



राष्ट्रीय प्रौद्योगिकी संस्थान, राउरकेला
National Institute of Technology, Rourkela

MINUTES OF THE 18TH MEETING OF THE FINANCE COMMITTEE, NATIONAL INSTITUTE OF TECHNOLOGY, ROURKELA HELD AT 12.00 NOON ON 16.03.2012 (FRIDAY) IN THE CONFERENCE OF HALL, HOTEL SWASTI PREMIUM, BHUBANESWAR.

Members Present:

1. **Sri B. S. Sudhir Chandra** ... Chairman
Director (Project & Planning) &
Chairman, BOG, NIT, Rourkela,
Bangalore Metro Rail Corporation Ltd
3rd Floor, BMTC Complex
K.H.Road, Shanthinagar, Bangalore.
2. **Prof. Sunil Kr Sarangi** ... Member
Director
National Institute of Technology
Rourkela -769 008 (Odisha).
3. **Shri R. D. Sahay,** ... Joint Secretary, MHRD
Joint Secretary
MHRD, Government of India
Dept. of Higher Education
Shastri Bhawan, New Delhi.
4. **Shri Satpal Sharma,** ... Representative of AS & FA
Dy. Finance Advisor, MHRD, Government of India
Dept. of Higher Education
Shastri Bhawan, New Delhi.
5. **Prof. (Ms.) Rintu Banerjee** ... Member
Professor, Agriculture & Food Engineering
IIT, Kharagpur.
6. **Prof. R. K. Patel,** ... Member
Associate Prof., Department of Chemistry,
N.I.T., Rourkela.
7. **Er. S. K. Upadhyay,** ... Member Secretary
Registrar
N.I.T., Rourkela.

F.C-18 (2012)-01: Welcome to the members by the Chairman.

Chairman welcomed all the members to the meeting including the new member Prof. R.K. Patel.

The FC recorded its appreciation of services of outgoing member Prof. S. K.Patel.

F.C-18 (2012)-02: Confirmation of the minutes of the 17th Meeting of the Finance Committee held on 02.12.2011 at Bhubaneswar.

The minutes of the 17th Meeting of the FC were sent to the members vide letter NITR/RG/2011/531, dt:19.12.2011.

The Secretary reported that no comments have been received from any member.

The FC discussed the recording and confirmed the minutes. The committee, however, decided that in future, the minutes of the previous meeting will be made available on the table for discussion before confirmation of the minutes.

F.C-18 (2012)-03: To report on the Action Taken on the minutes of 17th meeting of the Finance Committee held on 02.12.2011 at Bhubaneswar.

The report on the action taken on the decisions made in the 17th Meeting of the Finance Committee held on 02.12.2011 is presented for FC's consideration.

One suggestion has been received from Prof.(Mrs.) Seemita Mohanty, Head, Department of Humanities and Social Science where she has suggested that the name of the 'Technology Club' should be changed to more prosaic "**Faculty Club**".

The FC noted the above but decided to retain the name "Technology Club".

[Annexure- A1, Pg. 10 -13]

F.C-18(2012)-04: Proposal for Honorarium for the Secretarial service at Chairman, BOG Office.

For regular secretarial service and other miscellaneous work at Chairman, BOG Office, the assistance is taken from part time Assistant who is a temporary worker at Bangalore, Metro Railway Office. In addition to that there are other requirements such as stationery and office equipments purchase (staplers, perforators, etc) and miscellaneous works.

It was proposed that an honorarium of Rs.1000/- per month be given to the Assistant and an imprest money of Rs.10,000/- be maintained at Chairman, BOG Office to meet the daily expenses.

The FC noted that the word "Honorarium" should be used only to describe one time payments, not for a payment that is given on regular basis. It, however, approved the proposal for an expenditure of @Rs.1000 per month towards secretarial services in the office of the chairman (w.e.f. March 01, 2011, the date the present chairman assumed office) in addition to other sundry expenses such as stationery, computer consumables, postage etc. An imprest account of Rs.5000 would be maintained to meet these expenses.

F.C-18(2012)-05: Travel grant to research students for presenting papers in conferences abroad.

In order to improve knowledge, confidence and exposure of research students, all major technology institutes in India are supporting travel of research students to present papers in reputed overseas conferences. NIT Rourkela is not doing it as a matter of REC legacy, not because of any higher law against it.

It was proposed to introduce a scheme for supporting research students to travel abroad to present papers.

