



Draft Minutes of 44th Finance Committee Meeting held on Wednesday, 5th April 2017 at V.N.I.T., Nagpur.

The following members were present:

1. Shri. Vishramji Jamdar, Industrialist - Chairman
2. Dr. Narendra S. Chaudhari, Director, VNIT, Nagpur. - Member
3. Dr. Rajendra R. Yerpude, Dean (P&D), VNIT, Nagpur. - Member
4. Shri Ashok Maheshwari, Director(Finance), MHRD, New Delhi
(Through A-View) -Member
5. Dr.S.C.Sahasrabudhe - Member
6. Dr.Hari S. Pandalai, Prof IIT Mumbai - Member
7. Dr.S.R.Sathe, Registrar, VNIT, Nagpur. - Member

F 44.01 To note the action taken on the resolutions of 43rd meeting of Finance Committee.

Agenda Item	Description	Resolution	Action Taken
F 43.03	<p>To recommend the minutes of 41st Building and Works Committee meeting</p> <p>The 41st Building and Works Committee minutes are put up in Annexure-II.</p> <p>The FC is requested to recommend to BoG.</p>	<p>The minutes need to be approved by the BWC and financial items to be put up to Finance Committee as agenda items.</p>	<p>The 42nd BWC meeting has been conducted on 1st March 2017 and the minutes of 41st BWC are confirmed.</p>
F 43.04	<p>To appraise the status of Audit Certificate for F.Y. 2015-16</p> <p>i) Audit of Annual Accounts for F.Y. 2015-16 in r/o VNIT Nagpur was carried out by C&AG of India (Office of Pr Director of Audit (Central)-Civil and Autonomous Bodies Wing, Mumbai) during 4-22 Jul 2016.</p> <p>ii)C&AG of India have rendered their Separate Audit Report (SAR) for the year 2015-16, vide their letter No. PDA (C)/MUM/C&AB/SAR/2015-16/VNIT/1040 dated 02 Dec 2016.</p> <p>iii)The SAR along with Audited Accounts for 2015-16 has been incorporated in the VNIT Annual Report for 2015-16.</p> <p>The Copy of the SAR is enclosed in Annexure-III.</p> <p>The Finance Committee is requested to note.</p>	<p>The Finance Committee resolved that the compliance report to Audit observation be placed in next Finance Committee meetings.</p>	<p>The compliance report to Audit observation is placed in this Finance Committee meeting. item no. F44.02</p>
F 43.05.01	<p>To consider refund of Tuition Fees of M.Tech. (all disciplines) SC / ST category students.</p> <p>The request application for refund of Tuition Fees of M.Tech. (all disciplines) SC / ST category students along with Letter F.No. 33-4/2015-</p>	<p>The matter has been discussed and it was mentioned that the institute has sought the clarification in this matter from MHRD for directives by sending the several request letters.</p>	<p>The letter has been sent to MHRD.</p>

S. Sathe

	<p>TS.III dated 29.2.2016 is enclosed in (Annexure-IV). The amount to be refunded is Rs.1.10 Crores (approx.). The Finance Committee is requested to deliberate.</p>	<p>The Finance Committee was informed that the institute will be getting the written communication in this matter very soon from MHRD.</p>	
F 43.05.02	<p>To consider remission of Tuition Fees for economically backward students - 1st Year B.Tech.</p> <p>As per the Letter F.No.33 - 4 / 2014 - TS.III dated 24th June, 2016, the remission of Tuition Fees is to be considered for following category of students (Annexure-V).</p> <p>(a) The most economically backward students (whose family income is less than Rs.1.00 lakh per annum) shall get full remission of the fee.</p> <p>(b) The other economically backward students (whose family income is between Rs.1.00 lakh to Rs.5.00 lakh per annum) shall get remission of 2/3rd of the fee.</p> <p>The total remission amount is Rs.2.5 Crores (approx.). The Finance Committee is requested to deliberate.</p>	<p>The Committee resolved that the institute should send a letter to MHRD requesting for advice on competent issuing authority for income declaration with respect to students.</p>	<p>The letter has been sent to MHRD.</p>

Resolution: The action taken report is noted.

