Minutes of the First meeting of Finance committee held at Usha Martin University Campus on the March 29, 2018 at 11am

The first meeting of the Finance Committee of Usha Martin University was held on 29.3.2018 at 11.00 am in the conference room of Usha Martin University, Ranchi. The following members were present:

1. Prof S.C. Garg, Vice Chancellor, UMU Chair
2. Prof. G Jha, Former HOD, Dept. of Commerce, St Xavier College, Ranchi Member
3. CA Nitin Saboo, ACA, Khunti, Jharkhand Member
4. Prof. Madhulika Kaushik, PVC, UMU Member
5. Dr. V.K.Pandey, Finance officer (In Charge) Member Secretary

FC. 1.1 Welcome and introductory remarks by the Chair

At the outset Prof. S.C. Garg, Vice Chancellor, extended a very warm and cordial welcome to all present on behalf of the University and on his own behalf. Thereafter, he requested the honorable members to introduce themselves.

The Vice Chancellor informed the Committee that the 2017-18 academic session of the University started on 8th august, 2017 with the offer of MBA, BBA, MCA, BCA and Diploma Programmes in Mechanical, Mining, CS, Civil, Electrical and Electronics. The University has very credible faculty, mostly with PhD degree in all disciplines. Beginning January 2018, the University also started PhD programme in Management (1), Computer Science (4) and Commerce (3) with eight students in all.

FC1.2 Updating the committee on fee structure and revenue

The Member Secretary informed the Committee that the University started its operation in the academic year 2017-18 with the offer of MBA, MCA, BBA, BCA and diploma (civil, mechanical, electrical, mining, and computer science) courses to 199 students. The PhD programme in Management, Commerce and Computer Science were added in January 2018. He then highlighted that the University desires to promote affordable quality education and to ensure this, graded merit scholarship scheme was introduced from the very beginning.
FC 1.2.2 The fee structure for all programmes is placed at Annexure 1. The Member Secretary then informed the Committee that in the FY 2017-18, major source of University revenue, was generated from collection of fee. Though estimated collection from the students was approximately 112 lac, 65.36 lac was yet to be collected as part of the second semester fee. The Management has been gracious in making up the shortfalls. However, we would like to achieve self-sustainability within five years as far as operational costs are concerned.

FC 1.2.3 Perusing the details, members suggested that necessary steps be taken to collect the remaining amount as per schedule, appreciated the idea of graded fee and advised that steps be taken to realize the goal of self-sustainability as proposed.

FC 1.3 **Annual Budget Estimate:**

FC 1.3.1 The Member Secretary presented the estimate of revenue and expenses for the FY 2018-19. He informed that the projected revenue and operational expenses are estimated to be 341lac and 310 lac, respectively.

FC 1.3.2 The Committee perused details and after a detailed discussion approved the estimate of revenue and expenses for FY 2018-19. It advised that to meet unforeseen exigencies in future, the registration fee be hiked by 1k with effect from the next cycle of admissions. The Committee also suggested that the University should prepare detailed capital expenditure budget and the projected cash flow statement for the next five years and present the same in the next meeting of Finance committee.

FC 1.4 **Bus Charges for transport**

FC 1.4.1 The Member Secretary informed the Committee that at present the University is providing bus facility to its students and three buses ply between Ranchi and the University Campus. As of now, the facility is being availed by about 100 students. The buses have been hired from an outside agency and hire charges per bus is approx. 76700/-. The University charges Rs 500/- only per student. This is generating a deficit of about 1.8 L per month.

FC 1.4.2 The Member Secretary highlighted the University authorities realize the need for continuing this facility because of location disadvantage. Further, with growing enrolment, many more buses may have to be operated. Considering the increased cost of operating the
buses, it was proposed to nominally increase the fee by Rs 250 with effect from August 2018, though it would not be enough to rationalize the gap of subsidized transport.

**FC 1.4.3** The Finance Committee decided to increase the bus charges as proposed.

**FC 1.5** To consider and approve annual fee increment

**FC 1.5.1** The Member Secretary informed the committee that to keep the deficit within reasonable limits, keep pace with inflationary pressures and not compromise with the quality of education, the University is compelled to consider revision of fee structure for various courses. He then presented the details.

**FC 1.5.2** The matter was taken for discussion and all pros and cons were deliberated in detail. After considerable discussion, the Finance Committee agreed to increase only the admission fee and that too by 10% for the Academic year 2018-19. However, it also directed that the new fee structure be made applicable from 30th April, 2018 onwards and students who take admission on or before this date be charged fee as applicable now.

**FC 1.6 Any other item with the permission of Chair**

With the permission of the Chair, one member of FC desired to know whether or not the University was complying with the provisions of Employees Provident Fund and Miscellaneous Provision Act 1952. The Member Secretary informed that since the University resumed its operations essentially from August 2017, such provisions may not be applicable as of now. However, he sought direction for future.

The Committee advised that since the University has engaged work force of more than 21, it must conform to these provisions immediately and without fail. Therefore, the process to meet the provisions of the Act be initiated as non-compliance can attract severe penalties in different forms and formats.

The meeting concluded with a vote of thanks to the Chair

(V.K.Pandey)
Member Secretary