

**NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA -136119**

**AGENDA
OF
FINANCE COMMITTEE MEETING**



**34th MEETING
HELD ON 30.01.2017**

**NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA-136119**

Agenda : **34th Finance Committee Meeting**

Place : **Committee Room (New Building)
Shri Lal Bahadur Shastri Rashtriya Sanskrit Vidyapeetha,
Qutub Institutional Area, New Delhi-110016.**

Date & Time : **January 30th 2017 & 02:00 pm**

Item No.	Agenda	Page No.
34.1	To confirm the minutes of 33 rd Meeting of the Finance Committee, National Institute of Technology, Kurukshetra held on 28.07.2016.	1-5
34.2	To note follow up action taken on the 33 rd meeting of the Finance Committee held on 28.07.2016.	6-65
34.3	To consider and approve the Revised Budget Estimates 2016-17 and Budget Estimates 2017-18.	66
34.4	To approve the minutes of the 22 nd meeting of the Building & Works Committee of National Institute of Technology, Kurukshetra held on 19.09.2016.	67
34.5	To consider the increase the consolidated salary of the Dental Surgeon on contract basis for the Health Centre of the Institute	68-69
	Any Other Item	

Item 34.1: To confirm the minutes of 33rd Meeting of the Finance Committee, National Institute of Technology, Kurukshetra held on 28.07.2016.

The minutes of the 33rd Meeting of the Finance Committee held on 28.07.2016 were circulated to the members vide our letter No. Acs./33rd FC/1040/6106 - 6107 dated 17.08.2016. No comment has been received from any of the member.

A copy of the minutes of 33rd meeting of the Finance Committee held on 28.07.2016 is placed at **Appendix - I** on pages **2 to 5**.

The Finance Committee may confirm the minutes of the 33rd meeting of the Finance Committee held on 28.07.2016.

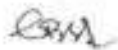
NIT Kurukshetra

NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA - 136119

Minutes of 33rd Meeting of the Finance Committee, NIT, Kurukshetra held on Thursday, 28th July 2016 at 11:00 a.m at Committee Room (New Building), Shri Lal Bahadur Shastri Rashtriya Sanskrit Vidyapeetha, Qutub Institutional Area, New Delhi-110016.

Present:

1. Shri Jagdish Khattar
Hon'ble Chairperson, FC & BOG, NIT Kurukshetra
& Former Managing Director, Maruti Udyog Limited
A-110, Sector-5,
NOIDA- 201301 (UP) Chairperson
2. Prof. V. K. Arora
Director In-charge
National Institute of Technology
Kurukshetra Member
3. Sh. A. K. Singh,
Under Secretary (NITs)
Representative of Joint Secretary (Tech. Education),
Department of Higher Education
Ministry of Human Resource Development
Govt. of India, Shastri Bhawan
New Delhi - 110 015 Member
4. Shri Satpal Sharma,
Under Secretary (IFD)
Representative of Joint Secretary & Financial Advisor (IFD)
Department of Higher Education
Ministry of Human Resource Development
Govt. of India, Shastri Bhawan
New Delhi - 110 015 Member
5. G. R. Samantaray
Registrar In-charge
National Institute of Technology
Kurukshetra Member-Secretary







The quorum was in order. The agenda items were taken up as follows:

Item 33.1: To confirm the minutes of 32nd Meeting of the Finance Committee, National Institute of Technology, Kurukshetra, held on 15.12.2015.

The Finance Committee confirmed the minutes of the 32nd Meeting of the Finance Committee held on 15.12.2015 with the following comments:

- (i) The nominees of the MHRD suggested to avoid the meetings of Finance Committee and Board of Governors during the sessions of Parliament.
- (ii) A schedule for holding meetings in a calendar year may be prepared as per the norms laid down in the NIT Act, 2007.
- (iii) It was decided earlier that there was a need to prioritize projects and give priority to those which were near completion. The B & WC had not done that exercise. A list of all ongoing construction projects, total expenditure so far and balance work be placed before next meeting. The committee also suggested that the members of B & WC should give more information of the project implementation, delay, reason, future plans etc.
- (iv)
- (v) **Item No.32.2:-** The Cost Benefit Analysis in comparison with the introduction of Cashless Medical Insurance Scheme may be prepared for the expenditure incurred by the Institute on providing health care facilities i.e. medicines provided by the Health Centre and reimbursement made against the prescribed medicines in respect of students, staff members, pensioners and their dependants. The salary of staff working in the Health Centre may also be included in the Cost benefit Analysis.
- (vi) **Item No.32.5:-** A detailed note on the status of Audit paras observed by the CA&G alongwith their updated replies and efforts to drop those audit paras is to be placed in the next meeting Finance Committee.

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- (vii) The investment in the FDR made by the Institute during the last 04 years may be submitted in the next meeting of Finance Committee.
- (viii) The Finance Committee desired to submit the quarterly financial statement of the Institute in the BOG meeting(s).
- (ix) The Finance Committee also desired to submit all the directions given by the Government of India before the Board of Governors.

Item 33.2: To note follow up action taken on the 32nd meeting of the Finance Committee held on 15.12.2015.

The Finance Committee noted the follow up action taken by the Institute on the 32nd meeting of the Finance Committee held on 15.12.2015 and further desired to prepare a note on the follow up action taken by the Institute on the minutes of last 3 (three) meetings of the Finance Committee.

Item 33.3: To place quarterly Internal Audit Report for 3rd and 4th quarter ending 31.03.2016.

The Finance Committee considered and carefully examined the quarterly Audit Reports submitted by Internal Auditors. It was found to be too cursory. All reports were identical and could not make any anything out of it. Committee desired to submit revised report on both quarterly reports in the next meeting. It was also suggested that total transactions of all accounts along with the funds received during the concerned quarters of the financial year is to be recorded in the internal audit report.

Item 33.4 To consider and approve the Annual Accounts of the National Institute of Technology, Kurukshetra for the year ended 31.03.2016.

The Finance Committee considered and approved the annual accounts of the Institute. However, the Finance Committee desired to prepare the detailed agenda mentioning the basic information of Annual Accounts for the financial year 2015-16 for placing in the next BOG meeting.

Item 33.5: To consider and approve the preliminary cost estimate for providing Kitchen Equipments in 600 seater Girls Hostel (Multi- storeyed) RCC framed structure (Ground +5) at NIT, Kurukshetra.

The Finance Committee considered & approval the proposal keeping in view the urgency and recommended for approval to Board of Governors of the Institute.

Item 33.6: To approve the Minutes of the 21st meeting of the Building & Works Committee of National Institute of Technology Kurukshetra held on 27.05.2016.


The item has been withdrawn.


Item 33.7: To consider and approve the financial implications due to enhancement of no. of Ph.D scholarships from 2015-16 onwards.

The Finance Committee considered and approved the financial implications due to enhancement of no. of Ph. D. scholarships from 2015-16 onwards in principle. However, the Finance Committee desired to submit some more details before BOG to provide funds for payment of additional scholarships.

Any Other Item

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


(G.R. Samantary)
Registrar In-charge
& Member Secretary
NIT Kurukshetra


(V.K. Arora)
Director In-charge
NIT Kurukshetra


(Jagdish Khattar)
Hon'ble Chairperson
FC & BOG, NIT Kurukshetra

Item 34.2: To note follow up action taken on the 33rd meeting of the Finance Committee held on 28.07.2016.

The recommendations of the Finance Committee made in 33rd meeting held on 28.07.2016 are being placed before the Board of Governors in its 41st meeting held on 31.01.2017. The action taken on the recommendations are reported at **Appendix - II** from page **7 to 10**, **Appendix - III** from page **11 to 12**, **Appendix - IV** from page **13 to 36**, **Appendix - V** from page **37 to 45** and **Appendix - VI** from page **46 to 65**.

Item	Subject	Action Taken
33.1	<p>To confirm the minutes of 32nd Meeting of the Finance Committee, National Institute of Technology, Kurukshetra held on 15.12.2015.</p> <p>The Finance Committee confirmed the minutes of the 32nd Meeting of the Finance Committee held on 08.05.2015 with the following comments:</p> <p>(i) The nominees of the MHRD suggested to avoid the meetings of Finance Committee and Board of Governors during the session of Parliament.</p> <p>(ii) A schedule for holding meetings in a calendar year may be prepared as per the norms laid down in the NIT Act, 2007.</p> <p>(iii) It was decided earlier that there was a need to prioritize projects and give priority to those which were near completion. The B & WC had not done that exercise. A list of all ongoing construction projects, total expenditure so far and balance work be placed before next meeting. The committee also suggested that the members of B & WC should give more information of the project implementation, delay, reason, future plans etc.</p> <p>(iv) Item No. 32.2: The Cost Analysis in comparison with the introduction of Cashless Medical Insurance Scheme may be prepared for the expenditure incurred by the Institute on providing health care facilities i.e. medicines provided by the Health Centre and reimbursement</p>	<p>(i) Noted for future compliance.</p> <p>(ii) The following schedule for holding Finance Committee may be observed during a calendar year: 1st Meeting- Feb. / March 2nd Meeting- May / June 3rd Meeting- September / October 4th Meeting- November / December</p> <p>(iii) As per recommendations of the Finance Committee the executing agency CPWD Karnal has been instructed to complete and hand-over the ongoing construction works at the earliest. A list of ongoing construction projects showing their physical status as on date is enclosed as appendix III at page 11 to 12.</p> <p>(iv) The observation of the Finance Committee regarding incorporation of salary of staff working in the Health Centre is included in the cost benefit analysis detailed as under:</p>

made against the prescribed medicines in respect of students, staff members, pensioners and their dependents. The salary of staff working in the Health Centre may also be included in the Cost Benefit Analysis.

- (v) **Item No. 32.5:** A detailed note on the status of Audit Paras observed by the C&AG along with their updated replies and efforts to drop those audit paras is to be placed in the next meeting Finance Committee.
- (vi) The investment in the FDR made by the Institute during the last 04 years may be submitted in the next meeting of Finance Committee.
- (vii) The Finance Committee desired to submit the quarterly financial statement of the Institute in the BOG meetings(s).
- (viii) The Finance Committee also desired to submit all the directions given by the Government of India before the Board of Governors.

Period	Exp. Incurred on Medical Reimbursement & Health Centre Facilities	Insurance Premium Paid	Rs. In Lacs Remarks
01.06.14 to 31.03.15	32.75	0.00	
01.06.15 to 31.03.16	97.59 (44.85 + 52.74*) * Salary of Regular and Contract Staff in Health Centre	17.74	An amount of Rs. 40.00 Lacs has been sanctioned as claim against Medical Insurance Cover during the said period.

The overall financial impact to implement the cashless medical scheme in the Institute comes to the tune of ₹17.74 lacs. On the basis of above provided data, clearly indicates that if cashless medical facility may not be adopted in Institute, an additional financial burden to the tune of ₹40.00 Lacs (sanctioned medical claim amount) may be borne by the Institute.

- (v) The Audit Paras observed by the C&AG along with their replies sent to the Office of Principal Audit General (Central), Chandigarh are enclosed as **appendix IV at page 13 to 36.**

(vi) The details of investments in FDR with Nationalized Banks are as follows:

₹ in Lacs

Year	Amount	Name of Bank
2012-13	4905.06	State Bank of India
2013-14	3490.69	State Bank of India
	297.39	IDBI Bank Ltd.
2014-15	3911.49	State Bank of India
2015-16	8041.48	State Bank of India

- (vii) Noted for future compliance.
- (viii) Noted for future compliance.

