

THE XXV MEETING

OF

Finance Committee

NATIONAL INSTITUTE OF TECHNOLOGY

MEGHALAYA

MINUTES

DAY	: FRIDAY
DATE	: 16.09.2022
TIME	: 3.00 PM
VENUE	: Conference Room, NIT Meghalaya, Bijni Complex. Shillong, through Hybrid mode (online/offline)

NATIONAL INSTITUTE OF TECHNOLOGY MEGHALAYA
An Institute of National Importance

Minutes of XXV Meeting of the Finance Committee held on 16.09.2022

The XXV meeting of the Finance Committee of National Institute of Technology Meghalaya was held on 16th September, 2022 at 3.00 PM at the Conference Room, NIT Meghalaya, Shillong through hybrid mode (online/offline) in the presence of the following members:

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| 1. Shri Sajjan Bhajanka
Founder & Chairman
Century Plyboards (India) Ltd. | Chairman |
| 2. Prof. Bibhuti Bhusan Biswal
Director, NIT Meghalaya | Member |
| 3. Mrs. Veena Dunga
Under Secretary (HE)
Department of Higher Education (TE),
Ministry of Education | Member
Representative |
| 4. Shri Wallamphang Roy
MD, Meghalaya Power Carriers (Pvt.) Ltd | Member |
| 5. Prof. Harish Chandra Das
Professor, Dept. of M.E,
NIT Meghalaya | Member |
| 6. Shri Bijaya Nanda Choudhury
Registrar, NIT Meghalaya | Member Secretary |

Prof. T.G Sitharam, Director IIT Guwahati and representative of IFD, MoE, could not attend the meeting due to pre-occupation. However, IFD, MoE has forwarded their valuable comments on the each of the Agenda Items of the XXV meeting of Finance Committee and the same has been considered and incorporated in the minutes of the meeting.

At the outset, the Chairman, Finance Committee, NIT Meghalaya welcomed the members to the XXV meeting of the Finance Committee and then the agenda items of the day were taken up.



FC-XXV(2022)-1: Confirmation of the Minutes of the XXIV Meeting of the Finance Committee of the Institute held on 18.05.2022.

The XXIV meeting of the Finance Committee of the Institute was held on 18.05.2022 (Wednesday) through hybrid mode (online/offline) in the conference room of Century House at Kolkata. The minutes of the meeting were circulated amongst the members of the Committee for their comments/observations. No comments have been received from IFD & TS.III, Ministry of Education as well as from any of the distinguished members of the Committee. The Minutes of the XXIV Meeting of Finance Committee was placed before the Committee. The Finance Committee deliberated and confirmed the minutes of XXIV Meeting held on 18.05.2022.

FC-XXV (2022)-R1: The Finance Committee RESOLVED to CONFIRM the Minutes of the XXIV Meeting of the Finance Committee held on 18th May 2022.

FC-XXV(2022)-2: Action Taken Report (ATR) of the XXIV Meeting of the Finance Committee of the Institute held on 18.05.2022.

The action taken on the decision of the XXIV meeting of the Finance Committee was circulated as part of the agenda items. During the meeting, the action taken on each of the agenda items were explained to the Committee members.

After deliberation on each of the ATR, the Committee noted and agreed to the decision/action taken by the Institute.

FC-XXV (2022)-R2: The Finance Committee NOTED and AGREED to the ACTION TAKEN by the Institute on the decision of the XXIV Meeting of the Finance Committee held on 18th May 2022.

FC-XXV (2022)-3: Recommendations of the XIX Meeting of the BWC of the Institute held on 13.09.2022.

The XIX meeting of the Building and Work Committee (B&WC) of the Institute was held on 13.09.2022 in the Conference Room of NIT Meghalaya through hybrid mode (online/offline). The minutes along with the recommendations of the XIX meeting of B&WC was placed before the Committee members for consideration and deliberation. The Committee members went through the minutes and deliberated on each of the Agenda Items and recommended for placing the matters before the Board for kind consideration and approval of the Board.

(a) B&WC-XIX(2022)-3: The Status of Construction works under Phase-I of NIT Meghalaya permanent campus at Sohra, (Cherrapunjee).

