

Proceedings of the 3rd meeting of the Committee for Financial Affairs held on 22nd November, 2016 at 3:30 p.m. in the Conference Room of NIT Transit House, A-1/267, Block A1, Naurogi Nagar, Safdarjung Enclave, New Delhi-110 029.

The following members were present:-

- 1) Prof. Ajoy Kumar Ray, Director, IEST, Shibpur and Chairman of the Committee
- 2) Mr. S. P. Goyal, Joint Secretary (NITs & DL), MHRD, GoI
- 3) Smt. Darshana M Dabral, Joint Secretary & Financial Advisor, MHRD, GoI
- 4) Prof. Shyamal Kumar Chattopadhyay, Professor of Chemistry & Member of BOG
- 5) Prof. Gautam Bandyopadhyay, Professor of Electrical Engg. & Member of BOG
- 6) Shri S. N. Datta, Finance Officer (Actg.) & Dy. Registrar
- 7) Shri Alok Kumar Maity, Dy. Registrar (Audit) - Invitee
- 8) Dr. Biman Bandyopadhyay, Registrar, IEST, Shibpur & Secretary & Convenor of the Committee

At the outset, the Chairman welcomed all the members present in the meeting, especially Mr. S.P. Goyal, Joint Secretary, MHRD, Govt. of India and Smt. Darshana M Dabral, Joint Secretary & Financial Advisor, MHRD, Govt. of India, and took the agenda items for discussion:-

Item No. 3.01 Confirmation of the Proceedings of the 2nd meeting of the Committee for Financial Affairs.

Resolution No. 3.01:

The Committee resolved that the proceedings of the 2nd meeting of the Committee for Financial Affairs held on 30th December, 2015 are confirmed.

Matter Arising out of the proceedings of the 2nd meeting of the Committee for Financial Affairs

The Committee discussed the decision regarding the signatories of the Bank Accounts of the Institute as mentioned in Resolution no 2.01A and resolved that any two of the following three officers will be the signatories of the Institute: -

- (1) Registrar
- (2) Finance Officer (Actg.)
- (3) Deputy Registrar (Audit)

All Bank Accounts of the Institute should be changed accordingly.

In view of the above, the Committee further resolved that Accounts Officer, deputed from the State Government, be immediately repatriated.

Item No. 3.02 Action taken report on the proceedings of the 2nd meeting of the Committee for Financial Affairs held on 30th December, 2015.

Resolution 3.02:

The Committee noted all the points of the action taken. The Committee resolved that for the actions regarding Resolution No. 2.09.M.02 and Resolution No. 2.09.M.03 which are pending with the MHRD, a separate letter be sent immediately to the MHRD by the Registrar, IEST, Shibpur for follow up action.

The Committee further resolved that regarding Resolution No. 2.08, a reference be sent expeditiously to the MHRD.

Item No. 3.03: To consider the recommendation of the Committee constituted by the Director vide office order no RDO/240/15 dt. 21.10.2015 for rationalisation of consolidated pay of the contractual employees of the Institute.

Resolution3.03:

The Committee considered the recommendations regarding rationalization of consolidated pay of the contractual employees of the Institute and resolved that the Institute should see how NITs/IITs are rationalizing the consolidated pay of the contractual employees and providing other facilities to the contractual employees. The Committee resolved that the Committee constituted for this purpose will re-submit its report along with the comparative assessment with other NITs/IITs in the next meeting of the Committee for Financial Affairs for consideration. The Committee further resolved that statutory provisions of the Act and the Statutes should be looked into and the report should be in accordance with the statutory provisions regarding contractual employees.

Item No. 3.04 To consider the recommendations of the committee constituted by the Director vide office order no. 0269/Dean/Admn./15 dt. 1st August 2015 to look into the matters related to pay fitment, change of designation including service matter of the institute employees engaged in mess service.

Resolution3.04:

The Committee for Financial Affairs considered the recommendation of the Committee constituted by the Director to look into the matters related to pay fitment, change of designation including service matters of the Institute employees engaged in mess service.

After detailed discussions, the Committee resolved that since the G. O. No. 874-Edn (CS)/IC-63L/12 dated 28.10.2014 issued by the Higher Education Department (CS Branch), Government of West Bengal regarding treating the mess employees as non teaching employees of the Institute and making them entitled to all the facilities as applicable to other permanent employees of the Institute was issued after the conversion of the Institute into IEST and as it involves issues relating to the payment of benefits like GPF etc., the matter be referred to the MHRD for taking advice of the Integrated Finance Division of the Ministry.

