

NATIONAL INSTITUTE OF TECHNOLOGY:: SILCHAR
MINUTES OF THE 28th MEETING OF THE FINANCE COMMITTEE

The 28th meeting of the Finance committee was held in the Research Promotion Cell, NIT Silchar on 17th May 2014 at 18:00 hrs. The following were present.

1. Prof. Asis Datta, Chairman, BOG, NIT Silchar & Prof. of Eminence, National Institute of Plant Genome Research, Aruna Asaf Ali Marg, JNU Campus (adj. To ICGEB), New Delhi-110067.
2. Sri Rajesh Singh, Director NITs, TS-III, MHRD, Deptt. of Higher Education, R. No. 326, C-Wing, Shastri Bhawan, New Delhi-110001.
3. Prof. Sunanda Dhar, Professor in Electronics Sciences, University of Calcutta, 92 A.P.C Road, Kolkata-700009.
4. Prof. N V Deshpande, Director, NIT Silchar.
5. Sri. B K Kashyap, Finance Division MHRD.
6. Mr. Jagannath Patro, Registrar NIT Silchar.

At the outset, the Director welcomed the members of the Finance Committee and initiated discussion on the agenda items.

FC-28/14/01: To confirm the minutes of the 27th meeting of the Finance Committee

The minutes of the 27th meeting of the Finance Committee held on 15th December, 2013 were circulated and no comment was received except against the approval of BOG nominees to the Finance Committee. Since the BOG had not ratified the decision of the Chairman and nominated Prof. Sunanda Dhar & Prof. Samarendra Dandapat as BoG nominees to Finance Committee in its 41st. Meeting showing Prof. Dibakar Chakraborti and Shri SK Pattanayak as members would not be proper. They should be shown as special invitees as per decision of 41stBoG. Besides, certain observations received from the special invitees were decided to be ignored as those are mostly technical in nature.

The minutes were confirmed mutatis mutandis.

FC- 28/14/02: To take note of the action taken report and progress made on the minutes of the last meeting.

The committee perused the action taken report on the minutes of the last meeting.

FC- 28/14/03: To report on utilization of Grant during the financial year 2013-14

The statement showing details of Budget provision, Intuitional Receipts, Grants and utilization under Plan, Non-plan during the FY 2013-14 is placed below for perusal.

(Rupees in lac)

Sl No	PARTICULARS	PLAN	NON-PLAN
1	Revised Budget Estimate for 2013-14	15880.00	4750.00
2	Opening balance as on 01.04.2013	4049.56	1040.13

SI No	PARTICULARS	PLAN	NON-PLAN
3	Grants received from G.O.I. during 2013-14	10500.00	2675.00
4	Institute Income during the period(receipts)	0	1210.50
5	TOTAL FOR UTILIZATION	14549.56	4925.63
6	Less : Utilized during 2013-14	15413.18	4003.52
7	Balance available as on 01.04.2014	(-)863.62	922.11
8	Requirement of Grants for 2014-15	26607.00	6303.00

The Finance Committee perused the report and accepted the same.

FC -28/14/04: To consider discontinuation of maintenance of Gratuity Fund of the Institute.

As per decision of 75th BOG under item no. 75/08, it was decided to create a fund by transferring 4% of Budget Provision for Pay of every year for payment of Death cum retirement Gratuity to the employees of the Institute.

Accordingly fund has been created since 2008-09 and all the payments of DCRG were released from the said fund till implementation of the Pension Scheme.

Accumulated unspent balance as on 31.03.2014 against Gratuity Fund as follows:

1. As per Bank Balance	Rs. 16,61,766.00
2. Investment with Bank	Rs. 3,57,27,930.00
Total	Rs. 3,73,89,696.00

Since, this Institute has come under Pension Scheme w.e.f. 2013-14, Death cum Retirement gratuity has become a part of retirement benefits under Pension Rules. Therefore, maintenance of separate fund is not required. In view of the above, it is proposed to close this Gratuity Fund and the accumulated balance as stated above may be transferred to Corpus Fund of the Institute.

28th Finance Committee has recommended to the BOG for the closure of the Gratuity fund and transfer of the amount to the Corpus Fund.

FC -28/14/05: To consider and approve the Annual Accounts for the financial year 2013-14.

Preparation of Annual Accounts for the financial year 2013-14 is under process. The same will be placed before the Finance Committee for its consideration and necessary recommendations for approval of the Board. After approval of the Board, the same will be forwarded to the Director General of Audit, Kolkata for their needful.

The Finance Committee scrutinised the annual account for the 2013-14 and recommended for the approval of the Board.

FC -28/14/06: To consider carry forward the Surplus/Deficit of Plan & Non-plan Fund from the financial year 2013-14 to 2014-15.

Preparation of Annual Accounts of the Institute for the F.Y.2013-14 is under process and final figures of the total expenditure and amount available for carry forward will be derived after completion of the above process. As such, figures for carry forward to next financial year will be placed before the Finance Committee on the day of the meeting.

The 28th Finance Committee has scrutinised the annual account for the financial year 2013-14 and recommended the carry forward of the Surplus/Deficit to the financial year 2014-15 to the BOG for approval.

FC -28/14/07: To consider Annual Plan and Non-Plan Budget for the financial year 2014-15.

The Annual Budget of the Institute for the financial year 2014-15 placed at **Appendix -C**, was prepared and forwarded to MHRD as per Ministry's letter no. F.34-7/2014 – TS.III dated 15th April, 2014.

The Annual Budget for the financial year 2014-15 was scrutinised by the Finance Committee and recommended for approval of the BOG.

