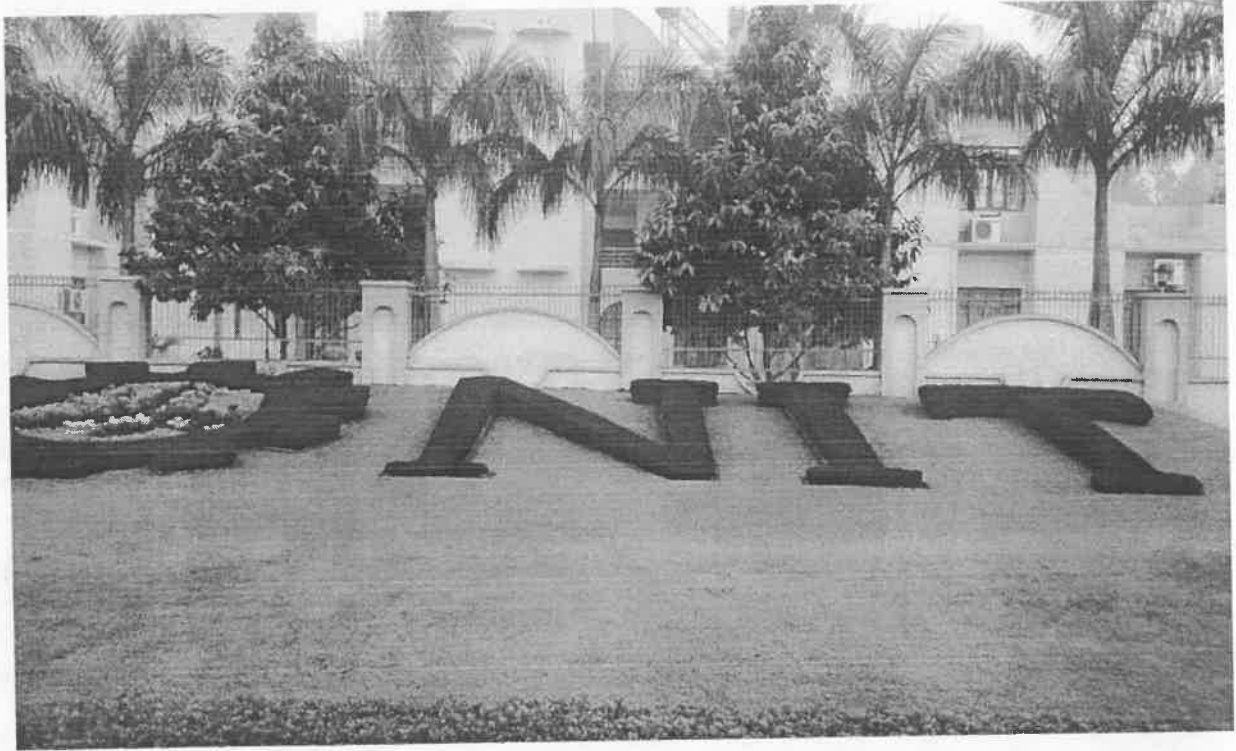




**NATIONAL INSTITUTE OF TECHNOLOGY
KURUKSHETRA-136119**



AGENDA

For

**43rd MEETING OF FINANCE COMMITTEE
(06th December, 2019)**



NATIONAL INSTITUTE OF TECHNOLOGY KURUKSHETRA
KURUKSHETRA - 136119 Haryana

Agenda : **43rd Finance Committee Meeting**

Venue : **NIT Transit House,
C-15, Panchsheel Enclave,
New Delhi-110017**

Date & Time : **December 06, 2019 at 11.30 a.m.**

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FC.43.3	To note the present status of pending Audit paras made by C&AG during the transactions audit of the Institute	10-25
FC.43.4	To consider and approve the Separate Audit Report (SAR) of the financial year 2018-19 issued by C&AG based on the statutory audit of the Institute.	26
FC.43.5	To consider enhancement of limit of powers of Director for writing off irrecoverable losses/value of store items lost/unserviceable on WDV (Written Down Value) of item(s).	27-36
F C 43.6	To consider policy of obsolescence and disposal of Laptop	37-40



FC 43.1 To confirm the minutes of 42nd meeting of Finance Committee, National Institute of Technology, Kurukshetra held on 20.06.2019.

The 42nd Meeting of the Finance Committee, NIT, Kurukshetra was held on 19th September, 2019 at NIT Transit House, C-15, Panchseel Enclave, New Delhi.

The minutes of the meeting were circulated to all members of the Finance Committee in pursuance with clause 10 (5) read with clause 4(13) of the 1st statutes of NIT Act 2007. The Institute has not received any comments from any of the members of the Finance Committee. A copy of the minutes is placed as Appendix-I from page 02 to 05.

In view of the above, it is proposed that *"the Finance Committee may consider and confirm the minutes of 42nd meeting of the Finance Committee."*

NATIONAL INSTITUTE OF TECHNOLOGY KURUKSHETRA
KURUKSHETRA - 136119 Haryana



MINUTES OF 42nd MEETING OF FINANCE COMMITTEE

Minutes of 42nd Meeting of the Finance Committee, NIT, Kurukshetra held on Thursday, 19th September, 2019 at 11.30 a.m. in Transit House, C-15, Panchsheel Enclave, New Delhi

Present:

1. Dr. Satish Kumar Chairperson (Acting)
Director
National Institute of Technology
Kurukshetra
2. Mrs. Darshana Dabral Member
Joint Secretary & Financial Adviser (IFD)
Department of Higher Education
Ministry of Human Resource Development
Govt. of India, Shastri Bhawan
New Delhi - 110015
3. Ms. Suhasini Gotmare Member
Director (NITs)
Department of Higher Education
Ministry of Human Resource Development
Govt. of India, Shastri Bhawan
New Delhi - 110015
4. Dr. Pawan Kumar Garga Member
Director & Professor,
Himachal Pradesh University Business School
Summer Hills
Shimla-171005 (HP)
5. Dr. S.K.Madan, Member
Professor,
Civil Engineering Department,
National Institute of Technology
Kurukshetra-136119
6. Sh. G.R.Samantary Member-Secretary
Registrar In-charge
National Institute of Technology
Kurukshetra

[Signature]

[Signature]



At the outset, the Hon'ble Chairperson (Acting) welcomed the members present in the 42nd meeting of the Finance Committee of the Institute. Thereafter, the Chairperson (Acting) asked Member-Secretary to present the agenda items.

The discussion/decisions in respect of each item are recorded as hereunder:

FC 42.1 To confirm the minutes of 41st meeting of Finance Committee, National Institute of Technology, Kurukshetra held on 20.06.2019.

The Finance Committee confirmed the minutes of the 41st Finance Committee held on 20.06.2019.

FC 42.2 To note follow up action taken on the decision of 41st meeting of Finance Committee held on 20th June, 2019

The Finance Committee noted the 'follow up action taken' by the Institute on the decisions taken in the 41st meeting of Finance Committee held on 20th June, 2019. However, it was further decided that in future, separate agenda on each major work approved by BWC should be placed before the Finance Committee for consideration.

FC.42.3 To consider the revision of limit of reimbursement of telephone call charges of residential telephone/mobile phone/broadband/mobile data/data card to the officers and faculty of the Institute

The Finance Committee recommended to the Board that the revised telephone call charges may be reimbursed to the Group 'A' Officers and all faculty members of the Institute with effect from the month of October, 2019 as per the office memorandum No. F.24(3)/E-Coord/2018 dated 26th March, 2018 issued by the Government of India, Ministry of Finance, Department of Expenditure, New Delhi subject to the terms and conditions mentioned under clause 4 (4.1 to 4.9) of the said office memorandum. Further, if necessary, the residential telephone may also be given to the officials as per the clause 2.2. of the said memorandum.

FC 42.4 To consider delegation of powers to the Institute Building & Works Committee (BWC) for minor works and for works pertaining to repair and maintenance within the quantum of expenditure upto one crore.

The Finance Committee recommended to the Board that the powers may be delegated to the Institute Building & Works Committee for approving minor works and for works pertaining to repair and maintenance within the quantum of expenditure upto 50 lacs per work (excluding applicable taxes)



subject to Rs.3.00 crore per annum (excluding applicable taxes) duly following the procedures mentioned in GFR 2017 and Government of India instructions/rules. Further, it was also decided that this will be reported to the FC and BOG for information.

FC 42.5 To consider and approve the revision in Institute charges for various UG and PG Programs.

The Finance Committee considered the proposal and after detailed deliberations, the Finance Committee recommended to the Board that the institute charges as mentioned in the following table may be revised for various UG and PG courses from the next academic year 2020-21 in addition to 5% revision already decided by the FC/BOG:-

Sr. No.	Head	Present Rate of Institute Charges	Proposed rate of Institute charges
1.	Student Welfare Fund (One time)	100	500
2.	Convocation(one time)	-	2000
3.	Library Fee (one time)	-	500
4.	Hostel Seat (Room) Rent(per semester)		
	Triple Seater	3300	4000
	Double Seater	4400	5500
	Single Seater	5500	7000

Further, the Finance Committee also decided that the thesis submission fee may also be revised from Rs.2000/- to 5000/- for PG students and from Rs. 5000/- to Rs.10000/- for Ph.D. students from the new students w.e.f. from the date of decision of the BOG. Further, it was also decided that this will be reviewed from time to time as per requirement.

