Chapter IV

Financial Management of University Library

4.1 Definition & concept of financial management:

Financial management entails planning for the future of a person or a business enterprise to ensure a positive cash flow. It includes the administration and maintenance of financial assets. Besides, financial management covers the process of identifying and managing risks. The primary concern of financial management is the assessment rather than the techniques of financial quantification. A financial manager looks at the available data to judge the performance of enterprises. Managerial finance is an interdisciplinary approach that borrows from both managerial accounting and corporate finance. Some experts refer to financial management as the science of money management. The primary usage of this term is in the world of financing business activities. However, financial management is important at all levels of human existence because every entity needs to look after its finances. Broadly speaking, the process of financial management takes place at two levels. At the individual level, financial management involves tailoring expenses according to the financial resources of an individual. Individuals with surplus cash or access to funding invest their money to make up for the impact of taxation and inflation. Else, they spend it on discretionary items. They need to be able to take the financial decisions that are intended to benefit them in the long run and help them achieve their financial goals. From an organizational point of view, the process of financial management is associated with financial planning and financial control. Financial planning seeks to quantify various financial resources available and plan the size and timing of expenditures. Financial control refers to monitoring cash flow. Inflow is the amount of money coming into a particular company, while outflow is a record of the expenditure being made by the company. Managing this movement of funds in relation to the budget is essential for a business. At the corporate level, the main aim of the process of managing finances is to achieve the various goals a company sets at a given point of time. Businesses also seek to generate substantial amounts of profits, following a particular set of financial processes. Financial managers aim to boost the levels of resources at their disposal. Besides, they control the functioning on money put in by external investors. Providing investors with sufficient amount of returns on their investments is one of the goals that every
company tries to achieve. Efficient financial management ensures that this becomes possible. Different authors have given different definition of Financial Management which is worth noting. According to Archer & Ambrosia, Financial Management is the application of Planning and control functions to the finance function. According to Joseph & Massie, Financial Management is the operational activity of a business that is responsible for obtaining & effectively utilizing the funds necessary for efficient operation. According to Kautz financial management is the process of managing the financial resources, including budgeting/costing, accounting and financial reporting and risk management. It is handling your financial situation in a responsible manner to achieve the desired goals. (1)

Good financial management requires good planning. The decisions you make regarding your finances will affect many aspects of the organization life. Mitchell (2007) goes on to argue that there is a correlation between goal-setting and financial management. The goal-setting process is a key to successful financial management. (2)

Every organization, academic institution, business irrespective of its size and mission may be viewed as financial entity. It is one of the functional processes of the managed organization. Financial management is broadly concerned with acquisition and use of funds by organization. Since rising of the funds and the best possible utilization of the same is very crucial part of the success of an organization. Financial management is a diagnostic technique used for detailed analysis of future oriented activities of persons and groups of persons responsible for administration. “Financial management can be considered as a body of principles and practice with a close relation to applied economics, a review and discussion of financial management is an appropriate theme for this special issue on the economics of libraries, measurements, costs and related issues.” (3)

Today the nations which are economically sound, dominating the world. Today, whether it may be a society, organization, an adequate financial support is essential. Financial management in many ways is an integral part of the jobs of librarian who are involved in planning, allocation of resources and control. Financial management is part of library management that deals with obtaining funds, budgeting them and accounting them for use. It is conceded that the library should have regular cash flow for their day to day activities.

Financial management involves the application of general management principles to particular operation. The main objectives of financial management are maximization of
shareholders wealth. Managements of funds are critical aspects of financial management. Management of funds act as a foremost concern whether it is in business undertaking or in an educational institutions financial management which is simply meant dealing with management of money matters. Some objectives for financial management set forth by Roberts are very well relevant for any information service organization. These are basic assumptions that ought to be fulfilled in every information services provider organization. Some of these objectives for financial management are as follows.

1. Financial sourcing in accordance with organizational, user, and access policies.
2. A planning and review mechanism is required and used in conjunction with an explicit and workable budgeting system.
3. Resource and asset inventories are required and a system of cost finding developed and maintained.
4. Proper financial deployment structures and techniques are required. These have to be reviewed and deficiencies dealt with as necessary.
5. Process and unit costs should inform budgeting.
6. A program-activity budgeting system is required, and although grant-funded operations have tended to make do with line-item budgets, some reform is required.
7. Budgeting has to develop an informed managerial style without compromising professional standards.
8. Budgeting systems have to provide a foundation for cost and management accounting as well as more conventional stewardship accounting.
9. Implementing these deployment processes will enable effective financial utilization. Cost finding and measurement systems are required for deployment but have to be maintained through the utilization phase.
10. Financial utilization has to be developed to incorporate systems of budgetary, cost, and operations control. Throughput and output processes are to be monitored through the construction and use of performance measures.

These are basic assumptions that have to be fulfilled in every information service provider organization. Their financial responsibility was to be able to control and account for their spending. They were basically welfare dependents. As far as a financial responsibility is concerned, sourcing of capital, current revenue, and income streams is the main responsibility of the financial manager. Assuring income and
capital is to assure the survival and growth of the organization and provides the key to establishing and maintaining its value.

By financial management we mean efficient use of economic resources namely capital funds. Financial management concerns with the managerial decision that result in the acquisition and financing short term and long term to the firm or education institutions, University. To obtain finances, it is important to make an evaluation of the real conditions of finances and to explore sources from where these finances can be increased. Finance is very essential element wherein the authorities and all concerned should take up necessary measures to provide stable, sound and adequate financial support to meet the objective of any given institution successfully and satisfactorily. Two important functions of financial management are to obtain finances for businesses and to make the effective use of it.

There are two approaches identified with the range of financial management the traditional and modern approach. Under the traditional approach, the role of the finance is confined to only increase funds. It does not regard the effective use of the funds as part of function of financial management. On the one hand the modern approach underlines the two functions of financial management, namely, to increase funds and manufacture of the effective use of the funds. Thus the traditional approach represents a narrow sight of the range of financial management, whereas the modern approach is an overall sight of the same thing. Here scope of the research is restricted to the non-agricultural university libraries of Maharashtra, Gujarat and Goa State. Most of the other studies by various authors related to University finance by Panchmukhi P.R. Nanjundappa D.M. Working of University Finances, Nigam M.S. A study of Finances of the University of Rajasthan, Mathew.E.T. University finances in India a case study of the Kerla University, Jha Dibankar 1976 Report on a study of the Patna University, Mukharji K. 1978 The Calcutta University Finances etc. are found to be mainly restricted to financial analysis. This study is step ahead of many other such studies. In other words it attempted to make this study more comprehensive but restricted to library financial management a case study of Jaykar Library University of Pune. On this background some crucial questions can be raised which also suggest nature and scope of the study. Scope of library financial management may be defined in the terms of following questions
1. What are the major trends of state funded University libraries for expenditure
2. Whether Pune University spends its resources on library as per various committees’ recommendations of UGC.
3. What reforms can be suggested to overcome the present budget of library.
4. Is it possible to university libraries to compare with professional library?
5. How much total collection, human resources and library Services libraries have? what is the cost of providing such services?
6. What are the sources of funds for the library?
7. How should be the library analyses, plan and control its financial affairs.

4.1.1 Need of financial management in University library.

The growing information needs of users because of inter-disciplinary nature of research, availability of documents in various formats, ever increasing prices and inadequate budget have made financial management of the library a challenging task. Today financial resources are decreasing but specialization in various disciplines and emergence of new and inter-disciplinary area of research has increased the complexity and tremendous pressure of users for better and quality services and resources are creating a tremendous pressure on librarians. Owing to all of these factors library must keep up with the demands of sufficient provision of finance. Three key issues are at play in discussing funding of university libraries in developing countries. First, is the escalating demand for and the correspondingly high levels of enrolment in universities in developing countries. Second is the explosion in the quantity of desirable published materials for use in universities supporting teaching and research. Third, there is a rapid emergence and development of electronic information which have made it possible to envision radically different ways of organizing library collections than those traditionally provided, but which present a big financial challenge in their adoption.

At the stage of information explosion, there was exponential growth in published literature, subject has become inter-disciplinary. Need for Indian as well as foreign books and periodicals have arisen. Such resulted into increase in number of books, periodicals, journals; working papers etc these resources are being poured into the university library have been increasing at much faster rate. “With the arrival of the digital environment in the mid-1990s and the emergence of the hybrid library model, new managerial and financial needs have arisen as the environment of library and information service has become more complex”. 

