

Annexure to Item 27.2:

**NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA-136119**

**AGENDA
OF
FINANCE COMMITTEE MEETING**



**24th MEETING
TO BE HELD ON 12.03.2012**

NATIONAL INSTITUTE OF TECHNOLOGY
(Under the Ministry of HRD, Govt. of India)
KURUKSHETRA-136119

Agenda: For the 24th meeting of the Finance Committee
Place: NIT Transit House, Safdarjung Enclave, New Delhi
Date: Monday 12th March, 2012 at 3.00 p.m

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Item 24.1: To confirm the minutes of 23rd Meeting of the Finance Committee, National Institute of Technology, Kurukshetra held on 20.10.2011

The minutes of the 23rd Meeting of the Finance Committee held on 20.10.2011 were circulated to the members vide our letter No. Acs/23rd FC/1040/6275 dated 01.11.2011. No comments from any member have been received.

A copy of the minutes of 23rd meeting of the Finance Committee held on 20.10.2011 is placed at Annexure – A on pages 2-5

The Finance Committee may confirm the minutes of the 23rd meeting of the Finance Committee held on 20.10.2011.

NATIONAL INSTITUTE OF TECHNOLOGY
(Under the Ministry of HRD, Govt. of India)
KURUKSHETRA - 136119

Minutes of 23rd Meeting of the Finance Committee, NIT, Kurukshetra held on 20.10.2011 at 3.00 p.m in the NIT, Transit House, A-1/267, Safdarjung Enclave, New Delhi - 110029.

PRESENT:

1. Prof. Anand Mohan, Chairperson(Acting)
Hon'ble Chairperson, Board of Governors &
Finance Committee,
NIT, Kurukshetra.
2. Sh. Rajesh Singh Member
Deputy Secretary(NITs)
Representative of
Special Secretary (Tech.)
Department of Higher Education
Ministry of Human Resource Development
Government of India
Shastri Bhawan,
New Delhi-110 001
3. Sh. Navin Soi, Member
Director (Finance) Representative of
Joint Secretary & Financial Advisor(IFD)
Department of Higher Education
Ministry of Human Resource Development
Government of India
Shastri Bhawan,
New Delhi-110 001
4. Dr. Hari Mohan Prasad Member
Director
Academy of Foreign Languages & Cultural Cooperation
Magadh University
Bodh Gaya (Bihar).
5. Dr. V K Sehgal Member
Professor,
Civil Engg. Deptt.
NIT, Kurukshetra.

6. Sh. G R Samantaray Member Secretary
Registrar Incharge
National Institute of Technology,
Kurukshetra.

Before the Agenda was taken up, Prof. Anand Mohan, Chairperson (Actg.), Board of Governors & Finance Committee & Director, NIT, Kurukshetra extended hearty welcome to all members of the Finance Committee present in the Meeting.

The Finance Committee made recommendations/took decisions as under:

Item 23.1: To confirm minutes of 22nd Meeting of the Finance Committee, National Institute of Technology, Kurukshetra held on 30.03.2011.

The Finance Committee confirmed the minutes of the 22nd meeting of the Finance Committee held on 30.03.2011 and also resolved as under:

For Item No. 22.6 the Finance Committee pointed out that separate conveyance allowance is not admissible. The remuneration to the respective positions be implemented as decided by the Finance Committee. The revised remuneration for the different positions would be as follows:-

Designation	Remuneration
All Deans (Except Dean(P&D) and Dean (R&C)	2500/-
Chief Warden	2000/-
Dy. Chief Warden/Prof.-in-Charge(Ragging)	1750/-
Warden	1500/-

Further, new guidelines in this respect be obtained from IITs and be placed in the next Finance Committee meeting for consideration.

Item 23.2: To note follow up action taken on the 22nd meeting of the Finance Committee held on 30.03.2011

The follow up actions on the 22nd meeting of the Finance Committee held on 30.03.2011 were noted and suggested as under:-

For Item No.22.7: A committee be constituted to draft the modalities of House Building Allowance (HBA) as per Central Government norms for implementation.

For Item No.22.9: For implementation of Cash Less medical Insurance scheme, the rules be obtained from IIT, Delhi to draft the modalities for further necessary action and implementation.

Item 23.3: To consider Revised Budget Estimates for the year 2011-12 and Original Budget Estimates for the year 2012-13 for Under Graduate and Post Graduate Courses.

