

INDIAN COUNCIL OF AGRICULTURAL RESEARCH (ICAR)



**MINUTES OF THE
THIRD INTERACTIVE MEET OF AS&FA, DARE/ICAR
WITH THE FINANCE HEADS OF ICAR INSTITUTES OF
NORTH ZONE**

VENUE : IISR, LUCKNOW.

DATE : SEPTEMBER 30TH, 2016

TIME : 10.00 A.M.

**INDIAN COUNCIL OF AGRICULTURAL RESEARCH
KRISHI BHAVAN: NEW DELHI**

F. No. 22/26/2012/CDN (A&A)

Dated the 03rd October 2016

MINUTES OF THE REVIEW INTERACTIVE MEET OF THE AS&FA, DARE/ICAR WITH FINANCE OFFICERS AND ADMINISTRATIVE OFFICERS OF ICAR INSTITUTES OF NORTH ZONE HELD AT IISR, LUCKNOW ON 30th SEPTEMBER 2016, 10.00 A.M.

The Third Interactive meeting of the AS&FA, DARE/ICAR with the Finance and Administrative Heads of ICAR units of North Zone, was held as per schedule at IISR, Lucknow on 30th September 2016. Senior Administrative Officer, IISR, Lucknow welcomed AS&FA, DARE/ICAR and other officers from ICAR Headquarters. He also welcomed all the participants. Director, IISR, Lucknow in his remark, briefed about the activities of the institute, its mandate, achievements and its future research thrust. Director, CISH and Director, NBFGR were also invited to the meeting. Thereafter the agenda item of the Review Meeting was taken up for discussion.

AGENDA: I: OPENING REMARKS BY AS&FA, DARE/ICAR

In his opening remarks the AS&FA, DARE/ICAR spoke in brief about the important role of finance which, he said, is all pervasive because financial inputs are required in all decision making processes including procurement, man-power, budgeting etc. He observed that agriculture is an important sector and though it is a State subject, Central Government through its liberal financial assistance and ICAR as a central agricultural research organization play a pioneering role in uplift of Indian agriculture. The State Government and the various State Agriculture Universities look upon this financial support as well research knowledge base of ICAR and they have certainly benefitted from it. The AS&FA, DARE/ICAR observed that in view of this prime importance of Indian agriculture in Indian economy and that of ICAR in Indian agricultural research and education, it is important to review whether the financial assistance extended to ICAR has resulted in benefit to various stakeholders in equal measures. It is important to assess whether the agricultural progress and the input of ICAR as breakthrough in agricultural research is commensurate with this support and the faith which the Government of India has bestowed upon ICAR. Such objective assessment of the organization will help to check any shortcomings and come up to the expectations of various stakeholders, including the Government- he said.

The AS&FA, DARE/ICAR further drew the attention of the officers towards the fact that despite resource crunch, the Government has been liberal in extending financial support to ICAR. He, however, regretted the fact that ICAR was unable to utilize the funds provided by the Government of India, in full. He informed that even in the year 2015-2016, Rs. 250 crores of Plan funds was surrendered which indicate towards improper planning and poor coordination at institute level. He therefore urged the Director, the Administrative Officer and the Finance &

Accounts Officer of ICAR institutes to work in coordination and plan the utilization of available funds so as to ensure there is no surrender of funds. However, such planning should lay equal importance on observance of rules and they must work with transparency so that there are no financial irregularities. Institutes must give due importance to the advice of the auditors from C&AG, who provide vital input on shortcomings of an organization. To that extent the audit and the Finance & Accounts officers play the role of conscience keepers.

The AS&FA, DARE/ICAR informed that the progress reported by South Zone institutes was quite satisfactory though the same cannot be said about East Zone and North Zone institutes. He therefore lay upon the importance to work efficiently and energetically to improve the financial discipline in ICAR institutes and take all possible steps to settle audit paras, reduce advances and settle all pending items in Bank reconciliation statement which are a few parameters to judge the financial disciplines of an institute.

The AS&FA, DARE/ICAR also informed about the changes in Budgeting that may be introduced from 2017-2018, wherein the allocation under Plan & Non-Plan may cease to exist. Funds will be provided under three heads namely Capital, Revenue and General without any distinction of Plan and Non-Plan and the institute would be required to plan their expenses as per the priority.