Finance Committee noted that institute has sent repeated correspondence to MHRD about the waiver of Tuition Fees of M. Tech. (all disciplines) SC/ST category students and awaiting reply.

It is further resolved that for the First year M. Tech. SC/ST students and regarding the issue of remission of Tuition Fees for economically backward students - 1st Year B. Tech. admitted during 2015-16, Dean(Acd.) should follow up these issues of Fees with MHRD on top priority basis.

F 44.02 The compliance report to Audit observation for the year 2015-16.

The compliance report to Audit observation for the year 2015-16 is placed at **Annexure-1**.

The Finance Committee is requested to note.

Resolution: The compliance report to Audit observation for the year 2015-16 is noted.

F 44.03 The recommend the Internal Audit Manual of VNIT Nagpur for its approval by BoG.

i) C&AG of India, in their Separate Audit Report for 2015-16, have pointed out that Internal Audit Manual has not yet been prepared by the Institute.

ii) Though Internal Audit system was in place at VNIT (with a senior official retired from AG Office functioning as **Internal Auditor** of the Institute), Internal Audit Manual was not prepared by Institute.

iii) In order to strengthen the existing Internal Audit mechanism, draft Internal Audit Manual of VNIT Nagpur has been prepared. The following books have been referred for preparing document on internal controls and responsibility that should be entrusted to Internal Auditor.

- a) Guidelines for Internal Control Standards for the Public Sector by International Organization of Supreme Audit Institution.
- b) Manual of Internal Audit of A.G. (A & E)-II Maharashtra, Nagpur.
- c) Manual of standing orders technical for A.G. (A & E) officers (Internal Audit portion) prepared by (A & G) of India.
- d) Internal Auditing Standards 20 of the International Accounting Standards Committee.
- e) Internal Audit Manual of NIT Uttarakhand.

iv) Further, the draft Internal Audit Manual has been vetted by a Committee comprising of Ex-Dean (P&D), present Dean (P&D), retired Sr Accounts Officer from AG office (external member), Dy Registrar (Accounts) and IAO.

The Internal Audit Manual of VNIT Nagpur is enclosed at **Annexure-2a, 2b and 2c**.

FC is requested to recommend the Internal Audit Manual of VNIT Nagpur for its approval by BoG.

Resolution: FC recommends the Internal Audit Manual of VNIT Nagpur to BoG for its approval, with a stipulation that periodicity (Continuous, Monthly, Quarterly and Yearly etc.) of check be mentioned in Internal Audit Manual.

F 44.04 To recommend the financial items as per 41st BWC for its approval to BoG .

F.44.04.01 BWC 42.02 Action Taken Report on the minutes of the 41st meeting of the BWC .

BWC 41.03 Installation of Solar Panels and Units on VNIT buildings and pathways.

As per BWC item no. 39.04, BWC approved the Installation of Solar Panels and Units on VNIT buildings and pathways in principle (as per the table given below) with the suggestion to follow up the proposal depending on the availability of the funds.

<i>Sr No</i>	<i>Particulars of the area available for solar installation</i>	<i>Area in sq meters</i>	<i>Estimated Power generation capacity</i>	<i>Installation Cost without subsidy at @ Rs.80000 per KW</i>	<i>Installation Cost at @ Rs.80000 per KW with 15 % subsidy.</i>
1	Academic and Administrative Buildings Terrace.	21595	7650 KW	Rs.60.90 Crores.	Rs.51.80 Crores.
2	Hostels and Guest House	19261			
3	Proposed	70325			

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Hence, initially VNIT NAGPUR proposes to setup roof top Solar PV Power system on few buildings for generation of 335 KW power, the estimated cost of which is Rs. 184.25 Lacs.

It is proposed to set up roof top solar PV power system under CAPEX model. This Solar PV power system has to be procured by taking loan from bank and institute has to pay the EMI after availing subsidy. This EMI will get adjusted against the power consumption bill of the institute.

Therefore, there will be no financial burden of capital expenditure as well as EMI. The details of the CAPEX proposal is enclosed in **Annexure-II**.

The BWC is requested recommend the proposal.

