestions and constant support for the effective financial management of this growing new University.

**1.5** The meeting then started with discussion of agenda items.



<b>FC:03:01</b>	<b>The Chairperson calls the house to order</b>
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Minutes

**3.1.1** The Chairperson called the House to order.

<b>FC:03:02</b>	<b>Obituary Reference</b>
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Minutes

**3.2.1** The death of the following eminent personalities was brought before the house

- I. Shri. Tashi Topden, Former Additional Chief Secretary, Government of Sikkim
- II. Shri T.W.Barfungpa, Secretary, Department of Animal Husbandry, Government of Sikkim
- III. Shri Prem Sagar Nirash, Journalist
- IV. Shri Man Bahadur Gurung, Noted Writer
- V. Shri Sonam Sherpa, Famous Artist
- VI. Shri Chandan Singh Rawat, Famous Olympiad
- VII. Dr (Smt) Kamala Sankrityayan, Former Member, Minorities Commission/Writer and W/o late Rahul Sankrityayan

**3.2.2** The House noted with deep sense of grief the passing away of eminent personalities and observed 2 minutes silence as a mark of respect and tribute to the departed souls. The Council conveyed its deep sense of sympathy to the members of the bereaved families.

<b>FC:03:03</b>	<b>Observations of the Vice-Chancellor</b>
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Minutes

**3.03.1** The Vice-Chancellor made a Comprehensive power point presentation highlighting the performance and activities undertaken by of the University since the last meeting of the Executive Council (**Annexure 3FCM - 1**). The House carefully took into consideration of the points made before it and appreciatively noted the performance highlights.



FC:03:04	Confirmation of the Minutes of the last meeting of the Finance Committee held on 28.05.2009
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Minutes

**3.04.1** The Committee after examining the contents of the Minutes confirmed the same **(Annexure 3FCM - 2)**. The Committee also suggested that FC meeting agenda in future should incorporate in it a copy of the minute of the immediate last meeting as annexure to facilitate the discussion and decisions.

FC:03:05	Action Taken Report on the Minutes of the last meeting of Finance Committee held on 28.05.2009
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Minutes

**3.05.1** The Committee examined the Action Taken Report placed before it and confirmed the same **(Annexure 3FCM - 3)**.

FC:03:06	Approval of Annual Accounts and Audit Certificate
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Minutes

**3.06.1** The House carefully considered the Annual Accounts for 2008-09 placed before it **(Annexure 3FCM- 4)** and also the Audit Certificate issued by the Comptroller & Auditor General of India. The House noted that the Audit Certificate has been mentioned as “Draft Audit Certificate” and directed the Secretary to obtain the final Audit Certificate. The House also considered the replies given by the University to the Comptroller & Auditor General of India and noted the same.

**3.06.2** The House thereafter accorded post-facto approval for the accounts with the above observations.

FC:03:07	Revised Estimates 2009-10 and Budget Estimates 2010-11
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Minutes

**3.07.1** The House considered in detail the Revised Estimates 2008-09 and Budget Estimates 2010-11 **(Annexure 3FCM – 5)**. The house noted that in the case of Revised Estimates for 2009-10 there are huge variations between that and the Budget Estimates for 2009-10. The Secretary explained to the House that in view of the fact that the University is young and growing in many cases precise projection/forecast may not be possible. The House advised that the variation between Budget



Estimates and Revised Estimates shall be kept minimum. It had also suggested that wherever re-appropriation of allocation from one unit of appropriation to another is needed the University shall do it in time. The House advised that the University can also make a tentative budget for acquiring land at Gangtok and include the same in the Budget estimates. The House suggested for formation of a Committee for acquiring land at Gangtok with at least one member each from Academic Council, Finance Committee, Executive Council and University Grants Commission. Also, the Committee can have a member from CPWD and Land Revenue Department of Government of Sikkim. The House expressed concern that delay in acquisition of land at Yangang would result in diversion of funds marked for Sikkim University to other universities by the UGC. The delay would also result in cost-overrun and time over-run of the project. The fact that UGC had also allotted Rs.300 lakh for purchase of land at Gangtok and Rs.50 lakh towards construction of building thereon during XI Plan was also considered by the House.

**3.07.2** With the above observations the House accepted the Revised Estimates 2009-10 and Budget Estimates for 2010-11 presented before it.

<b>FC:03:08</b>	<b>Half Yearly Accounts of the University</b>
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Minutes

**3.08.1** The House considered the Half-Yearly accounts of the University for the half-year ended 30-09.2009 (**Annexure 3FCM – 6**) and noted the same. The House also placed on record its appreciation that within the available human resource in Finance wing the University is able to keep the Accounts without arrears.

**3.08.2** The secretary explained that the University has since automated the Accounts and is using customized software and the posting of accounts are being done through the same. This helps the University to keep the accounts current.

