



# Indian Institute of Information Technology, Design and Manufacturing, Kancheepuram

**Minutes of the 37<sup>th</sup> Meeting of the Finance Committee held at 10.00 A.M. on Friday, 01<sup>st</sup> September, 2023 through Google meet at Board Room, IIITDM Kancheepuram.**

## Members Present

Dr. Sridhar Vembu	---	Chairman
Prof. MV Kartikeyan	---	Member
Shri. MS Sundara Rajan	---	Member
Prof. M Thenmozhi	---	Member
Shri. Anil Kumar	---	Member
Shri. Chandan Kumar Prusty	---	Secretary

The leave of absence was granted to Shri. Priyank Chaturvedi, Deputy Secretary (IITs), MoE as he could not join the meeting due to his prior commitments. However, comments received on agenda points from the ministry were placed in the meeting.

At the outset, the Director with immense pleasure welcomed Dr. Sridhar Vembu, Chairman, Board of Governors and introduced to all the members of the Finance Committee. The Director also placed on record the contributions and guidance provided by outgoing Chairman Prof. S.Sadagopan. The Director also welcomed all the members to the meeting and thereafter, the agenda items were taken up serially.

<b>FC 37 (2023)-1</b>	<b>To Confirm the proceedings of the last (36<sup>th</sup>) meeting of the Finance Committee held on 30<sup>th</sup> May, 2023.</b>
	<p>The proceedings of the 36<sup>th</sup> meeting of the Finance committee held on 30<sup>th</sup> May, 2023 were circulated to all members of the FC after approval by the Chairman, Finance Committee. No comments were received from the members.</p> <p><b>The Finance Committee confirmed the proceedings of the 36<sup>th</sup> Finance Committee meeting held on 30<sup>th</sup> May, 2023. (Annexure-1)</b></p>

<p><b>FC 37 (2023)-2</b></p>	<p><b>To ratify and recommend to Board for Approval of the certified Annual Accounts of IITDM Kancheepuram for the FY 2022-23 received from the office of the Principal Director of Audit (Central), Chennai.</b></p>
	<p>The annual accounts of IITDM Kancheepuram for the year 2022-23 was prepared in the prescribed format and was approved by the Finance Committee in the 36<sup>th</sup> meeting held on 30/05/2023. The approved annual accounts were submitted to Principal Director of Audit (Central) Chennai for issue of Audit certificate.</p> <p>After due audit by the CAG, the draft separate audit report was received on 14/07/2023 for compliance.</p> <p>Based on audit observation, changes wherever necessary was incorporated in the annual accounts. With the approval of Director, the revised annual accounts along with the reply were sent to Principle Director of Audit (Central) Chennai for issue of audit certificate.</p> <p>The final Separate audit report was received from the Office of the Principal Director of Audit (Central), Chennai on 14/08/2023.</p> <p>The audit observation and the para wise reply is enclosed as <b>Annexure-2</b>. The revised certified annual accounts along with the audit certificate is enclosed as <b>Annexure-3</b>.</p> <p><b>The Finance Committee after due discussion ratified the changes made in the revised Annual Accounts for the FY 2022-23 taking into the comments of the audit (SAR) and recommended the same to Board for approval.</b></p> <p><b>However, the committee advised the Institute to complete the pending physical verification of the fixed assets soon and due care should be taken in upcoming years to complete the same before the start of the audit. With respect to one of the audit comment related to charge of depreciation, the committee advised to charge depreciation from the date when the asset is put to use irrespective of receipt of the completion certificate.</b></p> <p><b>It was also instructed by the committee that the institute should aim to obtain “Nil” observation report in future.</b></p>
<p><b>FC 37 (2023)-3</b></p>	<p><b>To adopt the Payment of gratuity Act 1972 for the employees of IITDM Kancheepuram covered under New Pension Scheme</b></p>
	<p>It is submitted that the institute received the Ministry of Education letter vide F.No 54-15/2021-TS.1 dated 20 Dec 2022 and Ministry’s Office Memorandum F.No.15-2/2022-TC</p>

