

National Institute of Technology Rourkela

MINUTES

34th Meeting of Finance Committee



DATE : 28th December, 2015 (Thursday)
Time : 9.30 A.M.
Venue : Board Room, NIT Rourkela



राष्ट्रीय प्रौद्योगिकी संस्थान, राउरकेला
National Institute of Technology, Rourkela

Minutes of the 34th Meeting of the Finance Committee
to be held at 09.30 a.m. on 28/12/2015 (Monday)
in the Board Room, NIT Rourkela

Members Present

Sl. No.	Name	Contact No.
01.	Mrs. Vasantha Ramaswamy Chairperson, BOG, NIT, Rourkela & Founder Director, Aprameya Associates 87, National Society, Baner Road, Aundh Pune – 411 007	Ph : 020 -25886510 Fax : 020- 25886419, Tel Fax:020-27290028 Email: aprimeya201@gmail.com nitr2014@gmail.com Mob: 09822049647
02.	Prof. Sunil Kumar Sarangi Director National Institute of Technology Rourkela - 769 008 (Odisha)	0661- 2462001 (O)/ 2472050(O) Mob: 9437041081 Fax: 2472926/ 2462022 E. Mail: director@nitrkl.ac.in
03.	Mrs. Darshana Momaya Dabral, Joint Secretary & Financial Advisor MHRD, Govt. of India Shastri Bhawan, New Delhi – 110 001 <u>Represented through</u> Shri Satpal Sharma, Director (Finance) Integrated Finance Division, MHRD	+91-11-23382696 (O) +91-11-23070668 (Fax) e-mail: jsfa.edu@gov.in
04.	Prof. Sukesh Chandra Mohanty Associate Professor [ME] National Institute of Technology Rourkela - 769 008 (Odisha)	0661-2462511(O) / 0661-2463511(R) M: 09437686748 Email: scmohanty@nitrkl.ac.in

Members who could not Attend

01.	Shri S. P. Goyal, IAS Addl. Secretary (TEL) MHRD, Govt. of India Sashtri Bhavan, New Delhi- 110 001	+91-11-23383451 (O) +91-11-23382298 (Fax) e-mail: spgoyal@nic.in
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F.C-34(2015)-01: The Chairperson to welcome all members present.

Chairperson welcomed all the members to the 34th meeting of the FC and leave of absence was granted to the member(s) who could not attend.

F.C-34(2015)-02: Confirmation of the minutes of the 33rd Meeting of the Finance Committee and Action Taken Report thereon.

The item was deferred due to non-availability of the final minutes and action taken report on the minutes. Administration was advised to prepare the final minutes of the 33rd Meeting of the FC along with ATR on those minute and present to the FC in its next meeting.

F.C-34(2015)-03: Financial Status of the Institute.

The financial status of the Institute as on 30.11.2015 is given in the Annexure for information of the FC.

The FC noted the financial status and advised the administration to present the sources of funds and a detailed break-up to account for the negative balance (overspent amount) of Rs. 114 crores.

[Annexure – A1, Pg. No. 1]

F.C-34(2015)-04: Payment of scholarship during the 5th year to the Ph. D students with M. Tech or equivalent qualification.

Ministry of HRD vide F. No. 17-2/2014-TS.I, dated 24/11/2015 has clarified that Ph. D students with M. Tech or equivalent qualification are also to be paid scholarship during their 5th year. This change (earlier they were paid only for 4 years) is effective from 01-10-2014.

Accordingly, it is proposed to pay scholarship for the 5th year to all those Ph. D students with M. Tech or equivalent qualification who were in receipt of scholarship as on the effective date, i.e. 01-10-2014. Estimated financial implication for current year and arrears will be 3.5 crore rupees.

The FC approved the proposal for M. Tech. qualified Ph. D scholars and advised the administration to take up the cases of MBA/M.Sc./MA qualified Ph. D scholars with MHRD.

[Annexure – A2, Pg. No. 2 - 6]

F.C-34(2015)-05: Allocation of Funds under Major and Minor Projects as Recommended by the BWC.