The AS&FA, DARE/ICAR expressed his concern over low utilization of Plan funds in the current financial year (CFY). He informed that the Ministry of Finance (MoF) will be undertaking a review of utilization of Plan funds in November and recommend cut at the Revised Estimate (R.E.) stage if the utilization still remains poor. He therefore stressed upon the need to make all efforts to utilize Plan funds. He asked the A.O. and F&A.O. present in the meeting to convey this concern to their Directors as well, so that when the MoF reviews the utilization in November, there isn't any scope for any cut.

Director (Finance) in his brief remark emphasized on the importance of the Interactive Meetings which, he said, has been able to achieve its objective of introducing financial discipline in ICAR institutes through a process of continuous monitoring of financial issues. He observed that the AS&FA, DARE/ICAR has shown great vision by invigorating a whole system through such Interactive Meetings and we are all thankful to him for his personal intervention as it has helped in improving financial discipline in ICAR.

Thereafter Director (Finance) took up agenda items for discussion.

**AGENDA: II: ACTION TAKEN NOTE ON NORTH ZONE INTERACTIVE MEET
DATED: 18TH APRIL 2016.**

The Action Taken on the North Zone Interactive Meeting was noted and adopted. The issue related to audit paras and advances was decided to be reviewed in this present meeting.

AGENDA: III: PROGRESS IN SETTLEMENT OF OUTSTANDING AUDIT PARAS AND PRESENT STATUS.

During review it emerged that some of the institutes IIWBR, Karnal (5), IISR, Lucknow (2), NBPGR, New Delhi (7), PD-FMD, Mukteshwar (3), VPKAS, Almora, NBFGR, Lucknow, CPRI, Shimla, CAFRI, Jhansi, achieved 100% success in settling all the audit paras of the previous IR discussed in the last interactive meeting, though new audit paras have been added since then in a number of these institutes. The performance of NBAGR, Karnal (75%) was also considered appreciable.

During discussion some of the institutes reported settlement of audit paras for which communication were received by them very recently. These include IIMR (12 out of 13), IIWBR (3 out of current 10 paras), IGFRJ Jhansi (1 out of 3), IISR Lucknow (2 out of 4), DRMR Bharatpur (11 out of 14), DCFR Bhimtal (5 out of 6), DMR Solan (6 out of 9), NRC- Equines Hisar (10 out of 14), CIRB, Hisar (13 out of 16), PD-FMD Mukteshwar (1 out of the current 11 paras), CIPHET Ludhiana (4 out of 18), DKMA New Delhi (2 out of 5). All these institutes were directed to forward the copy of communication received from the office of C&A.G. to Inspection Unit at Council Headquarters immediately in order to update the records.

Representatives from a number of institutes such as NBPGR New Delhi, NCIPM New Delhi, CISH, Lucknow, CITH, Srinagar, CPRI Shimla, CARI Izzatnagar, CIRC Meerut, CIPHET Ludhiana, IISWC Dehradun, CSSRI Karnal, IIFSR, Modipuram, ATARI Ludhiana, ATARI Kanpur and ASRB New Delhi informed that reply to audit paras complying to the audit observation therewith have been submitted by them and the audit have informed that these audit paras would be settled during next spell of audit after verification of related records.

After discussion the following action points emerged:

1. IIPR Kanpur was not represented either by its Finance Officer or by the Administrative officer during the Interactive Meeting. AS&FA, DARE/ICAR directed to call the Director, A.O. and the F. &A.O. of this institute to discuss all the issues including audit paras, advances, BR Statement and utilization of Plan funds. **-Action: Deputy Director (F-I)**
2. The issue of 8 audit paras of NRC-PB of the period pertaining to the time when it functioned as a unit of IARI once again came up for discussion. AS&FA, DARE/ICAR directed that the Director and Finance Officer of NRC-PB and Comptroller, IARI may be called for a discussion on the subject to settle this issue. **-Action: Deputy Director (F-I)**
3. NCIPM New Delhi reported that all the four pending audit paras pertain to technical issues for which no satisfactory replies are furnished by the institute resulting in their non-settlement. AS&FA, DARE/ICAR directed to call the Director, A.O. and the F. &A.O. along with ADG (PIM) to discuss all the issues including audit paras. **-Action: Deputy Director (F-I)**

