



**Draft Minutes of 51<sup>st</sup> Finance Committee Meeting held on Monday, 23<sup>rd</sup> Jul 2018 at V.N.I.T., Nagpur.**

The following members were present:

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|--|-------------------|
| 1. Shri Vishramji Jamdar, Industrialist                              | - Chairman        |
| 2. Dr. P M Padole, Director, VNIT, Nagpur                            | - Member          |
| 3. Shri K Rajan, Under Secretary, MHRD, New Delhi<br>(Through Skype) | - Member          |
| 4. Dr.H.S. Pandalai, Prof. IIT Bombay                                | - Member          |
| 5. Shri V.K. Divekar, Industry representative                        | - Member          |
| 6. Dr.S.R.Sathe, Registrar, VNIT, Nagpur                             | - Member Sec.     |
| 7. Dr. G P Singh, Dean (P&D), VNIT, Nagpur                           | - Special Invitee |

The comments received on agenda items for 51<sup>st</sup> FC from MHRD are considered while discussing the agenda.

**F 51.01 To confirm the Minutes of the 50th meeting of the Finance Committee held on 24th April 2018 .**

The Draft Minutes of the 50th meeting of the Finance Committee held on 24th April 2018 are placed at **(Annexure-I)**.

The Finance Committee is requested to confirm.

**Resolution:** The Minutes of the 50<sup>th</sup> meeting of the Finance Committee held on 24th April 2018 are confirmed.

**F 51.02 To note the action taken on the resolutions of 50<sup>th</sup> meeting of Finance Committee.**

Agenda Item	Resolution	Action Taken
<p><i>F 50.03 The matter related to payment of DCRG and Family Pension to wife of Late Dr. V.V. Awasthi, Assistant Professor in Maths Deptt.</i></p> <p><i>The matter related to payment of Family pension has been discussed during 49th Finance Committee vide item no 49.05. Finance Committee resolved that the eligibility for family pension should be reviewed with reference to the Govt. of India Orders and the proposal may be submitted to the FC, for re-consideration. Accordingly, the detailed proposal along with relevant documents as per Govt. of India orders are enclosed is Annexure-II. As per these OMs attached, wife of Late Dr.V.V.Awasthi is eligible for Family Pension.</i></p> <p><i>Hence, Finance Committee is requested to recommend the same to BoG.</i></p>	<p><i>As per the comments received from MHRD, the FC recommends that the Institute may prepare a brief proposal on the matter regarding payment of Family pension to wife of Late Dr. V.V. Awasthi, Assistant Professor in Maths Deptt and the same may be referred to MHRD, for directions.</i></p>	<p><i>The proposal along with relevant details has been sent to MHRD.</i></p>