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With the convergence of computer and communication technologies, globalization of knowledge and information is taking place. The introductions of internet and electronic publishing have impact on library collection and services. Technologies used in the past were mostly manual and simple but today they are complex and the libraries and information officers have to depend upon computer communication and network experts for support. When libraries are automated there should be guaranteed sources of funding. Automation is more expensive than manual systems. The university libraries in India receive funding from INFLIBNET to acquire computers and other related infrastructure, employ an information scientist and thus set up an Infibnet Lab in the library. However the funds provided under this assistance programme are inadequate to fully automate the university library operations and functions. According to UNESCO (1998)," the economic situation in many developing countries is such that many university libraries do not have the resources to purchase information resources, which has had negative and damaging effect on training and research capacities." In addition to this, Presently, academic libraries in India are facing number of problems like there is rising cost of books in the world market, increase in the subscription rates of periodicals, increase in the conversion rates but university budget for subscription is not increasing in that proportion. "The increase in the value and demand of information which continues to exert pressure on libraries to offer more effective service to their users, has also been gradually leading to a shift in focus from the need for accumulation and ownership of information resources to providing access." The need for such services has arisen due to the growing demand for up-to-date and client-specific information services. Existing university libraries have come under great financial pressure to cope up with this development. They try to achieve above changes with scare financial resources. In the absence of adequate financial support, it becomes very difficult for university libraries to provide consistent quality services to its readers. Library development and its ongoing services require sound financial provision. Financial management involves the process of financial analysis, identifying, costing and allocating revenue to the resources and activities that allow the parent organization to achieve its objectives. Libraries have to face financial and economic responsibilities and consequences. "The university library represents one of the largest capital expenditures on any campus and requires ongoing annual investment for it to retain its value and achieve its goals." To do so they need the clearest vision and mandate upon which to operate. The evaluation of the financial needs of the library is based on the various activities of the library. The main objective of library is to acquire and make available library collection for the satisfaction of the user, in accordance with the educational
programme of the university and within an agreed budget. Through this statement we know complete description of the organization of university library. Which activity of library will need financial provision, whether for library collection, staff who render this services or administration. Library need funds for the library collection, it need funds to provide services which make those materials available or administration of the library. The cost of all these factors will represent the grant required for the library. Proper consideration of needs will identify the scale of requirement and the best source of funding to match the needs. At this juncture, need for financial management in university libraries has been arisen. When information is dealt with as a commodity, the financial management of libraries becomes comparatively easy, and economic principles can be applied more precisely. Proper financing is possible on the basis of correct and effective estimation of financial management. Any evaluation of the monetary needs of the library must be based on the various activities of the library. The role of the library is to obtain and make available all those books, periodicals and related matter and information, required by students, researcher, and staff in the university, to support educational programmed of the university and within an agreed budget. We require funds for the materials we provide for our user, we need funds to provide services which make those materials available and we need funds for the staff that will obtain and make available those materials and maintain those services. The cost of all these factors will represent the grant required for the library.

4.1.2 Importance of University library finance:

Information, as the saying goes, is power. The primary objective of libraries is to organize and provide access to information. This objective will never change, although the format and the methods that are used can change dramatically, providing new opportunities and challenges. Higher education, scholarship, technology and economics, which are all interrelated, play an important role in understanding the needs of libraries. Library professionals in India, particularly those serving high-tech institutions, are already subject to various challenges. Funding is one of the most important factors in improving the existing library facilities to meet new challenges and requirements. The introduction of computers was a challenge to all librarians. New technology may call for organizational change in the traditional library. Librarians may have to function more like consulting information engineers than as the traditional, passive custodians of information and dispensers of documents Dr. Ranganathan's tells us about the ever-growing nature of libraries. To support
this growth, resources must be accumulated. The need for both resources and for the infrastructure to support them causes many libraries to face an additional budget crunch. Education and libraries play a significant role in bringing about qualitative improvements in human resources. During the recent economic recession, money for education and libraries in India became very tight, requiring cuts in serial subscriptions and book purchases for academic libraries. Finance plays a vital role in growth and development of libraries. Human resources constitute the ultimate basis for generating wealth for nations. The development of human resources is indeed both a means as well as an end in itself; and therefore, almost all exercises pertaining to socioeconomic policy formulation, and the planning and implementation strategies thereof, focus essentially on attaining the goal of human resource development. It is the development of human resources of a nation, not its capital or its material resources, that ultimately determine the character and pace of economic and social development which, in effect, influence the quality of life of people. The national policy on education rightly states that higher education provides people with an opportunity to reflect on critical social, economic, cultural, moral and spiritual issues facing the humanity. It contributes to national development through dissemination of specialized knowledge and skills. It is, therefore, a crucial factor for survival. Library is regarded as the heart of any education system. It is difficult to conceive how higher education system can achieve its goal of human resource development in a library. It is here that students and teachers come in contact with scholars of the past and present and drink deep the knowledge and wisdom of the society to develop their intellectual horizon. Thus, higher education and libraries are inextricably linked and help society by providing the necessary manpower in different fields, open new frontiers of knowledge by research, leading to all-round national development. As education, research and development, information and knowledge have economic value, as they have significant beating on productivity; universities spend on research and development for this purpose. Finance is the heart of any enterprise and the university library is a good example of an enterprise. If the university library is to meets its objectives, enough money must be provided regularly for procurement of materials and payment of staff salaries, as well as for buildings and other equipment.

It would be stating the obvious to say that adequate funding should be considered a basic necessity for the effective development of library and information services. But when such a fundamental consideration is often ignored or is not sufficiently appreciated by the sponsors of the services then it becomes necessary to reiterate even what is obvious as a
Adequate financial resources are the basic need and the backbone of every library. The scope and the nature of library finance totally depend on adequate financial provision. University libraries acquire books and periodical (Indian/Foreign), modern furniture, equipment, employed trained and experienced staff all these required funds. The cost of all these factors will represent the grants required for the library. A good library services largely depends upon a sound financial administration.

How much money does the library need to render its services? Carl M. White opines, "No great university library comes to mind which cannot point to stable financial support as a corner-stone of its success. The reason is quite simple. High standards in work of this kind cannot possibly be achieved, when funds for maintaining a competent staff, occupied by a steady flow of work, are provided by jerky fits and starts. If the library is to rid itself of a formidable menace to normal development, the university will be obliged to join with the University will be obliged to join with the University Grants Commission in establishing library financing on a footing which increases dependence on regular maintenance funds and reduces dependence on non-recurring grants.”

Proper consideration of needs will identify the scale of requirement and the best source of funding to match the needs. Finance is concerned with acquiring funds and making the optimal use of these funds. University Grants Commission, U.K. has stressed the importance of finance in its report “We have had in mind throughout this report, on the one hand, that adequate provision for libraries in of central importance to the universities and indeed to the national system of higher education and to the intellectual standing of the nations of the other hand, the library costs are raising steeply, that no end to this rise can be foreseen, and nationally will always depend on the skillful use of financial resources which leg behind the demands made on them” Libraries are nonprofit organization not having their own income sources. No library can render effective service without adequate funds. Thus library services are affected when finance is limited. As per the Dr. Ranganathan’s fifth law of library science, library is a growing organism which requires continuous and adequate financial support and human resource to organize its collection and to provide better services to users for looking to its present and future needs. For a library to provide efficiency in libraries collection and use of information a sufficient financial allocation is essential. This has become increasingly more difficult in recent years due to the increasing cost of library material and inflation university libraries the world over are facing a critical situation.
1. Building Costs (heating/lighting/maintenance);
2. Staffing costs (wages);
3. Book fund (which may or may not include Journal/periodical resources);
4. Technology (maintaining computer/CD-ROM resources);
5. Cataloguing/Classification costs.

Finance for each group is normally based on last year’s expenditure plus an allowance for inflation. A allocation of funds might have been based on past practices and performances, different publication rate and inflation rate, level of demand, actual use and the total programmed of the library and information center. Proper allocation of fund could be by subject, by type of collection, by library user or by format. Such allocation provides better control and more effective way to monitor funds and has the best chance to achieve a fair balance in development of library programs and services.