33.2	<p>To note follow up action taken on the 32nd meeting of the Finance Committee held on 15.12.2015.</p> <p>The Finance Committee noted the follow up action taken by the Institute on the 32nd meeting of the Finance Committee held on 15.12.2015 and further desired to prepare a note on the follow up action taken by the Institute on the minutes of last 03 (three) meetings of the Finance Committee.</p>	<p>Actions have been taken accordingly. Further, the actions taken on the recommendations of the Finance Committee in its last 03 meetings are enclosed as appendix V from page no. 37 to 45.</p>
33.3	<p>To place quarterly Internal Audit Report for 3rd and 4th quarter ending 31.03.2016.</p> <p>The Finance Committee considered and carefully examined the quarterly Audit Reports submitted by Internal Auditors. It was found to be too cursory. All reports were identical and could not make any anything out of it. Committee desired to submit revised report on both quarterly reports in the next meeting. It was also suggested that total transactions of all accounts along with the funds received during the concerned quarters of the financial year is to be recorded in the internal audit report.</p>	<p>As desired by the Finance Committee, the internal auditors M/S Gurdial Jony & Associates, Kurukshetra have been asked to again submit the internal audit reports for the 3rd and 4th quarters of the financial year 2015-16 after incorporation of funds position in each quarter separately. Further, the revised internal audit reports for the 3rd and 4th quarters are placed as appendix VI at page 46 to 65.</p>
33.4	<p>To consider and approve the Annual Accounts of the National Institute of Technology, Kurukshetra for the year ended 31.03.2016.</p> <p>The Finance Committee and approved the annual accounts of the Institute. However, the Finance Committee desired to prepare the detailed agenda mentioning the basic information of Annual Accounts for the financial year 2015-16</p>	<p>The detailed agenda item mentioning the basic information of Annual Accounts of the Institute for the financial year 2015-16 has been placed in the 40th meeting of Board of Governors and subsequently approved the Annual Accounts of the Institute.</p>

	<p>for placing in the next BOG meeting.</p>	
33.5	<p>To consider and approve the preliminary cost estimate for providing Kitchen Equipments in 600 seater Girls Hostel (Multi - storeyed) RCC framed structure (Ground +5) at NIT, Kurukshetra.</p> <p>The Finance Committee considered & approval the proposal keeping in view the urgency and recommended for approval to Board of Governors of the Institute.</p>	<p>The decision taken by the Finance Committee in this regard is being placed before the Board of Governors in its next meeting.</p>
33.6	<p>To approve the Minutes of the 21st meeting of the Building & Works Committee of National Institute of Technology Kurukshetra held on 27.05.2016.</p> <p>The Item has been withdrawn.</p>	<p>The agenda is again placed before Finance Committee for consideration.</p>
33.7	<p>To consider and approve the financial implications due to enhancement of no. of Ph.D scholarships from 2015-16 onwards.</p> <p>The Finance Committee considered and approved the financial implications due to enhancement of no. of Ph.D scholarships from 2015-16 onwards in principle. However, the Finance Committee desired to submit some more details before BOG to provide funds for payment of additional scholarships.</p>	<p>As desired by the Finance Committee, the proposal for providing funds for the payment of additional scholarships will be placed before the Board of Governors with full details.</p>

NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA-136119

List of works executed by CPWD

Sr. No.	Name of work	Estimated cost of the work	Admin. Approval conveyed to CPWD	Amount Released upto till date	Remarks
1	Construction of 600 seater girls hostel at NIT, Kurukshetra	48990000.00	No.CC/18/95 dated 07.01.2013	489900000.00	Completed
	Revised cost estimate approved by B&WC	63030000.00			
2	Construction of 3 Storey bearer barrack comprising of 2 Blocks to accommodate 96 bearers.	21500000.00	No.CC/20/97 dated 07.01.2013	21500000.00	Completed
	Revised cost estimate approved by B&WC	29648649.00			
3	Recarpating on various roads at NITK				Completed
(i)	Recarpating of roads from NIT Gate (towards KUK Gate) to Apollo canteen chowk via NIT, chowk	2488700.00	No.CC/CPWD/57/921 dated 15.02.2013 for an	2488700.00	
(ii)	Approach road to Guest house and around Guest house roads	1544100.00		1544100.00	Completed
(iii)	Apollo canteen to NIT gate via Mega hostel 5 & 7,8	1791300.00		1791300.00	Completed
(iv)	Apollo Canteen chowk to Y shape road via Open Air Theatre at NITK	473000.00		473000.00	Completed
	Revised cost estimate approved by B&WC	7394307.00			
4	Widening of Institute road from Kirmich road gate to hostel no. 4 (approx. length of 400 mtr.) at NITK	3900000.00	No. CC/23/100 dated 07/08.01.2013	3900000.00	Completed
	Revised cost estimate approved by B&WC	4676720.00			
5	Provision for two nos. Institute Main Gates at NITK.	8299000.00	No.CC/14/91 dated 07.01.2013	8299000.00	Completed
	Revised cost estimate approved by B&WC	15839000.00			
6	Replacement of C.I./A.C water supply lines with Centrifugally cast (spun) Iron Pipes Class I.A. in the residences, Hostels & Instructional Building at NIT, Kurukshetra.	22205000.00	No. CC/11/88 dated 07/08.01.2013	22205000.00	Completed
	Revised cost estimate approved by B&WC	27231300.00			
7	Provision of glazed tiles in the residences (toilets & kitchens) at NIT, Kurukshetra.	6919000.00	No. CC/12/89 dated 07/08.01.2013	4224937.00	Completed
8	Construction of Swimming Pool at NIT, Kurukshetra	39065800.00	No.CC/458 Dated 15.01.2009	39066000.00	Completed
9	Re-Surfacing of existing roads in residential & institutional area at NIT, Kurukshetra	7030500.00	CC/3529/44/1376 dated 13.04.2015	5443365.00	Completed
10	Installation of cold water tank supply pipe line to the solar water heating system installed in the hostel no. 1 to 9 boys hostel girls hostel no. 1 & 2 at NIT, Kurukshetra.	6064000.00	CC/17/94 dated 07/08.01.2013	5359492.00	Completed
11	Construction of boundary wall (left out stretches) for a length of about 800 mtr. and gate (near UHBVN office) at NIT, Kurukshetra	10930360.00	CC/21/98 dated 07/08.01.2013	9217094.00	Completed
10	Construction of 300 seater multipurpose boys hostel at NIT, Kurukshetra	359600000.00	No.CC/19/96 dated 07.01.2013	241078022.00	Ongoing
	Revised cost estimate approved by B&WC	506579100.00			
11	Preparation of Institute Master Plan of NITK	3100000.00	No. CC/25/107 dated 07/08.01.2013	511000.00	Ongoing
12	Construction of STP at NIT, Kurukshetra	31808000.00	No.CC/16 dated 07.01.2013	10496000.00	Ongoing
13	Providing Concertina Coil over the Institute boundary wall for security purpose at NITK	5303000.00	No. CC/03/181 dated 08.04.2015	1749990.00	Ongoing
14	Provision of 9 nos. Permanent and 6 nos. Temporary huts for security guards at various locations in the Institute	2871530.00	No. CC/3192/135/5803 dated 05.11.2015	931105.00	Ongoing
Electrical Works					
1	Replacement of existing LT Panels with MCCBs in the NIT, Kurukshetra	4367000.00	No.CC/21/380 dated 23.01.2014	2952222.00	Completed
2	Provision of DG power back up at various locations covering of Instruction building & related facilities at NIT, Kurukshetra	21183000.00	No.CC/21/380 dated 23/24.01.2014	20041489.00	Completed
3	Provision of DG power back up in boys & girls hostel at NIT, Kurukshetra	32018000.00	No.CC/21/380 dated 23/24.01.2014	30048529.00	Completed
4	Provision & installation of 16/20 extra High Mast Lights at sports ground and various other locations at NIT, Kurukshetra	10950000.00	No.CC/24/1311 dated 07.08.01.2013	8895000.00	Completed
5	Provision of Washbasin Light & Lightening cordless in the Boys Hostel (1000 capacity) at NIT, Kurukshetra.	2754800.00	No.CC/21/380 dated 23.01.2014	1962150.00	Completed

S. No.	Name of work	Estimated cost of the work	Admin. Approval conveyed to CPWD	Amount Released upto till date	Remarks
6	Providing & Installation of electrical Sub-station HT/LT Distribution i/c street lighting & feeder Pillar etc. in non-residential area at NITK	77590000.00	No. CC/610/7367 dated 13.08.2009	707/3000.00	Completed
7	Replacement of existing Electrical wirings in Instructional building at NIT, Kurukshetra.				
(i)	Replacement /rewiring of A1 Wiring with copper wiring in Electrical Engineering Department.	1077000.00	No. CC/71/380 dated 23/01/2014	7758551.00	Ongoing
(ii)	Replacement/rewiring of A1 Wiring of A) Wiring with copper wiring in old Adm. Block.	14027000.00		90/2335.00	Ongoing
(iii)	Replacement/rewiring of A1 Wiring with copper wiring in Examination Cell, Mechanical Engineering Department & Civil engineering Department.	11017000.00		8751953.00	Ongoing
(iv)	Replacement /rewiring of A1 Wiring with copper wiring in Electronics & Communication, CCN Department & Exam Hall.	16276000.00		10095481.00	Ongoing
8	Providing & Installation of electrical Sub-station HT/LT Distribution i/c street lighting & feeder Pillar in residential area at NITK	72700000.00	No. CC/156/7071 dated 18.11.2014	71103890.00	Ongoing
9	Provision of lifts for persons with disabilities (PwD) at various locations in the Institute.	26287000.00	No. CC/3508/112/5385 dated 17/25.07.2014	433/355.00	In-process
	Revised cost estimate approved by B&WC.	1271829790.00		1063270068.00	





भारतीय लेखा तथा लेखा परीक्षा विभाग
कार्यालय प्रधान निदेशक लेखा परीक्षा (केन्द्रीय), चण्डीगढ़

APPENDIX - IV

Indian Audit & Accounts Department
Office of The Principal Director of Audit (Central), Chandigarh



आदेश क्र. पी.ओ. के. आर.एन. NITK, 2015-16/2016-17: 1549
दिनांक: 02/01/2017

सेवा में,

सचिव,
शिक्षा विभाग,
मानव संसाधन विकास मंत्रालय,
भारत सरकार, शांती भवन,
नई दिल्ली - 110001

विषय: National Institute of Technology, Kurukshetra के वर्ष 2015-16 के लेखाओं पर
पृथक लेखापरीक्षा प्रतिवेदन

महोदय,

कृपया National Institute of Technology, Kurukshetra के वर्ष 2015-16 के लेखाओं पर
पृथक लेखापरीक्षा प्रतिवेदन (Separate Audit Report) संसद के दोनों सदनों के समक्ष प्रस्तुत करने हेतु सलग पांच
संसद में प्रस्तुत होने तक प्रतिवेदन को गोपनीय रखा जाए।

संसद में प्रस्तुत करने के उपरांत प्रतिवेदन की पांच प्रतियाँ इस कार्यालय को भी भेज दी जाएँ।

कृपया इस पत्र की पावती भेजें।

भवदीय,

- हस्ता -

संलग्न: उपरोक्त अनुसार

प्रधान निदेशक

✓ उपरोक्त की प्रतिलिपि वर्ष 2015-16 की पृथक लेखापरीक्षा प्रतिवेदन की प्रति सश्लि आवश्यक कार्यवाही हेतु निदेशक,
National Institute of Technology, Kurukshetra, Haryana को प्रेषित की जाती है।

उप निदेशक (केन्द्रीय व्यव)

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of National Institute of Technology, Kurukshetra for the year ended 31 March 2016.

We have audited the Balance Sheet of National Institute of Technology, Kurukshetra as at 31 March 2016 and Income & Expenditure Account for the year ended on that date under Section 10 (2) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971 read with Section 22 of the National Institute of Technology Act, 2007. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This Separate Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-eum-performance aspects, etc., if any, are reported through Inspection Reports/ CAG's Audit Reports separately.
3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
4. Based on our audit, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit:
 - ii) The Balance Sheet and Income and Expenditure Account/Receipt and Payment Account dealt with by this Report have been drawn up in the format prescribed by the Ministry of Human Resource Development, Government of India vide order No. 29-4/2012-FD dated 17 April 2015.
 - iii) In our opinion, proper books of accounts and other relevant records have been maintained by the National Institute of Technology, Kurukshetra in so far as it appears from our examination of such books.

iv) We further report that:

A. Balance Sheet

**A.1. Source of Funds
Current Liabilities & Provisions (Schedule 3): Rs. 59.78 crore**

The above does not include provision for Rs.11.01 lakh on account of Municipal taxes for the year 2015-16 payable to Municipal Committee, Kurukshetra. This has resulted in understatement of Current Liabilities & Provisions and overstatement of Surplus for the year by Rs.11.01 lakh.

**A.2. Application of Funds
Current Assets (Schedule 7): Rs. 204.78 crore**

A reference is invited to note at Sl. No.7.1 in Notes to Accounts (Schedule-24) which states that the "Employees Gratuity, Pension and Leave Encashment is a definite Benefit Plan but the Institute has not complied AS-15 in the Defined Benefit Plan". The Institute has shown accumulation of Rs.34.53 crore on account of Gratuity Assets and Accumulated Leave Encashment Assets under Assets. The accumulations include provision of Rs.6.38 crore made during the year 2015-16. However, actual expenditure of Rs.1.00 crore on account of Gratuity and Leave Encashment has been charged on cash basis in the Income & Expenditure Account. The policy adopted by the Institute is incorrect as the provision of retirement benefits like gratuity and leave encashment should be routed through Income and Expenditure Account and the payments on this account should be made from the accumulated provision of retirement benefit and not from the Income and Expenditure of the current year. Further it was noticed that provision for retirement benefits was not made on the basis of actuarial valuation as prescribed in AS-15.

**B. Income & Expenditure Account
Expenditure
Staff Payments & Benefits (Schedule 15): Rs. 58.19 crore**

The above does not include Rs.17.74 lakh incurred on account of premium for providing cash less medical insurance facility to the employees which has been charged to the Designated/Earmarked/Endowment Funds. This has resulted in to overstatement of Surplus and understatement of Designated/Earmarked/Endowment Funds by Rs.17.74 lakh.

C. General

C.1. Net impact of Audit comments on the Annual Accounts

Net impact of Audit comments on the Annual Accounts of National Institute of Technology, Kurukshetra for the year ending 31 March 2016 is as under:

- i) Liabilities understated by Rs.28.75 lakh.

ii) Surplus for the year and Corpus/Capital Fund overstated by Rs.28.75 lakh.

C.2. Employee Provident fund

As per the new format of accounts prescribed by the MHRD, central higher educational institutions are required to attach separate accounts in respect of Provident Funds managed by them with the accounts of the Institution. The same has not been done by the Institute.