<p><i>F 50.04 To recommend the continuation of Fire Insurance Policies from Directorate of Insurance State Govt. of Maharashtra.</i></p> <p><i>VNIT Nagpur has taken Fire Insurance Policies from Directorate of Insurance State Govt. of Maharashtra the policy papers of which are as enclosed in Annexure-III.</i></p> <p><i>VNIT Nagpur wish to continue the said policies and make the payment of premium after calculating the actual value of assets and furniture.</i></p> <p><i>The FC is requested to recommend the same to BoG for its approval.</i></p>	<p><i>The FC recommends the continuation of Fire Insurance Policies from Directorate of Insurance State Govt. of Maharashtra, to BoG for its approval.</i></p>	<p><i>The insurance policy are received from Directorate of Insurance, Govt. of Maharashtra.</i></p>
<p><i>F 50.05 To recommend continuation of CPDA Guidelines till the receipt of revision from MHRD.</i></p> <p><i>As per the Note No. Dean (FW)/30 dated 19 Jul 2017, regarding New Guidelines for CPDA, issued as per MHRD letter F.No.35-6/2016-TS.III dated 08 Jun 2017, read with Note dated 09 Jan 2018, the prevailing guidelines were applicable till 31 Mar 2018 (i.e. till end of the 03 year block 2015-18).</i></p> <p><i>Consequent to receipt of Ministry of Human Resource Development, Department of Higher Education letter F.No.15-4/2017-TC dated 27th October, 2017 regarding revision of pay for Faculty and Scientific/Design staff, the 7th CPC recommendations in r/o faculty have been implemented w.e.f. Jan-2018. However, the said letter is silent regarding continuation of existing CPDA scheme.</i></p> <p><i>In view of the above, it is proposed that till receipt of further communication from MHRD on this matter, prevailing guidelines may be made applicable for next 03 year block, i.e. from 01 Apr 2018 to 31 Mar 2021. (Annexure-IV)</i></p> <p><i>Finance Committee is requested to recommend.</i></p>	<p><i>The FC recommends the continuation of existing CPDA scheme together with the guidelines to BoG for its approval.</i></p> <p><i>This recommendation is subject to receipt of communication from MHRD on this matter.</i></p>	<p><i>The notice has been circulated.</i></p>
<p><i>F 50.06 The extension of Lease of Land for The letters along with relevant details has been sent to MHRD.)</i></p> <p><i>The BoG vide item. no 59.11 has discussed the matter related to Maha Vitran (Estwhile MSEB) the details of which are as given below:</i></p> <p><i>59.11 To extend Lease of Maha Vitran for Sub-Station.</i></p> <p><i>VNIT Nagpur(Erstwhile VRCE) has given land on lease to MahaVitran (Estwhile MSEB) for erecting Sub-Station for Power Distribution to VNIT Nagpur and other part of locality. The Lease was for 30 years and which will be terminating on 30th December 2018.</i></p> <p><i>Maha Vitran has submitted a request letter for renewal of Lease. The proposal from Associate Dean(Electrical Maintenance) is enclosed in Annexure-XI</i></p> <p><i>BoG is requested to approve.</i></p> <p><i>Resolution: BoG approved the renewal of lease of land</i></p>	<p><i>FC noted that:</i></p> <p><i>(i) MSEDCL has been charging VNIT the commercial rate for power;</i></p> <p><i>(ii) MSEDCL has already charged the Institute Security deposit of Rs.49,19,030/- for enhancement of load, which is at commercial rate;</i></p> <p><i>(iii) The substation is supplying power to non-VNIT consumers also.</i></p> <p><i>On the basis of these points, FC recommends that rent should be charged to MSEDCL as per CPWD norms, renewable every year.</i></p>	<p><i>The letters along with relevant details has been sent to Maha Vitran (Estwhile MSEB).</i></p>

<p>for its use by Maha Vitaran at a monthly rent of Rs. 1,97,442/- w.e.f. 1st January, 2019 and asked the Institute to send this proposal along with draft agreement to MHRD for its consent. BoG further resolved that the agreement should be renewed every year with fresh terms and conditions and with a prior approval of Ministry of HRD.</p> <p>M/s Maha Vitran (MSEDCL) as per the letter no.EE/CNDN/Tech/1373 dated 7th April 2018 has requested to renew the Lease at Rs.1/= per year as per the previous Lease agreement. (Annexure-V).</p> <p>The joint meeting of Maha Vitran (MSEDCL) Officials and VNIT Nagpur is being conducted to discuss this issue. This meeting is convened as per the earlier lease agreement clause no (e) which states that " In case the renewal is granted, the rent shall be that as may be mutually agreed to the College and MSEB at the time of grant of renewal of the lease."</p> <p>The Finance Committee is requested to deliberate.</p>		
<p>50.07.01 : To recommend financial item of 48th BWC to BWC 48.04 The Project Closure Report from M/s NBCC Ltd. regarding the new construction of civil works at VNIT, Nagpur.</p> <p>M/s NBCC Ltd. has completed new construction civil works at VNIT, Nagpur for Girls Hostel, Mega Mess-Girls, Boys Hostel, Mega Mess-Boys and Academic Block and submitted the Project Completion Report during 47th BWC. The NBCC Ltd. has complied with the various issues.</p> <p>The project Closure report along with the particulars of work done and expenditure will be submitted by M/s NBCC Ltd. to VNIT, Nagpur. (Annexure-II)</p> <p>BWC is requested to approve and recommend the same to Finance Committee.</p> <p>Resolution: M/s NBCC Ltd. has given the presentation regarding completion of Civil work related to new construction activities along with expenditure and financial statements. BWC recommends the closure report submitted by M/s NBCC Ltd to Finance Committee along with the expenditure statement as discussed in the meeting.</p> <p>The claim amount of Service tax of Rs. 5,75,00,785 /- deposited against this contract is pending with Service tax department at Nagpur for refund through an appeal. This amount is reimbursable to M/s NBCC Ltd. upon receipt of refund from Service tax department. Copy of the 19th and Final Expenditure statement up to 28.02.2018 is enclosed at Annexure-III.</p> <p>Balance amount of Rs. 7,51,96,042 /- is payable to M/s NBCC against the 19th and Final Expenditure statement up to 28.02.2018 (Project cost excluding Service tax component is Rs.206,95,90,149 /-).All</p>	<p>The FC recommends the project closure report at the final cost of Rs. 212,70,90,934/- to BoG, for its approval.</p>	<p>The letter is received from M/s NBCC Ltd. mentioning that the buildings are ready for occupation.</p>