4. The AS&FA, DARE/ICAR expressed his displeasure at the performance of institutes which were unable to settle audit paras of previous IRs. He directed that such institutes where the progress is less than 75% or which have more than 10 audit paras of previous IRs (not of current IRs) may be called for a meeting for a thorough discussion to examine the response of the institutes and the bottlenecks in non-settlement of audit paras. These institutes were also directed to furnish a detail of the action taken by it in monitoring and pursuing the matter with the office of C&AG for settlement of the audit paras pending at their institutes and reasons for their non-settlement. Some of such institutes in this category were IASRI New Delhi (24), ATARI Ludhiana (19), CITH Srinagar (19), ATARI Kanpur (16), NRC-PB New Delhi (16), CSSRI Karnal (16), NCAP New Delhi (14) and CIPHET Ludhiana (14).
-Action: Deputy Director (F-I)

After discussion it was observed that the achievement in settlement of audit paras in North Zone was not quite satisfactory. Of the 270 audit paras reported in the last meeting, 60 paras were settled in the intervening period. 60 additional audit paras were settled as reported by the participating institutes during discussion in the present Interactive Meeting. The achievement is approximately 44.44%. 137 audit paras were added during the intervening period and as on date the number of paras remaining unsettled in North Zone stands at 287.

AGENDA: IV: PROGRESS IN SETTLEMENT OF OUTSTANDING ADVANCES AND THEIR PRESENT STATUS.

The position of outstanding advances and efforts made by various institutes to settle these was reviewed. The achievement of NRCPB, New Delhi (100%), CIRC, Meerut (99.45%), NCIPM, New Delhi (98.97%), DMR Solan (93.89%), IISR Lucknow (85.60%), NBPGR New Delhi (80.30%), was found satisfactory. Other institutes were directed to improve upon their performance.

After thorough discussion following action point emerged:

1. IIMR, New Delhi was directed to get the settlement of Rs. 12.46 lakhs paid to ANGRAU, Hyderabad within 15 days or else settle these by adjusting the amount from future releases to the University.
- Action: Director, IIMR, New Delhi.
2. CISH, Lucknow reported that a large amount shown unadjusted against CPWD (this stands at Rs. 366.94 lakhs as on date) have been pursued with the CPWD for settlement and adjustment are likely to be received in October, 2016. He was directed to report the progress in the first week of November.
- Action: A.O. / F. & A.O., CISH, Lucknow.
3. PDFMD, Mukteshwar informed that Rs. 14370.41 lakhs shown as advance pertains to payment made to M/S NDDB. He was directed to take adjustments on the basis of Statement of Expenditure (SoE) received from M/S NDDB.
-Action: A.O. /F. & A.O., PD-FMD, Mukteshwar.
4. It was reported by various units that T/A and LTC advances couldn't be settled in a number of cases since the incumbent had purchased tickets from private ticketing agent. It was clarified that reimbursement in such cases is not permissible and the Institute must take steps to recover the amount from incumbent and settle the T/A & LTC advance.

- Action: A.O. /D.D.O. /F. &A.O. of All ICAR institutes.

AGENDA: V: BANK RECONCILIATION RELATED ISSUES.

The position of Bank Reconciliation Statement for the month ending August 2016 was reviewed in the present Review Interactive Meeting.

The performance of NBPGR New Delhi, NCIPM New Delhi, NRCPB New Delhi, DCFR, Bhimtal, NBFGR, Lucknow, CPRI Shimla, DMR Solan, CARI Izzatnagar, CIRG Makhdoom, NBAGR Karnal, NRC-Equines Hisar, CIRC Meerut, PD-FMD Mukteshwar, NCAP New Delhi, CIPHET Ludhiana, IISWC Dehradun, CAFRI Jhansi, DKMA New Delhi, ATARI Ludhiana and ASRB, which reported 100% achievement with no items remaining pending in the Bank Reconciliation Statement was appreciated.