C.3. Institute Development Fund/ Student Fund

The Institute has not disclosed any Accounting policy indicating the purpose of creation, source and utilisation in respect of Institute Development Fund (Consultancy) Rs.7.17 crore and Student Fund Rs.9.26 crore shown in Designated/ Earmarked Funds (Schedule 2).

Further, assets created out of Institute Development Fund (Consultancy) have not been disclosed separately by the Institute in the Accounts. The records/ registers in respect of Fixed Assets created out of this Fund were also not being maintained.

C.4. Format of Accounts

The Institute has not complied with the new format of Financial Statements for Central Higher Educational Institutions prescribed by the Ministry of HRD, Government of India to the following extent:-

- (i) It had not attached Annexure-A, alongwith Schedule 7 (Current Assets) required under new format of accounts.
- (ii) it had not attached Schedule - 15A (Employees Retirement and Terminal Benefits) with the accounts.
- (iii) Scheme wise disclosure of all the Designated/Earmarked/Endowment Funds alongwith addition/deductions made during the year. Nature and form of Investments made from different type of funds was required under Schedule- 2A of the new format of accounts which was not done by the Institute.
- (iv) As per Schedule 4 (Fixed Assets), assets and depreciation thereon should be shown separately alongwith gross block and accumulated depreciation but the Institute has shown only the opening balance of written down value of Assets and Depreciation for the current year only.

D. Grants-in-aid

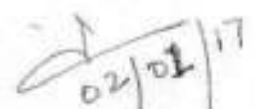
D.1 The Institute received grant in aid of Rs.122.00 crore (Plan-Non Recurring Rs.53.00 crore and Non Plan-Recurring Rs.69.00 crore) during the year 2015-16, against which expenditure of Rs.139.91 crore was incurred. Thus, the Institute has incurred expenditure of Rs.17.91 crore in excess of grant received.

Besides, out of the available funds of Rs.3.70 crore of project of Technical Education Quality Improvement Programme (TEQIP), including unspent balance of previous year Rs.3.30 crore, grant received during the year Rs.2.00 crore and internal income of Rs.4.20 crore, the Institute could utilise a sum of Rs.2.06 crore leaving an unspent balance of Rs.3.64 crore.

D.2 The Institute has shown a negative opening balances of Salary and General heads of Recurring Grant (GoI) at Rs.39.06 crore and Rs.24.75 crore respectively in schedule 3(c) of annual accounts for the year 2015-16. Whereas as per the Utilization Certificates (UCs) sent to MoHRD, Govt. of India it has shown minus balances at Rs.32.73 crore and Rs. 2.82 crore respectively. The difference of Rs. 6.33 crore and Rs.21.93 crore respectively needs to be reconciled.

- v) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet, Income & Expenditure Account and Receipts & Payments Account dealt with by this report are in agreement with the books of accounts.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India:
 - a. In so far as it relates to the Balance Sheet, of the state of affairs of the National Institute of Technology, Kurukshetra as at 31st March 2016; and
 - b. In so far as it relates to Income & Expenditure Account, of the surplus for the year ended on that date.

For and on behalf of the C & AG of India.


Principal Director of Audit
(Central), Chandigarh

Place: Chandigarh
Date: 02/01/17

Annexure to Audit Report

1. **Adequacy of Internal Audit System**

The Institute has got its Internal Audit conducted through a firm of Chartered Accountants. However, Internal Audit Manual has not been prepared by the Institute.

2. **Adequacy on Internal Control System**

Internal control system was found to be inadequate in view of the following:

- (i) The Institute has not prepared its Accounting Manual.
- (ii) Fixed Assets registers though have been maintained by the various departments of the Institute, however, in order to exercise control over inter- department transfers and for depicting depreciation, a centralized Fixed Assets Register has not been maintained.
- (iii) Title deed of the land of 292 acre is in the name of Principal, Regional Engineering College, Kurukshetra not been transferred in the name of Director, National Institute of Technology, Kurukshetra till date.
- (iv) The Institute is not regular in paying statutory dues as stated at Sl. No. 5.
- (v) Fixed Assets registers in respect of Assets created out of Institute Development Fund were not maintained.

3. **Physical verification of Fixed Assets**

Physical Verification of Fixed Assets for the year 2015-16 had been conducted.

4. **Physical verification of Inventory**

Physical Verification of Inventory for the year 2015-16 had been conducted.

5. **Regularity in payment of Statutory Dues**

The Institute has not paid Municipal taxes to Municipal Council, Thanesar, Kurukshetra for the years 2012-13 to 2015-16.


Deputy Director

NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA- 136119

No./Acs./2016/ 2681

Dated: November 11, 2016
12

Director (Central Expenditure)
Indian Audit & Accounts Department
Office of the Principal Director of Audit (Central)
Sector- 17-E
Chandigarh - 160 017

Subject: Reply to the Draft Audit Comments in respect of National Institute of Technology, Kurukshetra for the year 2015-16.

Sir

Please refer to the letter no. PDA (C)/Cent. Exp./SAR NITK-2015-16/2016-17/1019 dated 07.10.2016 addressed to Director, National Institute of Technology, Kurukshetra regarding submission of reply to the Draft Audit Comments in respect of this Institute for the year 2015-16.

In this context, it is submitted that the replies in respect of Draft Audit Comments in respect of this Institute for the year 2015-16 in Annotated Form along with supportive documents for references is enclosed herewith for perusal and further necessary action please.

Thanking you

Yours faithfully,


Deputy Registrar (Accounts)
Per Director
11/11/16
11/11/16
NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA- 136119

Enc.: As above

Sr. No.	Draft Audit Comments	Reply of the Institute
A A.1. A.1.1.	<p><u>Balance Sheet</u> <u>Sources of Funds</u> <u>Designated / Earmarked / Endowment Funds</u> <u>(Schedule 2): Rs. 100.22 crore</u></p> <p>The above included consultancy income (in the shape of Institute Development Fund) generated by the Institute by way of providing consultancy services, testing of samples and construction materials amounting to Rs. 7.17 crore (Rs. 7.35 crore earned up to year 2014-15 less Rs. 0.18 crore utilized for payment of premium for providing facility of cash less insurance to its staff).</p> <p>In the previous year's Separate Audit Report (SAR), it was pointed out that consultancy income should be taken as income instead of liability of the Institute. Accordingly, from the year 2015-16 the Institute credited the consultancy income of the year 2015-16 directly to Income & expenditure account. But, did not transfer the consultancy income lying in the Institute Development Fund to Corpus / Capital Fund.</p> <p>This has resulted in overstatement of Designated / Earmarked / Funds and understatement of Corpus / Capital Fund by Rs. 7.17 crore.</p>	<p>In accordance with the Generally accepted Accounting Principles (GAAP) for the accounting, the special purpose fund (Earmarked Fund) may only be used for the respective purpose. As the Schedule 2 "Designated / Earmarked / Endowment Funds" contains the Institute Development Fund to the extent of Rs. 717.01 lakh and it is being made in the light of decisions taken by the Board of Governors of the Institute vide item no. 94.35 before decades ago i.e. 2001. Also, here to state that in the said meeting it was been decided the scope of expenditure out of this fund.</p> <p>In accordance to the above statement it can be concluded that the said fund is being created out of the fund maintained at that time and is being increased by the various activities which has contributed more than the consultancy income generated by the Institute. Further to state that by considering the materiality principles of accounting, it is difficult to measure the contribution of each and every activity in terms of value since inception of the Institute. Hence, it is not being transferred to the Income & Expenditure Account, the opening balance of this account as on 01.04.2015.</p> <p>In the light of above statement, this para may be dropped by considering the relevancy of the GAAP, Materiality Principle and the Contribution of Consultancy in creating this fund respectively.</p>
A.1.2	<p><u>Current Liabilities & Provisions (Schedule 3):</u> <u>Rs. 59.78 crore</u></p> <p>The above head does not include Rs. 44.03 lakh on account of Municipal taxes for the year 2012-13 to 2015-16 payable to Municipal Committee.</p>	<p>The Institute has paid the Municipal Tax up to the financial year 2011-12 and has received the letter on 27.03.2015 for the year 2013-14 and 2014-15. The sum of tax for these two years are Rs. 22.20 lakh and the provision for same has been made in the financial year 2014-15. The provision is</p>

still pending and is being clubbed in other Current Liabilities under the head of Current Liabilities and Provisions (Schedule: 3).
 The Institute has not received any computation of the Municipal Tax for the year 2015-16 and hence no provision is being made accordingly. We are unable to calculate the respective tax as it is fluctuating year to year.
 In absence of this, the requirement of provision is not tenable and hence this para needs to be dropped.

Noted for future compliance.

Kurukshetra. Out of Rs. 44.03 lakh demand notice of Rs. 22.02 lakh (Municipal Taxes for the year 2014-15 & 2015-16) was received on 27.03.2016 and for balance amount demand notice was yet to be received. Hence, The Institute should create a provision of Rs. 44.03 lakh in its accounts.
 Non making of provision has resulted in to understatement of Current Liabilities & Provision and Overstatement of Excess of income over expenditure by Rs. 44.03 lakh.

Application of Funds
Current Assets (Schedule 7): Rs. 204.78 crore

A.2.

A reference is invited to note at Sl. No. 7.1 in Notes of Accounts (Schedule - 24) which states that these "Employees Gratuity, Pension and Leave Encashment is a definite Benefit Plan but the Institute has not complied AS-15 in the defined Benefit Plan". The Institute has shown accumulation of Rs. 34.53 crore on account of Gratuity Assets and Accumulated Leave Encashment Assets under Assets. The accumulations include provision of Rs. 6.38 crore made during the year 2015-16. However, actual expenditure of Rs. 1.00 crore on account of Gratuity and Leave Encashment has been charged on cash basis in the Income & Expenditure Account. The policy adopted by the Institute is incorrect as the provision of retirement benefits like gratuity and leave encashment should be routed through Income & expenditure Account (either balance of Income & Expenditure Account (either surplus or deficit) after provision of retirement benefit should be adjusted in Corpus Fund of the Institute. The payment on this account should be made from the accumulated provision of retirement benefit and not from the Income & Expenditure of current year.

Noted for future compliance.

**B. Income & expenditure Account
Expenditure
Staff Payments & Benefits (Schedule 15): Rs. 58.19
crore**

The above does not include Rs. 17.74 lakh incurred on the account of premium for providing cash less medical insurance facility to the employees. This facility was being provided by the Institute at a cost of 1% of basic salary of its employees. The difference between actual premium paid and amount recovered from employees amounting to Rs. 17.74 lakh was borne by the Institute. Instead of charging the same into Income & expenditure Account, it had charged into Designated / Earmarked / Endowment Funds. This has therefore resulted in to overstatement of excess Surplus and understatement of Designated / Earmarked / Endowment Funds by Rs. 17.74 lakh.

**C. General
Notes to Accounts (Schedule 23) (4)**

Upto the financial year 2014-15, the Institute was charging depreciation on various assets as per rates prescribed by Income Tax Department. From the financial year 2015-16, it has adopted new format of accounts issued by the Ministry of HRD, Govt. The rate of depreciation applicable on various assets was changed in new format of accounts. The Institute had not quantified the impact on Income & Expenditure Account due to change in rate of depreciation by way of notes to the accounts, as per the requirement of AS-1, issued by Institute of Chartered Accounts in India (ICAI). Hence the above note is deficient to that extent.

