

# NATIONAL INSTITUTE OF TECHNOLOGY SILCHAR

## SIXTY FOURTH MEETING OF THE FINANCE COMMITTEE

### MINUTES

The 64<sup>th</sup> meeting of the Finance Committee was held on 31<sup>st</sup> January, 2023 at 1530 hours in NIT Transit House, New Delhi via hybrid mode. The following members were present in the meeting:

1. Sri Gautam N Mehra, Ex – officio Chairman
2. Prof. Rajat Gupta, Director & Ex – Officio Member
3. Sri Sanjog Kapoor, Joint Secretary and Financial Advisor, Ministry of Education
4. Sri Indrajit Kuri, Under Secretary, Ministry of Education
5. Prof. S. K. Kakoty, Professor, IIT Guwahati
6. Prof. P. K. Patowari, NIT Silchar
7. Prof. Krishna Lal Baishnab, Registrar (i/c) & Member Secretary, BoG

*Sri Gautam N Mehra presided the meeting of the Finance Committee as Ex – Officio Chairman, Finance Committee in accordance with Statute 10 of First Statute of NITs.*

At the outset, Prof. K. L. Baishnab welcomed the Ex – Officio Chairman, Finance Committee and other members who attended the meeting.

The FC then initiated the discussion on the Agenda Items one by one: -

**FC-64/23/01: Annual Report and Audited Accounts of NIT Silchar for the year 2021 – 22**

The Annual Report for the year 2021-2022 including Audited Accounts for 2021-2022 (**Annexure – I<sub>1</sub>**) was required to be sent to the Ministry of Education (MoE) by 31.12.2022 for laying before the Parliament.

As per Statute 14 (iv) of the First Statute of NITs, the Chairperson, BoG has approved the Annual Report and Audited Accounts for the year 2021 – 22 on 23.12.2022 (**Annexure – I<sub>2</sub>**) and required copies of the Annual Report (both Hindi & English) were submitted to the MoE on 30.12.2022.

The Committee is requested to ratify the decision Chairperson, BoG.

#### DECISION

*The Committee ratified the action.*

**FC-64/23/02: Extension of outsourced agency providing security, housekeeping & gardening services beyond 31.12.2022**

NIT Silchar engaged M/s Vanguard Security Service & Systems (VSSS) for providing 4 types of services viz Campus Housekeeping Services, Campus Security Services, Gardening, and Housekeeping services at all Hostels since 2020/2021. It was observed that the tender was floated on 23.03.2022 and was canceled on 20.04.2022 citing the reason that it involves a major financial decision and the tenure of the then Director was to be completed on 30.11.2022. Subsequently, two nos viz. Campus Housekeeping (except Hostels) and Campus Gardening work services were extended more than 23 months each after the expiry of their contract period whereas, for Hostel Housekeeping and



Campus Security Services, the period of the contract was extended by 18 & 12 months respectively i.e till 31.12.2022 by the Competent Authority.

The extended tenure of engagement of M/s Vanguard Security Services & Systems expired on 31.12.2022.

A committee under the Chairmanship of Dean (P&D) was constituted vide No. NITS/Tech/491/08/Pt-VII/18-19/2303-09 dated 05.12.2022 to initiate and finalize the processing of fresh tender for 4 nos of service-related works. The proposals of the committee, submitted on 21.12.2022 were discussed in a meeting chaired by the Director and attended by all Deans and Officers of the Institute on 22.12.2022. The resolution of the committee is attached as **Annexure-II<sub>1</sub>**.

Further, the committee vide resolution No. 3 recommended that "since the period of contract is extended up to 31.12. 2022, the Institute is under compulsion to extend the further contract period of the present agency/contractor beyond 31.12.2022 else it will paralyze the whole system i.e security and daily maintenance of NIT Silchar. As such it has been decided to extend the period of the Contract for another 3 months with the same terms and conditions or till the award of the work to the agency/ies after due tender process whichever is earlier."

The entire matter was submitted before the Chairman, BOG for his approval, with the observation that it would be placed in the next meeting of the BOG for ratification. The Chairman, BOG vide his email dated 26.12.2022 replied to Director, NIT Silchar as under:

*"I have perused the decision of the committee and also discussed the same with you. Since we have very little time left there is no other option but to extend this contract by 3 months or till the finalization of the tender whichever is earlier. The extension will (be placed) in the meeting of the BOG."*

The email is placed as **Annexure-II<sub>2</sub>**.

Accordingly, letters for extension of the contract of all 4 services for a period of three months with effect from 01.01.2023 or till the award of work to agency/ies after due process of the tender have been issued. These letters are placed as **Annexures- II<sub>3-6</sub>**.

The Committee is requested to ratify the decision Chairperson, BoG.

#### DECISION

*The Committee ratified the action.*

#### **FC-64/23/03: Floating tender documents for Security, housekeeping & gardening services**

A committee constituted under the Chairmanship of Dean (P&D) vide No. NITS/Tech/491/08/Pt-VII/18-19/2303-09 dated 05.12.2022 prepared tender documents for the services related to Security, housekeeping (hostel and campus) & gardening. The documents were vetted by two external experts (former Registrar of NITs).