FC42.6 To consider payment of remuneration to faculty members for examination work.

The Finance Committee considered the proposal and after detailed deliberations recommended to the Board that a lump sum remuneration of Rs 7000/- per annum may be paid to each faculty member for examination works against performing the duties of paper setting, marking

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of answer books, conducting of practical/viva voce examinations and performing invigilation/Centre Supdt./Deputy Centre Superintendent/Flying Squad duties, and a lump sum remuneration of Rs.1500/- per annum may be paid to the technical staff/examination centre assistant out of the funds "Examination Fees" only being charged from each student. However, it should be ensured that no IRG/Grant is used for this purpose.

FC.42.7 To consider Revised Budget Estimates (RBE) for the year 2019-20 and Budget Estimates (BE) for the year 2020-21.

The Finance Committee considered RBE for the year 2019-20 and BE 2020-21 in comparison with the budget allocation of the financial year 2019-20 by the MHRD and subsequently grant released by the MHRD upto 31st August, 2019 and recommended to the Board of Governors that the proposed Revised Budget Estimates (RBE) for the year 2019-20 and Budget Estimates (BE) for the year 2020-21 may be approved on the basis of information furnished in the agenda item as well as Appendix-VII (Booklet 'A').

Further, the Finance Committee confirmed the above minutes so that the matter may be placed before the Board, keeping in view the timely submission of information to the MHRD.

Any other item

FC.42.8 To consider the consolidated honorarium for Adjunct Faculty

This item was deferred due to revised instructions to be issued by the NIT Council in this regard.

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

(Satish Kumar)
Director, NIT Kurukshetra &
Chairperson (Acting), Finance Committee, NIT Kurukshetra

(GR Samantaray)
Registrar In-charge
Member-Secretary, FC
NIT Kurukshetra



FC 43.2 To note follow up action taken on the decision of 42nd meeting of Finance Committee held on 19th September, 2019.

The 42nd Meeting of the Finance Committee, NIT, Kurukshetra was held on 19th September, 2019 at NIT Transit House, C-15, Panchseel Enclave, New Delhi.

The follow up actions taken on the minutes of the meeting are mentioned hereunder:

Agenda No.	Summarized Decision of Finance Committee	Follow up action taken on the decision
FC 42.1	<p>To confirm the minutes of 41st meeting of Finance Committee, National Institute of Technology, Kurukshetra held on 20.06.2019.</p> <p>The Finance Committee confirmed the minutes of the 41st Finance Committee held on 20.06.2019.</p>	<p>No further action is required.</p>
FC 42.2	<p>To note follow up action taken on the decision of 41st meeting of Finance Committee held on 20th June, 2019</p> <p>The Finance Committee noted the 'follow up action taken' by the Institute on the decisions taken in the 41st meeting of Finance Committee held on 20th June, 2019. However, it was further decided that in future, separate agenda on each major work approved by BWC should be placed before the Finance Committee for consideration.</p>	<p>No further action is required to be taken on 41st meeting of Finance Committee held on 20th June, 2019. However, it was noted for compliance that in future, separate agenda on each major work approved by BWC is to be placed before the Finance Committee for consideration.</p>
FC 42.3	<p>To consider the revision of limit of reimbursement of telephone call charges of residential telephone/mobile phone/Broad-band/mobile data/data card to the officers and faculty of the Institute</p> <p>The Finance Committee recommended to the Board that the revised telephone call charges may be reimbursed to the Group 'A' Officers and all faculty members of the Institute with effect from the month of October, 2019 as per the office memorandum No. F.24(3)/E-Coord/2018 dated 26th March, 2018 issued by the</p>	<p>Implemented with effect from the month of October, 2019.</p>



	Government of India, Ministry of Finance, Department of Expenditure, New Delhi subject to the terms and conditions mentioned under clause 4 (4.1 to 4.9) of the said office memorandum. Further, if necessary, the residential telephone may also be given to the officials as per the clause 2.2 of the said memorandum.	
42.4	<p>To consider delegation of powers to the Institute Building & Works Committee (BWC) for minor works and for works pertaining to repair and maintenance within the quantum of expenditure upto one crore.</p> <p>The Finance Committee recommended to the Board that the powers may be delegated to the Institute Building & Works Committee for approving minor works and for works pertaining to repair and maintenance within the quantum of expenditure upto 50 lacs per work (excluding applicable taxes) subject to Rs.3.00 crore per annum (excluding applicable taxes) duly following the procedures mentioned in GFR 2017 and Government of India instructions/rules. Further, it was also decided that this will be reported to the FC and BOG for information.</p>	<p>The Professor-in-Charge (Estate & Construction) has been intimated to take further action as per the decision vide letter No. NITK/42nd /FC/6307 dated 31.10.2019.</p>
42.5	<p>To consider and approve the revision in Institute charges for various UG and PG Programs.</p> <p>The Finance Committee considered the proposal and after detailed deliberations, the Finance Committee recommended to the Board that the Institute charges as mentioned in the following table may be revised for various UG and PG courses from the next academic year 2020-21 in addition to 5% revision already decided by the FC/BOG:-</p>	<p>It will be implemented from the next academic year 2020-21.</p>



Sr. No.	Head	Present Rate of Institute Charges	Proposed rate of Institute charges
1.	Student Welfare Fund (One time)	100	500
2.	Convocation(one time)	-	2000
3.	Library Fee (one time)	-	500
4.	Hostel Seat (Room) Rent(per semester)	3300	4000
	Triple Seater	4400	5500
	Double Seater	5500	7000
	Single Seater		

Further, the Finance Committee also decided that the thesis submission fee may also be revised from Rs.2000/- to 5000/- for PG students and from Rs. 5000/- to Rs.10000/- for Ph.D. students from the new students' w.e.f. from the date of decision of the BOG. Further, it was also decided that this will be reviewed from time to time as per requirement.

42.6 **To consider payment of remuneration to faculty members for examination work.**

The Finance Committee considered the proposal and after detailed deliberations recommended to the Board that a lump sum remuneration of Rs.7000/- per annum may be paid to each faculty member for examination works against performing the duties of paper setting, marking of answer books, conducting of practical/viva voce examinations and performing invigilation/Centre Supdt./Deputy Centre Superintendent/Flying Squad duties, and a lump sum remuneration of Rs.1500/- per annum may be paid to the technical staff/examination centre assistant out of the funds "Examination Fees" only being charged from each student. However, it should be ensured that no IRG/Grant is used for this purpose.

It has been implemented vide letter No. Acad./2019/1178, dated 5.11.2019.



42.7	<p>To consider Revised Budget Estimates (RBE) for the year 2019-20 and Budget Estimates (BE) for the year 2020-21.</p> <p>The Finance Committee considered RBE for the year 2019-20 and BE 2020-21 in comparison with the budget allocation of the financial year 2019-20 by the MHRD and subsequently grant released by the MHRD upto 31st August, 2019 and recommended to the Board of Governors that the proposed Revised Budget Estimates (RBE) for the year 2019-20 and Budget Estimates (BE) for the year 2020-21 may be approved on the basis of information furnished in the agenda item as well as Appendix-VII (Booklet 'A').</p> <p>Further, the Finance Committee confirmed the above minutes so that the matter may be placed before the Board, keeping in view the timely submission of information to the MHRD.</p>	<p>On the basis of approval, the MHRD has been informed accordingly for the release of grant for the 3rd and 4th Quarter for the current financial year 2019-20.</p>
42.8	<p>To consider the consolidated honorarium for Adjunct Faculty</p> <p>This item was deferred due to revised instructions to be issued by the NIT Council in this regard.</p>	<p>No action is required to be taken.</p>

In view of the above, it is proposed that *"the Finance Committee may note the action taken by the Institute on the minutes of 42nd meeting of the Finance Committee."*



FC.43.3 To note the present status of pending Audit paras made by C&AG during the transactions audit of the Institute

The Under Secretary (NITs), Government of India, Ministry of Human Resource Development, Department of Higher Education, New Delhi vide letter No. 33-1/2018-TS.III (Pt.I) dated 10th August, 2018 has directed that pending audit paras and vigilance items, if any, in the Institute may be included in the Finance Committee (FC) and Board of Governors (BoG) meetings as regular agenda items.