<p>particulars of work done with increased quantities, along with final expenditure statement is presented in the BWC meeting and BWC accepted the same.</p> <p>The completion report along with the details of inventory and buildings has been submitted by M/s NBCC Ltd. to VNIT, Nagpur (Copy enclosed at Annexure-IV). The inventory and buildings have been taken over by VNIT Nagpur.</p> <p>Action Taken Report: The final payment of Balance amount of Rs. 7,51,96,042/- payable to M/s NBCC Ltd. is released. The service tax of Rs. 5,75,00,785/- will be reimbursed to NBCC Ltd only after the realization of refund claim filed with Service Tax authorities.</p> <p>Hence, the Finance Committee is requested to recommend the project closure report to BoG.</p>		
<p>50.07.02 : To recommend financial item of 48th BWC to BoG</p> <p>BWC 48.06.01 To review recommendation given to M/S Clean Max Enviro Energy Solutions Pvt. Ltd. Gurgaon for installing rooftop solar PV system as per BWC45.08</p> <p>The above item was approved in the 45th BWC meeting. However, in 46th BWC meeting held on 22nd Jan 2018, the above item is deferred due to some reasons during the confirmation of minutes of 45th BWC meeting. Therefore, it is requested to take up the item for review in the 48th BWC meeting to be held on 10th April 2018. This will facilitate the installation of rooftop solar system in VNIT.</p> <p>BWC is requested to deliberate.</p> <p>Resolution: BWC recommends to FC for placement of work order to M/s Clean Max Enviro Energy Solutions Pvt. Ltd, Gurgaon for installing rooftop solar PV system under RESCO model. The actual modalities like net metering, CT/PT required should be worked out by Associate Dean(Electrical) before the commencing of the work.</p> <p>Hence, the Finance Committee is requested to recommend the above to BoG.</p>	<p>FC noted that Solar Energy Corporation of India vide Ref.No. SECI/C&amp;P/MNRE/1000 MW RT/LND/122016/NOA 15828 dated 12-09-2017 have recommended M/s Clean Max Enviro Energy Solutions Pvt Ltd. as successful bidder/ developer for implementation of grid connected rooftop solar PV system for govt. buildings. The same letter also includes the bidded rate of Rs.3.620 per unit.</p> <p>FC also took into consideration infrastructural and operational requirements related with the Power Purchase Agreements (PPA), viz. requirement of water about 9600 litres per cleaning cycles (maximum 2 cleaning cycles per month), one time cost of bidirectional power flow meter at reasonable cost and no other infrastructure commitment is required from the Institute.</p> <p>In view of the above, FC recommends the respective power purchase agreements for 460 kwp and 500 kwp to BoG, for its approval.</p>	<p>The work order has been issued to M/S Clean Max Enviro Energy Solutions Pvt. Ltd. Gurgaon.</p>

**Resolution:** The Action Taken Report is noted.

**F 51.03 To recommend the Annual Accounts of the Institute for the Financial Year 2017-18 to BoG, for its approval**

The institute has prepared the Annual Accounts for the Financial Year 2017-18. The same is presented to Finance Committee.(**Annexure-II**). The Finance Committee is requested to recommend the same to BoG, for its approval.