The Committee members were explained in detail about the present status of Phase-I Construction works of NIT Meghalaya permanent campus at Sohra, (Cherrapunjee) as on date and payment released of Rs. 259.82 crores to RITES Ltd. (PMC) till date. The Committee



also noted the importance of completion of ESS-3 & ESS-4. The Committee members were also briefed about the present status of Phase II & III construction activities and the action taken by RITES Ltd. for foreclosure of the activities of existing contractor and tendering and allotment of the works to another contractor to complete the left over work as early as possible. The Committee was also informed about the extension of time granted by the MoE i.e., till 31.01.2023 to complete the construction works. The Committee deliberated and AGREED with the recommendation of the BWC for extension of time beyond 31.01.2023 to complete the project works keeping in view the present status of works and pending works and RECOMMENDED to place the matter before the Board for Approval.

FC-XXV(2022)-R3(a): The Finance Committee CONSIDERED and NOTED the recommendation of B&WC on the Status of Construction works under Phase- I, II & III of NIT Meghalaya permanent campus at Sohra, (Cherrapunjee). The Committee AGREED with the recommendation of BWC for extension of time to complete the works beyond 31.01.2023 and RECOMMENDED to place the matter before the Board for Approval.

(b) B&WC-XIX(2022)-4: Status of Construction of of Water Storage Reservoir at NIT Meghalaya at Sohra (Cherrapunjee).

The committee members were informed of the physical progress of 80% and payment of Rs. 6.43 crores (against the work order value of Rs. 7.99 crores) released till date for the Construction of water storage reservoir at NIT Meghalaya at Sohra (Cherrapunjee).

The Committee agreed with the recommendation of B&WC for not agreeing to the escalation cost claimed by the contractor due to the delay in completion of work. The members agreed to the extension of time granted till 28.02.2023 to complete the remaining work. The committee suggested that the request of the contractor for approval of the additional quantity of cement concrete (M:25) due to variation in construction drawings (GFC) with respect to tender drawings shall be considered as per the clarification and recommendation received from the NEEPCO (consultant) and accordingly RECOMMENDED to place the matter before the board for approval.

FC-XXV(2022)-R3(b): The Finance Committee deliberated on the recommendation of B&WC regarding the Status of Construction of of Water Storage Reservoir at NIT Meghalaya permanent campus, Sohra and AGREED for extension of time till 28.02.2023 to complete the work. The Committee did not agree to the escalation cost claimed by the contractor. The Committee SUGGESTED that the request of the contractor for approval of the additional quantity of cement concrete (M:25) due to variation in construction drawings (GFC) with respect to tender drawings shall be considered as per the clarification received from the NEEPCO (consultant) and RECOMMENDED to place the matter before the Board for Approval of the Board.



(c) B&WC-XIX(2022)-5: The Power Supply (33 KV) to the permanent campus at Sohra.

The committee members were informed about the status of Power Supply (33 KV) to the permanent campus at Sohra and the advance payment of Rs. 5.00 crores deposited to MePDCL and the Committee noted the same. The Committee also suggested to frequently meet with MePDCL Officials and to get the revised estimate so as to speed up the work at the earliest keeping in view the timeline for shifting to the permanent campus and RECOMMENDED to place the matter before the Board.

FC-XXV(2022)-R3(c): The Finance Committee NOTED the recommendation of B&WC regarding the status of power supply (33KV) to the permanent campus of the Institute at Sohra and advance payment of Rs. 5.00 crores made to MePDCL. The Finance Committee also SUGGESTED to get the revised estimate from MePDCL and execute the work at the earliest and RECOMMENDED to place the matter before the Board for Approval of the same.

(d) B&WC-XIX(2022)-7: Proposals for other important works in the permanent campus at Sohra.-Approval thereof.

The committee members were informed about the following essential works required to be completed for smooth functioning and upkeep of the permanent campus at Sohra:

- (a) Services: External water supply in the campus, water treatment plant, intake sumps, pump house, firefighting system and other ancillary works etc.
- (b) Site development works: Campus drainage system, closing and strengthening of boundary walls, construction of approach to the main entrance gate, field area, parking area, signages, fencing of water storage reservoir area, retaining walls and other ancillary works.