The Senior Audit Officer, Indian Audit & Accounts Department, Office of the Principal Director of Audit (Central), Chandigarh vide letter No. DGA/CE/Vetting./2019-20/49-50 dated 13.9.2019 has forwarded a copy of Audit and Inspection Report of the Institute for the year 2018-19 on the basis of transaction audit conducted during 31.7.2019 to 16.08.2019, mentioning therein the following observations:-

Part-1	Introductory	Main Objective of Institute, Budget & Expenditure position for the financial year 2016-17 to 2018-19 and disclaimer
Part-II	Section (A)- Significant Audit Findings	Para 1
Part-II	Section (B)- Incidental Audit Findings	Para 2 to 14
Part-III (A)	Non-Production of Record	Nil
Part-III (B)	Follow up on findings outstanding from previous reports- Review of old objections	Pending paras for the financial years 2008-09, 2010-11, 2012-13, 2013-14, 2014-15, 2015-16 , 2016-17 and 2017-18
Part IV	Best Practice	Nil
Part-V	Acknowledgement	The auditee unit extended all out cooperation in providing best seating arrangement with good atmosphere. All the relevant records and information available was provided to the Audit Party. The attitude of the staff towards the audit party was warm and cordial. No separate test audit note was issued as all the minor points were settled on the spot.

A copy of the Audit & Inspection Report for the financial year 2018-19 is enclosed as **Appendix II on page 24.**



It is worth mentioning here that as per the instructions of the Audit Party, the Para-wise reply of the old outstanding paras (2008-09 to 2017-18) was submitted to C&AG through the Audit Party vide this office letter No. Acs./Audit/2018-19/329, dated 16.08.2019. Further, it is also submitted that as per the Audit & Inspection Report for the financial year 2018-19, mentioned above, the C&AG has made 14 audit observations on the basis of report of audit party based on the transaction audit 2018-19. The reply of these 14 audit observations has also been submitted vide this office letter No. Acs/Audit/2019/400 dated 14.11.2019.

For the settlement of above outstanding Paras, the matter was personally discussed with the Deputy Director (Expenditure), Principal Director of Audit (Central), CHANDIGARH. A meeting was held with Deputy Director) on 18.11.2019 for the discussion on each para. After detailed discussion, the C&AG agreed to settle 23 outstanding paras. The report of settled para(s) is enclosed as **Appendix III on page 25**.

Keeping in view the above facts, the present status of pending audit Para(s) as under:-

Sr. No	Financial Year	Present status			
		Total Audit Para(s)	Already settled	Settled during 2018-19	Pending Para (s)
1.	2008-09	06	05	-	01 (Para 5)
2.	2010-11	09	07	-	02 (Para 7 and 9)
3.	2012-13	07	04	02	01 (Para 6)
4.	2013-14	11	08	01	02 (Para 1 and 5)
5.	2014-15	09	03	03	03 (Para 1,4 and 7))
6.	2015-16	08	02	05	01 (Para 2,)
7.	2016-17	10	03	05	02 (Para 4 and 7)
8.	2017-18	15	-	03	12(1,2,3,4,5,6,7,9,11,12,14,15)
9	2018-19	14	-	04	10 (1,2,7,9,11,12,14,15)
Total		89	32	23	34 <i>5, 10, 11</i>

The brief description/reply of the said outstanding Para(s) is as under:

Financial year	Para No	Title of the Audit para (findings) made by C&AG	Brief description/reply submitted to C&AG
2008-09	5	Loss Due to Theft Rs.0.44 lakhs	Theft of water color fan, telephone set, battery, cycle and desktop computer. FIR has been lodged and Non-traceable report from Police has been submitted to C&AG.



2010-11	7	Theft of solar light battery Rs.2.00 lakhs	FIR has been lodged and Non-traceable report from Police has been submitted to C&AG.
	9	Irregular payment to daily worker Rs.285.23 lakhs	The said para was dropped as per Audit Report of 2011-12 and it was not mentioned in the next year 2012-13 audit report. However, it was again reflected in 2013-14. The matter has been referred to C&AG.
2012-13	6.	Irregular expenditure on Foreign Travel Rs.6.22 lakhs	Foreign travels for paper presentation/workshop etc. were banned by Ministry of Finance vide letter No. 7(1) E-Coord/2011, dated 11.7.2011 and 2.8.2011 on account of economic measure. The Institute issued notification in this regard on 8.9.2011. However, some faculty members whose foreign travels were already approved before the issue of said letter; were allowed to visit foreign for the above said purpose.
2013-14	1	Delay in completion of work of construction of 20 nos. Professors & Assistant Professors multi-story staff quarters- Non levy of penalty of Rs.1.63 crores	Multi story staff quarters for faculty (Professor and AP) were got constructed from the agency. The Audit objected for the delay in construction of one year after the stipulated time. The penalty was to be levied against the agency. On the request of agency, the time period was extended by the competent authority. So there is no delay. The staff quarter had already been allotted to the eligible faculty as per the House allotment rules of the Institute.
2013-14	5	Non eviction of unauthorized occupation of premises of the Institute resulted in loss of Rs.5.48 lakhs	The services of Sh. Satbir Singh, ex-Assistant of the Institute were terminated w.e.f. 31.3.2011. However, he did not vacate the premises of the Institute due to filing of court case with the High Court as well as local courts. All the court cases had been dismissed and the premises have also been got vacated on 24.5.2017. There is no



			encroachment by anyone in the Institute. The dues on account of penal rent etc. will be recovered from the dues of his mother Smt. Kailasho devi, who died during the service. The matter is pending with the Civil Courts, Kurukshetra for issue of Succession Certificate.
2014-15	1 (S.A)	Irregular payment of service tax to the Service Providers Rs. 46.51 lakh	The Ministry of Finance vide notification no. 25/2012 dated 20.6.2012, exempted certain services from the payment of service tax- services provided to the educational institutions. The Institute engaged some contractors for providing services of housekeeping, security etc. The Service tax was reimbursed to the contractor on production of deposition receipts. Now after the audit para, the matter was submitted to the Service Tax departments at Ambala and New Delhi, where the service tax was paid by the contractors. The Service Tax department at Ambala has dismissed our appeal on account of plea of time barred. However, the matter with Service Tax Department at New Delhi has also been dismissed on the same plea.
2014-15	4	Huge expenditure incurred in 03/2015 on account of CPDA Rs.104.05 lakh	Some of the faculty members utilized the funds in a single month during 3/2015 for the purchase of consumable and non-consumables items, which reflected the purchase has been made to exhaust the funds. The competent authority has issued instructions in this regard and requested to make proportionate purchases as per the norms. New guidelines had also been framed accordingly and notification vide letter No. Dean(FW)/179 dated 28.4.2017.



	7	Non verification of reimbursement of ESI/Insurance cover paid to Contractors	The District Kurukshetra was not covered under ESI Act on account of non-availability of ESI hospital. However, keeping in view the right of social security of the manpower deployed by the Contractor, the Institute used to pay Rs.200/- per month for insurance purposes. The reimbursement had been made accordingly to the contractor on production of insurance policy premium. Now it is pertinent to mention here that now the Kurukshetra has been covered under ESI act and since then the ESI payment is being reimbursed instead of insurance cover.
2015-16	2	Irregular expenditure on account of CPDA- Rs.10.88 lakh	These purchases were made out of CPDA funds by the faculty members on the purchase laptop and computer peripherals for research and academic activities. These purchases were made through quotations under the Stores and Purchase rules of the Institute. These purchases were made through quotations as no laptop was available on DGS&D rate contract at that time. Now, as per the instructions of MHRD, all the faculty members have been asked not to purchase laptop etc. in future under CPDA.
2016-17	4	Irregular purchase of Furniture and Digital Podium/Electronics Lectern of Rs.49.64 lakhs and 4.99 lakhs respectively	The furniture and digital podium are purchased on need based requirement of the Department through a Committee under the method of limited tender basis as per the provisions (clause 5.4.4) laid down in the Stores & Purchase Rules of the Institute. The furniture worth Rs.49.64 lakhs was centrally purchased by a duly constituted committee after obtaining requirements from various departments of the Institute. Sufficient enquires were floated on limited tender basis as per our technical specifications.



			So, there is no irregularity in such purchases.
	7	Improper Physical verification of store	The physical verification of store is being executed once in a year as per Stores and Purchase Rules of the Institute and as GFR. The audit observed that the physical verification is not be done properly as the material was being stored in excess of actual requirement. However, the revised instructions have been issued in this regard and the physical verification is being done by the store as per the rule 192 of the GFR since 2017-18.
2017-18	1	Deprivation of intended benefits to the Personal with Disability due to non-execution of work and blockade of funds Rs.51.83 lakh	Keeping in view the decision of Hon'ble Supreme Court of India as well as MHRD, the Institute initiated the work for providing lifts at 08 places for the benefits of disabled persons/students, through CPWD in 2014. The work could not be started by CPWD on account of revised estimates. However, the revised estimates could not be approved and therefore, the CPWD has been directed for the withdrawal of AA & ES vide this office letter No.CC/3508/485/3979 dated 30.7.2018. However, as objected by the C&AG for interest on the transferred money, it cannot be taken in view of the clause 4 © of the MOU signed with the CPWD.
	2	Delay in completion of works by CPWD and pendency of final bill for the work	The audit has objected that the three works i.e. 300 seaters boys hostel, Master Plan and HT/LT substation have been completed as per the scheduled time and the money has been transferred to the CPWD which the blockage of money. The work of 300 seaters boys hostels is being completed and is expected to hand over by the end of October 2018. However, remaining two works are under progress.It is worth mentioning here that the work of HT/LT