The Finance Committee approved the Revised Budget Estimates and suggested that the projected figures for shortfall of income in Revised Budget Estimates for the year 2011-12 be indicated.

Item 23.4: To consider writing off the unserviceable and obsolete items

The Finance Committee resolved that the above agenda item be withdrawn and modified agenda item indicating the depreciated values of the items be placed in the next meeting of the Finance Committee for consideration. The Finance Committee further suggested that Accounts official may be included in the Stores Survey and Disposal Committee for pricing of the unserviceable and obsolete equipments of the Institute in future.

Item 23.5: To grant Fixed Medical Allowance to the retired employees of the Institute from 2003-04 i.e. from 1.4.2003 the date on which the Government of India, MHRD taken over the full administrative and financial control of NIT, Kurukshetra.

The Finance Committee approved the proposal for implementation of the Fixed Medical Allowance w.e.f.01.04.2003 to all the retired employees of the Institute instead of 01.01.2004.

Item No. 23.7 & 23.8 of the supplementary agenda has been withdrawn by the Member Secretary with due permission of the Chairperson of the Finance Committee

Any other Item

Under any other agenda item the Finance Committee considered the proposal for condemnation of Institute Bus No. HR 07-PA 0101 (52 Seater) and Staff Car No.HR-07 G 4777.

The Finance Committee resolved that the above mentioned vehicles be condemned as per rules of the Government of India.

The meeting ended with a vote of thanks to the Chair.

Sd/-

Sh. G R Samantaray
Registrar & Member Secretary (Actg.)
Finance Committee
NIT, Kurukshetra.

Item 24.2: To note follow up action taken on the 23rd meeting of the Finance Committee held on 20.10.2011

The recommendations of the Finance Committee made in 23rd meeting held on 20.10.2011 were approved by the Board of Governors in its 26th meeting held on 21.10.2011. The action taken on the recommendations are prepared at Annexure – B on page 7.

Annexure - B
Item: 24.2

Item	Subject	Action Taken
23.1	To confirm the minutes of 22 nd meeting of the Finance Committee, National Institute of Technology, Kurukshetra held on 30.03.2011	No further action is required
23.2	To note follow up action taken on 22 nd meeting of the Finance Committee held on 30.03.2011	No further action is required
23.3	To consider Revised Budget Estimates for the year 2011-12 and Original Budget Estimates for the year 2012-13 for UG & PG Courses	Action has been taken.
23.4	To consider writing off the unserviceable and obsolete items.	Agenda was withdrawn.
23.5	To grant Fixed Medical Allowance to the retired employees of the Institute from 2003-04 i.e. from 1.4.2003 the date on which the Government of India, MHRD taken over the full administrative and financial control of NIT Kurukshetra.	Action has been taken.
23.6	Any other Item	The Auction of Institute Vehicles (Bus & Staff Car) is under process.

Item 24.3: To consider the Loan facility to the employees of NIT Kurukshetra from the REC Employees Co-Operative Urban Salary Earners Thrift & Credit Society Ltd.

The REC Employees Co-Operative Urban Salary Earners Thrift & Credit Society Ltd., Kurukshetra was established in 1995 to provide loan facility to the employees of the institute at cheaper rate. It is a registered Society under Haryana Govt. Co-op. Societies bearing registration no. 0699 dated 26.04.1995. This society was functional until loan was available at cheaper rate to Bank.

The President of the above Society has requested to allow for disbursement of Loan to the employees of the Institute. The repayment installments of respective employees to be deducted from their salary. It may be mentioned here that the Institute is also deducting various loans, Group Insurance installments and other deductions on the request of the employees and paying them after deduction from the salary of respective employee. This facility may create accounting liability on the part of the institute in course of providing loan and deduction out of salary of concerned employee.

The Finance Committee may consider and make suitable recommendation to the Board of Governors.

Item 24.4: To consider for the Fixation of interest rate of Contributory Provident Fund (CPF) of the Institute for the period from October to March of 2010-11 & 2011-12 (April to March).