Resolution: Based on the presentation given by Dr.V.S.Kale, Associate Dean (Electrical Main.), BWC recommends the CAPEX proposal to Finance committee. It is also resolved that the detail technical report should be submitted to next BWC after discussion with Maharashtra State Electricity authorities.

Action Taken: The detailed technical report on " Installation of 513 kWp Solar Power Plant" at the institute and report on discussion with Maharashtra State Electricity authorities is attached as (**Annexure 3**).

M/s Rays Power Expert Private Ltd., Jaipur has expressed his inability to execute the work under CAPEX model and hence BWC recommends to award turnkey work to M/s Solar Corporation of India for execution, subject to financial approval from FC and BoG.(Resolution for BWC 42.02)

Resolution of FC: Finance Committee recommends to initially set up roof top solar PV power system under CAPEX model on few buildings for generation of 335 KW power at an estimated cost of Rs. 184.25 Lakhs through the successful bidder of Solar Corporation of India for its consideration by BoG.

BWC 41.07 To recommend revised estimate of furniture required for New Construction Buildings at VNIT NAGPUR.

As per 40th BWC, item no 40.06 .01 ,the revised estimate of furniture required for New Construction Buildings at VNIT NAGPUR is enclosed in **Annexure-VI** the approximate cost is Rs.25 Crores.

BWC is requested to recommend.

Resolution: The BWC recommends to finance committee the revised estimate of furniture required for New Construction Buildings at VNIT NAGPUR. BWC also resolved that the agency charges be negotiated.

Action Taken: The Letter from NBCC Ltd. is enclosed after negotiating the agency charges.(**Annexure-4**).

Resolution of FC: Finance Committee resolved that the fresh tendering process be carried out as per GFR-2017 provisions.

BWC 41.08 Any other item with the permission of Chair.

BWC 41.08 .01 To recommend tentative cost estimates of additional items for new constructions executed by NBCC Ltd.

The NBCC Ltd. has submitted a letter requesting to approve tentative cost estimates of additional items for new constructions. (**Annexure-VII**)

BWC is requested to recommend.

Resolution: BWC recommends following cost estimates of additional items for new constructions.

- i) Ceramic Dado in Hostel Corridor(1.00 meter)- Rs. 27.46 lacs.
- ii) Wall mixture with under counter basin and two health faucet-Rs.17.00Lacs.
- iii)Service Lift in Boys Mega Mess- Rs.12.5 Lacs.

Action Taken: To submit for consideration in next FC.

Resolution of FC: Finance Committee recommends cost estimates of above additional items of new constructions to BoG for its approval.

F.44.04.02 BWC 42.03 To recommend DPR for sewage treatment plant.

As per the BWC item no 39.05, the work for preparation of DPR for sewage treatment plant has been given to NBCC Ltd. The DPR and along with the letter from NBCC Ltd. is enclosed(Annexure-5). The estimated for sewage treatment plant and laying of sewer line is Rs.7,74,79,741.

BWC is requested to approve DPR and recommend the cost of Rs.7,74,79,741 of sewage treatment plant and laying of sewer line to finance committee.

Resolution: BWC approved the DPR and recommends the construction of sewage treatment plant and laying of sewer line to finance committee at an estimated cost of Rs.7,74,79,741.

BWC suggested that in first phase Sewage Treatment Plant work should be undertaken and subsequently laying and repairs of the existing sewage line work be carried out.

Resolution of FC: Finance Committee recommends to BoG, the construction of sewage treatment plant and laying of sewer line by NBCC Ltd. at an estimated cost of Rs.7,74,79,741/-,this being a part of earlier proposal and as per MOU signed in 2015 with NBCC Ltd.

F.44.04.03 BWC 42.04 To approve essential additional requirement for Electrical and Mechanical Services at Class Room Complex, VNIT, Nagpur work being executed by CPWD.

The CPWD has submitted essential additional requirement for Electrical and Mechanical Services for Class Room Complex, VNIT, Nagpur (Annexure-6).

The Estimated cost is Rs.2,96,52,054/= including 3 % Contingencies for the above work including all additional items (Annexure-7). This fund requirement is within the essential cost of Class Room Complex.