4.2 Overview of Income and grants funding agencies:

How much funding a library gets from the government or the funding body is largely determined by government views about the library and its services. As the university library is nonprofit organization that do not have any income of their own, except the library fees and fines received from the student. The government should meet its responsibility to bear the largest portion of the funding required to provide modern library services. In India entire cost of higher education including university library is met by the government grant. The central government through the University Grant Commission (UGC) and the State Governments provide funds for university education as grants.

Today in the age of technology revolution have changed the concept of education and its teaching and learning method. The emergences of virtual classroom concept and distance education have changed the paradigm of library finance. Traditional approach of library finance may change due to changes occurring in higher education. Today most of the libraries getting the books and journal through exchange and home delivery hence it has change the concept of role of library at university. However this concept emerges at only metropolitan cities but traditional cities may use traditional method for learning and teaching and research. To get update knowledge there is need to developed well equipped library with modern equipment of information for developed new innovation University grants Commission and state government have playing important role by financing to the University however whatever amount suggested by UGC committee to the library it has not utilized the properly.
There is need to require special mechanism for library finance. Today the main sources for library finance are state government, UGC, library fees of students, donation from various NGO and individuals, and funds from university publication etc. Whatever amount spend by University library is not fulfilling the criteria as per the norms of library the salary grant of staff and other miscellaneous expenditure for maintenance for books and journals, manuscripts are increasing due to increasing the price rate and it is necessary to increase the budgetary provision for library finance as per the norms spell out by the committees. Today subscriptions of the online journals are need to the University and University like Pune is leading University who subscribe the new online journals from various agencies from University budget.

1. Funding is one of the most important factors in improving the existing library facilities to meet new challenges and requirements. Success of a library largely depends upon its collection, staff and services and these in turn are affected by availability of adequate financial support. “The importance of funding in providing excellent library service cannot be over emphasized. It is the glue that holds the building, collections and staff together and allows the library to attain its goals.”23 As such money can be considered the soul of the library. Inadequate funds impacts the effectiveness of any library. The financial resources should be made available in such way that growing needs of libraries are made adequately.

Dr. C.D. Deshmukh, who was chairman of the University Grants Commission, gave special attention to improve the conditions of the libraries. He constituted a Library Committee in 1957 to advise the UGC about development of libraries and their organization.

University Grants Commission:

The UGC, was formally established only in November 1956 as a statutory body of the Government of India through an Act of Parliament for the coordination, determination and maintenance of standards of university education in India. In order to ensure effective region-wise coverage throughout the country, the UGC has decentralized its operations by setting up six regional centres at Pune, Hyderabad, Kolkata, Bhopal, Guwahati and Bangalore. The head office of the UGC is located at Bahadur Shah Zafar Marg in New Delhi, with two additional bureaus operating from 35, Feroze Shah Road and the South Campus of University of Delhi as well.
The UGC has the unique distinction of being the only grant-giving agency in the country which has been vested with two responsibilities: that of providing funds and that of coordination, determination and maintenance of standards in institutions of higher education.

**The UGC’s mandate includes:**

- Promoting and coordinating university education.
- Determining and maintaining standards of teaching, examination and research in universities.
- Framing regulations on minimum standards of education.
- Monitoring developments in the field of collegiate and university education; disbursing grants to the universities and colleges.
- Serving as a vital link between the Union and state governments and institutions of higher learning.
- Advising the Central and State governments on the measures necessary for improvement of university education.

The important recommendations of the committee regarding the financial provision of the libraries in universities and colleges were the following:

(i) The UGC and the State Government should provide the entire finance of the university and college libraries.

(ii) The question of grant should be determined on the basis of per capita formula. For the time being, this formula should be as follows; subject to local variation, the grant for books and journals should be Rs.15 per student registered in the university or college and Rs.200 per teacher and research scholar.

(iii) In case of a new university or the new department created in the existing university, a special initial library grant should be sanctioned.

(iv) The university or college libraries should be helped also by additional grant at a rate to be determined by local condition.

(v) The grant for the following year should be estimated normally on the basis of the statistical data of the preceding year, without prejudice to any unexpected and special demand coming up in the course of the year of grant, and the funds should be allocated.
(vi) The university and college libraries should decide between themselves from time to time the proportion in which they provide their respective grants. For the time being, the committee suggested that the UGC share should be four-fifth of the total grant and the State Government should provide the remaining one-fifth. These two authorities should have gentleman's agreement for prompt payment of their respective share of the library grant.

(vii) In case of failure on the part of the State Government to fulfill its obligation in payment of the share, the UGC should not withhold or reduce its grant and vice-versa.

The university library depends on the university, State government and UGC for financial support so that proper library services can be provided regularly to the academic community. The UGC provides grants to the university libraries under 5 year plan programmed for the purchase of books and journals and salary for the library staff for the plan period under certain conditions. From time and again it has also introduced special scheme through which it has provided financial assistance for modernizing libraries and for equipping libraries with necessary equipment’s such as computers to provide needed services to the academic community. The State Government under Block Grant releases fund to the university to meet expenditure on different heads of which the library is one. As the amount received both from the UGC and the State Government are meager university also contribute for the library from their own resources. The sources of library finance consist of following grants.

A] Grants received from UGC.

B] Grants received from University budget.

C] Grants from any other agency

D] Other resources: Endowments and donations.

E] Fees and miscellaneous sources like sale of publication, charges for reprographic and translation services. Here grants received from UGC and university budget are two major sources of university library. Whereas library fees, fine from students and miscellaneous income are directly collected by the university. As a university is the parent body of each university library, all funds for library are received by the university.
1. Grants received by the university out of its total budget.

2. UGC

3. ICSSR

4. CSIR

5. FORD FOUNDATION

6. DST

7. DRDO

8. ICHR

9. OTHERS

4.2.1 Grants received by the university out of its total budget

Funds received from the university budget form an important source of revenue for the libraries. In general the library will not be concerned with the sources of university income, since it will receive the greater part of its own income from the university itself. The University libraries get financial support from the universities out of their own funds and this funds may be made directly to the library. The university gets special grants from the UGC, and the State Government, which are passed on to the library for various purposes such as building, furniture, equipment, purchase of reading materials etc. For the purpose of establishment, i.e. salaries and wages, for stationery, postage, binding, miscellaneous items of expenditure, the university have to make allocation for the library out of its own budget.

A) Recurring grant:

Grants which are given on yearly basis are called recurring grants. Purchase of reading material, remuneration to staff, maintenance, and anticipated contingent expenditure. The sub-committee of National and University Library (SCONUL), U.K. has indicate the following criteria to evaluate recurring grant for a library.

(i) the number of students and the branches where teaching and research work are undertaken at the university concerned;

(ii) the number of research projects operating and the programmes undertaken at the university;
(iii) the scope of interest of the individual researcher, teacher and the department in which the subject is being studied and investigated;

(iv) the special collection of specific subjects, the manuscripts or the archives needed at the university;

(v) need for setting up outlaying subject libraries and the extent to which duplicate reading material is required; and

(vi) responsibility of feeding the local institutions like jail, hospital and the centers of research in the different area like education, health, agriculture, medicine and technology etc. Proper allocation of recurring grant enable the library to meet its regular expenses so as to provide proper, regular service to the member. The Parry Committee has recommended that the recurring grant for libraries should be increased to enable them to meet their responsibilities and develop their service (Parry: 1968)

B] Non-recurring grant:

They are allocated for specific purpose e.g. construction of library building, purchase of furniture and equipments or special collections in university library. Since these grants are given for development purpose. The Parry Committee has recommended non-recurring grant to university libraries to deal with even backlog of binding and repairs to damaged books and journals.

The non recurring grant is meant to provide special funds for the following needs.

(i) To create and equip collection of books for undergraduate students.

(ii) To equip research collection of books and back volumes of journals and serials for a newly established department or faculty.

(iii) To fill the gap in the holding of the library especially in respect of the department whose demand for reading material has remained unfulfilled during the past,(iv) To acquire specialized collection in the library needed by the university departments.

(v) To purchase documents of rare value from the library of distinguished scholars or from second-hand book market.
(vi) To meet the cost of retrospective binding as in most of the libraries this work remains pending for funds which are fully utilized on purchase of books and journals.