The Building & Works Committee (BWC), in its 27th meeting held on 11/12/2015 has recommended some major and urgent minor constructions as given below:-

(Figures are in lakhs)



Sl. No.	Description	Total Cost	During 2015-16
Details of Minor Projects:			
1	Construction of Boundary wall for Outreach Centre at Bhubaneswar	24.25	5.00
2	Provision for MS pipe 300 mm dia for main distribution line near FR-I and other ancillary work at NIT Rourkela	5.3	2.00
3	Renovation of Toilet Blocks in the Main Building.	24.49	5.00
4	Repair of Ceiling and Provision of APP membrane over Roofs of Metallurgy & Materials Engineering Dept. and Chemistry Dept. in the Main Building.	10.00	03.00
5	Renovation of old PWD Stores for use as an essential provision shops for campus residents and as store for construction material.	10.95	3.00
6	Networking of Lecture Hall Complex, Mining and Ceramic Building Extension, TIIR Building and new Academic Building	27.18	5.00
7	Finishing work of the 3 rd Floor of the Extension of Computer Science Building.	20.00	5.00
8	Renovation and O&M of Central AC of Guest House.	10.0	2.00
9	Construction of working bench with marble/ granite top, water connection and drainage etc. in Laboratories of Ceramic Engineering Department.	17.65	5.00
10	Connecting corridor between SAC Road and PG Building Road and dismantling of cycle stand (partly).	11.40	3.00
11	Road markings along periphery and major roads at NIT Rourkela	16.53	5.00
12	Provision of Paver Blocks & Kerb stone on both side of Road from Mangala mandir to I.E Building	15.67	5.00
13	Construction of a Moorum Road for Entry to WESCO Office cum substation	5.0	2.00
14	Provision of storm water drainage around New Park and development of the area	24.70	5.00
	Total =	223.12	55.00
Details of Medium Projects (Value < 50.00 crores):			
1	Extension of existing Planning & Architecture Building	300.00	NIL
2	Completion of Central Air Conditioning work for Balance Academic Buildings	4000.00	NIL
3	Supply and Installation of Kitchen equipment (Custom Fabricated Items) to various Hall of Residence.	162.57	20.00
4	Supply and Installation of Kitchen equipment (Gas Bank) to various Hall of Residence.	35.78	10.00
5	Supply and Installation of Kitchen equipment (Exhaust Hood) to various Hall of Residence.	106.19	20.00
6	Supply and Installation of Kitchen equipment (Bought Out Items) to various Hall of Residence. (Tender Under Finalization)	165.45	NIL
	Total =	4766.99	50.00

In view of indications of no increase in grants for the current financial year and next financial year as intimated by the Government of India representatives, the FC recommended not to initiate and/or take up any new proposal/project for next two years.

[Annexure – A3, Pg. No. 7 - 16]

F.C-34(2015)-06: Release of Grant under the World Bank assisted Technical Education Quality Improvement Programme (TEQIP-II) of Government of India for the year 2015-16.

Intimation of sanction of the President of India to release 1st instalment of additional grant under Plan head has been received from Ministry of HRD as follows:-

Sanction Ref. No. and Date	Head	Amount in lakhs
F. No. 16-6/2015-TS.VII (Pt.), dated 02/12/2015	Plan (General)	193.75
	Plan (SC)	37.50
	Plan (ST)	18.75

The money will be spent as per guidelines of TEQIP-II.

The FC noted the above and advised the administration to prepare the detailed expenditure plan of the allotted fund and put up to the FC in its next meeting.

[Annexure – A4, Pg. No. 17 - 28]

F.C-34(2015)-07: Enhancement of Student fee.

The Dean's and Head's Committee vide resolution No. HODM-141(2015)-03, dt. 05.08.2015 recommended for enhancement of student fee from the Academic Session, 2015-16 as given below:

Sl No.	Program		Present Fee (Per Year)	Proposed Fee (Per Year)	Approved Fee (Per Year)
Hostel Seat Rent					
01	M. Tech (R), Ph. D, Post Doc. and MBA		5,000/-	8,000/-	10,000/-
02	B. Tech., Int. M.Sc., M.Sc., M. Tech Dual Degree, MA & M. Tech.	1 st Year	4,000/-	8,000/-	10,000/-
		2 nd Year	5,000/-		
03	Married Hall	Single	6,000/-	10,000/-	12,000/-
		Double	8,000/-	12,000/-	15,000/-
Establishment Charge & Medical Fee					
04	Establishment charges (including replacement of non-building infrastructure.		5,000/-	8,000/-	6,000/-
05	Medical Fee		2,000/-	2,500/-	2,500/-

A proposal was put up vide Agenda Item No. - F.C-33(2015)-09 to the 33rd FC held on 26/10/2015. As was advised, the proposal is put up with justification in numeric terms.

Justifications for Hostel Seat Rent [Sl. No. 1 to 3] of the above:

1. Depreciation cost of building per year = $7,00,000 / 30 = 23,333$
2. Maintenance Cost @ 1% of 7,00,000 per year = 7,000
Total attributable (theoretically) expenses for Seat Rent > 30,000

However, raising the Seat Rent suddenly by such large amount may invite criticism. Hence, a practical smaller rate is proposed.