The institute is running on constituted Contributory Provident Fund Account from the inception. There is a provision under CPF rule 5 of the institute that interest at the rate fixed by the Board of Governors of the REC from time to time is to be credited to each subscriber's account half yearly. Further on the recommendation of the Finance Committee, the Board of Governors in its meeting held on 11.03.1968 decided that the institute should formally allow the same rate of interest as it earns from the investments on long term deposits after sufficient margin adjusted. The matter of fixation of interest rate of Contributory Provident Fund was placed before 14th Finance Committee held on 24.06.2008 and decided as under:

"The Finance Committee recommended to the Board that the interest rate on CPF balances of the subscribers of NIT, Kurukshetra be paid for the period 01.04.2008 to 31.03.2009 at the rate notified by Central Government.

The FC desired that there was no need to place this matter before FC every year because the interest rate on CPF balances has to be paid as per Central Government notifications issued time to time."

The statement of interest earned and interest paid on CPF balances of last four years as follows:

Value in ₹

Financial Year	Interest Accrued (As per Annual Account)	Interest paid	Rate of interest	Surplus/ Deficit of Interest Accrued (col.2-3)
1	2	3	4	5
2007-08	2,55,59,391	1,78,67,373	7.5%	+76,92,018
2008-09	2,78,38,548	2,03,83,024	8.5%	+74,55,524
2009-10	3,19,24,540	2,19,26,225	8.5%	+99,98,315
2010-11	2,68,54,237	1,57,89,905	9.5% in 1 st Half	+1,10,64,332

Contd..

It may be mentioned here that, if the institute will pay rate of interest for the 2nd half (October to March) of 2010-11, the liability on the Institute would be as under:

Rate of Interest payable	Interest liability in ₹
8.00%	1.28 Crore
8.50%	1.36 Crore
9.00%	1.44 Crore
9.50%	1.52 Crore

The figures shown in the above table for the year 2010-11 has not yet incorporated the interest on CPF for the period of Oct 2010 to March 2011. If the Institute incorporates this figure the gap between interest accrued and interest paid, may be increased. Further it is pertinent to mention that the institute CPF balance has reserve surplus of ₹ 2,87, 22,541/- as on 31.03.2011. If the trend of payment of higher interest rate on CPF than interest accrued would continue, the reserve surplus will exhaust within a short span of time.

The prevailing rates of interest of the Central Government Organisations for the year 2010-11 are mentioned below:-

Organisations	Rate of Interest
General Provident Fund (GPF)	8%
Public Provident Fund (PPF)	8.5%
Employees Provident Fund organization	9.5%

The Employees Associations (Teaching & Non-Teaching) are demanding to pay the rate of interest at par with the Employees Provident Fund organization i.e. 9.5% per annum. The institute would not able to pay the interest rate at par with Employees Provident Fund organization (EPFO) 9.5% without the subsidy from Government of India.

The Finance Committee may consider and make suitable recommendation to the Board of Governors.

Item 24.5: To approve the minutes of the 15th Meeting of the Building & Works Committee of National Institute of Technology, Kurukshetra held on 19.12.2011.

The minutes of the 15th Meeting of Building & Works Committee of National Institute of Technology, Kurukshetra held on 19.12.2011 under the Chairmanship of the Hon'ble Director, NIT, Kurukshetra are enclosed as Appendix I from page 1 to 7. The Agenda of the meeting is enclosed as Annexure - C on pages 1-134 with main Agenda of the Finance Committee meeting.

The Finance Committee may approve the minutes of the 15th Meeting of Building & Works Committee held on 19.12.2011.

Item 24.6 To consider grant of remuneration, other allowances and relaxation in weekly teaching load for the position of Chairman (E, C & EM).

Prof. K.K.Singh, Chairman (E, C and EM) of the Institute vide his letter at PUC has requested to consider grant of monthly remuneration, relaxation in teaching load, transport and mobile phone allowances as being done for the other positions i.e. Deans.

Under clause 19 of the Statutes, there is a provision to have not more than six deanships. However, under Schedule 'C' under statutes 19(5), the Institute may have five deanships- Dean (Academic), Dean (P&D), Dean (SW), Dean (FA) and Dean (R&C). However, the Board of Governors in their 17th meeting held on 09.09.2009 approved to create the six position of deanship as Dean (Estate, Construction and E/M) keeping in view work relating to supervision of construction and the maintenance works of building, roads, water supply, sanitation, lawns and gardens, communication network, water coolers and telephone etc.