(vii) To purchase library equipment. The new technology developed in the field of management has influenced the routines of the library practice in the recent years. The modern library now needs micro-film reading equipment; data processing equipment; computer consoles and equipment; closed circuit television; photocopying equipment and tape-type writers etc. Further, certain libraries also need library-bus or the library-van for its active and speedy extension services. Availability of these modern equipments in the library and their use will enhance the efficiency of service to the readers. To have them, the library will need non-recurring grants to meet the initial cost involved and thereafter the recurring grant for their maintenance and running cost.

(viii) The library also needs office furniture, racks, catalogue cabinets, shelves, charging and discharging trays etc. which require non-recurring grants for their purchase.

4.2.2. Grants received by UGC:

This is the second important financial source of income to the development of university library. UGG grants are mainly plan grants. UGC since its inception recognized the importance of University libraries and gave top priority for their development in the Five Year Plans. Besides providing financial assistance for books, building etc it provide leadership and forum for planning, discussion and action. The UGC grants consist of three types of grants24

A] Recurring grants;

These are mainly for purchase of books and periodical, maintenance of regular services, and anticipated other expenditure.

B] Non- recurring grants:

The UGC Provide this grants for specific purpose e.g. construction of library building and its extension, purchase of furniture and equipments, and also provide grants for special collection in the university libraries. In India almost all university libraries were constructed with the help of the UGC which provided two third of the approved cost of library building. And remaining one third was managed by university out of its total budget. Even through sometimes UGV gives hundred percent grants for the construction of library building.
C] Adhoc grants:

On the recommendations of visiting committee of UGC or when UGC felt it very necessary, adhoc grants are provided for the special purchases of the university libraries. The UGC has started to give adhoc grants from 4th plan.

The University Grant Commission has been making very significant and substantial contribution for maintenance and development of the university libraries.

Financial package given by the funding agencies is not sufficient to meet the requirements of the university library. Library being a non-profit organization that does not have its own financial source. For its present and future development it requires continuous and proper allotment of funds before we examine the recommendation of various commissions and committees in this regard we may define the factors which require adequate and stable financial provisions for university libraries. They are:

1. Explosion and globalization of knowledge caused variety of literature in huge number
2. Rapid increase in the prices of books and periodicals
3. over dependence on foreign books, journals and periodicals
4. increase in conversion rates of publication
5. devaluation of rupees
6. High cost involve in adaptation of modern technology (library Automation)
7. Development of multimedia forms in the library (discs, internet, Email)
8. raise in the salary
9. Heavily cut into the budget.

4.2.3 Indian Council of Social Science Research (ICSSR)

Indian Council of Social Science Research (ICSSR) was established in the year of 1969 by the Government of India to promote research in social sciences in the country. The Council was meant to:

* Review the progress of social science research and give advice to its users;
* Sponsor social science research programmes and projects and administer grants to institutions and individuals for research in social sciences;
* Institute and administer scholarships and fellowships for research in social
* Indicate areas in which social science research is to be promoted and adopt special measures for development of research in neglected or new areas;
* Give financial support to institutions, associations, and journals engaged in social science research;
* Arrange for technical training in research methodology and to provide guidance for research;
* Co-ordinate research activities and encourage programmes for interdisciplinary research;
* Develop and support centers for documentation services and supply of data;
* Organize, sponsor, and finance seminars, workshops and study groups;
* Undertake publication and assist publication of journals and books in social sciences;

Advice the Government of India on all matters pertaining to social science research as may be referred to it from time to time; and take such measures generally as may be necessary from time to time to promote social science research and its utilization.

The Indian Council of Social Science Research (ICSSR) is an autonomous body under the Ministry of Human Resource Development (MHRD), Government of India. It receives 100 per cent grant from Ministry of Human Resource Development for its various programmes and activities. The Finance Division of the ICSSR plays a significant role in providing timely guidance on all financial matters like Planning, Administration, Monitoring, Management and Disbursement of funds. It provides prompt and effective assistance in examining all proposals with regard to financial involvement, audited statements, utilization certificate etc. received from various programmes/divisions.
4.2.4 Defence Research and Development Organization DRDO:

Defence Research & Development DRDO is working in various areas of Organisation (DRDO) works under Department military technology which include aeronautics, of Defence Research and Development of armaments, combat vehicles, electronics, Ministry of Defence. DRDO dedicatedly instrumentation engineering systems, missiles, working towards enhancing self-reliance in materials, naval systems, advanced computing, Defence Systems and undertakes design & simulation and life sciences. DRDO while development leading to production of world striving to meet the Cutting edge weapons class weapon systems and equipment in technology provides ample spinoff benefits to accordance with the expressed needs and the society at large there by contributing to the qualitative requirements laid down by the three services.

DRDO has constituted four research boards to nurture and harness talent in academic institutions, universities, R&D centres and industry. The organization provides necessary facilities for promoting basic research and to catalyse cross fertilization of ideas with R&D agencies in other sectors for expanding and enriching the knowledge base in their respective areas. The boards provide grants-in-aid for collaborative defence-related futuristic frontline research having application in the new world class systems to be developed by DRDO.

The catalytic role played by research boards has helped rapid growth in building capabilities in the area of aeronautical state-of-art systems like light helicopter, and in setting up a centre of excellence in Computational Fluid Dynamics (CFD) at the IISc, Bangalore, which is anticipated to give a boost to the designing of aeronautical systems within the country. Another centre of excellence in aerospace system design and engineering is being set up at IIT, Mumbai. A Centre for Composite Structure Technology is proposed to be set up at the National Aerospace Laboratory, Bangalore. Grants in aid by DRDO have led to setting up of a hypermedia digital library in IIT-Kharagpur, to the development of audio-visual training aids for aircrew, to indoctrination in air sickness and positive pressure breathing at the Institute of Aviation Medicine, Bangalore and to the development of rarefied gas dynamic facility at IIT, Chennai.
4.2.5 Ford Foundation:

The Ford Foundation is a resource for innovative people and institutions worldwide.  Its goals are to strengthen democratic values, reduce poverty and injustice, promote international cooperation and advance human achievement. This has been its purpose for more than half a century. Founded in 1936, the Foundation operated as a local philanthropy in the state of Michigan until 1950, when it expanded to become a national and international foundation. Since its inception it has been an independent, nonprofit, nongovernmental organization. A fundamental challenge facing every society is to create political, economic and social systems that promote peace, human welfare and the sustainability of the environment on which life depends. The Foundation believes that the best way to meet this challenge is to encourage initiatives by those living and working closest to where problems are located; to promote collaboration among the nonprofit, government and business sectors, and to ensure participation by men and women from diverse communities and at all levels of society. In the Foundation's experience, such activities help build common understanding, enhance excellence, enable people to improve their lives and reinforce their commitment to society. The Ford Foundation is one source of support for these activities.

4.2.6 Department of Science & Technology DST.

Department of Science & Technology (DST) was established in May 1971, with the objective of promoting new areas of Science & Technology and to play the role of a nodal department for organising, coordinating and promoting S&T activities in the country. The Department has major responsibilities for specific projects and programmes as listed below:

1. Formulation of policies relating to Science and Technology.
2. Matters relating to the Scientific Advisory Committee of the Cabinet (SACC).
3. Promotion of new areas of Science and Technology with special emphasis on emerging areas.
   3A. (i) Research and Development through its research institutions or laboratories for development of indigenous technologies concerning bio-fuel production processing, standardization and applications, in co-ordination with the concerned Ministry or Department (ii) Research and Development activities to promote utilization of by-products to development value added chemicals.
4. Futurology.

5. Coordination and integration of areas of Science & Technology having cross-sectoral linkages in which a number of institutions and departments have interest and capabilities.

6. Undertaking or financially sponsoring scientific and technological surveys, research design and development, where necessary.

7. Support and Grants-in-aid to Scientific Research Institutions, Scientific Associations and Bodies.

8. All matters concerning: (a) Science and Engineering Research Council; (b) Technology Development Board and related Acts such as the Research and Development Cess Act, 1986 (32 of 1986) and the Technology Development Board Act, 1995 (44 of 1995); (c) National Council for Science and Technology Communication; (d) National Science and Technology Entrepreneurship Development Board; (e) International Science and Technology Cooperation including appointment of scientific attaches abroad (These functions shall be exercised in close cooperation with the Ministry of External Affairs); (f) Autonomous Science and Technology Institutions relating to the subject under the Department of Science and Technology including Institute of Astro-physics, and Institute of Geomagnetism; (g) Professional Science Academies promoted and funded by Department of Science and Technology; (h) The Survey of India, and National Atlas and Thematic Mapping Organisation (i) National Spatial Data Infrastructure and promotion of G.I.S; (j) The National Innovation Foundation, Ahmedabad.

