

**Fourth Meeting
Finance Committee
National Institute of Technology, Uttarakhand**

Date : 05th Feb, 2014

Time : 10.30 am

Venue: Titan Industries Limited, Tower A, Golden Enclave, Airport Road, Bangalore

Agenda

Item No.	Items
04.01	Confirmation of the minutes of previous Finance Committee Meeting.
04.02	Action Taken Report upon previous Finance Committee decisions.
04.03	Approval for subscription of electronic databases for library.
04.04	Approval for Budget for financial year 2014-15.
04.05	Approval for authorization to Director for investment of temporary surplus funds.
04.06	Approval regarding rates of depreciation adopted by the Institute.
04.07	Approval of Bank Authorized Signatory for financial matters
04.08	Approval of Authorized Signatory for Import Export matters
04.09	Re-consideration for providing NPS benefit to the faculty members appointed on contract under Trainee Teachers Scheme.
04.10	Approval Regarding medical facility to the employees of NIT Uttarakhand
04.11	Approval for Purchase of Ambulance
04.12	Approval for honorarium of staff appointed on contract basis.
04.13	Approval regarding book bank scheme.
04.14	Approval for Expenditure for Training and Placement
04.15	Approval regarding Honorarium for meeting and interviews.
04.16	Any other item with the permission of Chairman



Director

**Fourth Meeting
Finance Committee
National Institute of Technology, Uttarakhand**

04.01 Confirmation of the minutes of previous Finance Committee Meeting.
Minutes of the third Finance Committee meeting, approved by Chairman were circulated vide letter no.1825-1828 dated 29th October 2013. No comments / suggestions were received by the Institute. Minutes are enclosed as **Annexure FC04.01**.
FC is requested to approve the minutes.

04.02 Action Taken Report upon previous Finance Committee decisions.
Action taken report upon the agenda of Second Finance Committee is as under:

Item Nos.	Agenda Items	Action Taken
03.04	Approval for Revised Budget for financial year 2013-14.	Implemented
03.05	Approval to increase the Honorarium for Visiting Experts.	Implemented
03.06	Approval regarding Ratification of Fee structure for Ph.D. students	Implemented
03.07	Approval for Annual Accounts of financial year 2012-13.	Presented to the auditors
03.08	Approval for fee for summer/winter term payable by student.	Implemented
03.09	Approval of implementation of Cumulative Professional Development Allowance (CPDA) programme for faculty members of the institute	Implemented
03.10	Approval for enhancement of research grant to faculty members with PhD qualification.	Implemented
03.11	Approval for maintenance of cash with Accounts Section	Implemented
03.12	Approval for changing the term corpus fund to development fee in approved B.Tech fee structure for the year 2013-14	Implemented
03.13	Approval for telephone facility to faculty & Officers of the Institute	Implemented

04.03 Approval for subscription of electronic databases for library.

The following databases were subscribed at NIT Uttarakhand in 2013. The renewal for these databases is due for 2014 which will cost to Approx. Rupees One Crore along with the subscription of some other databases like Science Direct, JCCC, Taylor and Francis etc. Details proposals are enclosed as **Annexure FC 04.02**. The expenditure is included in budget for 2014-15. However, subscription fees to be paid in February in calendar year 2014 are not included in the budget of 2013-14.

- a. ASCE Journals
- b. ASME Journals
- c. ACM Digital Library
- d. IEL Online (1 User)
- e. Springer Link (1300 Journals)

Subscription of electronic databases for library for calendar years 2014 and 2015 may be approved.

04.04 Approval for Budget for financial year 2014-15.

Budget for the year 2014-15 is prepared, based on the gross estimates. As the Institute is growing and many of the facilities are provided for the first time, most of the expenses are unpredictable and cannot be estimated from last year's expenses. Some of the expenses provided in the budget were essential but could not be effectively utilized due space constraints at temporary campus and as the entire faculty members were inexperienced. Now, after creation of additional space and exposure to NIT system they are expected to utilize funds more effectively. Physical handing over of the land is in process. After handover the land construction work will start. Budget provisions are made for construction. The copy of Budget is enclosed as **Annexure FC04.03**.

Budget for the F.Y. 2014-15 may be approved.

04.05 Approval for authorization to Director for investment of temporary surplus funds

Grant in aid is received from MHRD in four stages during the year. Pending expenditure there are temporary surpluses. Besides, there are other revenue receipts in the form of fees from students, particularly fees and other receipts of capital nature such as development fees and Alumni Association fees. The capital nature receipts could be source for Endowment Funds such as Corpus Fund of the Institute. Instead of keeping the funds as unproductive, it is prudent to park the temporary surplus in the approved schedule banks in terms of Ministry of Human Resource Development, Department of Higher Education, Integrated Finance Division letter F no.29-1/2007-IFD dated 27 Feb 2007 and F no. 33-1/95-IFD dated 9 January 2007(Copy enclosed) (<http://finmin.nic.in>). Such surplus will be identified on a monthly basis and deposited with the eligible banks as per list enclosed as **Annexure FC04.04**.