	<p>dated 16th December, 2022 regarding applicability of payment of gratuity Act,1972 to educational institutions under the Ministry of Education.</p> <p>The copy of the same is enclosed in <b>Annexure- 4</b>.</p> <p>The committee noted the contents of the MoE letter on applicability of payment of gratuity Act,1972 for the Government autonomous bodies.</p> <p><b>The Finance Committee discussed and recommended to Board for adoption of the Payment of Gratuity Act 1972.</b></p>
<b>FC 37 (2023)-4</b>	<b>To discuss and approve the guidelines for the “IITDM Employees Benevolent Fund Rules 2023”</b>
	<p>It is submitted that the emergent and unforeseen situations like sudden and serious illness or death of employees may leave the families in great financial distress. At such times, benevolence in the form of financial assistance must be available to the family members to overcome the situation. Many institutes like IITs / NITs are having a benevolent scheme for their employees.</p> <p>Accordingly, the Director had constituted a committee to study the demand and draft the modalities and rules regarding the benevolent fund. The committee discussed in detail and prepared a rules for the staff benevolent rules and it is attached in <b>Annexure-5</b>. The employees have requested for such benevolent scheme at the institute.</p> <p>It is requested that an amount of Rs. 5.00 lakhs need to be supported to the benevolent fund and it will be returned subsequently.</p> <ol style="list-style-type: none"> <li><b>1. The subscription fees for all the members shall be Rs. 1200/- per annum.</b></li> <li><b>2. A support of Rs. 5.00 lakhs be given from Internal Revenue Generation of the institute in the first year for operation of the scheme.</b></li> </ol> <p><b>The Finance Committee deliberated the scheme details and concurred the need of such schemes in the institute. FC considered and recommended the “IITDM Employees Benevolent Fund Rules 2023” to Board for approval.</b></p>
<b>FC 37 (2023)-5</b>	<b>To discuss and approve the Purchase manual and Internal audit manual of the institute</b>
	<p>A Purchase manual and an Internal audit manual have been prepared by the Institute detailing the procedure and process to be followed for the procurement of Goods and Services and for the internal audit based on the extant guidelines of the Govt. of India.</p>

	<p>Both the manuals have been duly vetted by the Committees constituted by the Director. The Purchase manual and Audit manuals are attached in <b>Annexure- 6 &amp; 7</b> respectively.</p> <p><b>The Finance Committee discussed and recommended the Purchase manual and Internal audit manual of the Institute to Board for consideration and approval.</b></p>
<b>FC 37 (2023)-6</b>	<b>To discuss and approve the guidelines for “Hostel Corpus Fund Rules”</b>
	<p>The institute has created the student corpus fund (Hostel Account) scheme for the saving derived from the fixed /variable components in the mess billing/dinning charges of the hostel. Accordingly, the Director had constituted a committee to prepare the guidelines for the utilization of student corpus fund for consideration.</p> <p>The committee deliberated and finalized the “Hostel Corpus Fund Rules” which is attached in <b>Annexure-8</b>.</p> <p><b>The Finance Committee appreciated the scheme and discussed the student corpus fund rules in detail. FC after deliberation, recommended the Student Corpus Fund rules to the Board with an inclusion of a provision for inter head adjustment in the various heads of expenditure by keeping the total expenditure limit unchanged.</b></p>
<b>FC 37 (2023)-7</b>	<b>To consider a revision of Honorarium/Sitting fee to the members of the Selection Committees of recruitment and the statutory committees of the Institute.</b>
	<p>It is submitted that the Institute is conducting the meeting of the Selection Committee for the recruitment of Faculty and staff members wherein the meeting of seminar evaluation /Interview are attended by the senior faculties/officers of various Institutes. Similarly, the statutory committees of the Institute like Senate, Finance Committee, Research council and the Board consists of experts from academia and Industry.</p> <p>The selection committee meetings and the statutory meetings prolong for longer period requiring considerable time and energy of the participating members. In order to compensate the effort and time spent by the members, the Honorarium payable may be enhanced from Rs. 4,000/- to Rs. 10,000/-. It is submitted that the IITs have increased the honorarium payable to the members to Rs. 10,000/-</p> <p><b>The MoE has circulated the Department of Expenditure OM No. 19047/10/2016-E-IV, Dated. 12/04/2017 and advised to follow the same. The Finance Committee concurred the observation of the ministry and advised to follow the guidelines outlined in the OM. Hence, the item was withdrawn.</b></p>