9. Matters commonly affecting Scientific and technological departments/organisations/institutions e.g. financial, personnel, purchase and import policies and practices.

10. Management Information Systems for Science and Technology and coordination thereof.

11. Matters regarding Inter-Agency/Inter-Departmental coordination for evolving science and technology missions.

12. Matters concerning domestic technology particularly the promotion of ventures involving the commercialization of such technology other than those under the Department of Scientific and Industrial Research.
13. All other measures needed for the promotion of science and technology and their application to the development and security of the nation.

14. Matters relating to institutional Science and Technology capacity building including setting up of new institutions and institutional infrastructure.

15. Promotion of Science and Technology at the State, District, and Village levels for grass-roots development through State Science and Technology Councils and other mechanisms.

16. Application of Science and Technology for weaker sections, women and other disadvantaged sections of Society.

4.2.7 Indian Council of Historical Research (ICHR)

Indian Council of Historical Research is an autonomous organization which was established under Societies Registration Act (Act XXI of 1860) in 1972. The objectives of the Indian Council of Historical Research (hereafter referred to as the 'Council') as laid down in the Memorandum of Association are as follows:

- "to bring historians together and provide a forum for exchange of views between them;
- to give a national direction to an objective and scientific writing of history and to have rational presentation and interpretation of history;
- to promote, accelerate and coordinate research in history with special emphasis on areas which have not received adequate attention so far;
- to promote and coordinated a balanced distribution of research effort over different areas;
- to elicit support and recognition for historical research from all concerned and ensure the necessary dissemination and use of results."

In pursuance of these objectives (a) the Council provides fellowships and financial assistance to the young teachers in colleges, universities and registered research organizations, as well as to senior scholars who might need financial support, (b) brings historians together by providing financial assistance for holding symposia, seminars, workshops, etc for exchanging views related to history, (c) provides publication subsidy to the seminars, congress proceedings and journals so that these publications may reach to
researchers and scholars, (d) publishes a biannual Journal - the Indian Historical Review, and another journal Itihas in Hindi, (e) maintains a large and expanding Library-cum-Documentation Centre exclusively for researchers and scholars, (f) maintains two regional centres namely ICHR North-East Regional Centre (Guwahati) and ICHR Southern Regional Centre (Bangalore), which provide assistance to researchers / scholars, (g) and takes such other measures as the Council considers appropriate in order to implement the stated objectives of the Indian Council of Historical Research.

The Library-cum-Documentation Centre of the ICHR has over the years developed into a fairly large and well-informed reference library. It has a collection of approximately 68,500 books/journals and regularly subscribes to approximately 100 foreign and Indian journals/periodicals.

The Library purchased about 700 books published in recent times largely on Indian history and allied disciplines, including reference books and books relating to the history of Asia and neighbouring countries.

The Library has been extending reading, reference and consultation services to scholars. About 2500 visits were made by scholars during the period under report to the Library from various universities/institutions pursuing studies on various aspects of historical research.

The Library also provides reprographic services to the scholars/ students visiting the library to help them in their research pursuits. During the period under report, approximately 35000 exposures were made available to scholars and researchers at a nominal rate of 50 paisa per page.

The Library-cum-Documentation Centre is member of the DELNET (Delhi Library Networking). And by virtue of having secured membership of JSTOR, the Library has access to unaffordable journals as well as rare and old numbers of historical journals.

4.3 Library Services in the context of finance:

Library is basically a service institution. Library carries out its services under two heads i.e. work behind the screen and work with the readers. Work behind the screen is mainly a technical service through library carry out its second services which involve reference and bibliographic services, documentation and information etc so it can achieve its
goals effectively. Library services are image of a library, in academic libraries it aims to improve the educational goals of parent institutes and satisfy the intellectual curiosity of the users and provide research assistance to the researcher and academician in various national and research institutes particularly in the area of science, social sciences, and other branches of higher education. There is no doubt that academic libraries are changing rapidly, finding new roles and new ways to play tradition role, delivering services in a rapidly changing, high technology world. "Libraries are now University recognized as important social institutions for diffusion of knowledge and information. No Community, Institution or Organization is considered complete without the support of a library and its effective services. The gradual spread of the concept of democracy, extension of education, intensification of research activity, repaid industrialization, continuous increase in production of recorded knowledge both in print and non-print form, and advancement in information, computer and communication technologies have contributed to the growth of libraries and information centre to develop user-oriented services" 31. The adequate library services were developed for raising the standard of higher education in the country from last six decades. In the post independence era high priority has been accorded to develop appropriate collections and also attention has been paid to provide necessary equipment to cope with the application of the modern technology and government also implemented various policies and services to the enhancement of library services. In pre-independence era the universities and the college for years together in the country continued without adequate building, collection, staff and organized services and it depend on other administrative services. A new changes spread with the expansion of research, when the honorary librarians were identified from the scholars to promote library services. Then the libraries were realized as Information Service Centre and it consider as a backbone of research and development. Today in modern day the concept of library secrecies is not only providing literature to the researcher but it is responsibility to preserve national heritage, old record and archival resources. Old archival documents, old records, traditional literatures are backbone of the country. But there is need to preserve our culture, identity and religious values through archival documents and literature by University library.
4.3.1 Brief Review of trends in library services:

- **Past trend of library services**

  During pre-independence period university libraries were not paid much attention and the limited in numbers. It library is considered as lock room for reading material and the person who looked after the books is considered as care taker It has important responsibility to the society as a whole as well as educational system itself. The significance of the traditional functions of acquisition, preservation, processing, and dissemination of information for extension of frontiers of knowledge for all walks of life is obvious. In pre independence era the universities and the college for years together in the country continued without adequate building, collection and organized services. The library facilities in most of the universities were very poor. As a result these were less used. During 18th centuries there were no libraries in the colleges of India. Due to the efforts of Lord Minto the Governor General of Fort William (Bengal) started college libraries with adequate collection in the year 1811. The origin of the present set-up of the educational systems and system of university libraries dates back to the first half of the nineteenth century. The year 1854 was important for education and library finance because it was a year which was declared as "the Magnacarta" of the present day system of higher education in India.

  In the context of traditional libraries the expenditure on staff comes to almost 50% of the total budget. Expenditure on collections, equipment and furniture, building and maintenance, overheard like electricity, water etc. constitute the remaining 50%.