The Committee further resolved that the entire liabilities of the employees who have retired/deceased from the Institute before 04.03.2014, should vest in the Government of West Bengal and that the Institute should immediately communicate the decision to the Government of West Bengal in this regard.

Item No. 3.05 To consider the recommendation of the Committee for Building and Infrastructure Development (constituted by the BOG) in its 2nd Meeting held on 21.06.2016.

Resolution 3.05.01:

The recommendations of the Building and Infrastructure Development Committee held on 21.06.2016 were considered by the Committee for Financial Affairs. The Committee suggested that henceforth the

recommendations of the Building and Infrastructure Development Committee should be placed before the Committee for Financial Affairs after confirmation of the same in its next meeting. The Committee resolved that all such budgetary proposals must be in tune with the recommendations of the Expenditure Finance Committee (EFC) as approved by the Union Cabinet and any excess amount demanded due to price escalation/modifications should be stated in a clear cut manner for its necessary approval by the MHRD.

However, on account of the immediate requirement of some civil works, the recommendations of the Committee for Building and Infrastructure Development given in Resolution Nos. 3.05.02, 3.05.03, 3.05.04, 3.05.05 and 3.05.06 below were considered and decided as per these Resolutions.

Resolution 3.05.02:

The Committee for Financial Affairs considered the Resolution of the Agenda Item No. 2.02 of the Building and Infrastructure Development Committee and on the basis of the information provided by the Registrar that this work is in tune with the recommendations of the Expenditure Finance Committee (EFC) as approved by the Union Cabinet, recommended for approval of the BOG of the preliminary cum detailed estimate amounting to Rs. 5,25,43,000/- towards the proposed construction of the remaining 5th, 6th & 7th floors of the eight storied Ladies Hostel (Lt. William Hall) including installation of lifts & other services, submitted by the Superintending Engineer (P), CE, EIZ-III, CPWD, Kolkata-20.

The Committee also noted that the CPWD will complete the work within 1 year from the date of execution of this work.

Resolution 3.05.03:

The Committee for Financial Affairs considered the Resolution of the Agenda Item No. 2.03 of the Building and Infrastructure Development Committee and on the basis of the information provided by the Registrar that these works are essential for the works of hostels for boys and girls respectively which are in tune with the recommendations of the Expenditure Finance Committee (EFC) as approved by the Union Cabinet, recommended for approval of the BOG of the enabling estimate of Rs. 77.00 Lakh for 1000 capacity single seated boys hostels and Rs. 72 Lakh for 600 capacity single seated girls hostels submitted by the Executive Engineer (P), KCC-II, CPWD for the purpose of expenditure for i) structural consultancy of the project, ii) consultancy services for service charge such as water supply, electricity, drainage & sewerage, iii) for obtaining statutory approval from local bodies, iv) preparation of model project, v) consultancy for design of electrical & mechanical services and vi) soil investigation. The Committee also recommended for approval of the BOG that a sum of Rs. 25 Lakh be given to CPWD for pre-constructional work at present.

The Committee was also informed that both the projects will be undertaken by the CPWD and rough cost estimate for the 1000 capacity boys hostels is about Rs. 126.73 Crore and rough cost estimate for the 600 capacity girls hostels is about Rs. 76.50 Crore.

The Committee further desired that the detailed and final estimates and designs etc. of these works be prepared as soon as possible.

Resolution 3.05.04:

The Committee for Financial Affairs considered the Resolution of the Agenda Item No. 2.04 of the Building and Infrastructure Development Committee and on the basis of the information provided by the Registrar that this work is in tune with the recommendations of the Expenditure Finance Committee (EFC) as approved by the Union Cabinet, recommended for approval of the BOG of the detailed estimate worth Rs. 1,33,79,608/- towards the construction of remaining floors (1st floor to 3rd floor) of the

Students Amenities Centre including sanitary & plumbing works, but excluding electrical work, submitted by SE, PWD, Govt. of West Bengal.

The Committee also noted that SE, PWD (Electrical) will submit the estimate for electrical installation work for the proposed construction at the earliest and the work will be completed within 6 months from the date of administrative approval.

The Committee further observed that this work should be started only after getting the detailed estimate for electrical installation work also and its approval by the competent authority so that the work goes on seamlessly and that there is no unnecessary breakage/tampering with the structure/walls/floors etc. for the electrical fittings, if done after the completion of civil work.

