



Indian Institute of Information Technology, Design and Manufacturing, Kancheepuram

Minutes of the 28th Meeting of the Finance Committee held at 10.00 A.M. on Friday,
27th September 2019, at Board Room, NITTR, Taramani, Chennai

Members Present

Prof. S.Sadagopan	---	Chairman
Prof. S Narayanan	---	Member
Prof. Banshidhar Majhi	---	Member
Dr. S Murugaiah	---	Member
Shri. A Chidambaram	---	Secretary

The leave of absence was granted to Shri. Anil Kumar, Director (Finance), MHRD and Shri. Prashant Agarwal, Director (IIIT), MHRD

The Chairman welcomed the members to the Meeting.

FC 28 (2019)-1	Confirmation of proceedings of the 27th Meeting of the Finance Committee held on 02nd January 2019
	The proceedings of the 27 th meeting of the Finance committee held on 02 nd January 2019 were circulated to all members of the FC after approval by the Chairman, Finance Committee. No comments were received thereafter and the proceedings of the 27 th Finance committee meeting held on 02 nd January 2019 was confirmed.

Ad

Banshidhar Majhi

FC 28 (2019)-2	To discuss and recommend to Board for approval of the Revised Estimate 2019-20 and Budget Estimate 2020-21 in respect of IIITDM Kancheepuram																				
Resolution FC-06/2019	<p>It is submitted that Revised Estimate 2019-20 and the Budget Estimate 2020-21 needs to be submitted to MHRD for finalization of budget in the month of September every year for incorporation by MHRD in their demand for grant to Ministry of Finance, Government of India.</p> <p>The Institute has proposed the following in the Revised Estimate 2019-20 and the Budget Estimate 2020-21</p> <p>(i) Revised Estimate 2019-20</p> <table border="1" data-bbox="416 667 1430 860"> <thead> <tr> <th>Head</th> <th>Amount (Rs. in Crores)</th> </tr> </thead> <tbody> <tr> <td>OH 35 Creation of Capital Asset</td> <td>13.69</td> </tr> <tr> <td>OH 31 Grants in Aid General</td> <td>16.54</td> </tr> <tr> <td>OH 36 Grant in Aid Salaries</td> <td>12.87</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>43.10</td> </tr> </tbody> </table> <p>(ii) Budget Estimate 2020-21</p> <table border="1" data-bbox="416 949 1430 1142"> <thead> <tr> <th>Head</th> <th>Amount (Rs. in Crores)</th> </tr> </thead> <tbody> <tr> <td>OH 35 Creation of Capital Asset</td> <td>13.88</td> </tr> <tr> <td>OH 31 Grants in Aid General</td> <td>21.48</td> </tr> <tr> <td>OH 36 Grant in Aid Salaries</td> <td>18.12</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>53.48</td> </tr> </tbody> </table> <p>It is submitted that the Institute does not have any permanent source of water supply with 1600 students and 80 Faculty residing in the campus. The water shortage is acute and in order to mitigate the problem, the Institute has approached TWAD for supply of water from the nearby lake and the cost estimate has been included in the RE & BE for release of funds.</p> <p>The Finance committee deliberated the Revised Estimate and the Budget Estimate and</p> <p>i) Advised the Institute to strive hard to increase the share of the overheads charges and the consultancy charges received from the Sponsored Projects and Consultancy projects. The Director had explained about the increase in number of projects compared to previous years and the limitation of overhead charges to 15% of the proposed costs only and some of the government department does not allow overhead charges to the Project. The director assured the committee about the increase in the internal income in the forthcoming years through projects and consultancy.</p> <p>ii) The committee also advised the Institute to generate more interest by parking the surplus funds in the Fixed deposit.</p>	Head	Amount (Rs. in Crores)	OH 35 Creation of Capital Asset	13.69	OH 31 Grants in Aid General	16.54	OH 36 Grant in Aid Salaries	12.87	Total	43.10	Head	Amount (Rs. in Crores)	OH 35 Creation of Capital Asset	13.88	OH 31 Grants in Aid General	21.48	OH 36 Grant in Aid Salaries	18.12	Total	53.48
Head	Amount (Rs. in Crores)																				
OH 35 Creation of Capital Asset	13.69																				
OH 31 Grants in Aid General	16.54																				
OH 36 Grant in Aid Salaries	12.87																				
Total	43.10																				
Head	Amount (Rs. in Crores)																				
OH 35 Creation of Capital Asset	13.88																				
OH 31 Grants in Aid General	21.48																				
OH 36 Grant in Aid Salaries	18.12																				
Total	53.48																				