- **Present trends of library services**

  The development of library services in higher learning is a complex process. University library services have been mainly revolutionized on the recommendations of Dr. S. R. Ranganathan pioneer Library Scientist of the country. Considering the importance of libraries in higher education, the UGC is in practice of appointing various committees for studying the problems referred by the Academic Institutions as well as by professionals to improve the library services. Since then library become the heart of university with the help of it knowledge of students, research scholar has been developing enormously. Before the introduction of information technology services rendered by the library were limit to issuing books, providing reference services, classification etc. Introduction of information technology and interdisciplinary education replaced the traditional library services by IT base services,
like online access to information, internet facility, SDI & CAS services, uses of IT for providing reference services, interlibrary loan, use of computer for housekeeping operation like ordering, cataloguing, classification, circulation of books etc. During the last few years academic libraries have changed considerably as bibliographic utilities, online catalogs, automated circulation systems, and other new technologies have been applied in a majority of library operations and services. These changes have created rising costs for libraries in a time of tight financial provision, particularly in the area of telecommunications, buildings, furniture, and electronic equipment. For the medium and larger sized academic libraries, it is not infrequent for computer costs connected with implementing online catalogs, circulation, acquisitions accounting, and serials control systems - including retrospective conversion of paper records into machine-readable forms. The important mission of university library had been shifted from preservation to provision of information to utmost satisfaction of user. However with the modern world's rapidly developing technology, the pace of technology innovation in libraries has steadily accelerated over the past decade. As a result new methods in the use and exchange of information have developed. It requires appropriate delivery mechanisms to enable users to access it, within this changing information environment, users continue to need help on what and how to search among the numerous resources available to them. In this emerging knowledge society, there has been a sea change in the knowledge sectors. Library and Information centers and their similar organizations are also not an exception to this. A changing trend in the mode of procurement, storage, processing and particularly in the delivery of services of the libraries is observed in almost all the libraries of the modern age. Also there are libraries continuing the traditional services and attempting towards provision of new services. In the changing scenario, ICT (Information and Communication Technology) has been the most instrumental factor. The evolution of a new pattern of scholarly communication via electronic publishing (i.e., web based information sources, multimedia information internet,) organized and made easily accessible to the user. Several types of libraries services such as on-line searching, email, and CD-ROM databases are in demand by library users today. Many libraries now find themselves paying subscriptions to access electronic databases instead of purchasing print journals. There are of course huge financial implication associated with the emerging technology based services in electronic library. Cost range from infrastructure costs, hardware and software, staff training. Libraries began to offer reference and information services in the late nineteen century.
Today's in modern and information age libraries are repositories and access points for print, audio, and visual materials in numerous formats, including maps, prints, documents, microform (microfilm/microfiche), audio tapes, CDs, cassettes, videotapes, DVDs, video games, e-books, e-audiobooks and many other electronic resources. Libraries often provide public facilities to access to their electronic resources and the Internet. Thus, modern libraries are increasingly being redefined as places to get unrestricted access to information in many formats and from many sources. They are extending services beyond the physical walls of a building, by providing material accessible by electronic means, and by providing the assistance of librarians in navigating and analyzing tremendous amounts of information with a variety of digital tools.33

The rapid developments in electronic library facility require initial and recurring cost equipment, license training and space for server and other miscellaneous etc. These cost are reviewed by Tebbetts (2000), who provides strategies for dealing with the need for continuous funding and long term financing.” Dugan R.E.(2002) also offer a model for defining technology costs in libraries. As we know libraries expensive services. Acquiring collection, information is costly, IT equipment software are expensive, its maintenance are expensive, staff who provide this services should pay appropriate salary and the building from which they provide services is very expensive. Thus the annual maintenance cost of university library required huge amount. Professional and management skills are needed to control expenditure and ensure that the greatest possible value for money is obtained. Forward financial management should give a rough indication of how much money is needed to provide a basic service. How much money does the library need to provide its services? Is the library cost-effective and providing value for money? Library services are often among the first to be affected when money is tight. Following is the list of library services (including acquisition of books and journals) which require huge financial support to carry out library’s goal to satisfy each and every user so as to achieve academic standards.

Among the most important costs that do not usually show up directly in an academic or special library budget are those related to the building and its equipment. These include utility costs - heat, light, and power - which may be included in another part of the institutional budget, somewhat in the manner of overhead. Given the size of most libraries and the fact that they are open long hours with sizable populations, it is clear that building
maintenance costs will also be sizable. It is, therefore, strange that these costs are seldom
taken into consideration when planning new or renovated libraries.

Added power consumption or changes in heating, ventilation, and air conditioning
(HVAC) requirements are seldom considered when planning for the installation of automated
systems, despite the fact that concentrations of machines and people tend to generate both
heat and noise beyond that expected in the simpler days when most libraries were planned.
This is particularly important when the need is to fit systems into an existing building.

Most library budgets include lines for door guards, and some include at least a part-
time position responsible for building security, but few budgets (other than public libraries)
include the cost of personal security or of cleaning, though both can be substantial in a large
library. In part, this is because these activities are the responsibilities of other parts of the
organization, which are themselves differently, organized. It may be possible to extract costs
associated with the library, but this kind of effort tends to be more expensive than the results
are worth. It also results from the fact that different reporting mechanisms result in the
activities being under the charge of different senior officers, so that there may be little or no
interaction in the course of budget decision making.

Following are few points which show how library budget is increasing.

- **Maintenance:**

  A) In academic libraries, where the library is often part of a much larger building, library
  maintenance may be included with other building costs.

  1.) Insurance for library buildings and collections can be very expensive, and
  insurance companies are now insisting on better building conditions, including the
  provision of proper disaster control systems.

  2.) Renovation of a library can be extremely costly.

  3.) cleaning;

  4.) Utility costs - heat, light, and power. Added power consumption or changes in
  heating, ventilation, and air conditioning requirements are considered when
  planning for the installation of automated systems. This is particularly important
  when the need is to fit systems into an existing building.

  5.) cost of personal security or of cleaning

  B) Several major environmental factors now make the discussion of personnel costs an
  essential component of library planning. The ability of the library to provide a service
depends absolutely on the provision of the necessary staff to carry out those services.
Staff is the greatest single expenses, which is why staff are among the first areas where cutbacks are made. Nearly 50% of recurrent expenditure in academic libraries in India is on staff. Apart from salary in-house training courses may be organized or staff may be sent on courses organized by different organization (Library Association, Aslib etc.). Training costs money, and funds should be available for the purpose of staff education in all library services.

1) Organizational restructuring, application of computer technology, professional/support staff job analysis, reassignments and the attendant training and staff development needs, and expanded personnel programs, such as job counseling, are all actions and activities resulting in one way or another from the external environment. These are, in addition to salary and benefits, major personnel cost factors for libraries.

- **Library Security:**

  Personal security is usually the responsibility of another agency, though there has been a move in some institutions to involve a wider range of administrators. Whereas the actual costs of repairs to the building may be charged back to the library budget, it is not often seen as parallel that the costs of personnel safety incidents should also be charged back. In fact, because of the nature of the building's use and the value of the materials housed, most libraries do make de facto assignments concerned with personal safety without showing the cost separately. Again, because they operate separately, large public libraries and museums have arrived at much better estimates of such costs and include them in their budgets.

  Because such considerations can affect the ways in which libraries (or individual departments such as Special Collections) can operate, their incorporation into the library budget, or at least consultation about these costs, would make clearer the actual cost of operation and enable better decisions to be made about how to do business.

- **Maintenance Security**

  Most library budgets will carry some line within the budget covering the cost of repairs even if the amount is small since there will inevitably be power and equipment failures and broken furniture. In this, library budgets differ from other parts of an academic institution, primarily because, whereas classrooms are shared by many departments, these are single users and the costs of replacement and repair can be allocated directly. The amount so allocated tends to have historic roots and acts as a kind of amortization fund on the theory that it is likely that a certain number of chairs and tables will wear out each year and can be
replaced individually rather than wholesale which tends to be the method used for classroom buildings. The increasing amount of electronic equipment in libraries has begun to strain the operating budget since very few institutions create sinking funds to cover the inevitable cost of replacement with more up-to-date equipment. Testimony to this is the increasing number of idle computer terminals in many libraries awaiting replacement or repair, also the long delay in upgrading computer systems beyond the time their peak usefulness has passed. Although it has long been the practice to provide a budget line for equipment service contracts (such as typewriter cleaning or maintenance for microform readers), the increase in the number and kinds of equipment has far exceeded the capacity of this usually modest part of the budget. Even the relatively simple need to keep terminals and workstations clean have been overlooked as a cost although it is as important as programming or CPU maintenance. In fact, libraries are finding that the cost of going electronic is far more complex than was ever thought.

- **Insurance Security:**

  Insurance for library buildings and collections can be very expensive, and insurance companies are now insisting on better building conditions, including the provision of proper disaster control systems. This may prompt institutions to think more thoroughly about one of their most expensive and valuable investments. Renovation of a library can be extremely costly, but the replacement of lost collections can be prohibitive, and may, in some cases, be impossible. There are no simple ways to keep the valuation of a library's collections up to date. It is possible to use annual expenditures to increase total worth, but there are few algorithms to upgrade the cost of the replacement of older materials, and the calculation of the cost of replacing bibliographic data, whether in paper or electronic format, defies any existing system, since the original costs are either lost in time or composed of so many separate operations that the calculation of a total cost may prove impossible. Although they are referring principally to the concept of depreciation, both Christianson (1992) and Carpenter and Milican (1991) stress the importance of including processing costs. Only when a disaster wipes out a library do most institutions realize the cost of replacement which must cover not only the direct cost of materials but also the cost of processing them - a cost that is not covered by any insurance policy. In the light of these facts, it is clear that more should be spent on preventive measures, including preservation, but such a change runs counter to most academic or other library budget styles. In the same way as repairs to a building are likely to be delayed until the cost demands either a separate fund drive or a legislative appropriation,
the repair of the collection may well be delayed until there is virtually no collection to repair. Many libraries maintain minimal budgets for replacement, but, for the bulk of the collection where the deterioration is slow and silent, most libraries must seek special grants or look to national programs which use microforming or digitization. Overlooking such needs leads to the undercapitalization of the library.