**3.08.3** The House suggested that in future the position of Unspent balances also shall be included as an Agenda item so that the Committee can be appraised itself of the position. The Secretary assured that the same will be done from next meeting onwards.

**3.08.4** With the above notings the House has approved the Half-Yearly accounts for the period ended 30.09.2009 placed before it.

<b>FC:03:09</b>	<b>Sikkim University Health Care Scheme (SUHC)</b>
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**Agenda in Brief**

**3.09.1** Sikkim University did not have any health care protection for the staff and the students. Being a remote area lacking basic medical facilities which are easily available in the plains the Vice-Chancellor discussed a health care proposal with the Vice-Chancellor of Sikkim Manipal Institute of Medical Sciences. The Sikkim Manipal Institute of Medical Sciences is the best hospital available in Gangtok and is a joint venture of Government of Sikkim and the Manipal Group of Karnataka. The above discussion culminated into a scheme called **“Sikkim University Health Care Scheme (SUHC)”** for the benefit of students and staff members (including the family members of staff) in association with SMIM and ICICI Lombard. In Sikkim University as on 30.09.2009, we have 96 students (of which 86 are day scholars) and 62 staff members. Though more than 90% of staff both teaching and non-teaching are contractual it is incumbent upon the University to provide them with proper healthcare facilities in the interest of the institution.

**3.09.2** The scheme will cover inpatient and outpatient treatment as per table below.

Type of treatment	Student		Staff	
	Day scholar	Hostler	Self	Family
Inpatient	No	Yes	Yes	Yes
Outpatient	Yes	Yes	Yes	Yes

**3.09.3** For outpatient treatment, Sikkim University would provide Registration Cards for all the students and staff from Sikkim Manipal Institute of Medical Sciences (SMIM) @ Rs.10/- per card which would be valid for six months.

**3.09.4** For providing the treatment as **outpatient**, SMIM is charging Rs.10/- per consultation per time. For this purpose, Sikkim University will make a deposit of Rs.25,000/- approx. or a higher amount with SMIM as corpus fund. SMIM will adjust the consultation charges out of this and send a request for replenishment periodically.

**3.09.5** As regards medicines/pathological tests etc. SMIM will charge Sikkim University on actual basis from the corpus fund.

**3.09.6** For **inpatient** treatment, Sikkim University, as advised by SMIM, would tie-up with ICICI Lombard for a Group Health Policy. Based on the demography of age etc of students, staff and families ICICI Lombard quoted the premium as below:

**3.09.7** For Staff members (including dependents) and hostlers



Premium calculation sheet		
		Rs.
<b>Basic Premium</b>		<b>223,733</b>
Less: Floater Discount	-3%	(6,712)
Add: Maternity Benefit Extension	10%	-
Add: PED Loading	10%	22,373
Add: maternity with 9 months waiting period	5.00%	11,187
<b>Gross Premium</b>		<b>250,581</b>
With Brokerage	12.50%	31,323
Premium incl. Brokerage (12.5%)		281,903
Add: Service Tax	10.30%	29,036
<b>Total Premium Payable</b>		<b>310,939</b>

### 3.09.8 For Students (Day Scholars)

Premium calculation sheet		
		Rs.
<b>Basic Premium</b>		<b>77,105</b>
<b>add: maternity</b>	<b>15%</b>	<b>11,566</b>
<b>Gross Premium</b>		<b>88,671</b>
With Brokerage	12.50%	11,084
Premium incl. Brokerage (12.5%)		99,755
Add: Service Tax	10.30%	10,275
<b>Total Premium Payable</b>		<b>110,029</b>

**3.09.9** The above premium rates have been worked out on the norm of Rs.3 lakh coverage for staff (including family) and hostler student and Rs 1 lakh coverage for each day-scholar student. We have requested ICICI to confirm that the above premium covers family also within the overall ceiling of Rs. 3 Lakh. Their confirmation is awaited, which will be forwarded to us before 10<sup>th</sup> Oct 2009.

**3.09.10** The estimated summarized financial outgo per annum will be

- ≈ **For Insurance Policy** – **Rs.4.22 Lakh**
- ≈ **Corpus Fund** - **Rs.1.00 Lakh**
- ≈ **Registration etc** - **Rs.0.05 Lakh**



≈ Medicines etc(OPD) - Rs. 1.00 Lakh  
**Total** **Rs.6.27 Lakh**



Minutes

**3.09.11** The House carefully considered the item placed before it. The House has enquired as to how the Insurance firm has been identified for providing the health care package. It was replied that ICICI Health Insurance is already having tie-up with Sikkim Manipal Institute of Medical Sciences and is providing health care cover to many autonomous Governmental institutions in Gangtok.