Adm

Basu

	<p>iii) The committee also advised the Institute to present the Budget Estimates proposals to the committee early in the month of July or August well before the due date of September every year.</p> <p>The committee was appraised about the comments of the Finance division of MHRD that <i>“the proposal may be considered for approval. However the actual allocation will depend upon availability of resources”</i>.</p> <p>The Finance Committee after deliberation RESOLVED to recommend to Board for approval of Revised Estimate 2019-20 and Budget Estimate 2020-21 (Annexure-A)</p>
FC 28 (2019)-3	To discuss and recommend to Board for approval of the Annual Accounts of IIITDM Kancheepuram for the FY 2018-19
Resolution FC-07/2019	<p>The annual accounts for the year 2018-19 was prepared in the prescribed format and the annual accounts has to be approved by the Finance Committee and Board of Governors for submission to Director General of Audit (Central) Chennai for detailed check and issue of audit certificate for the year 2018-19. Thereafter the annual accounts have to be forwarded to Ministry for placing before the Parliament.</p> <p>The Audit team has however intimated about the commencement of audit from 23.07.2019 and due to paucity of time, in principle approval from Chairman, Finance committee was obtained and the annual accounts was submitted to local audit team for audit of the annual accounts.</p> <p>The Finance Committee examined the annual accounts and advised the Institute</p> <ol style="list-style-type: none"> 1. That the unutilized balances of the closed sponsored projects may be closed at the earliest and no closed projects balance should be kept with the Institute and returned to respective agencies. 2. The bank balances may be kept at optimum level and the surplus funds may be parked at Fixed deposits to earn more interest. 3. The patent/recognition received from the projects may be submitted to the Finance Committee in the next meeting. 4. The balances in the non-core accounts may be kept at optimum level and the savings may be spent for Institute activities. <p>The Finance Committee after discussion RESOLVED to recommend to Board for approval of Annual Accounts for the FY 2018-19.(Annexure-B)</p>

Ad2

Basu

FC 28 (2019)-4	To discuss and approve the reply to Draft Separate Audit Report received from Director General of Audit (Central), for the Annual Accounts FY 2018-19 of IIITDM Kancheepuram
Resolution FC-08/2019	<p>It is submitted that the annual accounts of the Institute for the FY 2018-19 has been audited by the local audit team from the Director General of Audit (Central) from 23.07.2019 to 10.08.2019. The draft separate audit report for the annual accounts has been received and reply has to be furnished for issue of separate audit report.</p> <p>The Institute has finalized the reply to audit para and the reply is enclosed as (Annexure-C)</p> <p>The Finance Committee noted the draft audit report received from the Director General of Audit (Central) and approved the draft reply and also authorized the Institute to revise the accounts accordingly and RESOLVED to recommend to Board for approval.</p>
FC 28 (2019)-5	Purchase of New vehicle for use by the Director
Resolution FC-09/2019	<p>The Finance committee discussed the issue of permanent vehicle for the Director and noted that the Director does not have permanent vehicle at present and uses the hired vehicle for the office use. The Committee was brought to the notice of the recent Ministry of Finance Office Memorandum No. F.No.7(1)/E.Coord/2019 dt 17th September 2019 about the lifting of ban on purchase of new vehicles by Ministries/departments.</p> <p>The Finance committee noted the contents of the said OM and advised the Institute to purchase a new vehicle for the Director as per norms. The committee advised the Institute that the expenditure may be incurred judiciously.</p> <p>Accordingly, the Finance Committee RESOLVED to recommend to Board for approval of purchase of new vehicle for use by the Director.</p>
FC 28 (2019)-6	Formulation of guidelines for use of Internal Income
	<p>The Finance committee discussed the matter of construction of Residence for the Director and it was informed to the committee that the Institute had already finalized the proposal of construction of residence for Director after due approval from the Building and works Committee (BWC) and it was</p>




**Resolution
FC-10/2019**

proposed to use the Internal Income of the Institute for construction of the building. The Director has brought to the notice of the Committee regarding the comments received from the MHRD about the *'Guidelines for the use of internal Income by the Institute'*

The Director informed that there are no guidelines available as such for use of internal income.

The committee deliberated the same and it was decided that the Internal income generated by the Institute is for use by the institute for meeting the expenditure when there is shortfall of grant in aid from the Ministry.

As desired by MHRD, the committee after discussion formulates the following guidelines for use of internal income.


1. **Objective:** The fund shall be supplementary to the grant in aid in meeting the expenditure of the Institute and shall be used where there is shortfall in grant in aid from the Ministry. The Internal Income shall include all academic receipt other than tuition fee, seat rent collected from Hostel and other miscellaneous receipt which are not accounted under corpus fund.
2. **Utilization of Internal Income :** The Internal Income shall be permitted to be utilized for the following expenditure.
 - I. **Capital Expenditure**
 - a. Scientific and lab equipment
 - b. Computer & Peripherals and Software
 - c. Office equipment
 - d. Library books
 - e. Workshop machinery
 - f. Furniture
 - g. Building (Civil and Electrical)
 - II. **Revenue Expenditure**
 - a. Laboratory consumables
 - b. Computer consumables
 - c. Pay and Allowances
 - d. Conference/Seminars/workshop etc.
 - e. Repair and Maintenance
 - f. Travelling Allowances for travel pertaining to institute activities.
 - g. Any other expenditure required for the development of the institute as decided by the Director


Adl

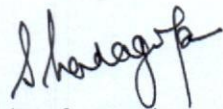
B. G. P.

	<p>3. Norms and Procedures: All norms, procedure, rules, regulation and instruction applicable for incurring expenditure from Government grant will be applicable for meeting the expenditure from Internal income.</p> <p>4. Sanction of Expenditure: Director shall have the power to sanction the expenditure as per norms.</p> <p>The Finance committee after discussion RESOLVED to recommend to Board for approval of the guidelines for use of Internal income.</p>
--	---

The meeting concluded with thanks to the Chair.


(A. Chidambaram)
Secretary


(Prof. Banshidhar Majhi)
Director


(Prof. S. Sadagopan)
Chairman