1. The support will be made available only to full time research students residing in hostels.
2. There will be no discrimination on the basis of source of his income – institute fellowship, project, sponsored, QIP or any other category.
3. The student must complete at least 18 months of study before the date of conference and the paper must be a result of his work carried out at NIT,Rourkela.
4. The travel grant must be availed before submission of synopsis.
5. A student may receive support to overseas travel from the Institute only once in his career as a Ph.D. student. This will cover all institutional sources including special projects (e.g. TEQIP), exchange programmes (e.g. Erasmus Mundus fellowship) and conference travel grants. If a student has availed a higher grant in the past, he will be ineligible from a conference travel grant; but the reverse will not be true.
6. Students are at liberty to avail multiple support from non-institutional initiative e.g. supervisor's sponsored R & D projects, grants from external agencies or alumni sources either before, after or during the travel requested.
7. The travel support shall include internal and local travel, per diem, visa expenses, registration fee and essential miscellaneous expenses, subject to a limit of Rs.100,000/- for visit to North America and Rs.60,000/- to other destination. Preference will be given to applicants who have arranged at least 1/3rd of the total cost from other sources, including research projects. Personal money, of any type will not be counted for this purpose. Cash advance may be issued to students against a personal bond signed by him on Rs.20 non judicial stamp paper.

8. On return from the conference, the student will make a presentation in his department. Conference proceedings will be the property of the Department Library.

The budget allocation under this head should be Rs.0.50 crore per year. The faculty feels that the return on investment under such a scheme in terms of enhancement in quality of research will be very high.

The FC approved the proposal with the following changes:

1. *There shall be 20 such travel grants in an academic year [July 01 to June 30]. Depending on the experience, the number will be reviewed towards the end of AY 2012-13. The first day of the conference will be taken as crucial date for deciding academic year.*
2. *The budget allocation shall be Rs 0.2 crore per year.*

F.C-18(2012)-06: Proposal for payment of Over-time Allowance to Vehicle Staff

At present, the institute has 2 permanent Drivers who drive two vehicles hired on lease regularly and the institute owned bus occasionally. Besides, there are two other leased vehicles; one earmarked for use of Director and the other as a medical vehicle.

Owing to the dynamic nature of requirement of vehicles, the vehicle staff are often called for duty and/or retained on duty beyond the normal working hours. For the over-time duty **they are currently being paid @ ` 16.50/- per hour subject to a maximum of ` 1650/- in a month.** The Drivers have been expressing their discontent for this meager compensation for their stretched working hours and duty at odd hours of night.

This involves a lot of record keeping and manpower requirement. In order to overcome such problems it is proposed that each driver may be paid Rs.3000 PM as honorarium for official duty done during odd hours on certification from AR (TS) and Registrar.

The FC did not approve the proposal but advised the administration to look for alternative ways of compensating the drivers against additional and odd-time services without incurring excessive administrative cost.

F.C-18(2012)-07: Policy on Corpus/ Endowment Fund:

As per the format given by MHRD, Govt. of India, the institute has got scope to park its development fund incomes either under the head of Corpus / Capital Fund or under the head of Earmarked / Endowment Funds in the Liability side of Balance Sheet. Presently, the institute is putting some of such incomes in the current liability expecting any payments out of that fund, some part under endowment fund and some part in income of the institute. In the Corpus / Capital Fund head, the institute only maintains the accumulated balance position of Plan Grants received from Government after adjustment of Surplus / Deficit of Income & Expenditure A/c. The earlier resolution of FC / BOG advised the institute to put the development fee incomes in the Corpus Fund head of the Balance Sheet. But the institute has kept those funds in the Earmarked / Endowment Fund especially with an intension to maintain more clarity of its capital fund.

Considering the above, it is requested to allow the institute to transfer the following incomes of the institute as development fund incomes and be kept under the head of Earmarked / Endowment Fund in the liability side of its Balance Sheet.

01. Institute Development Fees collected from the newly joined students every year.
02. Interest generated out of that fund of investments.
03. Funds transferred from SRICCE Fund A/c.
04. Fees collected such as Misc. Fees, Transcript Fees, Thesis Processing Fees, etc.
05. Other Fees collected from each student every year (Exam, Library, etc.)
06. Fines collected from students due to late registration, Library fines, vehicle parking fines, etc.
07. Interest on Security Deposit Investments.
08. Interest on Caution Money Deposits Investments.
09. Un-claimed Caution Money.
10. Forfeited portion of fees collected from students due to cancellation of admission.
11. LD Charges collected from vendors / contractors at the end of the each year.
12. Un-disbursed part of Summer Course Fee.
13. Any other un-estimated unutilized incomes of the institute, except plan and non-plan grants and tuition fees.

The FC approved the proposal.