**3.09.12** While agreeing to the same in principle, the House desired to know about the health care facilities provided by other sister universities to its employees and directed the Secretary to place the complete details on the above line for consideration and approval of the Health Care Scheme proposed.

<b>FC:03:10</b>	<b>Ordinance on Financial assistance to students</b>
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Minutes

**3.10.1** The House considered in detail the draft Ordinance placed before it (**Annexure 3FCM – 7**) and recommended the same to Executive Council for approval.

<b>FC:03:11</b>	<b>Norms for utilization of Student welfare fund</b>
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Agenda in brief

**3.11.1** Sikkim University is collecting Rs.200 per student towards Student Welfare Fund. There are about 3000 students from whom said fund has been collected so far. The distribution of students varies from college to college and Sikkim Government College, Tadong has half of the above students. The University has received requests from the affiliated colleges to provide assistance out of the said fund for conducting various programmes in the colleges. The University has called for suggestions from the colleges as to how the fund can be best utilized for the benefit of students. The suggestions so far received have been examined by a committee and the recommendations of the committee were placed on the table.

Minutes

**3.11.2** The House examined the recommendations (**Annexure 3FCM – 8**) and recommended for drafting of Regulations by the University.





FC:03:12	Ordinance of charging of affiliation fee from Colleges
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Minutes

**3.12.1** The House considered the Ordinance placed before it (**Annexure 3FCM – 9**) and recommended the same to Executive Council for its consideration and approval.

FC:03:13	Transfer Travelling Allowance for Statutory Officers
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Minutes

**3.13.1** The House considered the item carefully. It was enquired whether in other Universities such facility of TTA is being allowed to the statutory officer. For this, the Chairperson explained that Sikkim being a difficult location, it would be better that some additional facilities are provided to the statutory officers so that resourceful and professionally committed persons would be willing to join the University.

**3.13.2** The House then recommended the proposal to the Executive Council for acceptance.

FC:03:14	Delegation of Financial Powers
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Agenda in brief

**3.14.1** In its last meeting held on 28.05.2009 while considering the item no. FC: 02:10 to consider and ratify the Final Expenditure Vs. Budget Estimates for the year 2008-09, the Committee directed that proposals shall be submitted before it for delegation of financial powers for re-appropriation of funds between budgetary heads in terms of Delegation of Financial Powers Rules of Government of India. In accordance with the above directions the following agenda item is submitted for the consideration and approval of the Committee.

**“Rule 10****Appropriation and Re-appropriation – General Restrictions**

- 1) *Funds shall not be appropriated or re-appropriated to meet expenditure which has not been sanctioned by an authority competent to sanction it.*
- 2) *No Re-appropriation shall be made from one Grant or Appropriation for charged expenditure to another Grant or Appropriation for charged expenditure.*
- 3) *Funds shall not be appropriated or re-appropriated to meet expenditure on a new service or new instrument of service not contemplated in the budget as approved by Parliament.*



- 4) *Expenditure on works shall be subject to the following further conditions, namely:-*
- a) *Funds shall not be appropriated or re-appropriated to any work which has not received administrative approval and technical sanction as prescribed by the Central Government from time to time.*
  - b) *The amount appropriated to any work shall not, save with the previous consent of the Finance Ministry, exceed the amount approved or sanctioned for that work by a sum greater than the excess which may be authorised under the rules referred to in Clause (a):*

*Provided that such consent may not be necessary if savings are available elsewhere under appropriate Works Head to re-appropriate funds to cover excess of expenditure over authorised limits up to 15 per cent."*

**3.14.2** In tune with the above provisions, the following delegation of powers for re-appropriation is proposed for the approval of the Finance Committee.

**3.14.3** In terms of powers vested in it under Section 17 of the Primary Statute of the Sikkim University Act, 2006, the Finance Committee hereby makes the following delegation of powers to the Vice-Chancellor as regards re-appropriation of funds and on incurring expenditure in excess over allotment.

**3.14.4 Delegation:**

The Vice-Chancellor is delegated powers to re-appropriate fund from one head of account to another upto 15 percent of allocation. The Vice-Chancellor is also empowered to incur excess of expenditure over allocation upto 15 per cent. Beyond 15 per cent for any excess of expenditure or re-appropriation approval of the Finance Committee and Executive Council is necessary. The above powers are delegated to the Vice-Chancellor subject to the stipulation that no re-appropriation shall be made between Capital and Revenue Heads of Account.

**Minutes**

**3.14.5** The House after carefully considering the item approved the delegation of powers proposed.



<b>FC:03:15</b>	<b>Any other item with the permission of the Chair</b>
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**3.15.1** There being no other matter for consideration, the meeting ended with vote of thanks to the Chair.

Sd/-  
(P.V.Ravi)  
Finance Officer &  
*Ex-Officio* Secretary to the Finance Committee