<p><b>FC 37 (2023)-8</b></p>	<p><b>To deliberate and recommend the Enhancement of Institute Seed Grant for the new faculty members</b></p>
	<p>It is submitted that the Institute seed grant scheme aims to offer initial funding to faculty members who are embarking on new research endeavors, enabling them to generate preliminary data and enhance their proposals for external funding opportunities. Accordingly, the Institute offers a seed grant of Rs.10.00 lakh to the new faculty members.</p> <p>However, the Research Council deliberated the matter and discussed that the Institute seed grant attracts talented faculty and fostering their retention within the institute and institutional research growth. After discussion, recommended an increased grant award in the range of Rs.20.00 lakh to Rs.25.00 lakh for greater support and impact.</p> <p><b>On enquiry, it was clarified that the scheme is for setting up of lab for the projects and it is a budget allocation for the faculty to undertake research expenditure for procurement of equipment and related consumables and the assets shall be the property of the Institute.</b></p> <p><b>The Finance Committee deliberated and recommended the enhancement of seed grant to Rs. 20.00 lakhs per newly joined faculties and instructed to follow Govt. norms in the procurement of equipment and consumables in this regard.</b></p>
<p><b>FC 37 (2023)-9</b></p>	<p><b>To recommend for the creation of Professional Development Fund (PDF)</b></p>
	<p>To encourage the Principal Investigator to have more Sponsored Research and Industrial Consultancy Projects and to support the professional development of the faculty members, Professional Development Fund (PDF) may be generated and operated. It is proposed to allocate 20% of the total overhead charges to the professional development of the P.I.</p> <p>However, the Research Council deliberated the matter and recommended the following expenditures are allowed under the Professional Development Fund;</p> <ul style="list-style-type: none"> <li>• Purchase of equipment/desktop/laptop by following institute purchase procedure. Such equipment shall be brought under Institute Stores Inventory records.</li> <li>• Purchase of technical and scientific books, journals and software for professional use</li> <li>• Travel expenses for presenting papers in both national and international conferences including air/train fare, as per institute norms including advances</li> <li>• Membership fee for professional bodies</li> </ul> <p><b>The Finance Committee discussed the matter in details and did not recommend the creation of Professional Development Fund.</b></p>

<p><b>FC 37 (2023)-10</b></p>	<p><b>To discuss and recommend for the increase in the allocation of Innovation fund from 1% to 5% of the general budget.</b></p>
	<p>It is submitted that the Finance Committee in its 32<sup>nd</sup> meeting vide Resolution No. FC 32 (2021) 3, recommended for the creation of the Innovation Fund at the rate of 0.50% subject to maximum of 1.00% of the annual budget under General head (OH-31) of revenue grant for every year.</p> <p>Accordingly, Rs.14.00 lakh was utilized in the FY 2022-23 towards Innovation Fund to create an ecosystem and encourage students and faculty for innovation and start-ups.</p> <p>However, the Research Council deliberated the matter and discussed that the innovation at the institute need to be taken to greater heights which will help to achieve better ranking. The Research Council recommended for increase of innovation fund from 1% to 5% of the General Revenue expenditure.</p> <p>It is pertinent to mention that the institute has achieved the distinction of 8<sup>th</sup> position in NIRF Innovation ranking 2023 and ranked in the band of 100-150 in NIRF 2023 engineering ranking.</p> <p><b>The Finance Committee deliberated and resolved that there should not be any separate earmarking of funds towards Innovation fund. However, Institute may spend the amount based on the requirement within the overall budget limit from the General grant (OH – 31) for innovation activities.</b></p>

The meeting concluded with thanks to the Chair.

Sd/-  
Chandan Kumar Prusty  
Secretary

Sd/-  
Prof. M V Kartikeyan  
Director

Sd/-  
Dr. Sridhar Vembu  
Chairman