			is pending due to arbitration. The C&AG has already been intimated in this regard vide letter No. 25.5.2018.
	3	Improper disposal of store	The Institute Health Centre has purchased a Blood Cell Counter in 2017. The audit made observation that new machine was purchased without disposing off the old fully auto hematology analyzer as per the rule 217 of GFR 2017. The old machine was not working properly since June 2012 and the Health centre has to refer the patient to the market for such tests. Therefore the new machine was purchased by following the procedure laid down under the Store & purchase rules of the Institute.
2017-18	4	Non observance of Investment Pattern for Non-Government Provident Funds, Superannuation Funds and Gratuity funds etc.	In this regard, an Investment Committee has been constituted at Institute level for the purpose. The suggestive measures will be taken accordingly.
	5	Shortage of Faculty and technical staff	The matter for the recruitment of faculty and technical staff is under process and the advertisement is being issued in due course of time.
	6	Split up of purchases	Due to the observation of audit, the Institute has taken a policy decision that all the purchases must be made by the central store. Therefore, all the purchases are now being made through central stores to comply the rules and regulations of Stores and Purchase rules and also to avoid such audit objections.
	7	Parking of funds meant for construction of IIIT Sonipat Rs.900 lakh	The MHRD and Haryana State Government released the Plan Grant of Rs.900 lakhs for constructions of boundary wall of IIIT Sonapat. The work was awarded to PWD B&R Haryana at acquired land for the Institute. However, the work could not



			be started due to the CWP No.10004 of 2017 pending in Hon'ble High Court at Chandigarh.
2017-18	9	Irregular payment in reimbursement of LTC Rs. 0.74 lakh	The reimbursement of LTC claims are being made as per the instructions issued by the DOPT as well as MHRD from time to time. The audit observation in this regard has been got clarified from the DOPT. As per clarification, all vehicles, including trains and airplanes operated by the Tourism Development Corporation in the Public sector, State Transport Corporations and Transport services run by other Government or local bodies come under expression "Public Transport". Therefore, the objection may be settled accordingly.
	11	Non-deposit of Earnest Money into Accounts- 20.66 lakh	The earnest money is being paid to the concerned against their requests. 11 cases has been reported by the audit for which the Earnest money is lying in the Institute account. The earnest money in some cases has not been paid due to the litigations. However, the remaining are being paid.
	12	Non maintenance of Assets Register	As per the audit objections, the Central Assets Register has been maintained from the current financial year 2018-19 as now all the purchases are being initiated through Central Stores.
	14	General Irregularities	The audit brought 04 irregularities- Central Store, CPF interest, advances and cash book. All had been complied with as per the suggestions made by the audit party.
	15	Audit Fee- Rs.1.39 lakh	The audit fee has been paid to C&AG.
2018-19	1	Non-deposit of GST by Contractors/service providers Rs.21.32 lakh	Earlier the GSTR 3B has been filed by M/s Rashak Securitas Pvt. Ltd. regularly and the invoice raised to NIT Kurukshetra has been furnished under B2C category with duly tax payment thereon. However, based on the observation by audit team, the entire



			invoice shown under B2C category has been amended to B2B category.
	2	Non inviting fresh tender resulting in irregular expenditure on services of Manpower (Rs.3.48 crore)	As suggested by the audit team, a fresh tender has been floated for providing Security Services in the Institute. It has been awarded to the service provider after the due technical & financial analysis. However, the tender(s) for other service(s) is in process.
	7	Excess drawl of post against the sanctioned strength	In this context, it is submitted that in terms of the MHRD, Govt. of India letter No. F.23-18/2008-TS.III, dated 17 th March, 2010, the restructuring of the non-teaching posts was made by the Institute in compliance of the decision of the Board of Governors taken in its 28 th meeting held on 20.07.2012 and accordingly the Institute had notified the restructured posts vide Institute notification No. Gen-I/5582 dated 21.08.2012 and No. Gen-I/3855 dated 04.06.2013. There are 06 types of cadres of Non-teaching posts {Officers, Technical (Higher), Technical (Lower), Ministerial (Higher), Ministerial (Lower) and Supporting Staff}. Out of 328 sanctioned posts, only 160 are in-position and 168 are lying vacant. As such there is no excess staff against the sanctioned posts which has been recruited by the Institute.
	8	Loss of revenue due to vacant accommodation	There are total 626 sanctioned posts (Faculty & Non-faculty) in the Institute out of which 327 posts are in-position and 299 posts are vacant. The recruitment process for 131 Nos. of posts (81 Assistant Professors + 36 Associate Professors + 14 Technicians) is still pending to be completed and the detail of the same is as under: 1. Vide Advt. No.21/2017, 81 Nos. of posts of Assistant Professors for various categories were advertised to fill



		<p>up for recruitment but due to interim orders passed on 14.02.2019 by the Hon'ble High Court of Punjab & Haryana, Chandigarh in CWP No.4053 of 2019 titled Munish Mehta Vs National Institute of Technology, Kurukshetra and Another, the result for 81 posts of Assistant Professors could not be published till now and the said matter is still sub-judice with Hon'ble High Court.</p> <p>2. Vide Advt. No.03/2018, 36 posts of Associate Professor for various categories were advertised to fill up for recruitment but due to interim orders passed on 17.01.2019 by the Hon'ble High Court of Punjab & Haryana, Chandigarh in LPA No.1482 & 1493 of 2018, the result for 36 posts of Associate Professors could not be published till now and the said matter is still sub-judice with Hon'ble High Court.</p> <p>3. Vide Advt. No.41/2018, 65 Nos. of posts of Non-teaching cadres were advertised to fill up for recruitment and the recruitment process has been completed for about 60% posts and the selected candidates have joined their duties. The matter of recruitment for remaining about 40% posts (Technicians) has been stayed by Hon'ble High Court of Punjab & Haryana, Chandigarh vide interim order dated 11.04.2019 in CWP No.9869 of 2019 titled Munesh Kumar Meena Vs National Institute of Technology, Kurukshetra and Others.</p> <p>As such the recruitment process for the posts of Technician could not be completed till now. However, some selected incumbents have joined their duties and the accommodations as per</p>
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			<p>their requests have been provided to them. Further, the recruitment process of 36 Nos. of Associate Professors and 81 Nos. of Assistant Professors is still pending to be completed. Therefore, on completion of said recruitment process the Institute vacant accommodation will be filled up.</p>
	9	<p>Non-disposal of Unserviceable items lying pending for many years Rs.48.42 lakh</p>	<p>This kind of observation was also made by the audit during transaction audit 2013-14 and 2016-17. Therefore, a Departmental Committee was constituted for the condemnation of the unserviceable goods in respective Deptts. All the unserviceable material has been auctioned during 2017-18 on the basis of recommendations made by the Committee under the rules with approval of the competent authority. The Institute has earned a sum of Rs.25.72 lacs from the said auction. On the basis of said auction the audit observation made during 2013-14 and 2016-17 has been settled accordingly.</p> <p>Further, auction of civil material has been made during 2019-20 and on account of this auction, the Institute has earned a sum of Rs.522619/-.</p>
	10	<p>Non adjustment of advances resulting in blockade of funds: Rs.701.39 lakh</p>	<p>The Institute has signed an agreement with CPWD for execution of construction and repair work at the Institute under Depository Work Scheme. As per Clause 4(a) and (b) of the agreement, the institute needs to be deposited 16.5% of the estimated cost with the E/S and A/A (Estimated Sanction and Administrative Approval), duly approved by the BWC/FC /BoG, of the project. Further 16.5% of the E/S & A/A needs to be paid after floating and award of tender by the CPWD. In case of depository work by CPWD, the provisions of CPWD Works Manual</p>



			<p>shall be applicable.</p> <p>Further, the said amount of Rs.1103912.70 has been transferred and an STDR has been got prepared on 2.4.2019.</p> <p>With regard to recovery from IIIT Sonapat, it is submitted that NIT Kurukshetra is a mentor Institution of IIIT Sonapat. Both the Institutes are under MHRD by the Act of parliament. At present, the IIIT Sonapat do not having sufficient balance. Therefore the competent authority has decided to recover the said balance from the IIIT Sonapat after the collection of semester fee.</p>
	11(A)	Non verification of mandatory provisions as specified in the agreement with Service Provider	Noted for future compliance.
	11(B)	Non verification/ conduction of mandatory provisions as specified in the agreement with service provider	Noted for compliance.
	12	Review of Service Books	The service books in respect of staff members of the Institute are being maintained strictly as per rules. However, the guidelines of the audit party shall be followed in this regard.
	13(A)	Loss of duplicate blank receipt from receipt book	In this regard, it is submitted that the said receipt book No. 620 was issued to Humanities & Social Science Department for collecting fees from the seminar "Gandhian Value" conducted on 29.9.2018. A sum of Rs.700/- and Rs.1200/- was collected as fees from the students and faculty respectively.



