

Policy
on
Funds Management and Investment

SRM University Delhi-NCR, Sonapat

(Established under Haryana Private Universities Act 2006 as amended by Act no. 8 of 2013)

Plot No.39, Rajiv Gandhi Education City, P.S.Rai (PO), Sonapat- 131029 Haryana.

Tel: 0130-2203700-01 | Toll Free: 1800 180 1216 | Website-www.srmuniversity.ac.in

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1.1 Preamble

Management of Funds and Investments in case of a self-financed University is of utmost importance. Majority of sources of revenue in case of a self-financed University are, Fees from Students followed by other avenues such as Grants and Sponsorships, Management Development Programmes and consultancies, Registration Fees for conduct of Entrance Examinations, Endowments and contributions from the Alumni etc.

The effective implementation of funds Management policy ensures that the funds do not lie idle in the bank accounts across all the constituents of SRMUH are immediately invested in such a manner to get maximum return on investment. The funds are made available as per the requirements to the respective constituents as and when needed.

1.2 Purpose & Objectives

To streamline the processes of Fund Management & making investment. To ensure that the funds do not lie idle in the bank accounts across all the constituents of SRMUH. To ensure that the funds are optimally invested to earn maximum returns on the investment. To ensure that the funds are made available as per the requirements to the respective constituents as and when needed.

1.3 Definitions

1. Funds: - A sum of money saved or made available for a particular purpose.
2. Investments: - Investment is the dedication of an asset to attain an increase in value over a period of time. In finance, the purpose of investing is to generate a return from the investment.
3. Bank: - A bank is a financial institution that accepts deposits from the public and creates a demand deposit while simultaneously making loans. All the constituents of SRMUH are having Receipt and Payment Bank accounts for their daily operations.
4. Return on Investment: - Return on Investment (ROI) is a popular profitability metric used to evaluate how well an investment has performed.

1.4 Applicability

This Funds Management and Investment policy is the source of the prescribed and detailed policy for all Directors/ Heads and Accountants of Constituent Institutes/Departments of SRM University Delhi-NCR, Sonapat and officials at the Head Office. Hence this policy is applicable for said stakeholders existing across all the Campuses and Constituents of the SRM University Delhi-NCR, Sonapat.

Mamun Bhatia

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1.5 Standard Operating Procedure for Funds Management and Investment:

1. All Constituent Institutes/Departments shall be having separate Receipt and Payment Bank accounts for their daily operations.
2. Receipt account shall be the Savings Bank Account and Payment account shall be the Current Bank Account.
3. Fees from students, amounts for Management Development Programmes & Consultancies, Grants, Endowments and Contributions from Alumni etc. shall be deposited in the Receipt bank account.
4. All the payments to be made shall be released from the Payment bank account. The Funds collected by way receipts in the Savings Account of the Constituent Institutes /Departments shall be strictly monitored and transferred on a weekly basis by every Thursday to a Central Account of the University.
6. Constituent Institutes/Departments shall prepare weekly estimate for the Fund requirement as per the expected payments to be issued and shall be sent to SRM University Delhi-NCR, Sonapat by every Thursday to transfer the funds in the payment account of respective Constituent Institute/Department.
7. The funds transferred to Central account of the University shall be invested as per the prescribed norms to earn maximum interest.
8. Funds received from external agencies for Research projects etc. shall be invested as per the terms and conditions of the funding agencies.
9. Letter shall be issued to the bank for transfer of funds from central Receipt bank account to Constituent Institute/Department payment bank account. The bank will issue the acknowledgement for the same. On the basis such transfer of funds, respective Institutes shall be informed.
10. Accounting treatment shall be given accordingly in the respective books of accounts.

1.6 Tools/Software required

Tally Software shall be used for Accounting for the Books of Accounts. It shall be ensured that technology by means of Net Banking, Online transfers/payments is used to the best possible extent.