FC -28/14/08: To consider the replacement of condemned Ambulance and the Vehicles declared beyond economic repair by the expert committee.

The report of the expert committee condemning the Ambulance and that of the expert committee declaring few Institute Vehicles beyond economic repair will be placed on the table during the meeting. The Finance Committee is requested to approve the replacement of the said Vehicles.

The Finance Committee approved the replacement of the old vehicles after getting those declared condemned or BER by duly constituted Board as per GFR.

FC-28/14/09: Approval of the Minutes of the 38th meeting of the B&WC.

FC-28/14/09(i): To consider detailed estimate for modification of (1) Mechanical Engineering Workshop building and (2) Old Amenities building re-named as Academic Block-II

Proposal and detailed estimates for modification of (1) Mechanical Engineering Workshop building and (2) Old Amenities Building new re-named as Academic Block-II at a cost of Rs.28,03,60,055.00 & Rs.27,12,92,894.00 respectively was placed before the 38th Building & Works Committee (B&WC) meeting under Item No. BWC-38/14/04. The Committee after careful examination recommended the same to FC and BOG for approval.

The Finance Committee examined the resolution of B&WC and recommended to BOG for approval.

FC-28/14/09(ii): To consider proposal for (a) Balance work of Sports Complex and (b) Auditorium

(a) Sports Complex:

Proposal and tentative estimate for balance work of Sports Complex at a cost of Rs.12,84,11,719.00 was placed before the 38th B&WC meeting under item No. BWC-38/14/08(A). The Committee after detailed examination of proposal decided that estimate sub-head No. 5 fine leveling and grass laying on football ground and cricket ground and sub-head No.10 Misc. civil works amounting to Rs.2,17,26,029.00 and Rs.3,43,15,329.00 respectively may not be taken up at present. However, after detailed estimate and price comparison, the same may be placed in the subsequent B&WC.

The Committee after detailed discussion decided to recommend other sub-head work amounting to Rs.7,23,70,361.00 for approval of FC & BOG.

(b) Auditorium:

The B&WC examined the tentative estimate for balance work of Auditorium building at a cost of Rs. 12,89,90,209.00 and recommended for approval of FC & BOG. The Committee further decided that the specialised agency may be selected to workout design and detailed estimate.

The Finance Committee may examine the resolution of B&WC in respect to (a) balance work of Sports Complex at Rs.7,23,70,361.00 and (b) balance work of Auditorium at Rs.12,89,90,209.00 respectively and recommend to the BOG for approval.

The Finance Committee advised to constitute a Board to examine the details, right from the initiation of the project and submit the report for scrutiny and decision. The Board may be constituted as follows:

1. Member from Ministry of HRD (Administrative / Finance Bureau)
2. Member from CPWD / PWD
3. Registrar, NIT Silchar

FC-28/14/09(iii): To consider preliminary estimate (DPAR) for additional Security Barrack of 100 capacity

The Building & Works Committee in its 38th meeting under item No. BWC-38/14/10/E1 examined the proposal and preliminary estimate for proposed construction of 100 capacity additional Security Barrack at a cost of Rs.2,09,94,991.00 and recommended for approval of FC & BOG.

The Finance Committee examined the resolution of B&WC and recommends the same to the BOG for approval.

FC-28/14/10: Additional agenda

FC-28/14/10A: Release of performance Guarantee of ILFS Technologies Ltd.

ILFS Technologies Ltd was awarded the contract for establishing e-network in the NIT Campus at a cost of Rs.5,67,49,988/-. The cost includes Rs.4,95,49,988/- for passive and active components and Rs.72,00,000/- for cost of execution of the project. The project was completed on 20.09.2013.

As per the agreement, the firm has to submit performance bank guarantee of 10% of the project cost which the firm had submitted. Besides, 30% of the contract value was also withheld as performance guarantee to be released in 3 yrs at the rate of 2 ½ % of the contract value on satisfactory completion of every quarter of a year. In any case the firm is eligible for release of 5% of the contract value withheld as 6 months have been completed since installation.

But the firm is requesting to release 50% of withheld amount i.e. 15% of the contract value. Since the firm has already submitted 10% performance bank guarantee and completed 6 months successfully after installation on 20.09.2013, FC may kindly approve the release of 50% of the withheld amount i.e. 15% of the contract value on submission of bank guarantee for 10% of the contract value. This may be considered in view of the fact that the amount withheld is Rs.1,74,35,714 which includes cost of materials already used as the contract value of execution cost is only Rs.72,00,000/-.

The proposal was approved by the Finance Committee.

FC-28/14/10B: Approval for incurring expenditure in Sanctioning Pension / Family Pension retrospectively.

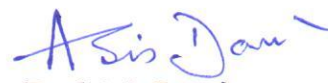
MHRD vide their letter No. F.26-9/2005-TS-III dtd 11.2.2013 authorised pension retrospectively to all the employees. As such, the employees who had retired before 11.2.2013 are also required to be paid pension. Of these 106 cases, 89 cases were finalised after recovery of CPF contribution paid earlier along with interest @ 12% was made and adjusted against arrear of pension/ family pension due against the pensioner concerned between April 2013 and March 2014.

59 out of 89 cases involve payment of arrears of pension even after adjustment of CPF contribution along with interest as mentioned above which works out to INR 313.73 lacs.

The Finance Committee approved the expenditure for payment of pension / family pension with retrospective effect.


(J Patro)

Registrar & Secretary


(Prof. Asis Datta)

Chairman