F.C-18(2012)-08: Policy on Fixed Asset.

The issue of creation and maintenance of a Central asset Register as per the format prescribed in the GFR, 2005 is being emphasized by the Govt. auditors in their Audit Reports and the issue was also discussed during review of the last Audit Report.

Since there is no clear-cut guideline as to an inclusive definition of “**FIXED ASSET**” either in the GFR 2005 or any other source known to us, it was decided to frame a pragmatic policy on the matter and follow the same after due approval by the FC and BOG.

While preparing the draft policy, the following have been the considerations:

- a) If small items are classified as assets, the staff will more likely keep them under lock and key, effectively denying access to the students, and thus totally wasting the money.
- b) If small items are individually included in the asset register, the administrative cost of keeping track of them may offset the cost of the material itself.
- c) If, to counter difficulties under (a) and (b) above, items of moderate cost are kept out of the asset register, losses by damage, theft or pilferage will not come to attention of authorities, leading to loss to the Institute.

The definition of “ASSET”, therefore, must be a pragmatic compromise between the two extremes.

The following draft policy is put up for consideration of the FC and BOG.

1. **GENERAL DEFINITION:**

- a) Assets will be classified under 3 broad heads:
 - i) Immovable Assets (IA) – buildings, roads, lawns, play grounds, water supply including pumps, motors and switches, electric network including transformers and switchyards, ICT network, including renovation and extension.
 - ii) Movable Assets (MA) – furniture, cutlery, crockery, kitchen utensils, small laboratory instruments and equipment.
 - iii) Single Assets (SA) - High value single items that retain their shape, size and other physical characteristics over a long period
- b) Movable and single assets that are anchored to buildings, augment the function of the building and are not expected to move out will be counted as part of the building itself (e.g. ceiling fans, Air Conditioners) whether made during construction of building or added on a later date.
- c) Movable goods that are employed in large numbers and do not constitute a part of the building will fall into the category “Movable Assets”. Furniture, crockery, cutlery, kitchen utensils, small laboratory instruments (e.g. vernier, callipers, electronic multi meters etc.) fall into this category. These stores are not to be individually tagged nor counted routinely.
- d) Any single item of gross value (inclusive of all taxes, duties, charges, etc.) equal to or more than Rs.50,000/- and which does not lose/ change its normal physical properties (such as shape, volume, etc.) to a significant extent on use over a few years will be classified as “Single Asset”.
- e) Any single item of gross value (inclusive of all taxes, duties, charges, etc.) less than Rs.50,000/- but more than ` 15000/- and has a sizable volume (say 0.2 m³) or mass (say 100 kg) (e.g. refrigerator, machinery) and does not lose/change its normal physical properties (such as shape, volume, etc.) to a significant extent on use over a few years will be classified as “ single asset”.
- f. Any expense of gross value (inclusive of all taxes, duties, charges, etc.) equal to or more than Rs.50,000/- and which creates an asset of above nature and/or increases the life span or value of any asset of above nature will be counted as asset of relevant type to the extent of such expense.
- g. Items individually costing less than Rs.15,000/- each but purchased in large numbers, e.g. ceiling fans, small furniture, crockery and cutlery in hostels, black boards etc., multimeters, small instruments for UG Laboratory use etc. will be considered as fixed or movable assets when procured for Rs.50,000/- or higher against a single purchase order.

2. SPECIFIC INCLUSIONS:

- a. Computers, Laptops, tablet PCs, printers, scanner or other peripherals costing more than Rs.15,000/- each.
- b. Xerox Machines costing more than Rs.15,000/- each.
- c. Computer software (one time or perpetual license only) costing more than Rs.15,000/-
- d. Refrigerators, air-conditioners.
- e. Gold, platinum, radioactive materials.
- f. Any other item specified by Director from time to time.

3. SPECIFIC EXCLUSIONS

- a. Items purchased for presentation as Memento/Prize/Award (e.g. Convocation Medals),
- b. Furniture, Kitchen/Decorative/Furnishing items of value less than ` 5,000/- per piece,
- c. Any single items costing less than Rs.15,000/- unless specifically approved to declared as asset.
- d. Any other item to be specified by Director from time to time

6. ACCOUNTING OF ASSETS

1. IA (Immovable Assets)
Only during assessment of buildings to be estimated.
2. MA (Movable Assets)
To be estimated once every five years.
3. SA (Single Assets)
Every year to be individually tagged.

The FC advised the administration to find norms from other Institutions and put the revised proposal in the next meeting in line with GFR 2005.