Manish Bhatia

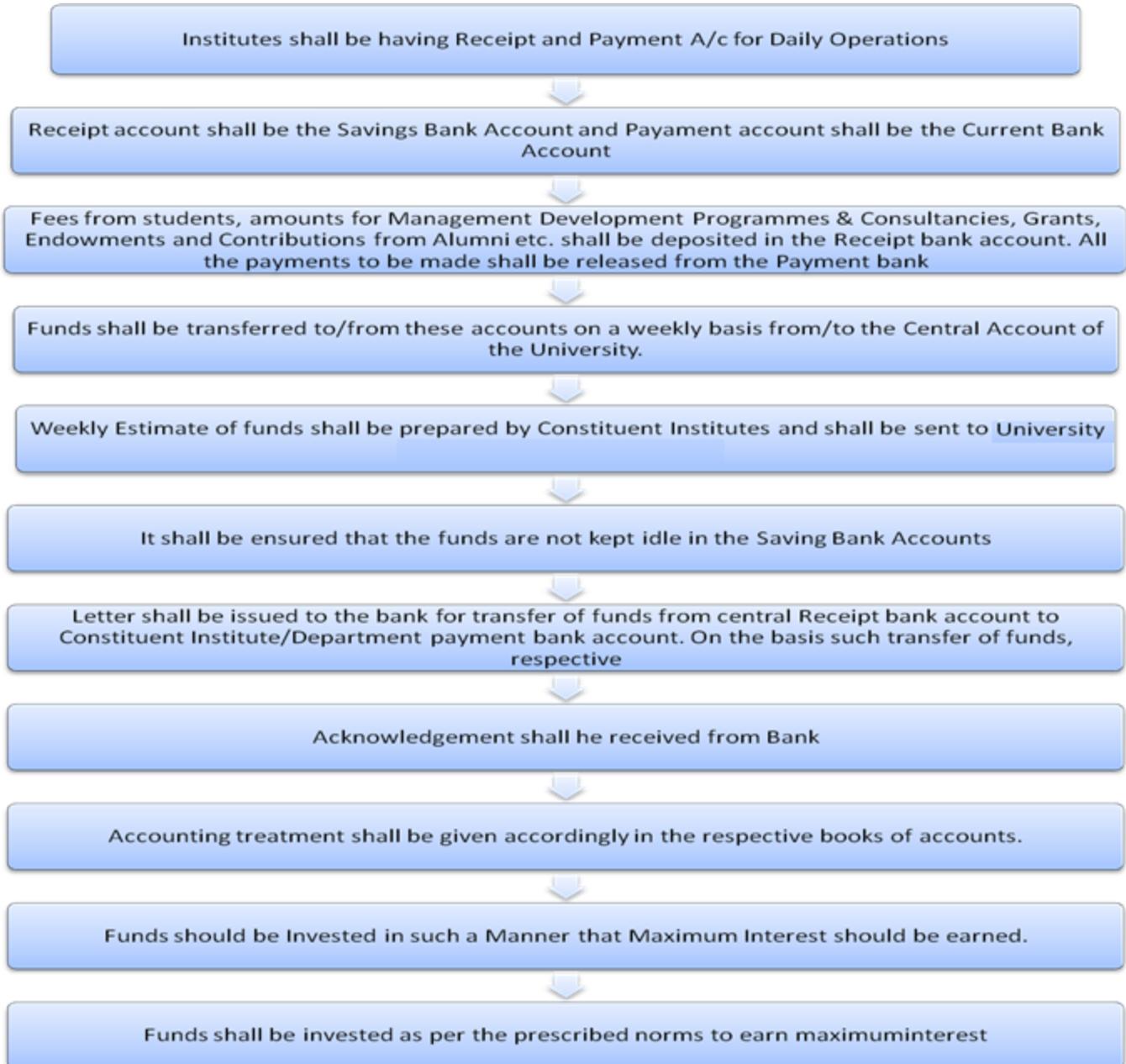
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1.7 Process Flow of Funds Management & Investment



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