The copy of the tender documents of the aforesaid services with the estimated costs as mentioned below is placed in **Annexure – III** for perusal.

S. No	Services	Estimated Costs	
		Monthly	Annually (Rounded off)
I.	Housekeeping works at all the Hostels of NIT Silchar	22,04,836.00	2,65,00,000.00
II.	Housekeeping works (Except Hostel) at NIT Silchar	30,68,607.00	3,70,00,000.00
III.	Gardening Services of the campus (Except Hostel Building) at NIT Silchar	9,51,055.00	1,14,20,000.00
IV.	Providing total campus security and institute vehicle driving services at NIT Silchar	78,70,000.00	9,44,40,000.00
<b>TOTAL</b>		<b>1,40,94,498.00</b>	<b>16,93,60,000.00</b>

The Committee is requested to consider and recommend the same to BoG for approval.

#### DECISION

*The Committee has gone through the tender documents placed in the meeting and recommended the same to Board for approval with the following observations:*

- The tender is to be floated in eWizard portal and published in the Central Public Procurement Portal (CPPP) following the guidelines of GFR 2017. The bids and EMDs will be received through eWizard portal of Ministry of Education.*
- In order to save time, tender is to be floated immediately without waiting for confirmation of minutes.*
- If tender process and award of work by following observation(i) takes more than 3 (three) months, the current contract may be extended further, till the finalisation of contract and award of work with the approval of the Chairperson, BoG*
- The minimum contract period should be for a period of 2 (two) years extendable by 1 (one) more year subject to satisfactory performance with an explicit clause for termination by the Institute within the contract period by giving 1 (one) months' notice*

**FC-64/23/04:**

#### **Budget-related matters.**

##### **A. Request for release of additional funds under OH-36 (Salaries etc) to cover the shortfall for Quarter-3**

The MOE sanctioned Rs.439.00 lakhs under OH-36 for salaries and other sub-heads for the month of December, 2022. However, the requirements of funds under this Head fall short by Rs.399.40 lakhs as indicated below:

Sl	Requirement Head	Amount (in Lakh)
1	Reqd. for disbursement of Salary for December, 2022	535.90

2	Enhanced DA arrear w.e.f July 2022 to Nov 2022	64.50
3	Leave encashment/Retirement Benefits (going to be retired employee during Dec 22)	25.00
4	Medical reimbursement claims, LTC, CPDA, Mobile bill reimbursement claims, etc. (bill passed for payment already)	85.00
5	Bills paid related to OH 36 already paid out of Institute IRG (as a temporary arrangement) due to insufficient receipt of grant in aid	128.00
<b>Total</b>		<b>838.40</b>
Grant in Aid received through TSA recently		439.00
<b>Total</b>		<b>399.40</b>

The matter has been reported to the MOE vide letter dated 26.12.2022, copy placed as **Annexure-IV<sub>1</sub>**, with a request to consider the release of the additional fund requirement.

The Committee is requested to consider and recommend the same to BoG for approval

#### DECISION

*The representative of Ministry of Education informed that the matter has already been taken care of.*

#### B. Budget proposals for Quarter -4 (January-March, 2023)

Budget proposals indicating requirements of fund for the 4th Quarter of the current financial year is summarised below:

BUDGET HEAD	AMOUNT (RS.IN LAKHS)
OH-31	2,850.00
OH-36	2,730.00
OH-35	1,085.00
<b>TOTAL</b>	<b>6,665.00</b>

Details are placed as **Annexure-IV<sub>2</sub>**. The required information of Budget proposal for the 4<sup>th</sup> Quarter have been sent to the Ministry of Education as per prescribed format on 09.01.2023.

The proposal for 4<sup>th</sup> Quarter for the Financial Year 2022 – 23 is placed for kind consideration and recommending the same to BoG for approval.

**SPECIAL NOTE:** - *As per the NIT Act & Statute the budget estimates of the institute for the Financial Year has to be approved by the FC & BoG. However, it has been observed that the budget estimates for the Financial Year 2018 – 19, 2019 – 20, 2020 – 21, 2021 – 22, 2022 – 23 were not placed before the FC & BoG.*

IN CRORE					
Year	18 – 19	19 – 20	20 – 21	21 – 22	22 -23
Budget Estimates	182.32	217.26	198.00	174.43	191.00
Actual Expenditures	125.73	132.17	122.64	133.62	92.50 (Till date)



*Advice of Finance Committee is solicited.*

**DECISION**

*The representative of Ministry of Education informed that the matter has already been taken care of.*

*Further, the matter regarding non – submission of Budget proposals for the Financial Years 2018-19, 2019-20, 2020-21, 2021-22 & 2022-23 in the FC / BoG meeting was noted by the Finance Committee*

**C. Budget proposals for the Financial Year 2023 - 24**

Budget proposals indicating requirements of fund for the financial year 2023 – 24 is summarised below:

BUDGET HEAD	AMOUNT (RS.IN LAKHS)
OH-31	8,804.15
OH-35	8,585.20
OH-36	10,645.45
TOTAL	28,034.80

Details are placed at **Annexure-IV<sub>3</sub>**.