F.C-18(2012)-10:

1) *Endowment Fund for National Institute of Technology, Rourkela by Swami Sibananda Foundation.*

During 34th Odisha Divine Life Society Spiritual Conference and 7th State Level Youth Camp were held at Rourkela during 29th Dec. 2011 to 1st Jan. 2012. Swami Sivananda Foundation, Haridwar, India was considering NIT, Rourkela for donation towards endowment fund for student scholarship. It was informed that Swami Sivananda Foundation have expressed willingness to donate for endowment found towards scholarship of one student (1 student each in 4 years of B. Tech programme). A suitable proposal will be sent by the Institute and the modalities will finalized after discussion with them.

The FC approved the proposal.

2) *Donation by Sri Pramod Kumar Jain 1974 batch Alumnus:*

The Institute has received a donation of Rs3.0 lakh from Sri Pramod Kumar Jain, 1974 batch alumnus (B.Sc. Engg.), Mechanical Engg. for giving an award to an outgoing student. Sri Jain has expressed his desire to name it "Mrs. Santa Jain Prize for the best product oriented

project of the year” in honour of his wife. This is the first major contribution from an individual alumnus. The BOG is requested to accept the donation and to install the prize. The Senate may be authorized to work out the rules of the award. The funds have been deposited on the account of ‘NIT Rourkela Alumni Fund’ at SBI.

FC approved the proposal and advised the administration to come up with a detailed pragmatic proposal on the norms to be adopted for accepting donations from individuals and firms including alumni.

F.C-17(2011)-11: *Proposal to allow Agent charges for booking of Air and Rail tickets on official duty.*

Employees sent for official duty may be allowed Agent Charges on Air and Railway tickets.

FC approved the proposal in accordance with the norms followed by Govt. Agencies such as Ashoka Travels and M/s Balmer Lawrie Ltd.

F.C-18 (2012)-12 *Any other item with the permission of the Chair.*

1) *Proposal for enhancement of SAC Fee.*

At. Present the expenditure on Student Activities Center (SAC) is about Rs.80 lakhs per annum. President SAC has given a proposal for enhancement of SAC budget from Rs.80,00,000/- lakhs to Rs.1,29,63,000/-. It was decided in the Deans and Heads of the meeting vide resolution No.HODM-101(2012)-07 dt.7.03.2012 to make about 10 hrs. of swimming lessons compulsory for all incoming undergraduates, and to enhance coaching facilities in several sports & games, as well as in fine arts, performing arts. Besides, SAC was advised to spend more effort towards growth of Indian cultural traditions in the campus. Therefore it was decided to increase the SAC fee from Rs.2000/- to 3000/- to meet the additional expenses. The budget proposal is given in the Annexure.

BOG vide resolution No.BOG-26(2011)-06 and FC vide resolution No.FC-15(2011)-09(1), dt17.06.11 had revised the fee structure as given in the Annexure.

The FC approved the proposal to increase the SAC fee from Rs.2000/- to Rs.3000/- w.e.f. the academic session 2012-13. Both the services as well as fees will be applicable to all students from Academic Year 2012-13. The FC directed that the additional SAC funds should be utilized for providing coaching and supervision to students in various sports including swimming (which should be compulsory in light of the avoidable drowning accidents taking place), and other outdoor sports for both boys and girls, and for coaching in performing arts, fine arts and promoting Indian cultural traditions among students.

[Annexure- A2, Pg. 14 -12]

2) **Proposal for introduction of high value scholarships for research students :**

The FC noted that institutes like IIT Kharagpur and IIT Delhi, in order to attract very bright students as research scholars have provision for award of high value fellowships. The FC resolved to introduce the system of “ High Value Scholarships” at NIT Rourkela with the following constraints.

- (a) Such fellowships shall normally carry a value of 150% of the standard institute fellowship for the category of student. If sponsors agree, higher amounts of fellowship may also be given.*
 - (b) Such fellowships can only be given from externally funded research grants with consent of the sponsors. Faculty members may include high value fellowships in their proposals, or convert existing fellowships to high value with consent of the sponsors if not included in original proposal.*
 - (c) With consent of sponsors, institute scholars, and scholars paid from other sources, may be given a top-up fellowship limited to 50% of the normal value from externally funded projects.*
 - (d) No high value fellowship nor top up fellowship may be given from normal institute account.*
- 3) *The next meeting of the finance committee will be held in the month of June 2012 in consultation with Chairman, BOG.*

The meeting ended with thanks to the Chair.

(S.K. Upadhyay)
Registrar and Secretary
Finance Committee, NIT., Rourkela

(B. S. Sudhir Chandra)
Chairman
Finance Committee , NIT., Rourkela