Justifications for Establishment Charge [Sl. No. 4]:

1. Security Expenses	= 1,00,00,000/6000	= 1,666
2. Cleaning Expenses	= 72,00,000/6000	= 1,200
3. Hot Water System	= 2,00,00,000/10/6000	= 333
4. Kitchen Equipment	= 6,00,00,000/10/6000	= 1,000
5. Curtains	= 1,00,00,000/4/6000	= 416
Total for above new expenditures		= <u>4,615</u>

However, raising the Establishment Charge suddenly by full amount may invite criticism. Hence, a practical smaller rate is proposed.

Justifications for Medical Fee [Sl.No.5]:

1. Total collection from students for 2014-15	= 1,08,27,000
2. Total expenditure for students for 2014-15	= <u>1,44,47,149</u>
Shortage of funds (2 – 1) (= X)	= <u>36,20,149</u>
=> Excess requirement per student (X/6000)	= <u>603</u>

However, raising the Medical Fee suddenly by full amount may invite criticism. Hence, a practical smaller rate is proposed.

The FC deliberated the above proposal and approved the following:-

- I. To increase the fee as given in the Approved Fee Column.*
- II. "Deferred revenue" expenditures incurred for installation/fitting as well as replacement of hot water supply system, curtains, kitchen equipment, etc. to be met from Hostel Seat Rent in the future in place of Establishment Charge as is being done at present.*
- III. To process work orders for first time installation/fitting of curtains, hot water system and kitchen equipment from institute funds against seat rent received and to be received in future.*

F.C-34(2015)-08: Report on fraud committed by an external training agency.

One faculty (Prof. S. K. Das, Civil Engg.) and one officer (Mr. H. Satapathy, Engineer) were nominated to attend one international training program organised by an organization named Engineers Development Council, New Delhi vide O. O. No. – NITR/ES/2013/M/2995, dated 04/12/2013.

The training fee of Rs. 4,72,000/- was paid by the institute from TEQIP-II account for the same purpose in advance to the organization as the Brochure and letter head of the agency mentioned that the agency is established by the Planning Commission.

The agency, however postponed the schedule quite a few time. Apprehending a possible fraud, Mr. Satapathy got in touch with Niti Aayog and to his utter surprise was informed that the agency was a fraud and the aayog had published a public notice vide No. A.43011/31/2013-ADM.I, dated 14-03-2014.

In view of above it has been decided to inform about the payment to the Niti Aayog and also to lodge an FIR with the local police. Further developments will be appraised to the FC from time to time.

It is proposed that the advance may be delinked from the employees account and be treated as an advance paid by the Institute.

The FC noted the incident and advised the administration to set up a committee to look into the whole issue and suggest proper action to be taken in the instant case and to avoid such occurrence in the future.

It was further advised to take up the matter with Niti Aayog and to lodge an FIR in the local Police Station if not already filed by Niti Aayog.

[Annexure – A5, Pg. No. 29 - 46]

F.C-34(2015)-09: Including Raipur Airport in the permitted list for Air Travel.

The BoG vide Resolution No. – BOG- (20)-xx, dated have permitted the airports at Bhubaneswar, Ranchi and Kolkata for air travel on the ground of being in home state, nearest geographically and nearest metro city, respectively.

Representation has been received to include Raipur Airport also in the list on the following grounds:-

- a. Travelling to New Delhi / Mumbai / Hyderabad from Raipur is cheaper and takes less time than other three cities.
- b. Distance to Raipur from Rourkela is comparable to Kolkata/ Bhubaneswar.

The representation was examined and found acceptable.

The FC approved the proposal to include Raipur along with Ranchi, Kolkata and Bhubaneswar for taking flights to other parts of the country.

[Annexure – A6, Pg. No. 47 - 48]

F.C-34(2015)-10: Any other item with the permission of the Chair.

The following items were discussed with permission of the chair.

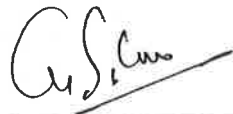
10 (a): TA Bill of Shri S. K. Upadhyay for his visit to New Delhi on 26/10/2015.

The FC considered the application submitted by Shri S. K. Upadhyay vide No. – NITR/ES/2015/M/1984, dated 29/10/2015 for approval of his tour to Delhi during the 49th BOG meeting held on 26/10/2015.

Since, Shri Upadhyay was invited by the Chairperson to Delhi during the occasion, FC approved for reimbursement of his TA Bill by the institute as per applicable rules.

[Annexure – A7, Pg. No. 49]


Registrar
राष्ट्रीय प्रौद्योगिकी संस्थान, राउरकेला
National Institute of Technology, Rourkela


(Prof. Animesh Biswas)
Director & Acting Chairman (BOG)
NIT, Rourkela