A significant reference of Accounting Standard 6 is hereby invited:

"The method of depreciation is applied consistently to provide comparability of the results of the operations of the enterprise from period to period. A change from one method of providing depreciation to another is made only if the adoption of the new method is required by statute or for compliance with an accounting standard or if it is considered that the change would result in a more appropriate preparation or presentation of the financial statements of the enterprise. When such a change in the method of depreciation is made, depreciation is recalculated in accordance with the new method from the date of the asset coming into use. The deficiency or surplus arising from retrospective re-valuation

<p>of depreciation in accordance with the new method is adjusted in the accounts in the year in which the method of depreciation is changed. In case the change in the method results in deficiency in depreciation in respect of past years, the deficiency is charged in the statement of profit and loss. In case the change in the method results in surplus, the surplus is credited to the statement of profit and loss. Such a change is treated as a change in accounting policy and its effect is quantified and disclosed."</p> <p>In this context, while preparing the Annual Accounts of the Institute for the financial year 2015-16, only the rates applicable for imposing the depreciation has been changed instead of the method of imposing depreciation on fixed assets and the same has been disclosed in the Statement on Significant Accounting Policies (Schedule: 23).</p> <p>In the light of above statement, this para may be dropped by considering the relevancy of applicability of Accounting Standard 6.</p>	
<p>A significant reference is hereby invited for justification in the Investment Pattern to be adhered for adoption:</p> <p>Article 12 in The Constitution of India 1949 "unless the context otherwise requires, the State includes the Government and Parliament of India and the Government and the Legislature of each of the States and all local or other authorities within the territory of India or <u>under the control of the Government of India.</u>"</p> <p>Subsequently, reference letter no. F.35-1/2002-TS.III dated 14th May 2003, para 2 clearly states that, the Central Government hereby takes over the full administrative and financial control of the National Institute of Technology, Kurukshetra</p>	<p>C.2. <u>Investment of Employee Provident Fund</u></p> <p>Ministry of Finance, GoI, notification F.No.5(88)/2006-PR dated 14 August 2008 prescribes the pattern of investment to be followed by Non-Government Provident Funds, as per which percentage of amount to be invested in Term Deposit Receipts issued by Scheduled Commercial Banks can't exceed 40. However, the Institute, out of total funds of Rs. 65.31 crore (Rs. 83.79 crore in Schedule 2 minus Rs. 18.48 crore in Schedule 8) in Employees Provident Fund had invested the whole funds of Rs. 65.31 crore i.e. 100% of its funds in Bank Term deposit.</p> <p>This has resulted in contravention of the guidelines issued by the Ministry of Finance, Government of India.</p>

<p>Similar point was also raised in previous Separate Audit Report but no compliance has been made in this regard.</p>	<p>with immediate effects, The Plan and Non-Plan expenditure of the above National Institute of Technology and Regional Engineering Colleges would be borne entirely by the Central Government from the Financial Year 2003-2004 onwards.</p> <p>The National Institute of Technology, Kurukshetra is fully funded by the Ministry of Human Resource Development, Govt. of India and is a non-profit organization. The investment of the own constituted GPF Fund of the Institute is being invested in Term Deposit Receipts with the Nationalized Banks on the basis getting higher rates of returns on the investment.</p> <p>Thus, in the light of above stated justification the audit para may be dropped.</p>
<p>C.3. Institute Development Fund / Student Fund The Institute has shown the Institute Development Fund (Consultancy) Rs. 7.17 crore and Student Fund Rs. 9.26 crore in Designated / Earmarked Funds (Schedule 2). However, the Institute has not disclosed any Accounting policy indicated the purpose of creation, source and utilization of the two funds as mentioned above. Further, assets created out of Institute Development Fund (Consultancy) have not been disclosed separately by the Institute in the Accounts. The records / registers maintained in respect of Fixed Assets created up to 31.03.2016, out of Institute Development Fund (Consultancy) have also not been shown to Audit in the absence of which accuracy / authenticity of the figures of these assets could not be verified in audit.</p>	<p>In accordance with the Generally accepted Accounting Principles (GAAP) for the accounting, the special purpose fund (Earmarked Fund) may only be used for the respective purpose. As the Schedule 2 "Designated / Earmarked / Endowment Funds" contains the Institute Development Fund and Student Fund to the extent of Rs. 717.01 lakh and Rs. 926.14 lakh respectively. It is being made in the light of decisions taken by the Board of Governors of the Institute vide item no. 21.26 dated 02.06.2010. Also, here to state that in the said meeting it was been decided the scope of expenditure out of this fund. A copy of the decision of the Board of Governors in this regard clearly indicating the purpose on which the fund is to be spent for.</p> <p>It is also being stated that the activities resolved under the decision of Board of Governors are "Revenue" by nature. Hence, no Fixed Assets have been created out of this fund.</p>

C.4.	<p>Format of Accounts Ministry of HRD, Government of India issued a new format of accounts applicable on central higher educational institutions from the year 2015-16. During scrutiny of records, the following discrepancies were noticed: -</p> <ol style="list-style-type: none">1. It had not attached Annexure - A, along with Schedule 7 (Current Assets) required under new format of accounts.2. It had not attached Schedule - 15A (Employee Retirement & Terminal Benefits) with the accounts.3. Scheme wise disclosure of all the Designated / Earmarked / Endowment Funds along with addition / deductions made during the year, Nature and form of Investments made from different type of funds was required under Schedule- 2A of the new format of accounts which was not done by the Institute.4. As per Schedule 4 (Fixed Assets), assets and depreciation thereon should be shown separately along with gross block and accumulated depreciation but the Institute has shown only the opening balance of written down value of Assets and Depreciation for the current year only.	<p>In light of the above stated justification and documents attached herewith for reference in this regard, the audit para may be dropped accordingly.</p>	<p>Noted for future compliance in this regard.</p>
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C.5.	<p>Internal Control System Internal Control System was found to be deficient in the following areas:</p> <p>(i) The Institute has not prepared its Accounting Manual.</p> <p>(ii) The Institute has also not obtained any security deposits / fidelity guarantees in respect of employees handling valuables such as cash and stock. Further, there was no plan of rotation of duties of such employees.</p> <p>(iii) Fixed Assets registers though have been maintained by the various departments of the Institute, however, in order to exercise control over inter- department transfers and for depicting depreciation, a centralized Fixed Assets Register has not been maintained.</p> <p>(iv) Title Deed of the land of 292 acres is in the name of Principal, Regional Engineering College, Kurukshetra not been transferred in the name of Director, National Institute of Technology, Kurukshetra till date.</p>	<p>(i) The Institute is in process of preparing its Accounting Manual. As the same is being prepared, the same will be intimated to audit.</p> <p>(ii) The employee deputed for day to day cash handling activities in Institute is a regular employee. The retirement benefits of the employees are kept with the Institute, hence requirement for taking any security deposit / fidelity guarantee is not required. Further, it is stated that the Institute is adhering the online system for receiving and making payments. Merely a nominal amount of cash transactions is being carried out for cash collection in Institute and the same is being deposited in the bank account of the Institute on the very day. The rotation of duties is being done as and when required for smooth functioning in the Institute.</p> <p>(iii) Separate Centralized Fixed Assets Register has been prepared and is enclosed for reference please.</p> <p>(iv) The work for transfer of the title deed from Regional Engineering College to National Institute of Technology, Kurukshetra is in process. It is likely to be completed shortly.</p>
C.6.	<p>Internal Audit System Institute has got its Internal Audit conducted through a firm of Chartered Accountants. However, Internal Audit Manual has not been formulated by the Institute during the year 2015-16.</p>	<p>The Institute is in process of preparing its Accounting Manual. As the same is being prepared, the same will be intimated to audit.</p>
C.7.	<p>Physical Verification of Fixed Assets Physical Verification of Fixed Assets for the year 2015-16 was under progress.</p>	<p>The physical verification of Fixed Assets for the year 2015-16 has been completed and the report is approved by the competent authority.</p>

C.8.	<p>Physical Verification of Fixed Inventory Physical Verification of Inventory for the year 2015-16 was under progress.</p>	<p>The physical verification of Fixed Inventory for the year 2015-16 has been completed and the report is approved by the competent authority.</p>
C.9.	<p>Regularity in payment of Statutory Dues The Institute has not paid Municipal Taxes to MC, Kurukshetra for the year 2012-13 to 2015-16.</p>	<p>The payment of Municipal Tax lying pending on Institute is in under consideration of payment to the Municipal Corporation, Kurukshetra.</p>
D.1.	<p>Grant in Aid The Institute received grant in aid of Rs. 122.00 crore (Plan- Non Recurring Rs. 53.00 crore and Non Plan-recurring Rs. 69.00 crore) during the year 2015-16, against which expenditure of Rs. 139.91 crore (Capital Expenditure Rs. 46.83 crore (Schedule 4), Revenue Expenditure of Rs. 93.08 crore) was incurred. Thus the Institute has incurred expenditure of Rs. 17.91 crore in excess of grant received.</p> <p>TEQIP Scheme Besides, out of the available funds of Rs. 5.70 crore of project of Technical Education Quality Improvement Programme (TEQIP) (including unspent balance of previous year Rs. 3.50 crore, grant received during the year Rs. 2.00 crore and internal income of Rs. 0.20 crore), the Institute could utilize a sum of Rs. 2.06 crore leaving an unspent balance of Rs. 3.64 crore.</p>	
D.2.	<p>A scrutiny of records revealed that in schedule 3 (c) of annual accounts for the year 2015-16, the Institute has shown negative opening balances of Salary & General heads of Recurring Grant (GoI) at Rs. 39.06 crore and Rs. 24.75 crore respectively. Whereas as per the Utilization Certificates (UCs) sent to MoHRD, Govt. of India it has shown minus balances at Rs. 32.73 crore and Rs. 2.82 crore respectively. Thus, there is a difference of Rs. 6.33 crore and Rs. 21.93 crore.</p>	<p>Usually, the Utilization Certificates are being sent to the Ministry of HRD against the Grant-in-Aid sanctioned / released during a particular financial year. Some extent of Plan and Non-Plan Expenditure are being met out from the Income Internally Generated by the Institute. During the audit for the year 2014-15, it was also noticed and suggested by the auditors to show the deficit balances of Grant-in-Aid to Ministry.</p>

<p>respectively. Reasons for the same may be intimated to audit.</p>	<p>of HRD against the actual expenditure as the Institute is wholly governed / controlled by the Ministry of HRD. The negative balances are the recoverable amount from Ministry for a particular financial year. Thus, in the light of above facts audit para may be dropped.</p>
<p>D.3. A scrutiny of records revealed that in schedule 3 (c) of annual accounts for the year 2015-16, the Institute has shown opening balance and internal income under TEQIP as Rs. 3.50 crore and 0.20 crore, respectively. Whereas in Utilization Certificates (UCs) sent to Govt. these have been shown as Rs. 3.44 crore and Rs. 0.15 crore, respectively. Reasons for the same may be intimated to audit.</p>	<p>The Utilization certificates for the year 2015-16 sent to Government against the Grant-in-Aid received for TEQIP Project, does not includes the balances of Accrued Interest for the financial year 2015-16 which is to the tune of Rs. 11.00 lakh (approx..) as mentioned under Loans, Advances & deposits under Schedule: O8. Hence, in the light of above facts the audit para may be dropped accordingly.</p>

21.26 To consider the details of income and expenditure under Students Fund for the last three years.

The Board noted the details of income and expenditure under Students Fund for the last three years as per details furnished in the agenda item.

The Board decided that funds being collected from the students for students activities be kept in a separate account in the bank in the name of "Students Activities Fund" to be operated as per rules.

The Board decided that the "Students Activities Fund" be spent broadly on the following items relating to students activities:-

- Salary of contractual staff engaged for Centre of Computing & Networking and Library which are running after duty hours/during odd hours and on holidays/Saturdays/Sundays for rendering services to the students.
- Purchase of Diesel Generating Sets for Hostels and maintenance of the DGS including purchase of Diesel.
- Allocation for sport activities.
- Allocation for Students Club including Departmental Clubs.
- Allocation for Literati.
- Allocation for Confluence.
- Allocation for Convocation.
- Allocation for Technical Fests. of various departments.
- Allocation for Helios Magazine.
- Allocation for Telephone, PBX & Internet Charges for hostels.
- Allocation for Payment of TA/DA, honorarium to Expert for Viva test and Expert Lectures for the students.
- Any other expenditure to be incurred with approval of the BOG

NATIONAL INSTITUTE OF TECHNOLOGY,
KURUKSHETRA-136119

No. NITK/BOG 21st/3749

Dated 5-7-10

21.26 To consider the details of income and expenditure under Students Fund for the last three years.

The Board of Governors of the Institute in their 21st meeting held on 02.06.2010 has decided as under:-

"The Board noted the details of income and expenditure under Students Fund for the last three years as per details furnished in the agenda item.

The Board decided that funds being collected from the students for students activities be kept in a separate account in the bank in the name of "Students Activities Fund" to be operated as per rules.

The Board decided that the "Students Activities Fund" be spent broadly on the following items relating to students activities:-

- *Salary of contractual staff engaged for Centre of Computing & Networking and Library which are running after duty hours/during odd hours and on holidays/Saturdays/Sundays for rendering services to the students.*
- *Purchase of Diesel Generating Sets for Hostels and maintenance of the DGS including purchase of Diesel.*
- *Allocation for sport activities.*
- *Allocation for Students Club including Departmental Clubs.*
- *Allocation for Literati.*
- *Allocation for Confluence.*
- *Allocation for Convocation.*
- *Allocation for Technical Fests. of various departments.*
- *Allocation for Helios Magazine.*
- *Allocation for Telephone, PBX & Internet Charges for hostels.*

- Allocation for Payment of TA/DA, honorarium to Expert for Viva test and Expert Lectures for the students.
- Any other expenditure to be incurred with approval of the BOG".

This is for your reference, record and further necessary action in the matter.

Encl: Agenda Item



(R P S Lohchab)
Registrar

1. Deputy Registrar(Accounts)

IS-II 2/7/10

H.C. 2/7/10

Item: 94.35 To consider utilization of College Development Fund

The College has been undertaking consultancy work especially in the Civil Engineering Department since long and the college share of consultancy fee earned from various jobs is credited in the College Development Fund (college share of consultancy).

From the academic session 1991-92 to 1999-2000, the college was entrusted work of Common Engineering Entrance Test. After meeting legitimate expenditure on CEET, the balance amount was also transferred in the College Development Fund as per decision of the Board of Governors. The fund is primarily meant for developing various facilities/activities/services in the college in the interest of growth/development/proper functioning of the college so as to impart best possible training/instructions to the students. No specific rules have so far been framed for utilization of the College Development Fund. The College Development Fund is being utilized as per decision of the Board of Governors taken from time to time. It has, therefore, been felt that some guidelines/rules may be framed so that College Development Fund may be utilized in a best optimistic manner. A Committee at the college level was constituted to frame guidelines/rules for utilisation of the College Development Fund. The Committee has suggested that the College Development Fund be utilised for the following objects. The report of the Committee is placed at **Appendix**

XX page **151** to **152** .