**Resolution:** After brief deliberation, the Finance Committee recommended the Annual Accounts for the Financial Year 2017-18 to BoG, for its approval. As per the comments received from MHRD, observations of C&AG of India on the Annual Accounts and replies of the Institute thereon will be placed in the subsequent FC meeting.

**F 51.04 Item for ratification-Implementation of 7th CPC recommendation for Pensioners and Family Pensioners of pre 1/1/2016 and post 1/1/2016 retired Faculty and Non Faculty of Centrally Funded Technical Institutions.**

MHRD has issued letter No. F. No. 15-7/2017-T-III dated 14th June, 2018 regarding revision of Pension / Family Pension of pre 1/1/2016 and post 1/1/2016 retired Faculty and Non Faculty of Centrally Funded Technical Institutions (**Annexure -III**).

The note duly approved by Director and Chairman, BoG regarding implementation of 7th CPC recommendation for Pensioners and Family Pensioners of pre 1/1/2016 and post 1/1/2016 retired Faculty and Non Faculty of VNIT Nagpur is enclosed.( **Annexure-IV**)

The Finance Committee is requested to ratify.

**Resolution:** The Finance Committee ratified the Implementation of 7th CPC recommendation for Pensioners and Family Pensioners of pre 1/1/2016 and post 1/1/2016 retired Faculty and Non Faculty of VNIT Nagpur, in line with MHRD letter No. F. No. 15-7/2017-T-III dated 14th June, 2018.

**F 51.05 Any other point with the permission of chairman.**

**F 51.05.01 To recommend for one time approval for travel by private airlines as pointed out by C&AG of India Audit vide Para-6 in Inspection Report for 2016-17 for consideration of BoG.**

C&AG of India have pointed out certain cases of travel by private airlines in respect of official tours/ LTC, undertaken by employees/officials of VNIT Nagpur. Copy of the relevant "*Para – 6 : Inadmissible expenditure to the extent of Rs.2.49 lakhs in respect of tours and LTC*" is enclosed at Annexure-A. Audit has stated that action may be initiated to recover the inadmissible amounts reimbursed by the Institute.

The Institute has stated in reply that claims mentioned in the para do not include any claims pertaining to LTC. Further, it was replied that considering the hardship of claimant in regard to time or money the board members / guests have taken permission from competent authority to travel by private airlines. The Institute authorities have approved the expenditure purely on case to case basis and only in extremely emergent circumstances. Many claims are pertaining to external experts/ visiting faculty etc. who visit the Institute for various academic purposes and Institute has to take into consideration their travel plans and prior commitments, while according financial approvals.

Separate approval copies were not furnished since the financial approval enclosed with the payment voucher itself was treated as approval of Institute authorities and all the payment vouchers were made available to the audit party for inspection. However, the point was noted for future compliance and Circular has been issued vide ref no. VNIT/Dir/3979 dated 31 Aug 2017, for strict adherence by all concerned. Copy of the circular is enclosed at Annexure-B.

However, the reply has not been accepted by Audit and they have communicated vide letter No. DGA (C)/ C&AB/ IR/ VNIT/ 307 dated 06 Jun 2018 that the powers to accord exemption to travel by private airlines are vested with the Ministry and these powers can not be delegated to the financial advisors of the Autonomous bodies. The relevant extract is enclosed at Annexure-C.

In view of the above, FC is requested to recommend to the BoG the following, for its approval:

- (i) One time ex-post facto approval for the cases pointed out by audit, in view of the circumstances pointed out by the Institute.
- (ii) Director VNIT Nagpur may please be delegated with the Financial powers to accord exemption travel by private airlines, considering that the connectivity to major cities like Delhi, Mumbai, Chennai etc. from Nagpur is quite poor and based on the urgency on case to case basis.

**Resolution:** The agenda item was deferred to the next FC meeting.

The meeting concluded with thanks to the Chair.

  
Chairman