BWC is requested to recommend the essential additional requirement for Electrical and Mechanical Services of Class Room Complex, VNIT, Nagpur to Finance Committee.

Resolution: BWC approved essential additional requirement for Electrical and Mechanical Services at Class Room Complex, VNIT, Nagpur. The fund requirement is well within the initially estimated cost of Class Room Complex, VNIT, Nagpur work being executed by CPWD and there is no escalation of the cost.

Resolution of FC: Finance Committee recommends to BoG, the fund requirement for essential additional items of Electrical and Mechanical Services at Class Room Complex, VNIT, Nagpur to be executed by CPWD at an Estimated cost is Rs.2,96,52,054/- including 3 % Contingencies as the fund requirement is well within the initially estimated cost and there is no cost escalation.

S. Prakash

F 44.05 To recommend adoption of provisions of GFR-2017 to BoG, for approval:

i) Reference is invited to Ministry of Finance, Dept. of Expenditure OM No. 14(3)/2015- E.II (A) dated 08 Mar 2017, informing formulation of GFR-2017 (**Annexure- 8**)

ii) The OM also regulates that the provisions of GFR-2017 are deemed to be applicable to Autonomous bodies, except to the extent to the bye laws of an Autonomous body provides separate Financial Rules which have been approved by the Government.

iii) In view of the above, FC is requested to recommend adoption of provisions of GFR-2017 by VNIT in its financial transactions, to BoG for its approval.

Resolution: FC recommends the adoption of provisions of GFR-2017 by VNIT, for its approval by BoG.

F 44.06 To recommend revision of Hostel Fee from the academic year 2017-18.

It is proposed to revise the Hostel Fee from the academic year 2017-18, the details of which are enclosed in **Annexure-9**.

It is further proposed that the room rent for unfurnished rooms in old Hostels which is to be allotted to Ph.D scholars who stay on campus for more than one month be charged @Rs.3000/= per month instead of Rs.200/- per day.

FC is requested to recommend revision of Hostel Fee from the academic year 2017-18 to BoG for its approval.

Resolution: FC recommends the revision of Hostel Fee (Revised document attached) from the academic year 2017-18 to BoG, for its approval, with a provision of 10% increase in Hostel fees during every year, subject to revision, from time to time. Further, FC recommends to BoG for its consideration that the unfurnished rooms in old Hostels be allotted to B.Tech or M.Tech students interested to carry out Researchers /Ph.D scholars at a room of Rs. 3000/- per month, and Rs. 200/- per day, if their stay is less than 15 days.

F 44.07 Any other item with the permission of Chair.

F 44.07.01 To review financial status of ongoing new construction project (NBCC Ltd)

VNIT has entered into a MOU with NBCC (National Buildings Construction Corporation Ltd) on 12 Nov 2014, for construction of new civil works for a total approx. cost of Rs.210.00 Cr with details as follows:

SI No.	Construction Activity	Estimated Cost (Rs. in Crores)
01	Academic Block	98.00
02	Girls' Hostel (G+11 storied)	42.24
03	Boys' Hostel (G+10 storied)	35.75

S. Pathak

04	Mega Mess for boys	24.00
05	Mega Mess for girls	10.50
	TOTAL	210.49

NBCC Ltd. work is progressing well and they are raising the demand based on the actual expenditure. This payment has to be made immediately for smooth progress of the construction work.

Till 31st March 2017, VNIT Nagpur has made payments of Rs.150.39 Crores to M/s NBCC Ltd. as per the expenditure statement submitted by them and balance amount of Rs.60.10 Crores has to be released by June 2017. VNIT Nagpur has projected Plan Grant Budget of Rs.144.50 Crores, against which MHRD has released Plan Grant of Rs.63 Crores for Financial year 2016-17(Deficit of Rs.81.50 Crores)

FC is requested to recommend early release of balance plan grant funds to institute for smooth and speedy progress of the work.

Resolution : FC recommends that VNIT Nagpur should send the request of Plan grant to MHRD for smooth and speedy progress of the new construction activities carried out by NBCC Ltd.

The meeting concluded with vote of thanks to the chair.

VR Samal
Chairman

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