The proposal for the Financial Year 2023 – 24 is placed for kind consideration and recommending the same to BoG for approval.

**DECISION**

*It was informed in the meeting that the Ministry of Education will shortly convene Budget Meeting for discussion on Budget Proposal for the Financial Year 2023 – 24.*

*The matter was noted by Finance Committee for necessary follow up by the Institute*

**FC-64/23/05: Audit Inspection Report on the Accounts of the NIT Silchar for the year 2020-2021.**

Inspection Report received from the CAG office on the accounts of the NIT Silchar for the year 2020-2021 is placed as **Annexure-V**. The response of the Institute is under process for compliance with the Audit. In this context, it may be noted that compliance with Inspection Report for 2020 – 21 was not done till 30.11.2022 for reasons not in the record.

The matter is placed before the FC for consideration and direction.

**DECISION**

*The committee has gone through the Audit Inspection Report and instructed the Institute to send draft reply along with detailed report to Ministry of Education for their advice.*

**FC-64/23/06 Recommendation of the committee constituted for enhancement of consolidated pay of staff engaged on contractual basis**

The consolidated pay of contractual staff of the institute was revised in 2018 and 2020 @ 3% (compounded) for 2 (two) years. However, no increment was granted to them during the year 2022. In this regard, a committee has been



constituted by the Director, NIT Silchar to look into matters related to the enhancement of the consolidated pay of staff engaged on contractual basis.

The Committee constituted has made two recommendations which are as follows:

a) **RECOMMENDATION – I**

In the recommendation of 7<sup>th</sup> CPC the minimum pay for an employee of the institute is ₹ 18,000.00 (i.e. Level – 1, Cell – 1). Few staff engaged on contract basis are getting pay less than ₹18,000.00.;

- i. the, consolidated pay of staff who are getting less than ₹ 18,000.00 may be enhanced to ₹ 18,000.00 w.e.f. January, 2022
- ii. the staff whose consolidated pay is more than ₹ 18,000.00 may be given an annual increment @ 3% compounded for 2 years (as per earlier practice) w.e.f January, 2022
- iii. the staff whose consolidated pay is more than ₹18,000.00 and were granted an increment during the year 2021 will be given an increment @ 3% only w.e.f. January, 2022

**RECOMMENDATION – II**

- i. As per earlier practice, contractual staff may be given an annual increment @ 3% compounded for 2 years w.e.f January, 2022.
- ii. The contractual staff who were granted an increment during the year 2021 will be given an increment @ 3% only w.e.f. January, 2022

The Competent Authority may decide on either of the recommendations.

- b) The retired staff engaged on contract basis and who are getting pension in addition to consolidated pay may not be given any increment

The recommendation of the Committee is placed in **Annexure – VI**.

The Committee is requested to peruse the above two recommendations & approve either of the two recommendations.

**DECISION**

*The Finance Committee recommended to adopt RECOMMENDATION – I (as noted above) of the committee constituted by the Director.*

**FC-64/23/07**

**Adoption of Payment of Gratuity Act, 1972 for the employees of this institute who are under NPS.**

The Ministry of Education vide OM F. No. 15-2/2022-TC dated 16.12.2022 (Annexure – VII<sub>1</sub>) has advised Ministry to instruct Autonomous Bodies/ Organizations to adopt Payment of Gratuity Act, 1972 in consultation with MoL&E since CCS (Pension) Rules, 1972 are strictly meant for Central Government employees only. Further, vide O.M. No.R-13011/02/2022-SS.II dated 23.11.2022, the MoL&E has clarified that the **Payment of Gratuity Act, 1972 is applicable to all employees of Educational institutions, as the said Act does not have provisions for different set / category / class of employees and further that no separate notification is required to be issued by the Ministry of Education for applicability of the said Act (in case of NPS employees).**

The Committee is requested to allow the institute to adopt Payment of Gratuity Act, 1972 (Annexure – VII<sub>2</sub>) for the employees of this institute who are under NPS and recommend the same to BoG for approval.

**DECISION**

*The Committee recommended the adoption of Payment of Gratuity Act, 1972 for the employees of this Institute who are under NPS.*

**FC-64/23/08: Recommendation of 65<sup>th</sup> meeting of Building and Works Committee.**

The recommendations of 65<sup>th</sup> meeting of the Building and Works Committee scheduled to be held on 31.01.2023 will be placed on the table on the day of the meeting.

The Committee is requested to approve the same

**DECISION**

*The Agenda item is withdrawn.*

The meeting ended with vote of thanks to the Chair.

  
(Dr. K. L. Bajshnab)  
Registrar (i/c) & Secretary

  
(Sri Gautam N Mehra)  
Ex – Officio Chairman, FC