



**Minutes of 46<sup>th</sup> Finance Committee Meeting held on Thursday, 14<sup>th</sup> September, 2017 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. Rajendra R. Yerpude, Dean (P&D), VNIT, Nagpur. | - Member           |
| 4. Dr.S.C.Sahasrabudhe                                | - Member           |
| 5. Dr.Hari S. Pandalai, Prof IIT Mumbai               | - Member           |
| 6. Dr.S.R.Sathe, Registrar, VNIT, Nagpur.             | - Member Secretary |

**F 46.01 : To note the action taken on the resolutions of 45<sup>th</sup> meeting of Finance Committee.**

<i>Agenda Item</i>	<i>Description</i>	<i>Resolution</i>	<i>Action Taken</i>
<b>F 45.03</b>	<i>To recommend the approval of the Annual Accounts of the Institute for F.Y. 2016-17.</i>	<i>The FC recommends the Final Accounts for the financial year 2016-17, to BoG for its approval.</i> <i>As per comments received from MHRD, VNIT Nagpur should adopt cost cutting measures to curtail non-plan expenditure. There is immediate need to review the electricity bills.</i> <i>FC resolved that a committee should be formed to come up with the recommendation which may be placed in the forthcoming FC meeting. The committee would suggest the measures to curtail non plan expenditure (including expenditure on electricity bills).</i>	<i>The Committee has been set up for suggesting cost cutting measures to curtail non-plan expenditure and expenditure on electricity bills.</i> <i>The committee has submitted its report, which is put up as separate Agenda item (46.02).</i>
<b>F 45.05.01</b>	<i>Matter related to Arbitration by M/s Deepa Engineers regarding</i> <i>(i) Construction of 300 seated Post Graduate Hostel Building.</i> <i>(ii) Additional storey over 300 seated Post Graduate Hostel.</i>	<i>The Finance Committee recommends for granting permission to release the payment of 75 % Arbitration Award through CPWD deposits against Bank guarantee furnished by M/s Deepa Engineers to CPWD, as mentioned above, for its approval by Board of Governors.</i>	<i>The Letter of approval has been sent to Executive Engineer, CPWD.</i>

**Resolution:** The action taken report is noted.

**F 46.02 : To approve the report of Committee regarding cost cutting measures for curtailment of non-plan expenditure and expenditure on electricity bills.**

The Committee for suggesting cost cutting measures to curtail non-plan expenditure and expenditure on electricity bills has been constituted by VNIT, Nagpur. The recommendations of said Committee are enclosed in (**Annexure-I**).

The Finance Committee is requested to deliberate and recommend the same to BoG.

**Resolution:** The report of the Committee for suggesting cost cutting measures is recommended to BoG, for its approval. The capital investment is also recommended to BoG for its approval, considering the payback period.

**F 46.03 : The Recovery of License Fees, Electricity and Water Charges and Interest thereon from Dr H T Thorat ,Prof. of Mech. Engg.**

Dr H T Thorat, Prof in Mechanical Engineering Department was in possession of Qtr No.9, during his deputation as Director, NIT Uttarakhand, from 01.11.2011 to 31.10.2016. Accordingly, he was issued Letter No. Admin/2003 dated 02 May 2017, regarding demand of Rs.6,23,525 /- towards recovery of License fees, electricity and water charges and interest thereon, when he joined VNIT Nagpur after completion of the deputation period. The Calculation sheet is enclosed at (**Annexure-II**).

Dr H T Thorat has made **partial payment of Rs.1,66,683 /- against the demand of Rs.6,23,525 /- vide cheque No. 914262 dated 20.07.2017**, as per following particulars:

(Amt in Rs.)

Particulars	Demand	Actual payment	Balance payable
License fees	3,43,250	27,000	3,16,250
Electricity + Water charges	1,39,683	1,39,683	0
Interest	1,40,592	0	1,40,592
<b>TOTAL</b>	<b>6,23,525</b>	<b>1,66,683</b>	<b>4,56,842</b>

Further, Dr H T Thorat has contended that he has never received any demand about the payment of license fees and interest on electricity and water charges, and he is not a defaulter. As such, he may be charged normal license fees and no interest should be charged on electricity and water charges. Application from Dr H T Thorat is placed at (**Annexure-III**).

However, it is brought out that since Dr H T Thorat, license fees has to be recovered from him as per Central Govt norms (*Two months regular rate, next two months double rate, next two months four times of the normal rate and thereafter six times of the normal rate*). Further, electricity and water charges are recoverable on monthly basis, from salary of the concerned occupant. Since Dr H T Thorat has not paid the same on monthly basis, it was decided to charge interest @ 10% p.a. (GPF rate+2%) for the delayed payment.

FC is requested to deliberate and issue necessary directives.

**Resolution:** FC deliberated the matter in detail and it was resolved to accept representation of Dr.H.T.Thorat in respect of enhanced rate of license fee for retention of quarters during period of his deputation to NIT Uttarakhand. However, the interest for delayed payment of License Fees (regular rate), Electricity and water charges should be recovered from him.

**F 46.04 : To discontinuation of allowances as per the recommendations of 7<sup>th</sup> CPC.**

As per the office memorandum F. No. 29/1/2017-E.II(B) dated 11<sup>th</sup> July, 2017 the payment on account of various allowances are to be discontinued as per the recommendations of 7<sup>th</sup> CPC with effect from 1<sup>st</sup> July, 2017 (**Annexure -IV: copy attached along with remarks from Estt. Section**).

Since 7<sup>th</sup> Pay implementation is not carried out at VNIT, Nagpur, it is proposed that the discontinuation of allowances be done after implementation of 7<sup>th</sup> Pay Commission recommendations and it will be effective retrospectively w.e.f. 1<sup>st</sup> July, 2017.

The Finance Committee is requested to deliberate and approve.

**Resolution:** FC recommends that the abolished allowances should continue to be paid to concerned employees, till implementation of 7<sup>th</sup> CPC at the Institute. However, undertaking should be obtained from the employees stating that the payment on account of abolished allowances shall be recovered from the payment of arrears of 7<sup>th</sup> CPC, upon its implementation at the Institute. In case the undertaking is not received from a particular employee, the payment of allowance in such cases be discontinued with effect from 1st July 2017.

**F 46.05 : Any other point with the permission of Chair.**

**F 46.05.01 To review the status of financial progress of ongoing construction project (NBCC)**

VNIT has entered into a MOU with NBCC (National Buildings Construction Corporation Ltd) on 12-11-2014, for construction of new civil works for a total approx. cost of Rs.210.00 Cr, as per following details:

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
04	Mega Mess for boys	24.00
05	Mega Mess for girls	10.50
	<b>TOTAL</b>	<b>210.49</b>

Till date, VNIT has released Rs.168.08 Crores to M/s NBCC (I) Ltd as per the progress reports submitted to FC, BWC and BoG from time to time.

The work is as per schedule and the physical progress is to the tune of 90%.

The Finance Committee is requested to note.

**Resolution:** FC reviewed the physical and financial progress of the ongoing construction works, being carried out by M/s NBCC (I) Ltd and FC is satisfied with the current progress.

The meeting concluded with vote of thanks to the Chair.

*Behadhi*

*V.R. Jander*  
(Chairman)