In view of the recommendations of Prof. Hiranmoy Saha, Centre of Excellence for Green Energy and Sensor Systems, IEST, Shibpur, it was resolved that his recommendations given below should be recommended to the Board of Governors for approval: -

- Efforts should be made to install Solar PV modules and or Solar Hot Water Collectors on the shading free region of the roof top of all the existing buildings in the campus as far as possible to provide green electricity and green heating
- For any new construction in the new campus installation of solar Modules and / or Solar Collectors should be made mandatory.

The Committee was further informed that the above suggestions of Prof. Hiranmoy Saha have already been incorporated in the works related to Resolution Nos. 3.05.02, 3.05.03 and 3.05.04 recorded above. However, the Committee resolved that in case, the estimates of the referred works get modified on account of suggestions of Prof. Hiranmoy Saha, they should again be considered by the Building and Infrastructure Development Committee and the Committee for Financial Affairs.

The Registrar further informed the Committee that Solar Energy Corporation of India (SECI), a Govt. of India Undertaking under the Ministry of New and Renewable Energy (MNRE) has sanctioned about 800 KW of Roof Top Solar PV Power Plant of IEST, Shibpur to be installed by M/s Ray Experts. IEST has to sign a PPA contract with M/s. Ray Experts Ltd to pay, @ Rs. 5.49 per kwh for a period of 25 years for the power generated by Solar Power Plant. Now institute is paying CESE @ 7.10 per kwh. The Committee was informed by the Director that the selection of vendor for the Roof Top PV Solar Power Plant and the rate at which the PPA is to be signed are all as per the guidelines/directions of the Ministry of New and Renewable Energy, Government of India.

Resolution 3.05.05:

The Committee for Financial Affairs noted the Resolution of the Agenda Item No. 2.05 of the Building and Infrastructure Development Committee and recommended for approval of the BOG in principle of the proposed 1000 capacity boys hostels, 600 capacity girls hostels, Lecture Theatre Complex & Laboratories prepared by the CPWD. Following suggestions of the Building and Infrastructure Development Committee were also noted by the Committee:

1. The construction work of the Lecture Theatre Complex should be given the 1st priority and then the construction work of the 1000 capacity boys hostels be taken up. The proposal of 600 capacity girls' hostels may be taken up at a later phase.
2. The height of the podium of the Lecture Theater Complex should be increased as the location place is situated in the low land area.
3. Hostel buildings should be environment friendly and safe for the students and there should be provision for installing solar panel at the roof top as per norms of the Govt. of India.

4. The CPWD should start necessary soil investigations, design and engineering detailed estimates etc.

Resolution 3.05.06:

The Committee for Financial Affairs noted the Resolution of the Agenda Item No.2.06 of the Building and Infrastructure Development Committee and recommended for ratification of the BOG of the administrative approval of the Director granted towards various estimates of PWD (Civil) (Amounts to Rs.4,89,98,587.80), PWD(Elect.) (Amounts to Rs.2,52,49,459.00), PHE Dte. (Amounts to Rs. 1,20,52,353.00)and Other Works (amounts to Rs. 57,25,935.56)since 1st meeting of the Committee for the Building and Infrastructure Development.

The Committee was informed that all these decisions taken by the Director are within the powers delegated to the Director by the competent authority and that all the works have already been completed.

The Committee further resolved that various estimates sanctioned by the Director be re-examined and in case any sanction is beyond the powers delegated to the Director by the competent authority, the same be reported to the Committee in its next meeting.

- Item No. 3.06** **To consider and adopt the Audit Report for the year 2014-15, submitted by Indian Audit and Accounts Dept, Office of the Principal Director of Audit, Central, Kolkata of the accounts of Indian Institute of Engineering Science and Technology, Shibpur.**

Resolution: 03.06

The Committee for Financial Affairs considered the Audit Report for the year 2014-15submitted by Indian Audit and Accounts Department, Office of the Principal Director of Audit, Central, Kolkata and recommended the BOG to be held on 23.11.2016 to adopt the same. The Committee also noted the observations submitted by Indian Audit and Accounts Department and desired that the Institute comply with the observations and submit the compliance report to the audit authorities and in the next meeting of the Committee for Financial Affairs.

- Item No. 3.07** **To consider the Final Accounts for the year 2015-16 of Indian Institute of Engineering Science and Technology, Shibpur.**

Resolution 3.07:

The Committee for Financial Affairs considered the Final Accounts for the year 2015-16and recommended the Annual Accounts for the year 2015-16 for approval of the BOG.