Performance of IIPR Kanpur (Rs. 22.96 lakhs), IIFSR Modipuram (Rs. 10.09 lakhs), IGFRJ Jhansi (Rs. 7.49 lakhs), CSSRI Karnal (Rs. 2.72 lakhs) and IISR Lucknow (Rs. 2.84 lakhs), was considered poor on this account. F. &A.O., IIFSR, Modipuram, Sr. F. &A.O., IGFRJ, Jhansi and F. &A.O., CSSRI, Karnal informed that a majority of the items shown pending in the Bank Reconciliation Statement of August 2016 have been cleared since then and settled in September 2016.

The AS&FA, DARE/ICAR directed the institutes to take all possible steps to reconcile pending items and report matter to Council at an earliest.

AGENDA: VI: ISSUES IN IMPLEMENTATION OF FMS-MIS.

Dr. A. K. Choubey, Head (CA), IASRI, New Delhi gave a brief presentation on the implementation of the various modules of the ERP at various institutes of Northern region.

AS&FA, DARE/ICAR directed the Finance & Accounts Officer of the institutes present in the meeting to ensure implementation of the Finance module without fail. With regard to the other four modules AS&FA, DARE/ICAR directed Dr. Chaubey to write to the Director of these institutes to ensure implementation of all other modules within a fixed time frame failing which the matter may be reported along with names of such defaulting institutes to Council.

AGENDA: VII: BUDGET, RELEASE OF FUNDS AND UTILIZATION OF FUNDS.

The utilization of funds under Non-Plan during the first quarter of the Current Financial Year (2016-2017) i.e. up to August 2016 in respect to the participating units was found satisfactory.

Review of Plan expenditure revealed that utilization of Plan funds with regard to releases, as reported by various units of ICAR was found satisfactory in 10 units namely IIWBR Karnal (95.77%), ATARI, Ludhiana (95.40%), ATARI Kanpur (94.60%), IASRI New Delhi (83.72%), IISR Lucknow (83.07%), NRC- PB New Delhi (81.95%), VPKAS Almora (80.63%), DCFR Bhimtal (79.33%), DMR Solan (77.20%), IGFRJ Jhansi (73.19%) and CPRI Shimla (72.08%).

During discussion some of the units reported increase in percentage utilization of Plan Funds during September 2016 to the extent of 70% and above, with regard to the releases made to these units. Units where the utilization of Plan funds crossed the threshold of 70% during September 2016 as informed by those units during the Interactive Meeting were CISH, Lucknow (78%), CIRG, Makhdoom (80%), NBAGR, Karnal (87.50%), CIRB, Hisar (90%), PDFMD, Mukteshwar (90%), CIPHET, Ludhiana (79%), CAFRI, Jhansi (99%) and IIFSR, Modipuram (100%).

Utilization of Plan funds in 16 other Institutes in the North Zone was less than 70% of the funds released till September 2016 with % utilization with respect to the releases made till September 2016 being very poor in units such as ASRB New Delhi (1.30%), NCIPM New Delhi (11.82%), CSSRI Karnal (26.82%) and NBPGR, New Delhi (26.55%).

After discussion following action point emerged:

1. It was decided that the Revised Estimates in respect to the ICAR institutes which fail to utilize at least 75% of the total releases made to it by September will be reduced and the available funds will be distributed to other such units that have reported higher utilization by September 2016. For this purpose the total expenditure reported by various units up to September 2016 would be complied in the first week of October 2016.

-Action ADG (PIM)/All SMDs..

2. Savings of Plan funds was likely to be reported by various units viz IIMR New Delhi (Rs. 3.00 crores), CIRC Meerut (Rs. 20.00 Lakhs), NCAP New Delhi, CSSRI Karnal, CARI Izzatnagar, NRC-Equines Hisar, CISH Lucknow and ASRB New Delhi. These units and all other such units where savings of Plan funds was likely to be reported were directed to report the matter to their respective SMD at an earliest in order to plan utilization of these funds within the SMD by institutes where there is greater scope of utilization.

-Action: Director/A.O. /F. &A.O. of all ICAR institutes.

3. Sr. A.O. and F. &A.O., CSSRI, Karnal were directed to report the case related to the proposal for revision of EFC to the ADG (PIM). It was however clarified that the powers to revise EFC does not rests with either Director or the concerned SMDs and any proposal for revision of EFC is done by the same body that approves the EFC.

- Action: Director/Sr. A.O. /F. &A.O., CSSRI, Karnal.