- (1) 10% of the College Development Fund generated out of consultancy be given to the concerned department generating the College Development Fund for repair, maintenance and purchase of the equipments.
- (2) To maintain/repair and upgrade internal Telephone Exchange of the college (EPABX) and fax systems.
- (3) To repair and maintain furniture/any other items required for the library/reading room.
- (4) To repair/maintain and purchase furniture for the college.
- (5) To maintain, upgrade and purchase of computers for the college.
- (6) To repair and maintain equipments for laboratories and workshops.

- (7) To maintain hostels, instructional buildings, residential buildings, campus, roads, street lights, public health amenities, land scaping, horticulture and other works.
- (8) To maintain and purchase items required for preparation of teaching aids for the students.
- (9) To purchase air coolers, water coolers, refrigerators, stabilizers, public health, electrical fittings and air conditioners.
- (10) To meet expenses on TA/DA and registration fee for attending national/international conferences and various training programmes by the staff members.
- (11) Any other expenditure may be incurred by the Principal in anticipation of the approval of the Board of Governors.

All unserviceable/broken articles purchased out of the College Development Fund will be disposed off under the orders of the Principal by a Committee appointed by him for this purpose and the sale proceeds will be credited to the Fund. All the purchases out of this Fund will be governed under the College Purchase Rules.

The position of College Development Fund as on 1.4.2001 is as under:-
(Rs.in lacs)

(1)	Amount available in the College Development Fund	102.00
(2)	Amount which stands committed as per decision of the Board of Governors taken from time to time	64.00
(3)	Amount available after reducing committed liabilities	38.00

The matter is placed before the Board of Governors for consideration and decision.

REGIONAL ENGINEERING COLLEGE,
KURUKSHETRA-136119.

Minutes of the meeting constituted to prepare rules/guidelines for utilization of College Development Fund.

A Committee was constituted by the Principal vide letter No. Accounts/474 dated 24.7.2001 at the college level to prepare the rules/guidelines for utilization of the College Development Fund. The following are the members of the Committee:-

- | | | |
|----|---|------------------|
| 1. | Prof. I J S Lamba,
Dean (P&D) | Chairman |
| 2. | Dr. S K Chakarvarty,
Professor-in-Charge (Academic Affairs) | Member |
| 3. | Dr. R C Bhattacharjee,
Professor-in-Charge (Estate & Construction) | Member |
| 4. | Shri R P S Lohchab,
Registrar | Member |
| 5. | Shri R K Arora,
Deputy Registrar (Accounts). | Member-Secretary |

The meeting of the Committee was held on 31.7.2001 in the Office room of the Dean (P&D). The following members were present:-

1. Prof. I J S Lamba
2. Dr. S K Chakarvarty
3. Dr. R C Bhattacharjee
4. Shri R P S Lohchab
5. Shri R K Arora


The Committee observed that following sources have contributed towards the College Development Fund:-

- (a) College share of Consultancy done by various Departments of the College.
- (b) Unutilized money from Combined Engineering Entrance Test conducted by the College in the past.
- (c) Admission fee forfeited by the College on account of cancellation of students' admissions.

- contd -

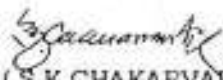
It was decided in the meeting that the College Development Fund should be utilized for the following purposes:-


1. 10% of the College Development Fund generated out of consultancy be given to the concerned Department generating the College Development Fund for repair, maintenance and purchase of the equipments.
2. To maintain/repair and upgrade internal Telephone Exchange of the College (EPABX) and fax systems.
3. To repair and maintain furniture/any other items required for the library/reading room.
4. To repair/maintain and purchase furniture for the College.
5. To maintain, upgrade and purchase of computers for the College.
6. To repair and maintain equipments for laboratories and workshops.
7. To maintain hostels, instructional buildings, residential buildings, campus, roads, street lights, public health amenities, land scaping, horticulture and other works.
8. To maintain and purchase items required for preparation of teaching aids for the students.
9. To purchase ^{air}coolers, water coolers, refrigerators, stabilizers, public health, electrical fittings and air-conditioners.
10. To meet expenses on TA/DA and registration fee for attending national/international conferences and various training programmes by the staff members.
11. Any other expenditure may be incurred by the Principal in anticipation of the approval of the Board of Governors.


(R K ARORA)


(R P S LOCHAB)


(R C BHATTACHARJEE)


(S K CHAKRAVARTY)


(I J S LAMBA)

further decided that the Principal will appoint a Committee at College level to divide assets & liabilities between the two Departments.

Item 94.35 To consider utilization of College Development Fund.

The Board approved guidelines/rules for utilizing the College Development Fund (earned out of College share of consultancy and unspent money of CEET) as per details furnished in the agenda item.

Item 94.36 Rate of interest of CPF balances of the subscribers of the College from 1.4.2001 to 31.3.2002.

The Board decided that employees of REC, Kurukshetra be paid 11% interest per annum on their Contributory Provident Fund for the period 1.4.2001 to 31.3.2002. For the next year, a fresh proposal should be placed before the Board.

Item 94.37 To consider enhancement in Conveyance Allowance to Dr. K K Nagpal, Senior Medical Officer of the College.

The Board noted that Dr. K K Nagpal, Senior Medical Officer of REC, Kurukshetra is getting conveyance allowance whereas this facility is not available to Medical Officers of Haryana Government/Central Government and in the Universities of Haryana.

The Board decided that conveyance allowance being drawn by Dr. K K Nagpal be discontinued henceforth.

Item 94.38 To consider constitution of Staff Selection Committees of the College.

The Board approved the guidelines for processing of selection and constitution of the Selection Committees for promotion to the teachers under Career Advancement Scheme as well as for direct recruitments to the posts of Lecturers, Assistant Professors, Professors and Principal as recommended by the AICTE vide its letter No. 1-65/CD/NEC/98-99 dated 31.7.2001.

The Board, however, decided that in absence of the Chairman, Board of Governors the Commissioner & Secretary to Govt. of Haryana,

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ACTION TAKEN OF 30TH FINANCE COMMITTEE MEETING

Item	Subject	Action Taken
29.1	<p>To confirm the minutes of 29th Meeting of the Finance Committee, National Institute of Technology, Kurukshetra held on 04.06.2014.</p> <p>The Finance Committee confirmed the minutes of 29th Meeting of Finance Committee held on 04.06.2014.</p>	No further action is required.
29.2	<p>To note follow up action taken on the 28th meeting of the Finance Committee held on 15.10.2013.</p> <p>The Finance Committee noted the follow up action taken by the Institute on the 28th meeting of the Finance Committee held on 15.10.2013.</p>	No further action is required.
29.3	<p>To grant the fixed medical allowance to Pensioners & Family Pensioners consequent to implementation of Pension.</p> <p>The Finance Committee recommended to the Board to grant Fixed Medical Allowance to pensioners and family pensioners as per the OM no. 4/25/2008-P&PW dated 26.05.2010 issued by the Department of Pension and Pensioners' Welfare, Govt. of India in this regard.</p>	The recommendation has been implemented.
29.4	<p>To approve the Minutes of the 18th Meeting of the Building & Works Committee of National Institute of Technology, Kurukshetra held on 9.12.2013.</p> <p>The Finance Committee recommended to the Board for approving the minutes of 18th meeting of Building & Works Committee of the Institute held on 09.12.2013. The Finance</p>	Action has been taken. Point wise details of the action taken on the decisions of the 18 th meeting of Building & Works Committee are placed at Annexure- D.

	<p>Committee also suggested that in future major works of the BWC be placed as separate agenda item in Finance Committee meeting, in addition to other items of BWC minutes.</p>							
29.5	<p>To consider making payment of Gratuity of Central Government pattern to the retirees/pensioners/family pensioners of the Institute.</p> <p>The Finance Committee discussed the issue and decided that the concerned persons have already been paid the gratuity as per the rules applicable at that point of time. Therefore, now they have no further claim.</p>	No further action is required.						
29.6	<p>To consider for increase the remuneration of Dental Surgeon engaged on part-time basis in the Health Centre of the Institute.</p> <p>The Finance Committee recommended to the Board to enhance the remuneration of part-time Dental Surgeon from Rs. 8000/- per month to Rs. 15000/- as proposed by the Institute.</p>	The recommendation has been implemented.						
29.7	<p>To consider the enhancement in fees and misc. expenses to the standing counsels of the Institute.</p> <p>The Finance Committee recommended to the Board to the Board that the Fees of the standing counsels be increased as given below:</p> <table border="1" data-bbox="316 1355 976 1839"> <tr> <td>(a)</td> <td> <p>Fees to the standing counsel at Hon'ble Punjab & Haryana High Court, Chandigarh per case.</p> <p>Fees and Misc. charges for providing legal opinion/ legal notice/ reply to legal notice etc.</p> </td> <td> <p>Rs. 14000/- + 10% clerkage +Rs. 1000/- as misc. expenses.</p> <p>Rs. 2500/- per case.</p> </td> </tr> <tr> <td>(b)</td> <td> <p>Fees to the standing counsel at Distt. Court at Kurukshetra per case.</p> <p>Fees and Misc. charges for providing legal opinion/ legal notice/ reply to legal notice etc.</p> </td> <td> <p>Rs. 5000/- + 10% clerkage +Rs. 1000/- as misc. expenses.</p> <p>Rs. 1100/- per case.</p> </td> </tr> </table>	(a)	<p>Fees to the standing counsel at Hon'ble Punjab & Haryana High Court, Chandigarh per case.</p> <p>Fees and Misc. charges for providing legal opinion/ legal notice/ reply to legal notice etc.</p>	<p>Rs. 14000/- + 10% clerkage +Rs. 1000/- as misc. expenses.</p> <p>Rs. 2500/- per case.</p>	(b)	<p>Fees to the standing counsel at Distt. Court at Kurukshetra per case.</p> <p>Fees and Misc. charges for providing legal opinion/ legal notice/ reply to legal notice etc.</p>	<p>Rs. 5000/- + 10% clerkage +Rs. 1000/- as misc. expenses.</p> <p>Rs. 1100/- per case.</p>	The recommendation has been implemented.
(a)	<p>Fees to the standing counsel at Hon'ble Punjab & Haryana High Court, Chandigarh per case.</p> <p>Fees and Misc. charges for providing legal opinion/ legal notice/ reply to legal notice etc.</p>	<p>Rs. 14000/- + 10% clerkage +Rs. 1000/- as misc. expenses.</p> <p>Rs. 2500/- per case.</p>						
(b)	<p>Fees to the standing counsel at Distt. Court at Kurukshetra per case.</p> <p>Fees and Misc. charges for providing legal opinion/ legal notice/ reply to legal notice etc.</p>	<p>Rs. 5000/- + 10% clerkage +Rs. 1000/- as misc. expenses.</p> <p>Rs. 1100/- per case.</p>						

29.8	<p>To consider the grant of special allowance to Chief Warden and Deputy Chief Warden.</p> <p>The Finance Committee recommended to the Board to enhance the Special Allowance to Chief Warden from Rs. 2500/- to Rs. 3000/- and for Dy. Chief Warden from Rs. 1750/- to Rs. 2750/-.</p>	<p>The recommendation has been implemented.</p>
29.9	<p>To consider and approve the Annual Accounts of the National Institute of Technology, Kurukshetra for the year 2013-14.</p> <p>The Finance Committee recommended to the Board for approval of Annual Accounts for the financial year 2013-14. The Finance Committee also recommended that the quarterly report of the Internal Auditor along with the action taken report there on be also placed before the Finance Committee.</p>	<p>Approved Annual Accounts for the F.Y. 2013-14 has been sent to Director General of Audit (Central) Chandigarh for certification & Auditing.</p>
29.10	<p>To consider the relaxation in electricity bill and workers wages in mess bill of hostellers students.</p> <p>The Finance Committee resolved that the cost of wages of mess workers be borne by the students themselves. As regard with fixed electricity charges for the hostels, the practice adopted by the other NITs be collected and comprehensive agenda be placed in the next Finance Committee meeting for consideration.</p>	<p>The Information has been sought from various NITs vide letter no. F.No., 2680/Acad/Student/14/5972 dated: 26.08.14.(Annexure-E)</p>
Any Other Item	<p>To consider pay anomalies arising out of the implementation of Model Recruitment Rules (MRRs).</p> <p>The Finance Committee discussed the matter recommended to the Board. However, approval on the issue be obtained from the MHRD.</p>	<p>The MHRD has been requested to accord the approval vide letter No. Estt.-1/5391 dated: 25.07.2014. (Annexure- F)</p>

