

**GUIDELINES OF
INCENTIVES
FOR RESOURCE MOBILIZATION
DURING XI PLAN
(2007-2012)**



**UNIVERSITY GRANTS COMMISSION
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GUIDELINES OF INCENTIVES FOR RESOURCE MOBILIZATION DURING XI PLAN

1. INTRODUCTION

The role of higher education in national development is well established. Higher Education in India has expanded very rapidly in the last five decades after Independence and has emerged probably as one of the largest education system in the world.

With the rapid expansion of knowledge and the unprecedented scientific and technological progress, the universities are finding it difficult to keep pace with the changing need of society due to the inadequacy of financial resources, especially since the Government of India considerably reduced its funding followed by the State Government. The matter regarding financing of universities is a matter of great concern and is being discussed at various platforms. It is increasingly being realized that the large system of higher education like ours cannot depend only on the resources made available by the Government (Centre or State) it would have to continue to be supported by the public also.

India has a great heritage of patronage of education by philanthropists. A number of institutions of higher learning came into existence during the pre-Independence period on the initiative of private individuals and voluntary organizations. This culture, however, experienced a decline in post independence era and financial support to educational institutions is considered in general a responsibility of the Government. In order to revive our tradition to support higher education, and to encourage the participation of society in the development of universities, the Commission has decided to continue scheme entitled “Incentives for External Resource Mobilization” during the XI Plan period also.

2. Objectives of the Scheme

- To encourage universities to mobilize resources by participation/contribution of society in their development;
- To evolve a process for the participation of society in university development;
- To encourage and enhance the flow of resources coming from the society for university development;
- To encourage university to provide consultancy ON PAYMENT BASIS not only to the industries but to the government, and other bodies and society at large on vital issues of national importance;
- To provide incentives to the universities which involve society in their development activities.

3. Eligibility / Target

The following Universities/Institutions are eligible to receive grant under this scheme:

- Central Universities.
- Universities which are included under Section 12(B) of the UGC Act and are receiving UGC plan or non-plan grants.
- Institutions deemed to be universities under Section 3 of the UGC Act and are receiving plan and / or non-plan grants from the UGC.
- Inter-University Centres established under Section 12(ccc) of the UGC Act.

4. Nature of Assistance

In the fast changing scenario of education, if universities are to keep pace with development, they have to enlarge their resource base and make efforts to enlarge their internal resources by mobilizing participation of society in higher education. Universities may mobilize such external resources through participation/contribution/consultancy from individual Indians or non-resident Indians, Alumni Associations, public and family trusts, industrial / business houses, cooperatives, professional associations, unions / association of employees, municipalities / panchayats, MP/MLA/Counsellors' funds.

4.1 The University may create a corpus with mobilized funds under the scheme and will be permitted to utilize only the interest earned from the corpus fund on the following items:

1. Construction of buildings (class rooms, laboratories, student's hostels, clinics, etc.).
2. Renovation of existing old building;
3. Purchase of equipment;
4. Student/staff amenities (Canteen, Playgrounds, Gymnasium etc.).
5. Purchase of books and journals.
6. Development of corpus for institution's activities;
7. Development of corpus for student scholarships;
8. Development of extension activities, seminars/workshops, research through direct funding of projects or the development of a corpus;
9. Establishment of Chairs;
10. Innovative and academic programmes including research and extension work.
11. On any other item/project which may be intimated to UGC before hand.

4.2 The contribution of the UGC will be upto the extent of 25 per cent of the contribution received by the University for a particular year, subject to a maximum of Rs. 50.00 lakh per annum.

5. Procedure for applying under the scheme

The universities may send their proposal by 30th September of every year for resource mobilized in the preceding financial year. An assurance to receive funds would not be admitted. The value of land and building received as donation under this scheme will be determined by the DC/ DM/ Revenue Officer of the District of the concerned State.

The financial assistance under this scheme will be available only upto 31st March, 2012 i.e. for the resources mobilized upto 31st March, 2011.

The university will create a Corpus Funds for this purpose and the grant received by way of incentive from UGC will be put into Corpus Fund. Only interest earned from this Corpus Fund may be used by the University for its development on any of the items referred in para 4.1.

6. Procedure for approval by the UGC

In order to stimulate universities and reward them for their effort, the UGC would make a contribution against the financial contributions received in the preceding financial year by the universities which succeed in their efforts at such external resource mobilization.