Further, the Board of Governors in their 25th meeting held on 22.06.2011 ratified the action taken by the Hon'ble Chairperson, BOG in abolishing the post of Dean (E, C and E/M) and placing the section under the Chairmanship of Chairman (E, C and E/M). Dr. K.K.Singh, Professor, Civil Engineering Department was assigned the responsibility of the Chairman (E,C and E/M).

It is pertinent to mention here that the Finance Committee in its 22nd meeting held on 30.3.2011 resolved to recommend to the Board the enhancement of remuneration/special allowance and Conveyance Allowances Rs.2000/- per month and Rs.500/- per month respectively to all Deans (except Dean (P&D) and Dean (R&C)). The recommendations of the Finance Committee were approved by the Board in its 25th meeting held on 22.06.2011. Further, the Finance Committee in its 23rd meeting while confirming the minutes of 22nd FC meeting, revised the remuneration as Rs.2500/- per month for Deans (except Dean (P&D) and Dean (R&C)). The recommendations of the 23rd Finance Committee have been approved by the Board in its 26th meeting held on 21.10.2011.

The Finance Committee may consider the request of Prof. K.K. Singh, Chairman (E, C and E/M) and recommend to the Board.

Item 24.7 To consider establishment of four Schools for PG study and research at National Institute of Technology, Kurukshetra.

The Institute intends to establish the following schools to promote the PG studies and research keeping in view the modern trends and the need of the country to produce skilled manpower and indigenously developed sophisticated technology:

1. School of Renewable Energy and Efficiency
2. School of Material Science and Nano-Technology
3. School of VLSI Design and Embedded Systems
4. School of Bio-Medical Engineering

For the purpose, the matter was placed before the Senate under clause 8(xiii) of the Statutes in the 18th meeting held on November 1, 2011. After deliberations, the proposal to establish Schools in above four areas of PG Studies and Research in the Institute was approved by the Senate.

It is worth mentioning here that all the four schools will be housed in one Four Storey energy efficient building. Each centre will have a covered area of about 2000 sq.m. on one floor. The whole building shall be centrally air-conditioned, provided with lifts, and the class room/seminar rooms will be state-of-the-art rooms having smart boards, multimedia projector facilities and internet connection etc.

The Building cost, laboratories equipment cost, recurring cost/annual budget requirement on account of salary of faculty and staff, scholarships, consumables, maintenance and misc. cost for the establishment of above four schools has been estimated. The total expenditure involved for establishment of these schools is as under:

1.	Non-Recurring - Building	Rs.2150 lacs
	Equipment	Rs.3300 lacs
2.	Recurring - Salary, Scholarships	Rs.0632 lacs

The details of cost(s) on the above heads are enclosed for consideration of Finance Committee as Annexure D from page 14 to 16.

The Finance Committee may consider the issue and recommend to the Board.

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Keeping in view the modern trends, and the need of the country to produce indigenously developed sophisticated equipment/ devices/ instruments, it has been proposed to promote PG studies and research in the following areas:

1. Renewable Energy and Efficiency
2. Material Science and Nano-Technology
3. VLSI Design and Embedded Systems
4. Bio-Medical Engineering

As such a proposal to start schools in the above areas was placed before the Senate of the Institute in its 18th meeting held on November 1, 2011. After deliberations, the proposal to set up Schools in above four areas of PG studies and Research in the Institute was approved by the senate.

Subsequently, some details in regard to buildings, furniture, equipment, faculty, non-faculty etc requirements have been worked out as given below.

The common requirements proposed for each school are as under-

1. All the four centres will be housed in one Four-storey energy efficient building, one centre, having a covered area of about 2000 sq m, on one floor.
2. The location of the cluster of centres shall be identified by the Chairman Estate, Construction, and EM keeping in view the Master plan of the Institute.
3. For each of the centres, following provisions are to be made

Assumed intake in M Tech Programs:	25
Assumed intake of regular full-time Ph D candidates:	05
Number of faculty members:	05 (2 Professors,
2 Associate Prof. and 1 Assistant Prof.)	
Number of class rooms each of capacity 50:	02
Number of Laboratories each of size 200 sq m:	02
Number of Computer rooms each of capacity 10:	02
Number of faculty rooms each of size 5m X 4m:	06
Number of rooms for full-time research scholars 5m X 4m:	05
One Seminar/ Conference/ Committee rooms of capacity 50	
One Room for the Head of the centre of size 40 sq m	
One Office/ reception/ waiting room of size 40 sq m	
Secretarial staff: 1 steno typist, 1 clerk, 1 peon, 1 faraash	
Lab staff: 1 supervisor and 1 lab attendant for each lab, 1 computers rooms in charge/ attendant.	