ACTION TAKEN OF 31ST FINANCE COMMITTEE MEETING

Item	Subject	Action Taken
30.1	<p>To confirm the minutes of 29th Meeting of the Finance Committee, National Institute of Technology, Kurukshetra held on 04.06.2014.</p> <p>The Finance Committee confirmed the minutes of the 29th Meeting of the Finance Committee held on 04.06.2014.</p>	No further action is required.
30.2	<p>To note follow up action taken on the 29th meeting of the Finance Committee held on 04.06.2014.</p> <p>The Finance Committee noted the follow up action taken by the Institute on the 29th meeting of the Finance Committee held on 04.06.2014. The Finance Committee also discussed the action taken on the recommendation made in the 18th meeting of Building and Works Committee in detail. The Finance Committee suggested to present the information in the formats prescribed by the Ministry giving the details of Plan Grant, Non-Plan Grant and progress report of ongoing construction works. This information be placed in each Finance Committee meeting to get an overall picture of the works in the Institute. It is also necessary for the FC and BOG to know overall building construction blue print to enable to take a view on priorities.</p>	No further action is required.
30.3	<p>To place quarterly Internal Audit Report for the quarter ending 30.06.2014</p> <p>The Finance Committee noted the quarterly Internal Audit Report for the quarter ending 30.06.2014 and was satisfied with the suggestions and the action taken in that regard.</p>	The three observations for rectification in posting of vouchers in the books of accounts have been rectified accordingly.
30.4	<p>To consider Revised Budget Estimates for the year 2014-15 and Budget Estimates for the year 2015-16.</p>	After rectifications made in Revised Budget Estimate 2014-15 and Budget Estimate 2015-16 as recommended in Finance Committee, the RBE

	<p>The Finance Committee observed that there are mistakes in the budget compilation. In future, care should be taken to review the budget before presenting the same in the Finance Committee. The projected figure of Revised Estimates (RE) for 2014-15 is ₹112.82 crores where as the actual figure for 2013-14 was ₹12.84 crores. After going through the reasons, the FC suggested that RE for 2014-15 be around ₹45 crores. The details will be worked out by the Institute and will be presented to the Chairman, BoG, who will grant approval on behalf of Finance Committee and the BoG.</p>	<p>2014-15 & BE 2015-16 have been approved by Hon'ble Chairperson, Board of Governors, on 06.01.2015 and the same have been implemented accordingly.</p>
<p>30.5 Tabled</p>	<p>To consider and approve the normal license fee in place of penal rent of ₹ 58,742/- imposed on Maya Devi w/o Late Sh. Ram Kishan, Ex-Cook-cum-Chowkidar.</p> <p>The Finance Committee considered the representation and discussed the issue. It observed that the penal rent has been calculated on the basis of the old House Allotment Rules. After discussion, it recommended that the penal rent as per new House Allotment Rules be charged.</p>	<p>The amount of ₹ 58742/- had been recovered from the Gratuity of Late Sh. Ram Kishan, Ex- Cook-cum-Chokidar. Afterwards, as per the instructions of Estate Section vide letter no. EO/3361/467 dated 30.12.2014 (copy enclosed at Appendix-III on page _12_) for charging normal rent for an amount of ₹ 37210/-. The balance amount has been paid to Smt. Maya Devi.</p>
<p>30.6 Tabled</p>	<p>To consider and approve the Minutes of the 19th Meeting of the Building & Works Committee of National Institute of Technology, Kurukshetra held on 11.9.2014 along with the details of Item No. 19.5 and 19.7 being priority works and having high cost estimate.</p> <p>The Finance Committee made the following observations:</p> <ul style="list-style-type: none"> • The Finance Committee desired that information in respect of the Institute should be presented in the format prescribed by the Ministry for the Plan Grant, Non-Plan Grant and Progress report of ongoing construction works be placed in each Finance Committee Meeting to get an overall picture of the works in the Institute. 	<p>The item wise detailed action taken is placed at Appendix-IV from page 13 to 17.</p>

	<ul style="list-style-type: none"> • The cost estimate for works presented in the Building and Works Committee be realistic preferably based defined scope of work and preliminary drawings. • Item no. 19.6, 19.8, 19.13 were recommended by Finance Committee to Board of Governors for approval. • Under item 19.7 and 19.14 of Building and Works Committee, Finance Committee desired the approved cost by Building and Works Committee be revisited as the cost of construction per sq. meter is quite on higher side. • Under item 19.10 the Finance Committee authorized Chairman, BoG to approve the cost estimate after critically examining all essential items of all the three works ensuring that the total cost for each work does not exceed ₹50 lacs. Further, the Chairperson advised that all the estimated received from the CPWD on the buildings be reviewed by Shri K.N. Rai, Consultant, who has enormous experience in this field. 							
<p>30.7 Tabled</p>	<p>To consider the information received from other NITs regarding electricity charges for the hostel.</p> <p>As detailed in the agenda for the Finance Committee meeting, no NIT has the practice subsidy for any electricity charges. Therefore, the Finance Committee recommended to the Board that the current practice of taking electricity charges from the students shall continue.</p>	<p>A committee has been constituted to finalize the electricity charges to be taken alongwith semester fee from students residing in hostels (copy enclosed at Appendix - V on page 18). The report from Committee is yet to be received.</p>						
<p>30.8 Tabled</p>	<p>To consider setting up appropriate funds for the Industry cell, Innovation Club and IPR activities in the Institute.</p> <p>The Finance Committee recommended to the Board for provision of funds for Industry Cell, Innovative Club and IPR activities as follows:</p> <table style="margin-left: 40px;"> <tr> <td>1. Industry Cell</td> <td>₹10.00 Lacs</td> </tr> <tr> <td>2. Innovation Club</td> <td>₹ 5.00 Lacs</td> </tr> <tr> <td>3. IPR Fund</td> <td>₹ 5.00 Lacs</td> </tr> </table>	1. Industry Cell	₹10.00 Lacs	2. Innovation Club	₹ 5.00 Lacs	3. IPR Fund	₹ 5.00 Lacs	<p>Funds to the tune of ₹ 1.00 Lakh each has been allocated while finalization of Revised Budget estimate 2014-15 and Budget Estimate 2015-16.</p>
1. Industry Cell	₹10.00 Lacs							
2. Innovation Club	₹ 5.00 Lacs							
3. IPR Fund	₹ 5.00 Lacs							

	Depending upon the progress of expenditure and activities, the further increase can be considered.	
30.9 Tabled	<p>To consider & approve the cost estimate for Construction of Multi storey building for four schools for PG study & Research and class /tutorial room and faculty chambers at NIT, Kurukshetra.</p> <p>The Finance Committee authorized Chairman, Board of Governors to approve the cost estimate on the basis of Project report on the item indicating proper justification for increase in plinth area.</p>	The Hon'ble Chairperson, Board of Governors approved the cost estimate on the basis of project report submitted by Dean (Estate) on item indicating proper justification for increase in plinth area. A/A & E/S of this work is in process.
30.10 Tabled	<p>To consider & approve the cost estimate for Construction of Multi-storied building for faculty/officers having 40 apartments at NIT, Kurukshetra.</p> <p>The Finance Committee desired that the approved cost by Building and Works Committee be revisited and the revised cost estimate be placed in next Finance Committee meeting.</p>	Revised cost estimate with proper justification from CPWD is still awaited.
30.11 Tabled	<p>To consider the Financial requirement for the implementation of Cashless Medical Insurance Scheme for the employees, their dependants and Students.</p> <p>The Cashless Medical Insurance Scheme was explained. The Finance Committee recommended to the Board for implementation of Cashless Medical Scheme for the Employees, their dependents and students as per norms of the eligibility given in the Central Civil Services (Medical Attendance) Rules, 1944.</p>	Following the approval of Finance Committee & Board of Governors, the payment of premium for Cashless Medical Insurance amounting to ₹2777554/- has been made in accordance with the approval of the Director communicated vide letter no.Gen-I/3902/1206 dated 31.03.2015 (copy enclosed at Appendix - VI on page 19).

ACTION TAKEN OF 32ND FINANCE COMMITTEE MEETING

Item	Subject	Action Taken
31.1	<p>To confirm the minutes of 30th Meeting of the Finance Committee, National Institute of Technology, Kurukshetra held on 04.06.2014.</p> <p>The Finance Committee confirmed the minutes of the 30th Meeting of the Finance Committee held on 19.09.2014.</p>	No further action is required.
31.2	<p>To note follow up action taken on the 29th meeting of the Finance Committee held on 04.06.2014.</p> <p>The Finance Committee noted the follow up action taken by the Institute on the 30th meeting of the Finance Committee held on 19.09.2014. For the agenda no. 30.11 on Cashless Medical Insurance Scheme, the Finance Committee desired to have cost benefit analysis.</p>	Action has been taken accordingly.
31.3	<p>To approve the Minutes of the 20th meeting of the Building & Works Committee of National Institute of Technology, Kurukshetra held on 06.01.2015.</p> <p>The Finance Committee confirmed the minutes of the 20th Meeting of the Building & Works Committee held on 06.01.2014. The Finance Committee directed to put up separate agenda for major construction works.</p>	Noted for future compliance.
31.4	<p>To consider and approve the Cost Estimate for provision of 9 Nos. Permanent and 6 Nos. Temporary Huts for Security Guards at various locations in the institute at NIT, Kurukshetra.</p> <p>The Finance Committee recommended to the Board for approval for cost estimates of 9 permanent and 06 temporary Huts with cost estimate of Rs. 28.22 lacs.</p>	Action has been taken for conveying of Administrative approval and Estimate sanction to CPWD, Karnal.

<p>31.5</p>	<p>To consider and approve the Annual Accounts of the National Institute of Technology, Kurukshetra for the year 2014-15.</p> <p>The Finance Committee recommended for approval of the Annual Accounts for the financial year 2014-15 to the Board. The Director (Fin.) and Director (NITs) suggested to provide the clarification on the requisition for grants sent to the MHRD for sufficient fund allocation under Plan and Non Plan grants.</p>	<p>Annual Accounts for the financial year 2014-15 has been submitted for transaction and certification before Director General of Audit (Central), Chandigarh.</p>
<p>Tabled Agenda no. 31.6</p>	<p>To consider creation of more scholarships for each department for Ph.D students.</p> <p>The Finance Committee recommended to the Board the increased number of Ph.D scholarships in each department of the Institute as per agenda item.</p>	<p>The Senate in its 26th meeting held on 29.09.2015 (copy enclosed at Appendix- III) noted the approval of Finance Committee & Board of Governors for increase of Ph.D scholarships as approved by Senate in its 25th meeting held on 26.02.2015 (copy enclosed at Appendix- IV). The increased no. of Ph.D scholarships will be offered to old admitted students as well as newly admitted students in academic session 2015-16 commences from January 2016.</p>
<p>Tabled Agenda no. 31.7</p>	<p>To place quarterly Internal Audit Report for 3rd and 4th quarter ending 31.03.2015.</p> <p>The Finance Committee discussed the major observation of Internal Audit Report regarding perquisite as per Income Tax Act. The Finance Committee suggested to convince the officials of Income Tax that all the assets (including residences) have actually been created out of the funds from Govt. of India through MHRD and thus employees of NIT Kurukshetra be exempted as the employees of Govt. of India. For maintenance of books of accounts, the Finance Committee emphasized that the records be maintained as per relevant provisions.</p>	<p>Action has been taken.</p>

**NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA**

**INTERNAL AUDIT REPORT
FINANCIAL YEAR: 2015-16
QUARTER - THIRD**

AUDITOR NAME

**M/S GURDYAL JONY & ASSOCIATES
CHARTERED ACCOUNTANTS
KURUKSHETRA**

NATIONAL INSTITUTE OF TECHNOLOGY, KURUKSHETRA
INTERNAL AUDITOR'S REPORT

To The Members of Board of Governor of the National Institute of Technology, Kurukshetra.

INTRODUCTION:-

We have done the internal audit of financial statement of main account for National Institute of Technology, Kurukshetra. These financial statements are the responsibility of Institute Management. Our responsibility is to express an opinion on these financial statements on our audit.

THE OBJECTIVES OF INTERNAL AUDIT:-

- To determine the reliability and integrity of information: (i.e. evaluating the internal control systems and the integrity of financial and operating information produced by those systems).
- To determine whether compliance exists with policies, procedures, laws and regulations.
- To determine if assets are safeguarded and verify the existence of those assets.
- To appraise the economy and efficiency of recourse utility (i.e. physical, monetary and most important staff).
- To review operations of programs for consistency with established management goals.
- To assist members of our organization in the effective and successful performance of their responsibility by providing them with analyses, appraisals, recommendations, and other pertinent information concerning the activities being reviewed.



SCOPE OF INTERNAL AUDIT:-

We conduct the audit in accordance with the Engagement and Quality Control Standards promulgated by the Institute of Chartered Accountants of India (ICAI). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also include assessing the accounting principles used and significant estimates made by management, as well as evaluating the over all financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

OVERVIEW OF NATIONAL INSTITUTE OF TECHNOOGY KURUKSHETRA:-

The Central Government in consultation with the Planning Commission had sanctioned a scheme of establishment of Regional Engineering Colleges under the Third Five Year Plain in order to expand the facilities for technical education in the country during the plan period. The Regional Engineering College, Kurukshetra was one of the seventeen colleges in the country.

National Institute of Technology Kurukshetra, Haryana is a premier Technical Institute of the region. The institute started working as Regional Engineering College, Kurukshetra in 1963. Likes other Regional Engineering Colleges of India this institution too, had been a joint enterprises of the state and central Governments. This Institute was conferred upon status of Deemed University on June 26, 2002. Since then it has been renamed as National Institute of Technology, Kurukshetra.