It is mandatory for the Institute to have an investment policy in terms of Accounting Standard 13 of the Institute of Chartered Accountants and Institute is required to frame a policy and indicate the same in the Significant Accounting policy of the Institute in the Annual Financial Statement. Since the policy stated is in consonance with the MHRD letter cited, above approval is requested for this policy.

In line with the policy, the Director may be authorized to carry out the investment of temporary surplus funds of Grant in aid for short term periods and Corpus fund and other Endowment funds on long term basis.

04.06 Approval regarding rates of depreciation adopted by the Institute.

In terms of Accounting Standard 6 of the Institute of Chartered Accountants of India, every entity needs to frame a policy on Depreciation Accounting. This is required to be indicated in the Significant Accounting Policy of the Institute in the Annual Financial Statement. The following may please be approved as NIT Uttarakhand's policy on Depreciation Accounting.

- a) The Institute will follow 'Written down method' at rates recommended in Appendix 'I' of Guidance note of the Institute of Chartered Accountant as under:

Building	5%
Furniture & Fixture	25%
Scientific Equipment	40%
Computer	40%
Library Books	50%
Buses, Vans etc.	30%
Cars, Scooters etc	25%
Plant and Machinery including Air-Conditioners, Generator, Fire Extinguishers, Telephone, Television Sets etc.	20%
Musical Instruments	50%

- b) As a working method Assets carried forward from the previous year will be fully depreciated for the year. Assets received during the middle of the year will be depreciated as under:
- i) Those received during a month up to 15th month will be depreciated for the whole month and those received after the 15th of the month will be depreciated from the next month as a rounding up policy.

FC is requested to approve the rates of depreciation adopted by the Institute.

04.07

Approval of Bank Authorized Signatory for financial matters

Previously, the Institute had neither any regular faculty nor any Officer to be considered as authorized signatory for bank related documents/transactions. Hence, the Director was the only authorized signatory for this purpose. There is a mandatory requirement of atleast two persons as authorized signatory for signing the bank related documents/transactions of the Institute. Now, regular appointment of faculty and Officers has been done in the Institute.

It is proposed to authorize following Institute authorities to sign the Bank related documents/transactions-

- a. Director
- b. Registrar/Dy. Registrar (Accounts)/Assistant Registrar (Accounts)*
- c. Dean (P& D)/Associate Dean(P& D)*

All the Bank related documents/transactions shall be signed by atleast two of the above mentioned authorized signatories.

*Lower positions shall be authorized only in the event of vacant higher posts.

FC is requested to approve the above proposal.

04.08

Approval of Authorized Signatory for Import Export matters

Lab equipment's, books and other research material is required for research. This may have to be obtained from outside India and therefore import of goods will be required to be done. For this the Institute has to apply for Importer Exporter Code (IEC). As Importer Exporter Code (IEC) is made mandatory by Government of India for every individual or entity to make any import or export in India.

As per the instructions received from Directorate General of Foreign Trade, for application of Importer Exporter Code (IEC) an authorization by the Board is mandatory.

FC is requested to authorize the Director to be the only signatory for any documentation/transaction in regard to the Import and Export done by the Institute.

04.09 Re-consideration for providing NPS benefit to the faculty members appointed on contract.

The Board has already approved implementation of NPS for the permanent staffs of the Institute vide its BOG Agenda No.3.13. The Institute has appointed 19 Assistant Professors as summarized in previous agenda item. The services of these contractual appointee are at par with the permanent staff for the various purpose such as leave, medical reimbursement, maintenance of service books, verification of character and antecedents, group insurance, increment etc. as summarized in point no.1, 3, 5 7 & 12. As per the clause No.2 of the agreement on confirmation of service of such contractual appointee all the service benefits will be provided from the date of initially joining under the contract. Other Institutions like IIT, Bombay is also deducting NPS for such type of contractual appointee enclosed as **Annexure FC04.05**. On the other hand if Institute does not deduct NPS regularly then on the date of confirmation after 5 years of contract it is mandatory on the part of Institute to deduct NPS for the whole service contract tenure. Practically it will be 600% (12 months x 5 years x 10% NPS of Basic & DA), which has to be deducted on account of NPS at the time of confirmation of service.

To avoid any such practical inconvenience and contrary provision to the contract and also to ensure proper protection of rights of such contractual employees. It is hereby once again requested to re-consider the proposal and permit the institute for deduction of NPS for Assistant Professor on contract at par with regular employees.

04.10

Approval Regarding medical facility to the employees of NIT Uttarakhand

a) *Reimbursement of medical bills through CGHS rates.*

The Institute has recruited 33 Teaching Faculty members (including 19 Assistant Professor on contract) and 21 non-teaching staff members. The provisions of statutes say that medical reimbursement will be made as per CCS (Medical Attendance) Rules, 1944 vide clause no.24 (iv). The Institute is established in Srinagar (Garhwal) where there is a shortage of proper medical facilities. The Institute has staff from all India and their families and dependents are also spread over accordingly. For smooth processing of medical bills it is proposed to allow the reimbursement of bills as per CGHS rates applicable in Delhi. Delhi is the nearest city where maximum staff members can take the proper medical facilities. This area is not covered under CGHS and people do not prefer to go to Dehradun for medical checkup because of limitation of facilities, specialists and diagnostic laboratories.

