

GOVERNMENT COLLEGE OF ENGINEERING, KARAD

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MINUTES OF FINANCE COMMITTEE MEETING HELD ON 23rd April 2015

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2 MAY 2015

The third meeting of Finance Committee was held on 23/04/2015 at 10.00 am in Meeting Hall of Government College of Engineering, Karad. Following Members were present for the meeting:

1. Chairman : Prof. (Dr) P. M. Khodke
2. Member : Mr. Shahajirao Jagdale, BoM nominee
3. Member : Prof. (Dr) Y. M. Ghugal, Head Applied Mechanics
4. Member : Prof. (Dr) S. S. Mohite, Head Mechanical Engg.
5. Member : Mr. Shrikant Mate, CACS, CFO, Writter, Mumbai
6. Member : Mr. Shirish Godbole, CA, Karad
7. Member Secretary : Mr. S.N. Patil, Administrative Officer

Mr. S.N. Patil, Member Secretary welcomed all Hon. members and requested Hon. Chairman Prof. (Dr) P. M. Khodke to give his opening remarks. Hon. Chairman welcomed all members and explained the purpose of holding the meeting. He further informed the house that next meeting shall be called for discussing budget for 2015-16 shortly. With the permission of Hon. Chairman, Member Secretary started with the agenda. The minute of the meeting are as under:

Item No. 3.1

To confirm the minutes of second Finance Committee meeting held on 17.01.2015

House confirmed the minutes of meeting held on 17th January, 2015.

Item No.3.2

To accept action taken report on the minutes of second Finance Committee meeting held on 17.01.2015

The Member Secretary presented the action taken report of second finance committee meeting.

The house suggested to complete pending actions on increase in hostel fees and caution money (Rs. 2000/- for hostelite and Rs. 1000/- for other students), increase in testing and consultancy fees for electrical and mechanical department and insurance of capital assets and put in next finance committee meeting.

With above discussions, Finance Committee approved the action taken report.

Item No.3.3

To discuss and approve audit report submitted by Auditor for 2013-14

The House appreciated the quantum of time spared by Hon. Shri Mate for guiding institute CA and also efforts taken by M/s. Anil S. Kulkarni & Co. for bringing audit report in the present form. CA Shri. Anil Kulkarni was also invited to present the balance sheet. He initially enquired about the format to be used for preparing balance sheet. Hon. Chairman informed the house that the process of society registration for the institute is in progress. Government has already instructed to form society. Hon. Shri. Mate suggested to prepare audit report according to Bombay Public Trust Act 1950. During discussion on balance sheet and audit report, following suggestions/ instructions were given:

Hon. Chairman instructed Dr. Y.M. Ghugal & Dr. P.M. Joshi to accelerate the matter of society registration under the guidance of Hon. Shri. Godbole.

Hon. Shri. Mate enquired about deficit entry of Rs. 1,57,11,092/- in the balance sheet. Member Secretary informed the house that the institute received Rs. 1,57,11,092/- as reimbursement of fees of freeship students and scholarships for last few years in March 2014. The amount as a matter of procedure is disbursed in different heads by issuing the order signed by Principal. However, the proposal of retention of fees was under consideration of BoM in May 2014. Hence, the orders were not issued to avoid repetitions of procedure and the amount was kept in separate account without its entry in cashbook. Later on, the amount is disbursed as per the resolution of BoM. Auditor informed that this undisbursed amount only has been indicated as deficit. Hon. Shri. Mate suggested to provide detailed information in breakup of all entries in scholarships and free ships account to CA and take single entry in cash book for 2013-2014. He further instructed CA Shri. Kulkarni to do necessary changes in balance sheet after verification.

In view of above suggestion, balance sheet is likely to change. House therefore suggested to complete the process before 30th April, 2015. The institute shall provide required information to CA and CA shall submit final audit report within a week. Hon. Shri. Mate agreed to verify the final report and thereafter institute shall accept the report.

Hon. Chairman instructed Member Secretary to conduct verification for difference of Rs. 21,95,242/- on capital expenditure as per DSR and books of account before 30th April, 2015 and communicate the same to the CA.

Hon. Member Shri. Mate suggested to reconcile NGM PLA account for amount of Rs. 9,81,81,639/- by submitting statement to CA. Shri. Kulkarni shall remove the observation in final audit report.

Hon. Shri. Mate suggested to prepare audit report in two parts, first one consists of observation having the impact on balance sheet and another one for system improvement. Hon. Shri. Jagdale suggested to obtain detailed reports for TDS from banks and keep before Finance Committee for wave off. Hon. Shri. Mate suggested to follow standard TDS calendar of IT department to deposit taxes in time.

Hon. Shri. Mate suggested to verify advances with Talley and show it as expenditure. Member Secretary informed that the process has already been introduced recently.

Member Secretary informed the house that the daily cash flow book was not maintained during 2013-14. It is now being prepared for 2014-15. Hon. Chairman instructed to keep cash flow book entries ready for surprise check.

Hon. Shri. Mate suggested CA to provide the list of book of accounts.

Hon. Shri. Mate suggested that the amount of electricity deposit and telephone deposit be corrected in cash book as deposits.

With above discussions and suggestions, Finance Committee approved the audit report for 2013-14.

Item No. 3.4

To discuss and approve appointment of Auditor for auditing accounts for 2014-15 as well as to take status of audit for 2006-07 to 2012-13

Shri. Kulkarni CA was once again requested to continue. However, he expressed inability but agreed to complete audit report and balance sheet incorporating suggestions of Finance Committee for the year 2013-14.

Auditing is taking lot of time; finance committee discussed the relevance of auditing accounts for earlier period i.e. 2006-07 to 2012-13. Hon. Chairman informed the house that the first meeting of BoM took place 13-07-2012. Hence, BoM is responsible for accounts w.e.f. financial year 2013-14. Therefore finance committee recommended not to do audit of previous period. House further decided to appoint two auditors as internal

auditor and external auditor. Hon. Shri. Godbole suggested Shri. Yogesh Visapurkar, Karad for auditing accounts of the institute as an internal auditor. Hon. Chairman informed that M/s Joshi & Pol who auditing COEP accounts since 2002-03. Hon. Shri. Jagdale proposed M/s Joshi & Pol as external auditor. House resolved to discuss the issue of appointing internal and external auditor through e-mail.

With above discussions and suggestions Finance Committee empowered Hon. Chairman to appoint internal and external auditor for 2014-15.

Item No. 3.5

To discuss and approve reconstitution of Finance Committee

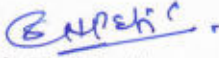
Hon. Chairman brought to the notice of the house that the Chairman of the Finance Committee of COEP is a member nominated by Board of Management. Hon. Shri. Jagdale opined that institute may adopt COEP practices in all aspects.

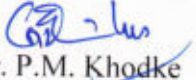
Hence, the house recommended to change constitution of Finance Committee to BoM by making BoM nominee to Finance Committee as its Chairman.

Item No. 3.6

Any other items with the permission of the Chair

As there was no item, meeting was concluded with the permission of Chair by offering vote of thanks by Shri. S.N. Patil, Member Secretary.


Shri. S.N. Patil,
Member Secretary
Finance Committee


Dr. P.M. Khodke
Chairman
Finance Committee