Building and maintenance costs can thus be seen to cover a wide range of costs, some of which are recognized, some of which are not. Again some are included, even if inadequately, in the library budget; some are the responsibility of other agencies and may or may not be provided for in their budgets; others are not covered at all. These costs include:

- repairs, whether major or minor;
- maintenance contracts for equipment;
- utilities;
- cleaning;
- insurance;
- amortization funding for new equipment;
- collection maintenance and preservation;
- personal safety costs; and
- disaster preparedness costs,

- Technology and Personnel Costs

The application of computer technology has played a key role in focusing attention on personnel costs within the total library budget and is often seen as the pivotal factor in the financial environment. Over the years, some people, especially university administrators, assumed that automation would reduce the overall costs of library operations, but this has not been the case. Automation and the proliferation of information technology as well as new techniques for accessing (not just acquiring) information have produced significant changes in staffing patterns and job assignments and will continue to be a major catalyst for more changes in the future. Implementation of automation systems has provided a strong incentive for libraries to embark on staffing studies to at least determine a more appropriate staff configuration based on objective data if not to examine cost
Library administrators need to consider other factors when attempting to determine overall personnel costs, including training staff, development programs, counseling services, performance evaluation programs. All of these factors affect the way libraries are planning and delivering programs and services.

1. Online housekeeping systems are now common in all academic libraries. It includes not only installation costs but also maintenance costs and new software products. A good library must be seen to use modern technology in order to provide a more efficient service to its clients. Installing an online housekeeping system is one of the most important events for a library and must be approached with care and thought.

2. The costs of cataloguing and classification services must also be regulated. It is important to ensure that expenditure is remaining within the limits set at the beginning of the financial year.

3. Total Cost of subscription of journals of print journals:
   Apart from acquisition of journals, binding and maintenance of loose issues of journals, periodicals and books is also important element of library expenditure. It required very small percentage of the total library funding. Binding make unbound issues of periodicals into permanent bound stock of the library.
   - Cost of display racks
   - Cost of binding loose issues of journals
   - Cost of space for shelving
   - Cost of maintenance of bound volumes
   - Cost of manpower
   - Cost of postage charges

• Total Cost of subscription of electronic, on-line journals
Technology is developing all the time. Software development and investment in online systems are growing rapidly. The ability to access information is increasing, with database response time getting quicker and online document request services available for those libraries which have the need and the funds.
   - Cost of subscriptions
   - Cost of IT infrastructure
   - Cost of purchasing computer
- Cost of upgradation of software and hardware
- Electricity charges

- Apart from books and journals following services are provided by the library that require sufficient financial support:
  - Reference and information services
  - Referral service
  - OPAC
  - Lending
  - Inter Library loan services
  - Current awareness services (CAS)
  - Selective dissemination of information (SDI)
  - Bibliographic services
  - CD-ROM database search services
  - Reprographic services
  - Clipping services
  - Indexing and abstracting services
  - Translation services
  - Online search facilities
  - Internet search facilities
  - Alert/Digest services
  - Monthly list of additions
  - Document Delivery service by e.mail.
  - Quality Improvement program
  - Revision of Pay scales and qualifications
  - Summer courses
  - Training courses
  - Seminars/conferences
  - Refresher course

- **Attempts towards Automation in Indian Libraries**

  Many university libraries have taken the lead in library automation. Their main emphasis was on database development and information retrieval services. James E. Rush (1986) feels that the application of new computer technologies will help us "to improve
Unfortunately, the academic libraries have made little progress in this direction. The reasons for the slow pace of automation in academic libraries are the following:

- Academic libraries in India function in a relatively less autonomous environment.
- The academic libraries are a comparatively smaller unit within a larger setup.
- Libraries have to compete for scarce resources.
- Undergraduates outnumber postgraduates, faculty, and research staff.
- Academic libraries are not under as much pressure to improve their services as are scientific and technical libraries.

**Networking in Libraries**

Networking is the linkage of working procedures for the exchange of information resources. Networking is defined as a mode of operation, whereby information resources are shared by a number of participants having the same objectives in mind. Thus the user of one library can have his requirements fulfilled by another library if the local library fails to serve his needs. The most important factors which have created the need for networking include the rise in the cost of publications, is inadequate budget of the library.

The rapid growth of electronic access to information adds complexity to the problem. Such access comes at a cost, which has been regarded as an added operating expense.

Without pretending to have engaged in an exhaustive analysis here, the goal has been to show that there are many unconsidered costs in running a library. Unless these are considered, changes and improvements may not have the desired effects. Many organizational decisions are made without a clear understanding of the financial effects, some of which may be delayed and others of which may be external to the library. The result can be a less than successful library program.

Over the past twenty years. During the last few years academic libraries have changed considerably as bibliographic utilities, online catalogs, automated circulation systems, and other new technologies have been applied in a majority of library operations and services. These changes have created rising costs for libraries in a time of tight financial provision, particularly in the area of telecommunications, buildings, furniture, and electronic equipment. For the medium and larger sized academic libraries, it is not infrequent for computer costs connected with implementing online catalogs, circulation, acquisitions...
accounting, and serials control systems - including retrospective conversion of paper records into machine-readable forms.

4.3.2 UGC Programmes and Library Development

On screening UGC documents, it is clear that almost all the committees have strongly recommended that library services should be strengthened to achieve the result or to maintain the standards of higher studies. As a result the UGC attaches great importance for creation and strengthening of library facilities and their efficient administration in all types of institutions which receive grant from it. The assistance include purchase of books and journals, CD ROM, Library building, photocopier, computer, networking, automation, salary revision difference of UGC scale and salary of the staff sanctioned by the UGC.

4.3.3 Ranganathan Committee: Constituted in (1957)

In 1957, UGC constituted a library development committee under the leadership of Dr. S.R. Ranganathan to review the library services and to suggest improvement measures. Committee submitted its report which was accepted and implemented by the UGC. The report recommended for the development of University and college libraries, besides containing valuable suggestions for allocation of grant for various development programmes. It also advocated about the essential services to be added to the system. Based on it, a large number of libraries were provided assistance to develop their building, collections and professional skills. The Book Banks were funded to help the needy students. The document has laid more emphasis on utilization of UGC grant, finance, book selection and book purchase, promotion of reading habit, weeding out, loss, documentation, strength of library, staff, building, fitting furniture etc. Continuing developments in discipline, IT revolution and ever emerging communication networks invited attention of the UGC again to pay serious attention. As a result, Second National Review Committee on University and College libraries was constituted in 1996.

Second National Review committee on University and College libraries set up under the chairmanship of Shri: MKR Naidu

The objective of the Commission was to know the library requirements in IX Plan period as the period was in great debate due to IT advancement. The Committee studies issues like management systems, acquisition policies, user needs, resource allocation variation, service provided, use of information technology, networking system, impact of
INFLIBMENT, relevance of LIS education, computerization, retrospective conversion. Electronic document and journals purchase and their preservation, database use, creation of databases etc. Observation/suggestions were made to face the challenges of ever growing quantum of students, faculty and new disciplines. Inadequate library facilities with unplanned growth of institutions everywhere were highlighted by the report. The UGC since its inception has made provisions for financial assistance to Universities and Colleges to create library services. The UGC, therefore, in the beginning of each plan, based on its norms and guidelines invites proposals to decide financial assistance.

4.3.4 Financial Assistance for University library services

Financial resources are most important to implement the decisions. The UGC therefore decides its assistance for library building proposals, staff additions, collection development and other necessary required equipment. In addition to this special grants have been made in the past to bridge up the gaps. During fourth plan under Wheat Loan Educational Exchange Programmes of United State of America, special grants were made available to select libraries to construct their buildings. A good number of professional were sent to visit foreign countries to know the advanced library services being practiced there.