			Total 19 receipts were used by the Department and a sum of Rs.18400/- were deposited in the accounts on 1.10.2018 vide receipt No. 618/59. The receipt No. 620/18 was cancelled and the original copy of receipt No. 620/15 remained blank. In this connection it is submitted that the duplicate copy of receipt No. 629/15 was inadvertently torn off by the issuer while issuing next original receipt No. 620/16. This happens as the issuer was not a regular person and he was a student. Here it is ensured that the torn off duplicate copy of the receipt No. 620/15 has not been issued to anyone as has been undertaken by the Head of Humanities & Social Science Department of the Institute.
	13(B)	Non maintenance of Register for receipt books	Noted for compliance
	14	<p>General Irregularities</p> <p>During the test check of records of the Office of the Director, National Institute of Technology, Kurukshetra for the year 2018-19, following general irregularities were noticed during audit:-</p> <p>(i) Omissions/irregularities in Cash Book:-</p> <p>Surprise check of Cash Book has not been conducted periodically by the head of the Office and a certificate to the effect that cash balances</p>	Noted for future compliance.



		found during physical verification agreed with the book balance is not recorded. (ii) Non depiction of GPF amounts in Pay Bill Register Rs.0.58 lakh	As suggested, the entries have been made in the Pay bill register against each employee mentioned in the audit observation.
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In view of the above, it is proposed that *"the audit findings forwarded by C&AG and the action taken by the Institute for the settlement of audit observations may kindly be noted"*



भारतीय लेखा परीक्षा तथा लेखा विभाग
कार्यालय महानिदेशक लेखा परीक्षा (केन्द्रीय), चण्डीगढ़



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

APPENDIX-4 (FC-433)

क्रमांक:डी.जी.ए/सी.ई/वेटिंग/2019-20/49-50

दिनांक:- 13.09.2019

सेवा में,

✓ Director,
National Institute of Technology,
Kurukshetra-136119

Received on
20/9/19 By
20.9.19

महोदय/महोदया,

आपके कार्यालय से सम्बंधित 04/2018 से 03/2019 तक अवधि की आपके लेखा परीक्षा की निरीक्षण रिपोर्ट का इस अनुरोध के साथ संलगित की जाती है कि प्रत्येक अनुच्छेद के विरुद्ध की गई कार्यवाही का उसके सन्मुख टीका की गई प्रतिलिपि इस कार्यालय को इस पत्र के जारी किये जाने की तिथि से 6 सप्ताह के भीतर भेज दे।

निरीक्षण रिपोर्ट को आपके कार्यालय द्वारा प्रस्तुत व उपलब्ध करवाई गई सूचना के आधार पर तैयार किया गया है। यह कार्यालय किसी भी तरह की गलत सूचना और उपलब्ध न कराई गई सूचना के लिए उत्तरदायी होना अस्वीकार करता है।

भवदीया

वरिष्ठ लेखा परीक्षा अधिकारी

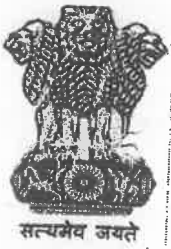
प्रतिलिपि : निम्नलिखित को सूचनार्थ एवं आवश्यक कार्यवाही हेतु भेजी जा रही है।

1. To

Secretary,
Govt of India
Ministry of Human Resource Development,
Deptt. Of Higher Education, Shastri Bhawan,
New Delhi

वरिष्ठ लेखा परीक्षा अधिकारी





भारतीय लेखा परीक्षा तथा लेखा विभाग
कार्यालय महानिदेशक लेखा परीक्षा (केन्द्रीय), चण्डीगढ़

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



APPENDIX-IIIFC 423
Dedicated to Truth in Public Interest

No.के.व क्रमांक:डी.जी.ए/सी.ई/वैटिंग/2019-20/ 239

दिनांक : 18.11.2019

सेवा में,

National of Institute of Technology,
Kurukshetra -136119।

विषय:- लंबित आई.आर वर्ष 2018 -2019 एवं पैरो के बारे।
महोदय/महोदया,

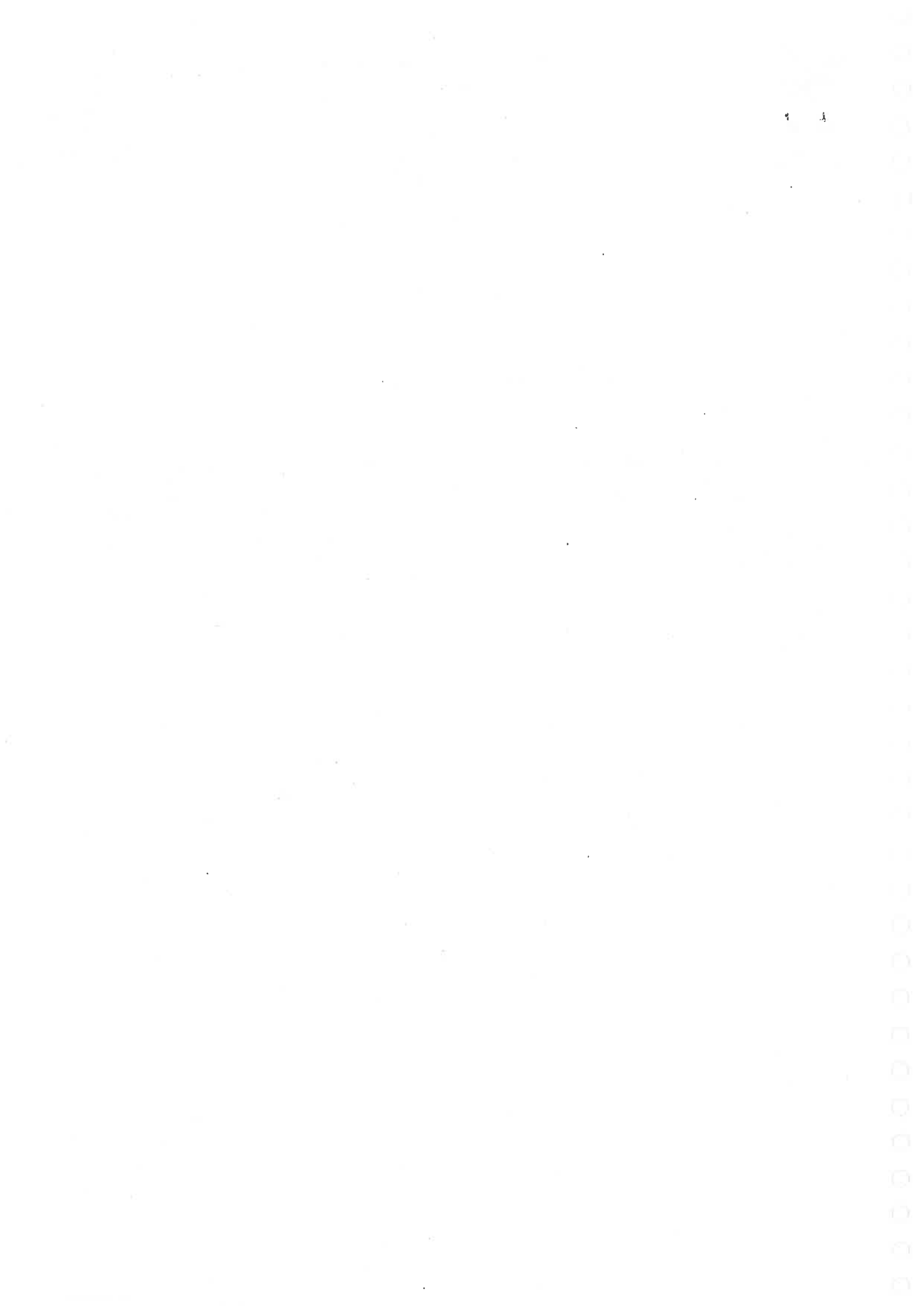
आपके कार्यालय के प्राप्त पत्र No Accs/ Audit/2019/400 दिनांक 14.11.2019 के संदर्भ में सूचित किया जाता है कि National of Institute of Technology, Kurukshetra 2018 से 2019 तक की अवधि की लेखा परीक्षा एवं निरीक्षण की अनुपालना रिपोर्ट पर पैरा -वार टिपण्णी इस पत्र के अनुसार है।

Sr.No	Name of the Unit	Period	Para No.	Brief Subject	Remarks..
1	National of Institute of Technology Kurukshetra	2018-19	3.	Providing contract on unrealistic service charge to the service provider.	Para Settled.
			4.	Non levy of liquidated damages charges on the delayed supply of laptop Rs. 1.96 lakh.	Para Settled
			5.	Non renewal of Bank Guarantees Rs. 40 lakh.	Para Settled
			6.	Non- verification of reimbursement of insurance charges/cover paid to Contractors.	Para Settled

वकीला
परमजीत

वरिष्ठ लेखा परीक्षा अधिकारी,
(के.व्यय/वैटिंग)

25





FC.43.4 To consider and approve the Separate Audit Report (SAR) of the financial year 2018-19 issued by C&AG based on the statutory audit of the Institute.

The Audit Officer (K-Exp./mu), Indian Audit & Accounts Department, Office of the Director General of Audit (Central), Chandigarh vide letter DGA(C)/CE/HQ/Intimation/2019-20 dated 8.7.2019 informed that an audit team of C&AG will conduct statutory audit during 10.7.2019 to 19.7.2019. The C&AG audit team conducted statutory audit of the Institute during 10.7.2019 to 30.7.2019 and audited/inspected the Balance sheet/Annual Accounts for the financial year 2018-19.