- Item No. 3.08** **To consider the note of Dean - Infrastructure, Planning and Management regarding administrative approval and financial sanction of Rs. 55, 26,391.45/- for renovation, upgradation of IT Infrastructure of the Institute submitted by the IT Infrastructure Committee.**

Resolution 3.08:

The Committee considered the note of Dean - Infrastructure, Planning and Management regarding administrative approval and financial sanction of Rs. 55, 26,391.45/- for renovation, up-gradation of IT Infrastructure and resolved that IT Infrastructure Committee of the Institute may further compare the

rates in the note with the market rates for up-gradation of IT infrastructure and the matter be placed in the next meeting with full justification.

The Committee further resolved that estimates of such specialised works should necessarily be examined by an Expert Committee comprising of experts in the field.

Item No. 3.09 **To consider the note of Prof. Subhasis Bhaumik, Prof. AE & AM and Convener of National Initiative on Innovations for Product Design and Manufacturing, IEST, Shibpur regarding approval of Rs. 46 Lakh for purchase of product design software CATIA and other software from M/s Tata Technologies, Pune at a total Price of Rs. 46 Lakh as recommended by the Central Purchase Committee.**

Resolution No. 3.09:

The Committee considered the note regarding approval of Rs. 46 Lakh for purchase of product design software CATIA and other software from M/s Tata Technologies, Pune. After detailed discussions, the Committee resolved that the Institute should verify whether there are other agencies which could provide same product design and place the report in the next meeting of the Committee for Financial Affairs.

The Committee further resolved that the Institute should explore the possibility of following the EOI route or calling for tenders/ bids indicating the specifications/ functionalities of the software to ensure competition and for getting best rates.

Item No. 3.10 **To finalise the Purchase Policies and Delegation of financial power in IEST, Shibpur.**

Resolution No. 3.10:

The Committee considered the draft Purchase Policies and Delegation of financial power in IEST, Shibpur submitted by the Committee constituted for this purpose.

After detailed discussions, the Committee resolved that the Institute should follow the latest General Financial Rules (GFR) of the Government of India for all its purchases and procurement and clarification(s) issued by the Ministry of Finance in this regard from time to time.

Item No. 3.11 **To consider the note of Assistant Registrar regarding post graduate allowance for Dr. Pratik Bhowmik, Medical Officer of the Institute.**

Resolution No.3.11

The Committee considered the note and resolved that the matter be sent to MHRD for guidance.

Item No. 3.12: **To consider the note of Dean Administrative Affairs regarding permission for publishing Institute advertisement in Indian Express as per their consolidated rate.**

Resolution No.3.12:

The Committee considered the note and resolved that Institute should publish the advertisements in the newspapers which are under DAVP rates only.

Item No. 3.13 To ratify the approval of the Director regarding discontinuation of payment of DA, HRA and other allowances of the West Bengal Government Employees (working IEST, Shibpur as allottee since B. E. College and till not absorbed) as applicable to permanent employees of the institute from the month of November 2016 and continue these facilities at par with the West Bengal Government rules.

Resolution No.3.13:

The Committee for Financial Affairs ratified the decision taken by the Director regarding discontinuation of the payment of Central DA, HRA and other allowances as applicable to permanent employees of the Institute to the State Government Employees working at IEST, Shibpur as allottee (since 1993) from the month of November 2016 and to continue these facilities at par with the State DA, HRA and other allowances as applicable to State Government employees.

The Committee noted that the proposal of the Institute regarding payment of Central DA, HRA and other allowances of the West Bengal Government Employees working at IEST, Shibpur as allottee status was sent to MHRD vide no. 0018/MH-14 dated 13.10.2014 for the concurrence of the MHRD as per the Resolution of the emergency Executive Council meeting held on 19.09.2014.

Since the Institute has not received any communication in this regard, the Committee resolved that the matter be again sent to the MHRD for their decision in this regard.

Item No. 3.14 To ratify the decisions of the Committee constituted for looking into the modalities of conversion of the School of Management sciences to self financed mode

Resolution 3.14:

The Committee for Financial Affairs ratified the approval of the Director and recommended to the Board of Governors, the following decisions as recommended by a Committee constituted for looking into the modalities of conversion of the School of Management Sciences (SOMS) to self financed mode:

- 1) That at present the School is suffering tremendously for lack of adequate and qualified faculty members. In keeping with the practice followed in IITs, the school must be placed in the self financed mode.
- 2) As a self financed School the fund generated by SOMS will be kept under separate head with the Finance Department. All the expenses of SOMS will be debited from that account and the purchase rules of the Institute will be applicable to the SOMS.
- 3) All academic matters related to the SOMS will be as per the usual norms of the Institute.
- 4) Ten faculty members may be recruited for SOMS on contract and all of them should have PhD and their experience should be as per the guidelines of the MHRD in this regard.
- 5) The consolidated remuneration for the contractual faculty members for SOMS will be fixed as follows:

I.	Assistant Professor	: Rs. 85,000.00 /-
II.	Associate Professor	: Rs. 1, 17,000.00 /-
III.	Professor	: Rs. 1,31,000.00 /-

- 6) Appointment of the faculty members will be initially for a period of one year and extendable upto 3 years on the basis of the recommendation of Head of the School.
- 7) Contractual faculty members will be entitled for an increment of 3% over the consolidated pay at the end of the year.

The Committee also noted that an advertisement has already been published in National newspapers for recruitment of one Professor and five Assistant Professors on contract basis as per the approval of the Director.

The Committee further resolved that since the Institute is governed by the National Institutes of Technology Science Education & Research (NITSER) Act, 2007 and the relevant Statutes, the status of employees of the SOMS and their service conditions should be as per the provisions of the Act and the Statutes. The Committee also resolved that before placing this proposal before the Board of Governors for consideration, all relevant facts be re-examined and it be ensured that the provisions of the NITSER Act, 2007 and the Statutes are being followed for all aspects of the SOMS, including the status of employees of the School and their service conditions.

The Registrar assured that the grant-in-aid received by the Institute from MHRD shall in no way be used by the SOMS and all its expenses shall be borne by the funds generated by the School itself.

Item No. 3.15 **To ratify the approval of the Director regarding Bonus of contractual employees of the institute.**

Resolution No. 3.15:

The item was withdrawn.

Item No. 3.16 **To ratify the approval of the Director regarding the Revised Estimate for 2016-17 and Budget Estimate for 2017-18 of the institute.**

Resolution No. 3.16:

The Committee ratified the Revised Estimate for 2016-17 and Budget Estimate for 2017-18 of the Institute which has been submitted to MHRD and also recommended that this item be placed in the 5th Meeting of the BOG to be held on 23.11.2015 for ratification of the BOG.

The Committee also noted that the Institute funding is in a project mode for the period of 5 years and is being funded by the MHRD on the basis of the Cabinet approval of Rs.592 Crore (Rs.300.30 Crore for non-recurring expenditure and Rs.291.90 Crore for recurring expenditure) as per the recommendations of the Expenditure Finance Committee. However, till date (upto 22.11.2016) the Institute has received only Rs.181.04 Crore, out of which about 20 Crore has been used for non-recurring expenditure and 160 Crore has been used for recurring expenditures, i.e., salaries of the employees, student scholarship, expenses for electricity and outsourced services, maintenance of the campus etc.

The Committee noted that the Institute is facing acute financial condition resulting in inadequate hostel facility, academic infrastructure like class rooms, laboratories, etc. for the students.

The Committee noted that the Institute needs to build hostels for boys and girls and building complex comprising of Lecture Halls & Laboratories, considering the enhanced number of students.

The Committee also noted that presently capacity of hostel accommodation for the students is less than 60 per cent of the present student strength. To make the Institute fully residential in character and to fulfill the requirement of infrastructure for the enhanced student strength appropriate funds are required to construct the above mentioned infrastructure.

The Committee also reiterated that a comprehensive financial development plan indicating all major works to be executed by the Institute (prioritising the works to be done) in tune with the recommendations of the Expenditure Finance Committee as approved by the Union Cabinet be submitted in the next meeting of the Committee for Finance Affairs for consideration.

Item No. 3.17: To note the approval of the Director regarding enhancement of Grant of Productivity Linked Bonus (PLB) and non productivity linked Bonus (Ad-hoc bonus) to the employees of IEST, Shibpur in respect of the office order issued by Deptt. of Expenditure, Ministry of Finance, Govt. of India vide office order no 7/4/2014-E-IIIA dt.29.08.2016 for the year 2014-15 for Central Govt. Employees.

Resolution No. 3.17:

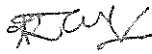
The item was withdrawn.

There being no other items, the meeting ended with vote of thanks to the Chair.



(Dr. Biman Bandyopadhyay)
Secretary & Convenor, Committee for Financial Affairs
& Registrar, IEST, Shibpur

Approved



(Prof. Ajoy Kumar Ray)
Chairman, Committee for Financial Affairs
& Director, IEST, Shibpur