In recent time one time 2 crore special grant was provided during VIII Plan to each of the nine selected Central Universities, and 50 lakhs each to 17 State Universities. This helped the university libraries to carry out their automation programme speedily. Later these libraries were visited by the group of expert appointed by the UGC to evaluate the utilization of the grant. Further during IX Plan period onetime special grant programme continued and in the year 2000-2001 and 2001-2002 Rs. 25 lakhs to each of 10 Universities; was provided. The idea behind was that the library development and service promotion should receive serious attention while considering assistance percentage.

While deciding central assistance, it should always be kept in consideration that the present day’s scenario of prices, service remunerations and programmes under operation should have relation with assistance allocation. The assistance allocation with various schemes under “Books and Journals” may be amalgamated with the plan allocation for effective use. Special funds may also be allocated to some of the identified libraries to create specialized services. In absence of national pricing formula for publishing industry there is a urgent need of formulating guidelines to decide rebate on books published in English language and also in other regional languages. The policy is also required to decide foreign
currency rates to acquire advanced I.T. products, books and journals and electronic
documents. Other important issues like quality of documents, availability and evaluation also
requires a specialized skill and training.

To meet these requirement financial assistance has a very crucial role to play with
increasing demand. Keeping in view electronic revolution UGC realized long back to use
computers for information management and also to share resources among the Universities,
Colleges and among other Institutions of higher learning.

4.3.5 UGC National Information centers

During the Sixth Plan period UGC noticed enormous growth of information and
changes in technology and academic population. UGC constituted a working group to
consider improvement in library services in University system. It was decided that besides
strengthening libraries in the University and colleges some centralized facilities for libraries
on regional basis should be developed. This committee in 1976 recommended to set up
information dissemination centers at Kolkata, Mumbai, Bangalore and Varanasi with a
national centers at Delhi. This programme was reviewed in VI plan period in 1983 and it was
decided that three UGC National Information Centres should be establish a Bangalore,
Bombay and Varanasi to facilitate 20,000 scientist working in Indian University system,
Indian Institute of Sciences was chosen for sciences disciplines, SNDT Women University,
Bombay to cater the needs of Sociology, Gujrathi, women Studies, Home Science disciplines
like economics, Political Science, education and Psychology etc. These centres are working
to strengthen research programmes. The progress of these centres has been reviewed
periodically to strengthen further. An extension of computers use the UGC took initiative to
automate all important libraries and plan to link-up libraries through some net for effective
use. To implement this idea financial assistance is also available in various other programmes
to purchase computers.

4.3.6 INFLIBNET

INFLIBNET started functioning in 1988 with the aim of optimizing the utilization of
resources and avoiding their duplication. INFLIBNET has proposed to network 200
universities, 7,200 colleges, and over 200 research organizations. A library has to allocate its
funds judiciously to various activities and services such as cataloguing, circulation, storage
and preservation, sharing of information resources, internet-based resources i.e. paid and
unpaid, ensuring that it should maximize benefit to ties user's in proportion to cost. Financing
the library service of the future could be the most difficult part of the financial management.
If librarians take the future of their services seriously than they will plan for it, allowing for
current trends and predicting future trends that will affect library services. Good planning
should result in a satisfactory library services for those who use it and for those who provide
it. Even libraries with good budgets or collections cannot have enough resources to be self-
sufficient The financial supports for library services are two type Recurring financial support :
As it is stated that library is heart of university and as far as library is concerned library
services is the heart of library without which library is nothing. The basic aim of the library is
to provide better services to its users. Most important service of the library is to provide
reading material in print or non print form to the library users. So the grants receive by the
libraries are spending as recurring grant for purchase of books and journals, maintenance of
regular services and anticipated expenditure to meet the salary of the staff. Non-recurring
financial support : To carry out various library services, library building should be in proper
condition with adequate furniture and equipment so non recurring financial support are
provided for specific purpose i.e. construction of library building, purchase of furniture and
other equipment and ad hoc grants to meet special requirements

It is based on the report ‘Development of Information and library Network:, 1988
prepared by a Group of Experts constituted by the UGC , The report ware prepared to
network 500 libraries with a financial implication of Rs.150 Crores. The project was revised
on the government directives and its priorities and objectives were changed. In November,
1996 the center was registered as an autonomous society and became a regular Inter-
University Center of the UGC. Since then the work is in progress for automation and
computerization of selected university and college libraries. The library professional are
being trained to use computer. The project is funding to select Universities to create database.
INFLIBENT has created database at Ahmedabad to support scholarship, learning research
and other academic services. It is also coordinating interlinking programmes to develop
educational network of the country. The INFLIBNET has diversified its service like
developing computer application software, creation of union's databases, providing CD-
ROM search services and contents page service in Social Sciences and Humanities. The
programme is also reviewed periodically. The workshops and training courses are other
regular activities carried out by the center.

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4.4 Standardized library services

To develop academic culture UGC started national level test for eligibility is conducted twice in a year for staff recruited at the level of assistant librarian in university libraries and librarian in colleges. The pay scales of the librarians are more or less scale at par with the scales of the librarians is more less kept at par with the scales of teachers working in universities and colleges. For the standardization of teaching and library services academic staff colleges conducted refresher courses, orientation programme conducted frequently for the librarian professionals. In spite of all these efforts it is necessitate fully fledged professionally qualified librarians and managers to develop library services in the era of present time.

To develop good library services there is need to identified excellent library centers and develop them in present need of the user with the technology means. To develop standard format it should be available to all UGC funded libraries to maintain minimum standard of service. To taking into consideration the present time and situation and increasing prices rises in every field, library financial management requirements should have relation with enrolment, faculty, students etc. Today role of technology is very important in every spear of life and hence technology should use in library for the making good services to the users and develop good academic culture with the modern electronic communication system and other essential requirements should put in library. While conducting refresher and orientation courses to the librarian and its professionals there is need to update new technique and strategies were they are supposed to work.

While considering India's expanding role in international level and development in higher education sector there is need to national agencies to get feedback on important issues related to library and its financial problems.

Conceptual access to knowledge is heart of the matter. But before that, knowledge seekers must have bibliographical, physical and language access to data, knowledge and information. Taking cognizance of this fact, the NKC has constituted a Working Group on Libraries (NKC: Libraries, 2007). Based upon the brainstorming of the Working Group, the NKC had made radical recommendations to make the library and information system in India efficient and effective. Academic libraries are the libraries attached to
colleges and universities. Preservation of and access to knowledge and information is their main mandate while supporting the mission of the respective colleges and universities. Information and communication technology (ICT) has made a deep impact on all types of libraries. Today we are talking about digital and virtual libraries. At the same time we are very much worried about the future of libraries in general and academic libraries in particular. But we would like to emphasize that the future of academic libraries is dependent both on external and internal changes. The ICT is providing the library and information professionals (LIPs) with both opportunities and challenges. There is a paradigm shift from standalone libraries to library and information networks; from printed publications to digital documents; and from ownership to access. This transition is the result of the impact of ICTs, the Internet and the web on different types of libraries.

1. The last ten years has seen enormous change in library and information services. National initiatives, such as eLib, have helped to facilitate rapid development. But change is set to continue in the next decade. Libraries are going to be expected more than ever to be fast-moving, innovative organisations which can still deliver stable services. Achieving this will involve energetic technical and content development. But it will also involve developing organisations with the right staff with the right skills working in the right structures. It is in this way that we will be better able to support the needs of our users. Libraries may need to reappraise their overall budgeting priorities and expectations in the context of the e-library. As we moved from the ‘traditional library’ model to the ‘automated library’ model (where traditional library processes, such as cataloguing and circulation, were automated), librarians became used to spending large amounts of money on library management systems (LMSs) and on the staff to maintain them. It has been commented, however, that in the new ‘electronic library’ (which provides access to extensive data and full text online) we are expecting to provide access on the cheap. A new generation of e-library systems (such as cross-searching services) are currently being launched which complement the LMS but are often far more complex than an LMS module, and yet we expect them to be much cheaper.

Managing the development and delivery of electronic library services is one of the major current challenges for university library and information services.

2. Funding priorities today must also include assisting with standardization of databases, communication and access protocols, and simplified entry from one system or personal computer into other systems, regardless of location, type of system and network, and
computer (mainframe, personal computer, or other). Funding priorities must provide for continuing innovation and creativity to enhance access to all information resources - print and nonprint, electronic, and so on.
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