On the basis of report submitted by the said audit team, the Deputy Director (Central Expenditure) issued draft Audit Comments vide letter No. DGA(C)/K.Ex./SAR NITK/2018-19/1479 dated 18.9.2019, received on 24.9.2019 for offering reply within two weeks along with supporting documents. The Institute has submitted its reply vide office letter No. Acs./SAR/2018-19/376 dated 16.10.2019. On the basis of reply, the C&AG will issue the final SAR.

The final Separate Audit Report is awaited. The matter was discussed with the Deputy Director, C&AG Chandigarh on 18.11.2019. As per C&AG, it will be issued within 10 to 15 days. Therefore, the final SAR will be placed on table during the meeting.

In view of the above, it is proposed that "*the Separate Audit Report (SAR) of the Institute may be approved for including in the Annual Report for the financial year 2018-19.*"



FC.43.5 To consider enhancement of limit of powers of Director for writing off irrecoverable losses/value of store items lost/unserviceable on WDV (Written Down Value) of item(s).

The clause 17 (5) of the First Statutes under NIT Act, 2007 stipulates the following power of the Director:-

"The Director shall have the power to write off irrecoverable losses up to a limit of ten thousand rupees and of irrecoverable value of store items lost or rendered unserviceable, due to normal wear and tear or obsolete up to a limit of twenty five thousand rupees subject to such stipulations as may be made by the Board from time to time."

The limit of writing off the losses and lost/unserviceable store items prescribed under the said clause of First Statutes is not sufficient for the disposal of unserviceable/condemned material lying in the Institute. It is worth mentioning here that the C&AG during the transaction audit for the financial year 2018-19 made audit observation that unserviceable items worth Rs.48.42 lacs are lying in various departments for a very long period, but disposal of the same could not be done timely, which resulted in accumulation of huge stock, blockage of valuable space and depreciation in value of these unserviceable items with the passage of time. This audit observation was made on the basis of Rule 217 of the General Financial Rules, 2017.

The Institute has to auction/write off these unserviceable items. However, the limit of power of the Director under the above clause is not sufficient for the same.

In this connection, the following is submitted for consideration:-

1. The Rule 223 of GFR 2017 says that the powers to write off of losses are available under the Delegation of Financial Power Rules. As per the clause 5(c) of the Delegation of Financial Rules (Amendment) Rules 2001 envisages that Head of Department is empowered to write off the irrecoverable losses of stores or public money (including loss of stamps) up to a limit of fifty thousand (for losses of stores not due to theft, fraud or negligence). However, in other cases the limit is twenty thousand. A copy of Delegation of Financial Rules (Amendment) Rules 2001 is enclosed as Appendix IV from page 29 to 33.



2. Under Clause 33,34 and 35 of GFR 2017 under the Heading "Defalcation and losses, the losses of government property due to fire, theft and fraud and losses of immovable property by fire, flood etc., the losses above/exceeding the value of rupees fifty thousand is to be reported to police/higher authority. A copy of related clause of GFR is enclosed as **Appendix V from page 34 to 36.**

Under the facts explained above, it is necessary to enhance the limit of power of the Director for writing off irrecoverable losses upto a limit of fifty thousand instead of ten thousand rupees. Further, the limit of powers of Director for writing off the losses/unserviceable of irrecoverable value of store items may also be enhanced from twenty five thousand rupees to one lakh keeping in view the cost escalation of store items since 2009 (the year in which 1st statutes were formulated by the MHRD) to 2019.

In view of the above, it is proposed that "the power of the Director may be enhanced to write off irrecoverable losses up to a limit of fifty thousand rupees and of irrecoverable value of store items lost or rendered unserviceable, due to normal wear and tear or obsolete up to a limit of one lakh rupees on written down value of item(s).

Government of India
Ministry of Finance
Department of Expenditure

New Delhi, the 23rd October, 2001.

Notification

S.O..... In pursuance of clause (3) of Article 77 of the Constitution of India, the President hereby makes the following rules further to amend the Delegation of Financial Powers Rules, 1978, namely:-

1. (i) These rules may be called the Delegation of Financial Powers (Amendment) Rules, 2001

(ii) They shall come into force on the date of their publication in the Official Gazette.

2. In the Delegation of Financial Powers Rules, 1978 hereinafter referred to as the Principal Rules, in Rule 21, in the first proviso,-

i) in clause (a), for the words "five crores", the words "twenty crore" shall be substituted;

ii) in clause (b), for the words "one crore", the words "five crore" shall be substituted;

iii) in clause (c), for the words "sixty lakhs", the words "five crore" shall be substituted.

3. In Schedule V to the Principal Rules,

(a) for the existing Table, the following Table shall be substituted, namely:-

"TABLE"

Authority (1)	Extent of Power (2)	
	Recurring	Non-recurring
Departments of the Central Government:-		
i) Vice President's Secretariat	Rs.25000 per annum in each case	Full Powers.
ii) Other Departments	Full Powers	Full Powers.
Administrators	Full Powers	Full Powers.
Heads of the Departments	Rs. 25000 per annum in each case	Rs. 60,000 in each case.
Heads of Offices other than Under Secretaries in the Departments of Central Government	Rs. 1000 per month in each case	Rs. 5000 in each case.
Under Secretaries in the Departments of the Central Government declared as Heads of Offices	Rs. 2000 per month in each case	Rs. 5000 in each case."

(b) in the Annexure,-

- (i) against serial number 13(ii), in column 4, for the words and figures "vide Treasury Rule 197" the words, brackets and figures "vide Central Government Accounts(Receipt and Payment) Rules, 1983" shall be substituted;
- (ii) against serial number 14, in column 4, in paragraph 2; in items (i),(ii) and (iii) for the figures "50,000", "10,000" and "4000", the figures "1,00,000", "20,000" and "10,000" respectively, shall be substituted;
- (iii) against serial number 16, for the existing entries relating thereto in columns (1) (2) and (3), the following entries shall be substituted, namely:-

(1)	(2)	(3)	
16.	Rent	Class of City	Monetary limit per month
(i)	Ordinary office Accommodation		
a)	where the accommodation is entirely utilised for the office	A-1 A,B-1 and B-2 C unclassified	Rs.25,000 Rs.10,000 Rs. 6,000 Rs. 4,000
b)	Where the accommodation is used partly as office and partly as residence	A-1 A,B-1 and B-2 C Unclassified	Rs. 6,000 Rs. 5,000 Rs. 3,000 Rs. 2,000
(ii)	For residential and other purposes	A-1 A,B-1 and B-2 C Unclassified	Rs. 1,200 Rs. 800 Rs. 400 Rs. 200

- (iv) against serial number 21, item (B), in column 3, for the figures "40,000", the figures "1,00,000", shall be substituted;

4. In Schedule VI to the Principal Rules, for the existing Table, the following Table shall be substituted, namely:-

"Authority	Maximum limit up to which the Expenditure may be sanctioned on each individual item	
	Recurring	Non-recurring
Departments of Central Government:		
i) Ministry of Parliamentary Affairs, President's Secretariat and Vice President's Secretariat.	Rs. 10,000	Full Powers.
ii) Other Departments	Full Powers	Full Powers.
Administrators:	Full Powers	Full Powers.
i) Administrators of all the Union territories except Lakshadweep.		
ii) Administrator, Lakshadweep.	Rs. 10,000 per annum	Rs. 40,000
Heads of Departments	Rs. 5,000 per annum	Rs. 20,000."

5. In Schedule VII to the Principal Rules in the Table, in column one under the heading 'Nature of Loss',-

- a) For the second item "Loss of revenue or irrecoverable loans and advances" and entries relating thereto, the following item and entries shall be substituted, namely:-

Nature of Loss	Authority	Monetary limit up to which the loss may be written off in each case
"Loss of revenue or irrecoverable loans and advances	Department of Revenue	a) Full Powers to write off losses of irrecoverable revenue. b) Rs. 1,00,000 for other cases.
	Other Departments of the Central Government	Rs. 1,00,000
	Administrators of the Union Territories	Rs. 1,00,000";

- b) For the third item "Deficiencies and depreciation in the value of stores (other than a motor vehicle or motor cycle) included in the stock and other accounts" and entries relating thereto, the following item and entries shall be substituted, namely:-

Nature of Loss	Authority	Monetary limit up to which the loss may be written off in each case
"Deficiencies and depreciation in the value of stores (other than a motor vehicle or motor cycle) included in the stock and other accounts	Ministry of Agriculture and Irrigation (Department of Food)	a) Losses on (i) food grains, (ii) sugar, (iii) stores, e.g., gunny bags, connected with receipt, transport, storage and sale of food grains and sugar-Rs. 1,00,000 b) Other cases- Rs. 1,00,000."