- 6.1 The UGC will also consider donations received in kind by the universities like land and buildings. However, a competent revenue authority of the District should certify that the value of the land and building has been properly estimated. The value of land and building received as donation by the university can be determined by the CPWD / PWD, or any other Government Agency, and the certificate giving the estimated cost should be duly signed by Finance Officer and Registrar of the university. The certificate can be signed by a Competent Officer from CPWD/PWD who should not be below the rank of a Superintending Engineer.
- 6.2 Regarding equipment received as donations, the cost price of the equipment should be taken into account and only donations of new equipment can be considered under the scheme. Similarly, for books and journals donated, the cost of books and journals can be considered. Old books and documents can be considered if they are rare ones which is to be certified by a Competent Authority.
- 6.3 The money received towards fellowships/scholarships/chairs (not as corpus but as annual grant) can also be considered under external resource mobilization.
- 6.4 Tuition fees and any other fees collected by the University will not be eligible for claiming this grant.
- 6.5 The amount received by the university as a share of consultancy, after deducting all overheads and charges towards payment of consultant, can also be considered under resource mobilization for which details of consultancy, overhead charges and consultancy fees, and the university share, be shown separately and certified by the Registrar and Dean of consultancy (if any) of the university.

On submission of all required documents the proposal will be processed in this office and forwarded for the consideration of higher authorities. The decision taken in this regard will be communicated to the university concerned.

7. Procedure for release of grant

Once the proposal is approved the admissible grant will be released to the University concerned.

8. Monitoring of the scheme

Separate accounts will be maintained for the funds received by the university and the accounts have to be audited by the statutory auditors of the university. The university has to submit a Utilization Certificate duly signed by the Registrar and the Finance officer and supported by the resolution of the Executive Council / Syndicate that the grant received by way of this incentive from University Grants Commission has been put into a corpus fund (name of the Bank/Financial Institution) and that the interest earned from this corpus fund has been/will be utilized by the University for its development on the items referred to in para 4.1. A mid-term review committee of UGC may monitor the expenditure and procedure of maintaining the mobilized funds.

9. Proforma for Applying under the proposal

Prescribed format is appended as annexure. The universities are requested to submit their proposal in the prescribed format only.

UNIVERSITY GRANTS COMMISSION

PROFORMA FOR CLAIMING MATCHING GRANT FROM UGC EQUAL TO 25%
OF THE TOTAL RESOURCES GENERATED BY THE UNIVERSITIES

1. Name of the University / Institution: _____

2. (a) Whether included under section
12(B) of the UGC Act. _____

(b) Whether receiving non-plan grant
from UGC/State Govt./Central Govt. _____
(please indicate)

3. Details of resources generated by the
University _____

Sources from which resources generated No. & Date of receipt Amount received
during _____

(a) Donation received in Cash

- i. Individual donor
- ii. NRI
- iii. Alumni Associations
- iv. Trusts
- v. Industrial/Business Houses
- vi. Co-operatives
- vii. Professional Associations
- viii. Employees / Unions
- ix. Municipalities / Civic Bodies
- x. Consultancy
- xi. Others

Total amount received in cash

(b) Donation received in kind

- i. Land
- ii. Building
- iii. Equipment
- iv. Books & Journals

Total amount received in kind

Grand Total

Note: (Attested photocopies of the receipt issued by the University may be attached in support of above claims).

A certificate showing the current rate from P.W.D. may be enclosed in case of land and building.

4. Purpose for which additional resources are to be utilized / have been utilized.
- i) Construction of Building (Class rooms, laboratories, students hostels, clinics etc.)
 - ii) Renovation of existing old buildings
 - iii) Purchase of equipment
 - iv) Purchase of Books & Journals
 - v) Student/Staff amenities (Canteen, Playgrounds, Gymnasium etc.)
 - vi) Development of Corpus for Institution's activities
 - vii) Development of Corpus for student scholarships
 - viii) Development of extension activities, seminars/workshops research through direct funding of projects or the development of a corpus
 - ix) Establishment of chairs
 - x) Innovative and academic programmes including research and extension work.

It is certified:

1. That the amount of Rs. _____ indicated above has actually been received by the University in case/kind during the period indicated above from _____ to _____.
2. That the above amount does not include interest or return on Endowments already created or investments made prior to XI Plan.
3. that the amount of Rs. _____ earlier received from UGC under the resource mobilization scheme, has been put into a corpus fund in (please indicate name of the bank/financial institution) & the interest from this is being used / will be used for the purpose indicated under para 3.1 of the scheme (pl. support it by the decision of the Executive Council/Syndicate).

Signature of the Finance Officer
With date & seal

Signature of Registrar
with date & seal.