National Institute of Technology, Kurukshetra is providing the various disciplines of Engineering and Technology at the Undergraduate and Postgraduate level, the institute offers excellent facilities for advanced research in the emerging areas of Science and Technology. The syllabus and the curricula are constantly being updated to meet the growing demands and need of the country in different areas of technology. The infrastructure is geared to enable the institute to turn out technical personal of a high quality.



TECHNICAL EDUCATION: - The history of imparting formal technical education in India can be traced back to mid 19th century, although it got momentum in 20th century with the set up Constitution of Technical Education Committee of the Central University Board of Education (CABE) in 1943 preparation of sergeant Report in 1944 and formation of All India Council of Technical Education (AICTE) in 1945. The setting up of India Institute of Science was a major step in the development of technical education in India. The All India Council for Technical Education (AICTE) was set up. AICTE is responsible for planning. Formation and maintenance of norms and standards, quality assurance through accreditation, funding in priority areas, monitoring and evaluation, maintaining parity of certification and awards and ensuring coordinated and integrated development and management of technical education in the country.

The courses, which are known as "Technical in India and, therefore come under the preview of AICTE, are:-

- (a) Degree and Diploma courses in Engineering
- (b) Master Degree courses in Engineering
- (c) Master of Business Administration
- (d) PhDs

CANTEEN / SHOPS: - The National Institute of technology, Kurukshetra normally allows the shop to operate on its premises to sell stationery, refreshments, etc., for its students. The shops are given on contract/lease to an outside party. The Institute had given the premises to SBI on lease to operate the banking facilities in the institute for itself as well as students.

HOSTEL FACILITIES: - The Institute charge fee from the students for providing them residential accommodation in the premises of the institute. This fee charged is, normally, not demarcated separately in the fee structure and the coaching, boarding and hostel fee is charged as a consolidated amount. The residential facilities provided in the premises of the institute. For running of hostel appointment of staff such as, hostel in charge, housekeepers and



clearing staff is required. Infrastructure such as beds, study tables, bedding, lines, etc will have to be procured. The residential facility may take shape of a dormitory, twin, sharing room, etc.

LIBRARY: - library is an integral part of National Institute of Technology, Kurukshetra. A Qualified Librarian, who might be assisted by helper staff, runs the library. Library books are systemized on two type of classification Dewey Decimal Classification (DDC) and Universal Decimal Classification (UDC). DDC is a proprietary system of library classification. This system organizes books on library shelves in a specific and repeatable order that makes it easy to find and book and return it to its proper place. UDC is a system of library classification, based on the DDC, but which uses auxiliary signs to indicate various special aspects of a subject and relationship between subjects.

Library security deposit charged separately from the students apart from the caution money deposit. The institute may follow a policy of making this security deposit a part of the fees structure and as such make it compulsory for the students. Fine are also recovered from the students for returning the books after the expiry of the loaning period or damage to books.

APPLICABILITY OF ACCOUNTING STANDARDS ISSUED BY ICAI:-

The Standards on Internal Audit shall apply whenever an internal audit is carried out. Internal audit is an independent management function, which involves a continuous and critical appraisal of the functioning of an entity with a view to suggest improvement thereto and add value to and strengthen the overall governance mechanism of the entity, including the entity's strategic risk management and internal control system. Internal audit, thereof, provides assurance that there is transparency in reporting, as part good governance⁷. Presently, the standards on Internal Audit issued by the ICAI are recommendatory in nature.



MANAGEMENT CONTROL IN NATIONAL INSTITUTE OF TECHNOLOGY:-

In the administration of the institute, the Director is the Principle Academic and Executive officer of the Institute and is responsible for the proper administration of the Institute and for imparting instruction and maintenance of discipline therein. He is assisted in his day to day work by Deans, Chairmen of the Departments, Professor-in-Charges, Registrar and other officers and various committees of the Institute".

REVENUE:-

Cash & bank Receipts for the quarter ended 31st December, 2015 was duly found in order or duly entered in the books of account.

EXPENDITURE:-

- A) Expenditure incurred by the institute are duly authorized and sanctioned by the competent authority.
- B) The Transaction was properly recorded in cash book & day book.
- C) The payment which was made by the institute is duly supported by the vouchers.

BANK RECONCILIATION STATEMENT:-

- Bank Reconciliation Statement is prepared for all banks on monthly basis.
- Balance shown in Bank Reconciliation Statement is tallied with the balance as per books.
- Cheques issued/ cheques issued but not yet presented for payment against which 3 months has been passed has been reversed/ transferred to Stale cheques account.



REPORTING OF ERRORS, IRREGULARITIES:-

REPORTING OF ERRORS: -

a) We hereby point out that are such expenditure/ income are recorded in the wrong voucher/receipt no. in the books of accounts.

Date	Particulars	Amount (₹)	Wrong Voucher/ Receipts No.	Correct Voucher/ Receipts No.	Remarks
October					
13.10.2015	Electricity Charge	8,76,704	460/81-81	460/80-81	Rectified
14.10.2015	Electricity Charge	3,34,657	460/82-84	460/82-83	Rectified
December					
10.12.2015	Consultancy	2,86,250	467/15	467/45	Rectified
10.12.2015	Consultancy	1,145	470/21	470/36	Rectified
22.12.2015	Tuition Fees	41,350	12/18	128/18	Rectified
28.12.2015	RTI Fee	320	448/65	448/65-74	Rectified

b) We hereby point out that are such expenditure/ income are recorded in the wrong heads in the books of accounts.

Date	V. No.	Amount (₹)	Recorded in Wrong Head	Correct Head as per voucher	Remark
December					
07.12.2015	93	580538	Wages for Outsourcing Payable	Wages for Outsourcing	Rectified

c) Fixed Deposit Receipts (i.e. FDR) Register is not maintained properly.



d) We hereby point out that are such expenditure/ income are recorded by the wrong amount in the books of accounts.

Date	Particulars	Receipt / V. No.	Wrong Amount (₹)	Correct Amount (₹)	Remarks
January, 15					
12.01.2015	CPDA Revenue Exp (Ashwani Kumar EED)	176	9,329	9,229	Need to be Recovered of ₹ 100/-
March, 15					
31.03.2015	CPDA Revenue Exp (Rajesh Kumar MED)	852	14,304	14,034	Need to be Recovered of ₹ 270/-
December					
16/12/2015	Tuition Fees	128/13	-	41,350	Rectified
16/12/2015	Tuition Fees	128/14	-	41,350	Rectified
16/12/2015	Tuition Fees	128/15	-	42,500	Rectified
16/12/2015	Tuition Fees	128/16	-	41,350	Rectified
18/12/2015	Student Security	301	-	1,649	Rectified
18/12/2015	Mtc of Inst. Buid	302	-	300	Rectified
18/12/2015	Mtc. of Elec fittin	303	-	6,384	Rectified
18/12/2015	Phd. Scholarship	304	-	53,000	Rectified
18/12/2015	Mtc of Computer	305	-	3,400	Rectified
18/12/2015	Hospital & other	306	-	11,538	Rectified
18/12/2015	Student Activity	307	-	700	Rectified
18/12/2015	Mtc of Computer	308	-	14,400	Rectified

c) Fixed Assets Register is not maintained at centralized level and maintained by department wise separately. Fixed Assets Register is also not maintained properly by the department as per rules & regulations.



Other audit aspects:-

- 1) Bank Reconciliation Statement of SBI Bank Current Account No. 10116885013 as on 31/12/2015 includes following Cheque/Challan No. pending more than three month old. Need to be cancelled as per rules & regulation.

Sr. No.	Date	Particulars	Cheque/Challan No.	Amount (₹)
1	10.07.2015	Student Security	NEFT	1,446
2	10.07.2015	Student Security	NEFT	4,874
3	20.08.2015	Student Security	NEFT	12,751
4	25.08.2015	New Pension Scheme	BT	28,856
5	28.08.2015	Mtc of Electrical Fitting	NEFT	1,642
6	02.09.2015	Student Security	NEFT	2,836
7	02.09.2015	Student Security	NEFT	1,516
8	02.09.2015	Student Security	NEFT	2,731
9	02.09.2015	Student Security	NEFT	3,000
10	02.09.2015	Student Security	NEFT	1,882

- 2) **Statutory dues:** The Institute has been deducted and deposited all the statutory dues (i.e. TDS, Service Tax etc.) at prescribed time as per rules and regulations.



Last Audit Report Observation:-

REPORTING OF IRREGULARITIES:-

- (a) We observe that the following payments are made during the Current Year 2015-16 but Relates Previous Financial Year 2014-15. As per Accrual basis of Accounting these Expenditures are not allowed during the current year. NIT must follow accrual basis of accounting as per instruction of the MHRD.

Date	Particulars	V. No.	Amount (₹)	Date as per Proof	Remarks
03/04/2015	Salary of faculty	01	1,68,58,494	March	
06/04/2015	Pension	02	78,68,577	March	
06/04/2015	Pension	03	1,19,186	March	

AUDIT OPINION:-

In our opinion the financial statement give a true and fair view of the sources and application of funds for the period ended 31st December, 2015 in accordance with accounting principles generally accepted in India subject to observations given above.

Place: Kurukshetra

Dated: 25/01/2016

For Gurdyal Jony & Associates
Chartered Accountants



CA. Jony Arora
Partner

M. No. 515210



**NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA**

**INTERNAL AUDIT REPORT
FINANCIAL YEAR: 2015-16
QUARTER - FOURTH**

AUDITOR NAME

**M/S GURDYAL JONY & ASSOCIATES
CHARTERED ACCOUNTANTS
KURUKSHETRA**

NATIONAL INSTITUTE OF TECHNOLOGY, KURUKSHETRA
INTERNAL AUDITOR'S REPORT

To The Members of Board of Governor of the National Institute of Technology, Kurukshetra.

INTRODUCTION:-

We have done the internal audit of financial statement of main account for National Institute of Technology, Kurukshetra. These financial statements are the responsibility of Institute Management. Our responsibility is to express an opinion on these financial statements on our audit.

THE OBJECTIVES OF INTERNAL AUDIT:-

- To determine the reliability and integrity of information: (i.e. evaluating the internal control systems and the integrity of financial and operating information produced by those systems).
- To determine whether compliance exists with policies, procedures, laws and regulations.
- To determine if assets are safeguarded and verify the existence of those assets.
- To appraise the economy and efficiency of recourse utility (i.e. physical, monetary and most important staff).
- To review operations of programs for consistency with established management goals.
- To assist members of our organization in the effective and successful performance of their responsibility by providing them with analyses, appraisals, recommendations, and other pertinent information concerning the activities being reviewed.



SCOPE OF INTERNAL AUDIT:-

We conduct the audit in accordance with the Engagement and Quality Control Standards promulgated by the Institute of Chartered Accountants of India (ICAI). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also include assessing the accounting principles used and significant estimates made by management, as well as evaluating the over all financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

OVERVIEW OF NATIONAL INSTITUTE OF TECHNOOGY KURUKSHETRA:-

The Central Government in consultation with the Planning Commission had sanctioned a scheme of establishment of Regional Engineering Colleges under the Third Five Year Plain in order to expand the facilities for technical education in the country during the plan period. The Regional Engineering College, Kurukshetra was one of the seventeen colleges in the country.

National Institute of Technology Kurukshetra, Haryana is a premier Technical Institute of the region. The institute started working as Regional Engineering College, Kurukshetra in 1963. Likes other Regional Engineering Colleges of India this institution too, had been a joint enterprises of the state and central Governments. This Institute was conferred upon status of Decmed University on June 26, 2002. Since then it has been renamed as National Institute of Technology, Kurukshetra.

National Institute of Technology, Kurukshetra is providing the various disciplines of Engineering and Technology at the Undergraduate and Postgraduate level, the institute offers excellent facilities for advanced research in the emerging areas of Science and Technology. The syllabus and the curricula are constantly being updated to meet the growing demands and need of the country in different areas of technology. The infrastructure is geared to enable the institute to turn out technical personal of a high quality.



TECHNICAL EDUCATION: - The history of imparting formal technical education in India can be traced back to mid 19th century, although it got momentum in 20th century with the set up Constitution of Technical Education Committee of the Central University Board of Education (CABE) in 1943 preparation of sergant Report in 1944 and formation of All India Council of Technical Education (AICTE) in 1945. The setting up of India Institute of Science was a major step in the development of technical education in India. The All India Council for Technical Education (AICTE) was set up. AICTE is responsible for planning. Formation and maintenance of norms and standards, quality assurance through accreditation, funding in priority areas, monitoring and evaluation, maintaining parity of certification and awards and ensuring coordinated and integrated development and management of technical education in the country.

The courses, which are known as "Technical in India and, therefore come under the preview of AICTE, are:-

- (a) Degree and Diploma courses in Engineering
- (b) Master Degree courses in Engineering
- (c) Master of Business Administration
- (d) PhDs

CANTEEN / SHOPS: - The National Institute of technology, Kurukshetra normally allows the shop to operate on its premises to sell stationery, refreshments, etc., for its students. The shops are given on contract/lease to an outside party. The Institute had given the premises to SBI on lease to operate the banking facilities in the institute for itself as well as students.