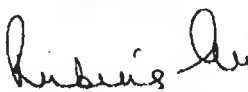
c) For the fifth item "Irrecoverable losses of stores or public money (including loss of stamps)" and entries relating thereto, the following item and entries shall be substituted namely:-

Nature of Loss	Authority	Monetary limit up to which the loss may be written off in each case.
"Irrecoverable losses of stores or public money (including loss of stamps)	Heads of Departments other than those who have special powers	(i) Rs. 50,000 for losses of stores not due to theft, fraud or negligence. (ii) Rs. 20,000 for other cases"

d) For the sixth item "Loss of irrecoverable loans and advances" and entries relating thereto, the following item and entries shall be substituted namely:-

Nature of loss	Authority	Monetary limit up to which the loss may be written off in each case.
"Loss of irrecoverable loans and advances	All Heads of Departments	Rs. 10,000"

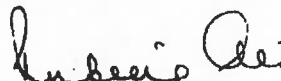
[File No. 1(20)/E.II(A)/2000.]


(Rubina Ali)
Under Secretary

Note:- The Delegation of Financial Powers Rules, 1978 published vide S.O. No. 2131, dated 22nd July, 1978 have subsequently been amended by:-

(i)	Notification	No. SO. 1187,	dated	9. 6. 1979.
(ii)	"	No. SO. 2942,	dated	1. 6. 1979
(iii)	"	No. SO. 2611,	dated	4.10.1980.
(iv)	"	No. SO. 2164,	dated	15. 8. 1981.
(v)	"	No. SO. 2304,	dated	5. 9. 1981.
(vi)	"	No. SO. 3073,	dated	4. 9. 1982.
(vii)	"	No. SO. 4171,	dated	11.12.1982.
(viii)	"	No. SO. 1314,	dated	26. 2.1983.

(ix)	No. SO. 2502,	dated	4. 8.1984.
(x)	No. SO. 22,	dated	5. 1.1985.
(xi)	No. SO. 1958,	dated	11.5.1985.
(xii)	No. SO. 3082,	dated	6. 7.1985.
(xiii)	No. SO. 3974,	dated	24. 8.1985.
(xiv)	No. SO. 5641,	dated	21.12.1985.
(xv)	No. SO. 1548,	dated	19. 4. 1986.
(xvi)	No. SO. 3183	dated	20. 9. 1986.
(xvii)	No. SO. 3787,	dated	8.11. 1986.
(xviii)	No. SO. 2508,	dated	19. 9. 1987.
(xix)	No. SO. 3092,	dated	7.11. 1987.
(xx)	No. SO. 3581,	dated	10.12. 1988.
(xxi)	No. SO. 641,	dated	17. 3. 1990.
(xxii)	No. SO. 1469,	dated	26. 5. 1990.
(xxiii)	No. SO. 2173,	dated	18.8. 1990.
(xxiv)	No. SO. 3033,	dated	17.11.1990.
(xxv)	No. SO. 3414,	dated	22.12.1990.
(xxvi)	No. SO. 534,	dated	28.2. 1991.
(xxvii)	No. SO. 2235,	dated	24.8. 1991.
(xxviii)	No. SO. 547(E)	dated	24.7. 1992.
(xxix)	No. SO. 466,	dated	13.3. 1993.
(xxx)	No. SO. 1292,	dated	12.6. 1993.
(xxxi)	No. SO. 685,	dated	12.3. 1994.
(xxxii)	No. SO. 1232,	dated	28.5. 1994.
(xxxiii)	No. SO. 1945,	dated	13.8. 1994.
(xxxiv)	No. SO. 2451,	dated	24.9. 1994.
(xxxv)	No. SO. 174,	dated	28.1. 1995.
(xxxvi)	No. SO. 670(E),	dated	30.9.1996.
(xxxvii)	No. SO. 665(E),	dated	5.8.1998.
(xxxviii)	No. SO. 1835,	dated	7. 9.1998.
(xxxix)	No. SO. 2274,	dated	5. 8.1999.
(xxxx)	No. SO. 3054	dated	12. 10.2000.


(Rubina Ali)

Under Secretary to the Govt. of India.

To
The Manager,
Government of India Press,
Mayapuri,
New Delhi.

All Ministries/Department of the Govt. of India, etc.

Copy forwarded to:

C&AG (with usual number of spare copies),
Secretary, UPSC, New Delhi, etc. as per standard endorsement list.


(Rubina Ali)

Under Secretary to the Govt. of India.

either in cash or in the form of Deposit-at-Call-Receipt (DACR), drawn in favour of the Ministry or Department selling the goods. The goods should be handed over to the successful bidder only after receiving the balance payment.

- (v) The composition of the auction team will be decided by the competent authority. The team should however include an officer of the Internal Finance Wing of the department

Rule 221 Disposal at scrap value or by other modes. If a Ministry or Department is unable to sell any surplus or obsolete or unserviceable item in spite of its attempts through advertised tender or auction, it may dispose of the same at its scrap value with the approval of the competent authority in consultation with Finance division. In case the Ministry or Department is unable to sell the item even at its scrap value, it may adopt any other mode of disposal including destruction of the item in an eco-friendly manner.

Rule 222 A sale account should be prepared for goods disposed of in Form GFR 11 duly signed by the officer who supervised the sale or auction.

Rule 223 (1) Powers to write off. All profits and losses due to revaluation, stock-taking or other causes shall be duly recorded and adjusted where necessary. Formal sanction of the competent authority shall be obtained in respect of losses, even though no formal correction or adjustment in government accounts is involved. Powers to write off of losses are available under the Delegation of Financial Powers Rules.

Rule 223 (2) Losses due to depreciation : Losses due to depreciation shall be analysed, and recorded under following heads, as applicable :-

- (i) normal fluctuation of market prices;
- (ii) normal wear and tear;
- (iii) lack of foresight in regulating purchases; and
- (iv) negligence after purchase.

Rule 223 (3) Losses not due to depreciation : Losses not due to depreciation shall be grouped under the following heads :-

- (i) losses due to theft or fraud;
- (ii) losses due to neglect;

- (iii) anticipated losses on account of obsolescence of stores or of purchases in excess of requirements;
- (iv) losses due to damage, and
- (v) losses due to extra ordinary situations under 'Force Majeure' conditions like fire, flood, enemy action, etc.;



- sanction that the expenditure would be met from the Budget provision of a specified financial year, it shall lapse at the close of that financial year; or
- (iii) in the case of purchase of stores, a sanction shall not lapse, if tenders have been accepted (in the case of local or direct purchase of stores) or the indent has been placed (in the case of Central Purchases) on the Central Purchase Organization within the period of one year of the date of issue of that sanction, even if the actual payment in whole or in part has not been made during the said period.

Rule 31 Notwithstanding anything contained in Rule 30, a sanction in respect of an addition to a permanent establishment, made from year to year under a general scheme by a competent authority, or in respect of an allowance sanctioned for a post or for a class of Government servants, but not drawn by the officer(s) concerned, shall not lapse.

Rule 32 Remission of disallowances by Audit and writing off of overpayment made to Government servants. The remission of disallowances by Audit and writing off of overpayments made to Government servants by competent authorities shall be in accordance with the provisions of the Delegation of Financial Powers Rules, and instructions issued thereunder.

II. DEFALCATION AND LOSSES

Rule 33 (1) Report of Losses. Any loss or shortage of public moneys, departmental revenue or receipts, stamps, opium, stores or other property held by, or on behalf of, Government irrespective of the cause of loss and manner of detection, shall be immediately reported by the subordinate authority concerned to the next higher authority as well as to the Statutory Audit Officer and to the concerned Principal Accounts Officer, even when such loss has been made good by the party responsible for it. However the following losses need not be reported:

- (i) Cases involving losses of revenue due to
- (a) mistakes in assessments which are discovered too late to permit a supplementary claim being made;
- (b) under assessments which are due to interpretation of the law by the local authority being overruled by higher authority after the expiry of the time-limit prescribed under the law, and
- (c) refunds allowed on the ground that the claims were time-barred:
- (ii) Petty losses of value not exceeding Rupees ten thousand.

Rule 33 (2) Cases involving serious irregularities shall be brought to the notice of Financial Adviser or Chief Accounting Authority of the Ministry or Department concerned and the Controller General of Accounts, Ministry of Finance.

Rule 33 (3) Report of loss contemplated in sub-rule (1) & (2) shall be made at two stages.—

- (i) An initial report should be made as soon as a suspicion arises that a loss has taken place.
- (ii) The final report should be sent to authorities indicated in sub rule (1) & (2) after investigation indicating nature and extent of loss, errors or neglect of rules by which the loss has been caused and the prospects of recovery.

Rule 33 (4) The complete report contemplated in sub-rule 3, shall reach through proper channels to the Head of the Department, who shall finally dispose of the same under the powers delegated to him under the Delegation of Financial Power Rules. The reports, which he cannot finally dispose of under the delegated powers, shall be submitted to the Finance Ministry.

Rule 33 (5) An amount lost through misappropriation, defalcation, embezzlement, etc., may be redrawn on a simple receipt pending investigation, recovery or write-off with the approval of the authority competent to write-off the loss in question.