4. ASRB, New Delhi which reported that the Revised Estimate was reduced from Rs. 50.00 crores to Rs. 30.00 crores, was advised to take up the matter with the concerned SMD since it may not be able to utilize even Rs. 30.00 crores, given that utilization till August 2016 was a mere 1.30% of releases.

-Action: F. &A.O. ASRB, New Delhi.

AGENDA: VIII: ISSUES RELATED TO PENSION AND RETIREMENT BENEFITS INCLUDING NEW PENSION SCHEME

No issue related to pension and other retirement benefits were raised by any unit.

AGENDA: IX: INTERNAL FINANCE RELATED ISSUES: DIFFERENCE OF OPINION BETWEEN DIRECTOR OF INSTITUTE AND THE FINANCE HEAD

The information on Difference of opinion for the half-yearly period ending June 2016 received was reviewed. Institutes which did not submit the Half Yearly Statement were directed to submit the same at an earliest.

AGENDA: X: ANY OTHER ISSUE WITH THE PERMISSION OF THE CHAIR.

After discussion on Agenda item was over AS&FA, DARE/ICAR invited participants to raise any issue of importance or matter of doubt for discussion and clarification. The following issues were discussed:

1. A number of institutes reported about vacant position of Finance & Accounts Officer at the institute. The matter was noted for needful at Council level.
2. A number of institutes raised the issue of improper maintenance of GSLIS records in respect to officers who are regularly transferred. They were directed to refer the matter to the concerned section of Administration for necessary remedial measures.
3. It was clarified that the decision to refer the case in matters of Single Technically Responsive Bids covers not only scientific equipment but "Outsourcing of Services" and "Engagement of Consultants" as well. It was further clarified that such matters may be referred to the Council for a decision by an authority higher in level, irrespective of the cost of the equipment/services/consultancy.
4. The issue of non-clearance of probation of newly recruited A.O. & F. & A.O. was raised by officers of a number of units. AS&FA, DARE/ICAR clarified that in such cases where no orders on clearance of probation are conveyed even after the stipulated period the officers will deem to have cleared the probation. He however assured that the matter will be referred to the Secretary, ICAR for needful in this regard.

CONCLUDING REMARKS BY AS&FA, DARE/ICAR

In his concluding remarks the AS&FA, DARE/ICAR expressed his concern over poor progress in settlement of audit paras and advances by ICAR institutes of North Zone. He asked the Director (Finance) and Deputy Directors (Finance) to analyze the progress made by various units and identify the non-performing institutes. He informed the participants that their performance will be recorded in their annual appraisal report and hence they must all endeavour to improve performance and make all efforts to settle audit paras and advances especially long pending ones which call for their immediate attention. He sought active support of the Director of ICAR institutes in achieving the goal as the A.O. and F. & A.O. can succeed only with able support of the Director of the institute. He sought to know from the participants of any bottlenecks in

settling the pending issues. He assured them of his support in overcoming bottlenecks, if any, and in their endeavour at ushering in financial discipline in the institute.

The AS&FA, DARE/ICAR observed that with a decision to merge Plan and Non-Plan, time has come for an objective assessment of the plethora of Schemes that are in operation in various ICAR units and for a decision on their continuance or closure depending upon their success or failure in achieving its objectives. In view of strict financial regime that has been introduced, not all schemes may continue for all time to come. Hence the need to purge so that the activities of ICAR are more focused to its mandate and objectives, which is the need of the hour- the AS&FA, DARE/ICAR concluded.

The meeting ended with the vote of thanks to the Chair.

— 21/10/16
(R. Sahay)
Sr. F. & A.O.

Distribution:

1. Assistant/Senior/Finance & Accounts Officer of participating Units.
2. Director, ICAR Institutes of participating ICAR Units.
3. Deputy Director (Finance) I/II, ICAR Hqrs.
4. Sr. F. & A.O. I/II/III, ICAR Hqrs.
5. F&A.O. I/II/III/IV/V/VI, ICAR Hqrs.
6. HOD/PI-FMS-MIS, IASRI, New Delhi.
7. PPS to AS&FA, DARE/ICAR.
8. PA to ADG (PIM)
9. PA to Director (Finance), ICAR.
10. Media Unit, KrishiBhavan, New Delhi.