HOSTEL FACILITIES: - The Institute charge fee from the students for providing them residential accommodation in the premises of the institute. This fee charged is, normally, not demarcated separately in the fee structure and the coaching, boarding and hostel fee is charged as a consolidated amount. The residential facilities provided in the premises of the institute. For running of hostel appointment of staff such as, hostel in charge, housekeepers and



clearing staff is required. Infrastructure such as beds, study tables, bedding, lines, etc will have to be procured. The residential facility may take shape of a dormitory, twin, sharing room, etc.

LIBRARY: - library is an integral part of National Institute of Technology, Kurukshetra. A Qualified Librarian, who might be assisted by helper staff, runs the library. Library books are systemized on two type of classification Dewey Decimal Classification (DDC) and Universal Decimal Classification (UDC). DDC is a proprietary system of library classification. This system organizes books on library shelves in a specific and repeatable order that makes it easy to find and book and return it to its proper place. UDC is a system of library classification, based on the DDC, but which uses auxiliary signs to indicate various special aspects of a subject and relationship between subjects.

Library security deposit charged separately from the students apart from the caution money deposit. The institute may follow a policy of making this security deposit a part of the fees structure and as such make it compulsory for the students. Fine are also recovered from the students for returning the books after the expiry of the loaning period or damage to books.

APPLICABILITY OF ACCOUNTING STANDARDS ISSUED BY ICAI:-

The Standards on Internal Audit shall apply whenever an internal audit is carried out. Internal audit is an independent management function, which involves a continuous and critical appraisal of the functioning of an entity with a view to suggest improvement thereto and add value to and strengthen the overall governance mechanism of the entity, including the entity's strategic risk management and internal control system. Internal audit, thereof, provides assurance that there is transparency in reporting, as part good governance". Presently, the standards on Internal Audit issued by the ICAI are recommendatory in nature.



MANAGEMENT CONTROL IN NATIONAL INSTITUTE OF TECHNOLOGY:-

In the administration of the institute, the Director is the Principle Academic and Executive officer of the Institute and is responsible for the proper administration of the Institute and for imparting instruction and maintenance of discipline therein. He is assisted in his day to day work by Deans, Chairmen of the Departments, Professor-in-Charges, Registrar and other officers and various committees of the Institute".

REVENUE:-

Cash & Bank Receipts for the quarter ended 31st March, 2016 was duly found in order or duly entered in the books of account.

EXPENDITURE:-

- A) Expenditure incurred by the institute are duly authorized and sanctioned by the competent authority.
- B) The Transaction was properly recorded in cash book & day book.
- C) The payment which was made by the institute is duly supported by the vouchers.

BANK RECONCILIATION STATEMENT:-

- Bank Reconciliation Statement is prepared for all banks on monthly basis.
- Balance shown in Bank Reconciliation Statement is tallied with the balance as per books.
- Cheques issued/ cheques issued but not yet presented for payment against which 3 months has been passed has been reversed/ transferred to Stale cheques account.



REPORTING OF ERRORS, IRREGULARITIES:-

REPORTING OF ERRORS: -

a) We hereby point out that are such expenditure/ income are recorded in the wrong voucher/receipt no. in the books of accounts.

Date	Particulars	Amount (₹)	Wrong Voucher/ Receipts No.	Correct Voucher/ Receipts No.	Remarks
January					
11.01.2016	Salary and Wages	2,10,000	130	130-131	Rectified
22.01.2016	CSAB	4,38,355	348	348-349	Rectified
30.01.2016	S.Tax Consultancy	248	474/89	474/89-90	Rectified
February					
08.02.2016	RTI Fee	10	448/61	448/81	Rectified
23.02.2016	Tuition Fees	26,000	132/77	132/78	Rectified

b) We hereby point out that are such expenditure/ income are recorded in the wrong heads in the books of accounts.

Date	V. No.	Amount (₹)	Recorded in Wrong Head	Correct Head as per voucher	Remark
January					
15.01.2016	226-230	1,90,046	Leave Encashment	LTC Teaching	Rectified
19.01.2016	261-266	2,96,823	Leave Encashment	LTC Teaching	Rectified
20.01.2016	298-302	2,03,419	Leave Encashment	LTC Teaching	Rectified

c) We hereby point out that are such expenditure/ income are recorded by the wrong amount in the books of accounts.

Date	Particulars	Receipt / V. No.	Wrong Amount (₹)	Correct Amount (₹)	Remarks
February					
10.02.2016	Mtc. of Computer	184	14,980	14,900	Rectified



GRANT IN AID STATUS FOR THE FINANCIAL YEAR 2015-16 AS FOLLOW:-

Particulars	Current Year			Previous Year
	Capital	Revenue	Total	
Plan Grant:-				
Opening Balance (A)	(1,286.02)	(333.13)	(1,619.15)	(341.22)
Add: Grant Received during the year (B)	4,404.00	896.00	5,300.00	3,800.00
Ist Installment (04/06/2015)	1,600.00	400.00	2,000.00	2,000.00
IInd Installment (29/06/2015)	800.00	200.00	1,000.00	-
IIIrd Installment (28/09/2015)	1,204.00	296.00	1,500.00	1,500.00
IVth Installment (29/02/2016)	800.00	-	800.00	300.00
Total (C) =(A + B)	3,117.98	562.87	3,680.85	3,458.78
Grant Utilized (D)	4,404.00	896.00	5,300.00	5,077.93
Unspent Balance as on 31/03/2016 (E) = (C-D)	(1,286.02)	(333.13)	(1,619.15)	(1,619.15)
Non Plan Grant:-	Salary	General	Total	
Opening Balance (A)	(3,906.40)	(2,475.00)	(6,381.40)	(2,860.62)
Add: Grant Received during the year (B)	4,800.00	2,100.00	6,900.00	2,400.00
Ist Installment	1,600.00	400.00	2,000.00	1,500.00
IInd Installment	2,000.00	500.00	2,500.00	-
IIIrd Installment	1,200.00	1,200.00	2,400.00	500.00
IVth Installment	-	-	-	400.00
Total (C) = (A+B)	893.60	(375.00)	518.60	(460.62)
Grant Utilized (D)	4,800.00	2,100.00	6,900.00	5,920.78
Unspent Balance as on 31/03/2016 (E) = (C-D)	(3,906.40)	(2,475.00)	(6,381.40)	(6,381.40)
Grand Total of Grant Received			12,200.00	6,200.00



**ACTUAL EXPENDITURE WITH COMPARISON THE BUDGETED ESTIMATES
DURING THE FINANCIAL YEAR 2015 -16 AS FOLLOW:-**

(Figure in Rs. Lakhs)

Particulars	Budgeted Estimates (A)	Actual Expenditure (B)	Surplus/(Deficit) (C) = (A - B)
Establishment Expenses	6193.35	6067.98	125.37
Other Administrative Expenses	1895.55	1709.59	185.96
Capital Expenditure	9816.26	4651.16	5165.10

STATUTORY DUES: The Institute has been deducted and deposited the statutory dues (i.e. TDS, Service Tax etc.) at prescribed time as per rules and regulations.

LAST AUDIT REPORT OBSERVATION:-

REPORTING OF IRREGULARITIES:-

(a) We observe that the following payments are made during the Current Year 2015-16 but Relates Previous Financial Year 2014-15. As per Accrual basis of Accounting these Expenditures are not allowed during the current year. NIT must follow accrual basis of accounting as per instruction of the MHRD.

Date	Particulars	V. No.	Amount (₹)	Date as per Proof	Remarks
03/04/2015	Salary of faculty	01	1,68,58,494	March	
06/04/2015	Pension	02	78,68,577	March	
06/04/2015	Pension	03	1,19,186	March	



(b) Fixed Assets Register is not maintained at centralized level and maintained by department wise separately. Fixed Assets Register is also not maintained properly by the department as per rules & regulations.

AUDIT OPINION:-

In our opinion the financial statement give a true and fair view of the sources and application of funds for the period ended 31st March, 2016 in accordance with accounting principles generally accepted in India subject to observations given above.

Place: Kurukshetra

Dated: 12/05/2016

For Gurdyal Jony & Associates
Chartered Accountants



CA. Jony Arora

Partner

M. No. 515210



Item 34.3 To consider Revised Budget Estimates for the year 2016-17 and Budget Estimates for the year 2017-18.

The Revised Budget Estimates for the year 2016-17 and Budget Estimates for the year 2017-18 have been prepared & enclosed as **Annexure- A** in the following parts:

- Statement at a glance on page 1
- Revenue Budget of Income & Expenditure (Non-Plan) from page 2-5
- Summary of Plan & Non- Plan Budget at Page 6
- Explanatory Notes on Budget on page 7 to 14
- Plan Budget (Non-Recurring) Expenditure on page 15-18
- List of sanctioned posts on page 19-35

The projected figures in Revised Budget Estimate are based upon 4077 Under Graduate students, 2460 PG students and 205 Ph.D students and the strength of staff members **181** (Faculty) **192** (Non-Faculty) and **409** pensioners. The breakup of the Non-Plan (Recurring) & Plan (Non - Recurring) Budget Part-I is given below in the table of the Budget: -

<i>Head of Account</i>	<i>Actual Expenditure for the year 2015-16</i>	<i>Budget Estimates for the year 2016-17</i>	<i>Revised Budget Estimates for the year 2016-17</i>	<i>Variation in Percentage between RBE & BE 2016-17</i>	<i>Budget Estimated for the year 2017-18</i>
<i>Establishment Expenses</i>	<i>5819.51</i>	<i>7040.48</i>	<i>8404.27</i>	<i>16.23%</i>	<i>8838.50</i>
<i>Other Administrative Expenses</i>	<i>583.81</i>	<i>2722.45</i>	<i>3474.54</i>	<i>21.65%</i>	<i>3854.72</i>
<i>Plan for creation for Assets.</i>	<i>5787.53</i>	<i>6654.00</i>	<i>4589.54</i>	<i>-44.98%</i>	<i>4332.08</i>
<i>Total</i>	<i>12190.85</i>	<i>16416.93</i>	<i>16468.35</i>	<i>0.31%</i>	<i>17025.30</i>

The reasons for variations in the Revised Budget Estimates for the year 2016-17 and Budget Estimates for the year 2017-18 over and above last year expenses have been explained in the explanatory notes of the Budget on pages from 7-14.

The Finance Committee may consider and make recommendations to the Board of Governors on the proposed Revised Budget Estimates for the year 2016-17 and Budget Estimates for the year 2017-18.

Item 34.4 To approve the Minutes of the 22nd Meeting of the Building & Works Committee of National Institute of Technology, Kurukshetra held on 19.09.2016.

The Minutes of the 22nd Meeting of the Building & Works Committee of National Institute of Technology, Kurukshetra held on 19.09.2016 under the Chairmanship of the Hon'ble Director, NIT, Kurukshetra are enclosed as **Annexure - B** from page 01 to 07. The Agenda of the meeting is enclosed as **Annexure - C** to the **Item 34.4** with the main Agenda of the Finance Committee meeting.

The Finance Committee may approve the minutes of the 22nd meeting of Building & Works Committee held on 19.09.2016.

Item 34.5 To consider the increase the consolidated salary of the Dental Surgeon on contract basis for the Health Centre of the Institute.

The Institute has engaged a Dental Surgeon in the Health Centre on part-time basis for 04 hours i.e. 08:30 a.m. to 12:30 p.m. for day-to-day dental checkup of the employees, their families and students. At present the Dental Surgeon is being paid a consolidated salary of Rs. 15000/- per month as per the decision taken by the Finance Committee in its 29th meeting held on 04.06.2014 and subsequently approved by Board of Governors in its 33rd meeting held on 04.06.2014.

In view of the increase of number of dental patients, it was felt that a full-time Dental Surgeon may be engaged on contract basis. The same observation was also considered by a Committee constituted for providing the better facilities in the Health Centre. The recommendations of the committee were placed before the Board of Governors in its 26th meeting held on 21.10.2011. The Board approved the recommendations of the Institute level committee for Health Centre. The recommendations of the committee are as under:

"The members observed that the services of Dental Surgeon at the Health Centre are inadequate as a large number of patients are visiting the Health Centre and the Dental Surgeon is available only for four hours. In view of this, the Committee recommended that the Dental Surgeon may be appointed for full time on contract basis at consolidated salary of Rs. 25000/- per month as per State Government norms. This may be placed before the Finance Committee and the BOG for consideration."

However, in view of the further decisions of the Finance Committee and Board of Governors, mentioned in para 1 of this agenda, the Dental Surgeon has been engaged on a consolidated remuneration of Rs. 15000/- per month for limited period of 04 hours.

Now, the full-time Dental Surgeon is required in the Institute Health Centre. Therefore, it is proposed that a Dental Surgeon may be engaged on contract basis for full-time initially for a period of one year on a consolidated salary of Rs. 49000/- per month (minimum of the pay in the

Pay Band+GP including Dearness Allowance admissible at the level of Medical Officer) instead of consolidated salary of Rs. 25000/- already approved by the BoG in its 26th meeting held on 21.10.2011 as the dearness allowance has been revised since 2011.

The matter is placed before the Finance Committee for consideration and making suitable recommendations to the Board of Governors.