Rule 33 (6) In cases of loss to Government on account of culpability of Government servants, the loss should be borne by the Central Government Department or State Government concerned with the transaction. Similarly, if any recoveries are made from the erring Government officials in cash, the receipt will be credited to the Central Government Department or the State Government who sustained the loss.

Rule 33 (7) All cases involving loss of Government



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money arising from erroneous or irregular issue of cheques or irregular accounting of receipts will be reported to the Controller General of Accounts along with the circumstances leading to the loss, so that he can take steps to remedy defects in rules or procedures, if any, connected therewith.

Rule 34 Loss of Government Property due to fire, theft, fraud. Departmental Officers shall, in addition to taking action as prescribed in Rule 33, follow the provisions indicated below in cases involving material loss or destruction of Government property as a result of fire, theft, fraud, etc.

All losses above the value of Rupees Fifty thousand due to suspected fire, theft, fraud, etc., shall be invariably reported to the Police for investigation as early as possible.

Once the matter is reported to the Police Authorities, all concerned should assist the Police in their investigation. A formal investigation report should be obtained from the Police Authorities in all cases, which are referred to them.

Rule 35 Loss of immovable property by fire, flood etc. All loss of immovable property exceeding Rupees fifty thousand, such as buildings, communications, or other works, caused by fire, flood, cyclone, earthquake or any other natural cause, shall be reported at once by the subordinate authority concerned to Government through the usual channel. All other losses should be immediately brought to the notice of the next higher authority.

Rule 36 Report to Audit and Accounts Officers. After a full enquiry as to the cause and the extent of the loss has been made, the detailed report should be sent by the subordinate authority concerned to Government through the proper channel; a copy of the report or an abstract thereof being simultaneously forwarded to the Audit officer and Pay and Accounts Officer

Rule 37 Responsibility of losses. An officer shall be held personally responsible for any loss sustained by the Government through fraud or negligence on his part. He will also be held personally responsible for any loss arising from fraud or negligence of any other officer to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

The departmental proceedings for

assessment of responsibility for the loss shall be conducted according to the instructions contained in Appendix 1 and those issued by the Ministry of Personnel from time to time.

Rule 38 Prompt disposal of cases of loss. Action at each stage of detection, reporting, write off, final disposal, in cases of losses including action against delinquents and remedial measures should be completed promptly with special attention to action against delinquents and remedial measures, taken to strengthen the control system

III. SUBMISSION OF RECORDS AND INFORMATION

Rule 39 Demand for information by Audit or Accounts Officer. A subordinate authority shall afford all reasonable facilities to the Audit Officer and Pay and Accounts Officer for the discharge of his functions, and furnish fullest possible information required by him for the preparation of any official account or report; payments and internal audit.

Rule 40 A subordinate authority shall not withhold any information, books or other documents required by the Audit Officer or Accounts Officer.

Rule 41 If the contents of any file are categorized as 'Secret' or 'Top Secret' the file may be sent personally to the Head of the Audit Office specifying this fact, who will then deal with it in accordance with the standing instructions for handling and custody of such classified documents.



FC.43.6 To consider policy of obsolescence and disposal of Laptop

The Board of Governors in its 44th meeting held on 5.2.2018 has decided as under:-

“The Board resolved that the laptops provided to Faculty/Non-Faculty staff of the Institute be obsolete and written off as per GFR 2017. Further, if any Faculty/Non-Faculty staff interested to retain the existing laptop, he/she may be allowed to retain at 1/10th of the original cost.”

The above decision of the Board has been implemented in its letter and spirit.

Now, it has been observed that a policy of obsolescence and disposal of laptop may be framed to avoid time and again submission the matter before the FC/Board for consideration. In this connection, the Government of India, Ministry of Finance, Department of Expenditure, E.II (A) Branch, New Delhi has issued instructions through Office Memorandum No. F.08 (34)/2017-EII(A) dated 20th February, 2018. A copy of the Office Memorandum dated 20th February, 2018 is enclosed as **Appendix VI from page 39 to 40**. The related clauses of the said letter dated 20th February, 2018 is reproduced below:-

Clause 2 (iv) Retention/Replacement of device

- (a) No new device may be sanctioned to an Officer, who has already been allotted a device, in a Ministry/Department, **up to five years**. Any further issue of laptop in case of loss/damage beyond repairs within the prescribed period should be considered only after the cost is recovered from the officer based on the book value after deducting the depreciation.
- (b) For the purpose of calculation of the book value, a **depreciation of 25% per year, on straight line method**, be adopted.
- (c) Post of completion of **five years of usage**, the Officer shall retain the **issued device**.

(v) Conditions at the time of transfer, superannuation etc.;

- (a) In case where, at the time of purchase of device if the residual service of the Officer is less than 5 years or in case the officer is transferred/deputed to State Govt. but with residual service of less than 5 years or the officer leaves the Government service within 5 years of purchase of such device, the Officer concerned will have the option of retaining the device by paying the amount after deducting the depreciation.



- (b) Upon transfer/deputation of the Officer to other Ministry/Department/Attached/Subordinate Offices of the Government of India or to the State Government in case of Officers of the All India Services, the Officer will have the option of retaining the existing device and in case of such retention, this fact should be specifically mentioned in the Last Pay Certificate (LPC).

In view of the above, it is proposed that *“the Institute may be allowed to adopt the policy issued by the Government of India, Ministry of Finance, Department of Expenditure, E.II (A) Branch, New Delhi through Office Memorandum No. F.08 (34)/2017-EII(A) dated 20th February, 2018 with following modification in (c) of clause 2(iv) of the said Office Memorandum:-*

Clause 2 (iv) (c) Post the completion of five years of usage, the Officer may retain the laptop on depositing the 1/10th cost of the original value of laptop, as already decided by the Board in its 44th meeting held on 5.2.2018, mentioned above or the same may be disposed off by the Institute as per Rules.”

New Delhi, the 20th February, 2018

OFFICE MEMORANDUM

Subject: Instructions for the purchase of laptops/notebooks and similar devices for eligible officers – revised guidelines.

In supersession to this Ministry's Office Memorandum bearing No. 08(64)/2017-E.II(A) dated 27th September 2016, regarding purchase of Note Book/Lap-Top computers by Ministries/ Departments & delegation of powers thereof, it has been decided that lap-top; tablet; notepad; ultra-book; notebook, net-book or devices of similar categories may be issued to officers of the rank of Deputy Secretary and above for discharge of official work. These powers shall continue to be exercised in consultation with the Financial Adviser by the Secretary of the Ministry/ Department or any other authority who are specifically delegated these powers by this Ministry from time to time, duly taking into consideration the functional requirements and budgetary provisions.

2. This would, however, be subject to the following conditions:

(i) **Cost of device:** The Cost of device including Standard software* shall not exceed Rs. 80,000/-.

Standard Software: Any software (Operating System, Antivirus software or MS-Office etc.) that is essential for the running of device towards discharge of official functions/duties.

(ii) **Purchase Procedures:** As prescribed under GFRs/CVC guidelines may be followed.

(iii) **Safety, Security & Maintenance of Device:** The officer, who is given the device, shall be personally responsible for its safety and security as well as security of data/information, though the device shall continue to remain Government property. The officer concerned will be at liberty to get the device insured at his personal cost.

(iv) **Retention/Replacement of device:**

- a) No new device may be sanctioned to an officer, who has already been allotted a device, in a Ministry /Department, up to five years. Any further issue of laptop in case of loss/damage beyond repairs within the prescribed period, should be considered only after the cost is recovered from the officer based on the book value after deducting the depreciation.
- b) For the purpose of calculation of the book value, a depreciation of 25% per year, on straight line method, be adopted.
- c) Post the completion of five years of usage, the officer shall retain the issued device.

(v) **Conditions at the time of transfer, Superannuation etc.:**

- a) In case where, at the time of purchase of device if the residual service of the officer is less than 5 years or in case the officer is transferred/deputed to State Govt. but with residual service of less than 5 years or the officer leaves the Government Service within 5 years of purchase of such device, the officer concerned will have the option of retaining the device by paying the amount after deducting the depreciation.

b) Upon transfer/deputation of the officer to other Ministry/ Department/Attached/Sub-ordinate offices of the Government of India or to the State Government in case of Officers of the All India Services, the officer will have the option of retaining the existing device and in case of such retention, this fact should be specifically mentioned in the Last Pay Certificate (LPC).

3. **Instructions for Ministries/Departments:**

- (i) For the officials who are currently holding laptops, notebooks or similar devices in accordance with the provisions of O.M. dt. 27/09/2016, the terms & conditions for retention/disposal of the device shall continue to be governed under the existing instructions of the said O.M.
- (ii) The applicability of the provisions of this order to the officers of Armed Forces/Para-Military Forces, officers of MoD & other similar establishments would be subject to restrictions imposed by the concerned departments/organizations duly taking into consideration the security of information. In all such cases the security of the information shall be the responsibility of the concerned department.

4. This is issued with the approval of Secretary (Expenditure).



(Dr. Bhartendu Kumar Singh)
Director(E.IIA)

To

- 1) All Ministries/Departments of Government of India
- 2) All Financial Advisers
- 3) NIC, D/o Expenditure