The Committee agreed to the suggestions of the B&WC that the services works being a specialised works required to be executed by any of the existing PMC i.e., RITES Ltd or CPWD whereas the site development works can be taken up in house by the Engineering Section of the Institute and RECOMMENDED to place the matter before the Board for Approval of the Board.

FC-XXV(2022)-R3(d): The Finance Committee NOTED the recommendation of B&WC for taking up the essential and important works for functioning of the permanent campus. The Committee AGREED to the suggestions of the B&WC that the services works being a specialised works required to be executed by any of the existing PMC i.e., RITES Ltd or CPWD whereas the site development works can be taken up in-house by the Engineering Section of the Institute and RECOMMENDED to place the matter before the Board for Approval of the Board.



FC-XXV(2022)-4: Adoption of Annual Account for the Financial Year 2021-22.

It was informed to the distinguished Committee members that the Annual Accounts of the Institute for the year 2021-22 was prepared by a Shillong based Chartered Accountant firm M/s SSD & Co. A copy of the report of the Annual Accounts of the Institute for the Financial Year 2021-22 was placed before the Finance Committee for consideration.

The Comment received from IFD, MoE vide Letter No. F.No.3-16/2012-IFD (Pt.) dated 16.09.2022 regarding the interest earned on the GoI grants, need to be shown separately in Schedule-3 were placed before the Committee members. It was clarified to the Committee members that the Interest earned has been shown in Schedule-11. It was further informed to the Committee members that henceforth most of the payments shall be released through TSA Account and there shall not be any Interest. As such the amount of the Institute shall be kept in the Current Account of SBI which shall not carry any interest.

The Committee members deliberated in detail on all the financial implications and expressed their satisfaction to the Annual Accounts and resolved to adopt the Annual Accounts of the Institute for the Financial Year 2021-22 and also recommended to place the matter before Board for consideration and approval.

FC-XXV(2022)-R4: The Finance Committee RESOLVED to ADOPT the Annual Accounts of the Institute for the Financial Year 2021-22 and RECOMMENDED to place the matter before the Board for consideration and adoption by the Board.

FC-XXV(2022)-5: Review of the Annual Allocation of funds sanctioned for NIT Meghalaya for the Financial Year 2022-23.

The Committee members were briefed about the receipt of an email dated 29th August 2022 from Joint Secretary (NITs) forwarding therewith D.O. letter No. 36-2/2022 TS.III dated 26th August, 2022, wherein it was communicated vide MoE letter dated 27th April, 2022 about the annual allocation of fund for NIT Meghalaya for the financial year 2022-23 which was made based on the projected requirement of the institute and also taking into account the previous year expenditure of the institute.

In this regard, the Committee members were informed that the major part of the expenditure under Head OH-36 is related to the payment of salary of Faculty, Non Faculty, Trainee Teachers, CPDA, Medical Reimbursement and other allowances which are unavoidable expenditure of the Institute. Similarly, with reference to the expenditure under Head OH-31, it was informed that as the Institute is presently operating from its temporary campus at Shillong, Meghalaya and most of the fund allocated under OH-31 is utilized for meeting the expenditure related to the services of transport, security and housekeeping, hiring of Hostels for accommodation of the students, water supply charges, electricity charges, rent for temporary campus, outsourcing staffs to man the hostels campus and other unavoidable operating expenses to run the Institute. The item wise



expenditures incurred during last three financial years under Objet Head OH-31 and OH-36 were placed before the members for information and consideration.

It was informed to the Hon'ble Committee members that the annual allocation of funds for the year 2022-23 under OH-31 is Rs. 27.91 Crore which seems to be satisfactory and meet the requirement of expenditure within the allocated budget. The annual allocation of funds for the year 2022-23 under OH-36 is Rs. 24.50 Crores which may not be sufficient. During the month of December 2021 to March 2022 the Institute has recruited 32 number of non-faculty staffs and the Institute is likely to recruit 12 more faculty members and many faculty members are likely to be upgraded to next higher posts and hence there will be an exponential increase in their salary. As such there shall be the regular increase of salary due to increase in DA, increment, MACP, retirement benefits etc.