Generally majority of Institutions are making reimbursement as per CGHS and this is also important as a welfare aspect to retain the employees.

Monthly contribution for availing Medical Facilities will be deducted from the salary of the employees as per following: (Rates are as per GOI norms) enclosed as **Annexure FC04.06**

Sl. No.	Grade Pay Drawn by Employees	Contribution (₹ per month)
1	Upto ₹1650 per month	50
2	₹1800, ₹1900, ₹2000, ₹2400 and ₹2800 per month	125
3	₹4200 per month	225
4	₹4600, ₹4800, ₹5400 and ₹6600 per month	325
5	₹7600 and above per month	500

Reimbursement shall be processed as per one of the following channels:

1. Payment shall be made directly to the empanelled hospitals.
2. Reimbursement shall be done to the employee on production of bills and relevant certificates from anywhere in India provided the hospital is covered by CGHS.
3. Reimbursement shall be done to the employee on production of bills and relevant certificate from anywhere in India on certification by authorized Medical Officer.

Institute Medical Officer shall be the authorized Medical Officer. In case, the post is vacant the Director may be authorized to nominate a Government (State/Central) Medical Officer to certify bills for which suitable honoraria shall be paid.

b) *Empanelment of Hospitals by the Institute for direct bill*

In case of emergency treatment some of the hospital are required to be empaneled by the Institute for urgent follow up to timely facilitate the employees. Billing of the expenditure from empaneled hospitals will be submitted directly to the Institute and payment shall be made to the hospitals. This will be cashless facility for staff. The rates for settlement will be either as per CGHS Rates or as negotiated by the Institute with the Hospital. For this purpose Director may please be authorized.

FC is requested to approve the above proposal.

04.11:- Approval for Purchase of Ambulance

In Srinagar only one ambulance one hospital attached to Medical College is available. However, the Medical College is facing severe shortage of Doctors and Specially senior doctors to handle emergencies. Find ambulance in short notice for taking emergency patient to Rishikesh / Dehradun is very difficult and lot of precious time is lost in the process.

Permission may be granted to purchase an ambulance for Institute looking into the remote location.

04.12 Approval for honorarium of staff appointed on contract basis

It has been a persistent endeavor of the Institute to get a good staff on contract basis. However, the remuneration is less as compared to the task attached to the post. At present the remuneration of ₹13,500/- is being paid to the Work Subordinate-I (equivalent to GP 4,200/-) and ₹8,460/- is being paid to the Work Subordinate-III (equivalent to GP 2,400/-) on contract for 6 months. Response to the advertisements is very poor. Deserving and well qualified candidates are therefore not inclined to join. In order to get better qualified & experienced hand, the remuneration is proposed to be enhanced to minimum basic pay (pay + grade pay + DA (as on 1st June) rounded off to higher 1000. Few NITs like NIT Delhi are also paying same to their contractual staff enclosed as **Annexure FC04.07**. It is proposed to implement the increase in pay from 1st Feb. 2014

Proposal may kindly be approved

FC is requested to approve the above proposal.

04.13 Approval regarding book bank scheme.

Institute has implemented book-bank scheme as approved by Item no. 02.07 in second FC meeting held on 25th Feb. 2013. It has been observed that the average cost of books issued to the students is ₹2,000/- and fees paid by the students is ₹1,000/-. The cost of the books is much lower than the expected value. It is proposed to reduce the book-bank fees to ₹400/- for the period of three (3) more years which will be revised later on.

It is propose to approve this proposal with retrospective effect.

FC is requested to approve the above proposal.

04.14 Approval for Expenditure for Training and Placement

Response of Industries to Campus Interview is nearly zero due to location and lesser number of students. MNIT Jaipur has kindly agreed to accommodate our students along with their students. However, students have to visit Jaipur for this purpose. We have also requested Industries to conduct Interviews in Dehradun or Rishikesh. This will cause extra expenditure. Following is the proposal for the same:

- a. Each student visiting MNIT Jaipur shall be paid ₹1,000/- (including travel and stay) per head per visit subject to maximum of 4 visits.
- b. If Institute is conducting interviews in Dehradun/Rishikesh then the student shall be paid ₹500/- per head per visit subject to maximum of 4 visits.
- c. Institute shall hire facilities at Dehradun/Rishikesh for conducting interviews.

The proposal may kindly be approved.

04.15 Approval regarding Honorarium for meeting and interviews.

Honoraria for expert visiting institute is approved by Finance Committee in its third meeting on 8th Oct 2013 vide items no 03.05.

Same honorarium may please be approved for members attending various meetings and interview panels per sitting.

04.16 Any other item with the permission of Chairman



Director