The whole building shall be centrally air-conditioned, provided with lifts, and the class rooms seminar rooms will be state-of-the-art rooms having smart boards, multimedia projector facilities, internet connection etc.

Further, it is considered that PG program in every centre will have 1st and 2nd semesters of 5 Theory, 1 Lab, and 1 Seminar courses each, and the 3rd and 4th semester will exclusively be for Dissertation work. For Ph D students, there shall be one semester course work.

a) Buildings Cost

The buildings, furniture, air-conditioning cost for each school is projected as under-

Building cost @ Rs 2000 per sq ft	= Rs 400 Lakh
Furniture cost 10% of above	= Rs 40 Lakh
Central air-conditioning cost 20 % of building cost	= Rs 80 Lakh
Total	= Rs 520 Lakh
Total for all the four schools	= Rs 2080 Lakh
Contingency charges 3% of above	= Rs 62.4 Lakh
Grand total of above	~ Rs 2150 Lakh

b) Laboratory Equipment Cost

S. No.	School	Cost
1	Renewable Energy and Efficiency	Rs 100 Lakh
2	Material Science and Nano-Technology	Rs 3000 Lakh
3	VLSI Design and Embedded Systems	Rs 100 Lakh
4	Bio-Medical Engineering	Rs 100 Lakh
Total		Rs 3300 Lakh

c) Recurring Cost

i) Following approximate average salary in Rs in Lakh per annum for the different staff, are assumed.

Professor	9.0
Associate Professor	7.0
Assistant Professor	5.0
Lab Supervisor	4.0

Lab Attendant	2.0
Stenographer	3.0
Clerk	2.0
Peon/ Farash	1.0

The annual budget requirement on account of salary is as given in the following table.

S No	Post	Number	Salary
1	Professor	2	18
2	Associate Professor	2	14
3	Assistant Professor	1	5
4	Lab Supervisor	2	8
5	Lab Attendant	2	4
6	Stenographer	1	3
7	Clerk	1	2
8	Peon/ Farash	2	2
9	Computer Room incharge	1	2
Total			58

- ii) Scholarships Rs 50 Lakh
- iii) Consumables, maintenance, miscellaneous Rs 50 Lakh

Total recurring cost for each school Rs 158 Lakh
Total recurring cost for all the four schools Rs 632 Lakh

Total Picture in Rs in Lakhs for all the four Schools

Non-recurring		Recurring
Buildings	Equipment	Salary, Scholarship etc
2150	3300	632

Submitted for kind consideration
& inclusion in the forthcoming BOB
according as agenda item.

[Signature]
Director for work PC & BOG

[Signature]
2/3/12

Dec. (P&D)

[Signature]
03/03/12

D. S. (Gen)
Cien. II.

3/3/12

Item 24. To consider for the payment of House Rent Allowance to employees residing outside the campus.

The Institute provides residential facility to its employees in the campus. It adopts the policy to provide almost 100% residential facility to its faculty and 50% to the non teaching employees. The staff quarters become unoccupied on account of retirement and restriction for the filling of new recruitment. The Institute is paying House Rent Allowance to the employees residing outside the campus.

The Audit Party of Office of A.G, Haryana objected vide Memo No. OAD/Spl./AP-Spl/2009-10/AM No./4 dated 08.03.2011 for the payment of House Rent Allowance even though the residential premises in the campus laying vacant. To avoid any further complication, the Accounts Section of the Institute could not release the payment of the house rent allowance to the employees, who vacate the campus after the audit objection of AG office, Haryana.

However, in the CCS rule it is mentioned that an employee not residing in the Government accommodation is entitled to claim house rent allowance at prescribed rate subject to fulfillment of certain conditions laid down in the O.M No.F-2(37)-E.II(B)64. The Non-teaching employees Association of the Institute are demanding to pay the house rent allowance to all non teaching employees residing out side the campus.

The Finance Committee may consider and make suitable recommendation to the Board of Governors.

The PE has advised that institute may take a decision as per CCS rules as reported by Court of Directors