

Metric 6.4.1(4)

Institutional strategies for mobilisation of funds and the optimal utilisation of resources (4)

Describe the resource mobilization policy and procedures of the Institution within a maximum of 500 words

IFHE is a self-financing institution and does not receive any grants from the State Government, Local Authorities or UGC.

Mobilization of Funds

Student fees constitute the major source of finance to the University. Other sources of funds include interest income, consultancy, management development programs and research grants.

IFHE has healthy and predictable cash flows which ensure that all the operational expenses are taken care of smoothly and necessary payments to the staff and suppliers made without any delays. The surplus funds after meeting the ongoing operational expenditure are placed in fixed deposits with reputed banks.

To tide over temporary shortages of working capital, the Institution has tied up with reputed banks. The main banker is ICICI Bank which has provided a working capital limit of Rs 10 crores. Thanks to the healthy cash flows, the University has not fully utilized this limit on any occasion. The University has also been able to meet all its capital expenditure with internally accrued funds without dependence on term loans.

Utilisation of Funds

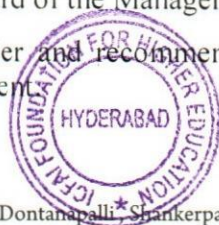
Surplus funds are mostly deployed for upgradation of the physical and technology infrastructure on the campus, improvement of computer labs, software procurement, adding databases to the library, faculty research projects, faculty development programs, student scholarships, student amenities, etc. There is also a liberal allocation of funds towards sponsoring faculty for national and international conferences and providing them with incentives for doing field studies and publishing research papers in top journals. The deployment of funds is aligned with the Institutional Development plan which has a clear road map for the growth and diversification of the activities of the different constituents of the University.

Systems and Processes

A Finance Committee is in place with the Vice Chancellor as the Chairperson, Finance Officer as the Secretary, Registrar as a member, one nominee from the Trust and two nominees from the Board of Management. The Finance Committee meets at least twice a year to examine the accounts and to scrutinize proposals for expenditure. Four members constitute the quorum for the meeting. The committee formulates comprehensive and fool-proof procedures and systems for the monitoring and management of funds.

The powers and functions of the Finance Committee include:

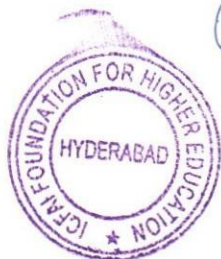
- i) To consider the annual accounts and financial estimates of the IFHE and to submit them to the Board of the Management for its approval.
- ii) To consider and recommend the annual budget and revised estimates to the Board of Management.



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- iii) To fix limits on the total recurring expenditure and the total non-recurring expenditure of each year based on the income and resources of the IFHE.

Management approvals are required for large one-time expenditures and regular audits are conducted for ongoing, and routine expenditure. The Board of Management is kept informed about the capital expenditure in the quarterly meetings and the advice of the Board is sought wherever necessary. The audited Income and Expenditure statement, Balance Sheet and Cash Flow statements are also presented to the Board at the end of each financial year and approved by them.



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