



विश्वेश्वरय्या राष्ट्रीय प्रौद्योगिकी संस्थान, नागपूर – 440 010

VISVESVARAYA NATIONAL INSTITUTE OF TECHNOLOGY, NAGPUR – 440 010

Draft Minutes for 33rd Finance Committee Meeting held on 30th January 2015 at V.N.I.T., Nagpur.

The following members were present;

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| 1. Shri. Vishramji Jamdar, Industrialist | - Chairman |
| 2. Dr. Narendra S. Chaudhari, Director, VNIT, Nagpur. | - Member |
| 3. Dr. U. N. Gaitonde, Prof. of Mechanical Engg., IIT Mumbai. | - Member |
| 4. Shri. Sanjeev Sharma, Director (NIT's), MHRD Representative | - Member |
| 5. Shri. Rajesh Singh, Director, (IFT), MHRD Representative | - Member |
| 6. Prof. S. R. Sathe, Dean (P&D), VNIT, Nagpur. | - Member |
| 7. Dr. Rajendra R. Yerpude, Registrar, VNIT, Nagpur. | - Member-Sec. |

F 33.01 To confirm the Minutes of the 32nd meeting of the Finance Committee held 15th November 2014 .

The Minutes of the 32nd meeting of the Finance Committee held on September 14, 2014 are placed at **Annexure – I**.

The Finance Committee is requested to confirm.

Resolution: The minutes of 32nd Finance Committee meeting are confirmed since after circulation of the minutes, no suggestions are received from members.

F 33.02 To note the action taken on the resolutions of 32nd meeting of Finance Committee.

Agenda Item	Description	Resolution	Action Taken
F32.03	Foreign travel expenses under Cumulative Professional Development Allowance (CPDA) for Faculty.	Finance Committee approved the item and suggested that the Institute should take due care while approving the expenditure as per the limits permitted by Institute rules.	Circular has been issued.
F32.04	Initiating New Construction activity academic block, students hostels for boys and girls and mega messes for boys and girls. The 15% (i.e. Rs. 31.58 Crores) of the total cost has to be released to NBCC Ltd. for initiated this new construction activity. It is proposed to release Rs. 15 Crores as a first installment to commence the work i.e. (50 % approx. of 15 % amount)	Finance Committee approved the item and suggested that the Institute should request MHRD for an early release of the funds as per schedule for commencement of work.	The first part payment of Rs.15 Crores is given to NBCC Ltd.
F32.06	To approve transfer of amount to corpus fund.	Finance Committee approved the item and resolved that the non-plan expenditure pertaining to maintenance of equipment of Rs.1.5 crore or less, be adjusted before the transfer of amount to corpus fund.	The amount has been transferred to corpus fund.

The Finance Committee is requested to confirm.

Resolution:

The action taken for 32nd Finance Committee meeting is confirmed with the following comments.

- i) For the item No. 31.04.01: An exercise was undertaken for the detailed calculation as per FR/SR rules for charging license fees for new quarters with 6% capital asset and/or in accordance with the President's interest rate. It has been suggested that this would be further reviewed at the ministry level.
- ii) Existing CPDA funds are limited and are insufficient due to escalation in cost of instrument, books and foreign travel. These things are essential for academic development of the faculty. Therefore, it was suggested that CPDA fund provision for the block should be enhanced to minimum of Rs 5 lakh from the existing Rs 3 lakh per block of 3 years to meet the expenses. The proposal to this effect should be prepared and sent to MHRD for further consideration.

F 33.03 Exemption of Earnest Money Deposit (EMD) / Bid Security for the procurement of goods upto 5 Lakh.

Background: To safeguard against a bidder's withdrawing or altering its bid during the bid validity period, EMD is obtained from the bidders. Amount of EMD is ordinarily in the range of 2% to 5% of the estimated value (GFR rule no 157) of the goods to be procured. The submission of EMD is not necessary for the value upto Rs. 1 lakh. The EMD is accepted in the form of Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque & Bank Guarantee.

Difficulties: The Stores Section is facing following difficulties during the tender process.

- a) No response from the vendors/suppliers against enquiry for a low value tender, which required re-tendering for 2-3 times resulting in time consuming and non-competitive environment.
- b) Delay in procurement of the goods has an adverse effect on research and educational activities of the Institute.
- c) The staff of stores section gets busy in the re-tendering process and actual day today work suffers substantially.
- d) EMD lies with Institute till the finalization of the lowest bidder i.e L-1, since respective departments/sections require time for preparation

of comparative statement & recommendation. This creates unnecessary friction between suppliers and stores section.

Recommendation: In view of the above, it is recommended that the Institute should exempt EMD clause for the procurement of goods upto 5 Lakhs. The supplier should submit the warranty certificate from the manufacturer for the branded items.

The Finance Committee is requested to discuss.

Resolution: Finance Committee resolved that EMD can also be accepted from the vendors in the form of Performance Bank Guarantee (PBG). It is suggested that VNIT should initiate the process for e-procurement.

F 33.04 Proposed fund requirement for the 4th quarter.

The institute has submitted the requirement of funds to the ministry for the 4th quarter(**Annexure-II**). Based on the availability of the funds, payment will be made for the committed expenses.

FC is requested to discuss and give guidelines.

Resolution: The finance committee approved and recommended the proposal and institute should follow up with MHRD for funds allotment.

F33.05 To approve the minutes of 37th meeting of Building and Works Committee.

The minutes of 37th meeting of Building and Works Committee are placed.

The Finance Committee is requested to approve.

Resolution: Finance Committee approved the minutes.

F 33.06 Any other point with the permission of chair.

NIL

Chairman