It was also informed to the members that during the 2nd quarter (July to September 2022) the amount allocated per month under OH-31 is Rs. 1.33 crores and OH-36 is Rs. 1.35 crores as compared to the previous quarters (April to June 2022) monthly allocation was Rs. 2.32 crores and Rs. 2.05 crores respectively thereby there is a drastic reduction in the budget allocation for the 2nd quarter. Thus, the Institute humbly requested TS.III, MoE, to consider allocating at least the minimum required amount for the 2nd quarter and requested to allocate the fund for the 3rd and 4th quarter as per the budget allocation promulgated by the MoE.

The Committee members noted the requirement of the Institute and agreed to the proposal of the Institute for increasing the 2nd quarter allocation of fund for the month of September 2022 from Rs. 1.35 crores to Rs. 2.30 crores under OH-36 and also allocate the fund for the 2nd and 3rd quarter appropriately within the budget allocated based on the expenditure for each month.

FC-XXV(2022)-R5: The Finance Committee AGREED and ACCEPTED the proposal of the Institute for increasing the 2nd quarter allocation of fund for the month of September 2022 from Rs. 1.35 crores to Rs. 2.30 crores under OH-36 and also allocate the fund for the 2nd and 3rd quarter appropriately within the budget allocated based on the expenditure for each month and RECOMMENDED to place the above mentioned matters before the Board for Approval.

FC-XXV (2022)-6: Proposal for extension of time to complete the project at permanent campus of NIT Meghalaya Sohra(Cherrapunjee).

It was informed to the distinguished Committee member that the Institute had received an e-mail dated 04.07.2022 from TS.III, MoE, regarding the extension of time till 31.01.2023 to complete the project at the permanent campus of NIT Meghalaya at Sohra (Cherrapunjee) with the approval of Competent Authority.

The institute informed the Committee members that the required infrastructure and building works shall not be completed within the extended time period of January 2023. The works



required to be completed before shifting to the permanent campus is not satisfactory. The Physical and Financial progress of the works activities wise were briefed to the Committee members.

The following were submitted to kind consideration of the Committee:

- A) The period of extension of the contract with the executing agency (RITES Ltd.) and other Agencies executing the construction work directly may be extended upto 31.01.2023 as per the existing terms and conditions of the contract.
- B) The Committee may recommend the extension of the project period of contract for another one year beyond 31.01.2023 since many of the essential works are yet to be completed. The representative of MoE suggested to take up the matter in the forthcoming FC and BoG Meeting and brief the actual progress of the works and requirement of periodicity of the extension.

FC-XXV(2022)-R6: The Finance Committee deliberated on the above said matter and AGREED to the A above. The Committee further agreed to the suggestion of the MoE representative to take up the matter in the forthcoming FC and BoG Meeting and to brief the actual progress of the works with recommendations for extension period and RECOMMENDED to place the matter before Board for kind information.

FC-XXV (2022)-7: Standing Agenda Item: Mechanism to Monitor/ minimize Audit Objections Public Grievances and Parliamentary Assurances.

It was informed to the Committee members that the Ministry of Education has instructed to include complete details and status of their Audit Paras, Pending Public Grievances and Parliamentary Assurances in every meeting of Finance Committee (FC)/ Board of Governors (BoG) as **Standing Agenda Item**.

Accordingly, the following information was placed before the Committee for information and guidance.

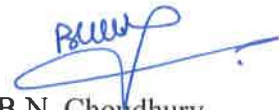
- (a) It was also informed to the Committee members that the Annual Accounts of the Institute for the year 2021-22 was prepared by a Shillong based Chartered Accountant firm M/s SSD & Co and the same was placed before the FC as Agenda Item No. FC-XXV (2022)-4 for Adoption and recommendation by the Finance Committee.

The FC after deliberation has resolved to Adopt the Annual Accounts of the Institute for the year 2021-22 and recommended to place the same before the Board for Adoption by the Board.



- (b) It was informed to the Committee members that there was no Pending Public Grievances in respect of NIT Meghalaya on the Public Grievance Portal of Government of India as on date.
- (c) It was informed to the Committee members that there was no pending case related to Parliamentary Assurances and replies to parliament questions in respect of NIT Meghalaya were always sent on time.

FC-XXV(2022)-R7: The Finance Committee NOTED and APPRECIATED the ACTIONS TAKEN by the Institute on the above mentioned three matters.



B.N. Choudhury
Registrar & Member Secretary