

**MINUTES OF THE 23<sup>RD</sup> MEETING OF THE BOARD OF GOVERNORS OF NATIONAL INSTITUTE OF FASHION TECHNOLOGY HELD ON 29<sup>TH</sup> NOVEMBER, 2013 (FRIDAY) AT 11.00 A.M. AT INDIA HABITAT CENTRE, AMALTUS HABITAT WORLD, LODHI ROAD, NEW DELHI-110003**

**The following Members were present :**

- |    |                                                                    |                |
|----|--------------------------------------------------------------------|----------------|
| 1- | Smt. Kiran Dhingra, IAS (Retd.)                                    | -- Chairperson |
| 2- | Shri N.K. Singh, Hon'ble MP Rajya Sabha                            | -- Member      |
| 3- | Shri Sujit Gulati, Joint Secretary, Ministry of Textiles           | -- Member      |
| 4- | Shri. Sunil Sethi, President, Fashion Design Council of India      | -- Member      |
| 5- | Shri William Bissell, Managing Director, Fabindia Overseas Pvt Ltd | -- Member      |
| 6- | Smt. Namita Chowdhary                                              | -- Member      |
| 7- | Shri P.K. Gera, DG-NIFT                                            | -- Member      |

**Leave of Absence :**

**The following members were granted leave of absence :**

- |    |                                                                 |
|----|-----------------------------------------------------------------|
| 1- | Smt. Priya Dutt, Hon'ble MP Lok Sabha                           |
| 2- | Smt. Darshana Jardosh, Hon'ble MP Lok Sabha                     |
| 3- | Smt. Anita Agnihotri, AS & FA, Ministry of Textiles             |
| 4- | Smt. Veena Ish, JS(Admn), Ministry of HRD                       |
| 5- | Shri Pradyumna Vyas, Director, National Institute of Design     |
| 6- | Smt. Kavita Bhartia, M/s Ogaan                                  |
| 7- | Dr. A. Sakthivel, Chairman, Poppys Knitwear Pvt. Ltd.           |
| 8- | Shri. Sabyasachi Mukerjee, Fashion Designer, Sabyasachi Couture |

At the outset, DG-NIFT welcomed the Chairperson, BOG and members of the Board.

**Agenda Item No. 2301**

**Confirmation of the Minutes of 21<sup>st</sup> and 22<sup>nd</sup> Meeting of the Board of Governors of National Institute of Fashion Technology held on 15<sup>th</sup> July, 2013 and 3<sup>rd</sup> September, 2013 respectively.**

The minutes were confirmed. The Chairperson desired that a copy of the minutes may be circulated to the members after incorporating appropriately the comments of AS&FA as under:

“The Chairperson of F&AC Committee, Smt. Anita Agnihotri, AS&FA-MOT informed the BOG that the errors that were identified in the Accounts may appeared to be as minor errors but these reflect a state of non-accountability on the part of Finance Wing and Internal Auditors of NIFT, both of whom treated the matter with utmost casualness. She observed that if NIFT had to grow and DG-NIFT should focus on policy matters, he needed to be supported better by his staff and officers in the areas of routine. She also observed that in course of F&AC meeting, it was originally pointed out by Director (Finance)-NIFT that there were some minor rounding-off errors. When deeper probe was made, it was found that these were not only rounding-off but classification errors and other errors as well. It was finally pointed that there could be around 66 such errors. However, when the list has been put up in file, the total number of errors stands at 85. This is reflection of a situation where both the Finance Wing and Internal Auditors of NIFT had conducted themselves in an unprofessional manner displaying poor sense of Accounting. This attitude needed to be underlined while steps should be taken to improve the practice of consolidation of Accounts from the next financial year”.

**Agenda Item No. 2302****Action Taken Report on previous meetings of the Board**

<b>SN</b>	<b>Subject</b>	<b>Comments of the Board</b>
1	<b>19<sup>th</sup> BOG meeting : 13-02-2013</b> <b>Agenda Item No : 1909</b>  Release of remaining payment for procurement of furniture items in July 2011 by Jodhpur centre	DG recalled the details of the case and apprised that the Director Jodhpur was making reconciliation efforts to resolve the issue through the Collector, Jodhpur for an out of court settlement. The opponent was demanding compensation for cost for the court fees that he had to incur for his recovery suit against the NIFT. The Board desired that the loss incurred to NIFT was to be recovered from the concerned official for which an inquiry had been recommended. The status of inquiry against the then Director Mr. Jabber Singh was not known. Since the matter was sent through the Ministry of Textiles, the JS of the Ministry and a member of the Board present, was requested to obtain status from the Ministry of Forest and Environment which was the cadre controlling authority of the then Director Mr. Jabber Singh. The Board decided that it would be wise to avoid any further legal problems, the NIFT lawyer may be asked to work out an out of court settlement where if required Court fee claimed by the opponent M/s Kwality Corporation could be paid after an agreement that unequivocally provided for a full and final settlement had been done and nothing was outstanding against NIFT.
2	<b>20<sup>th</sup> BOG meeting : 08-03-2013</b> <b>Agenda Item No : 2003</b>  To offer the supernumerary seats of domicile category as state domicile preferential and foreign nationals/SAARC/NRI seats.	The Board took note of the action taken.
3	<b>20<sup>th</sup> BOG meeting : 08-03-2013</b> <b>Agenda Item No : 2005</b>  Approval on exemption given for PhD admission for 03 candidates of batches- 2009 & 2010 and Revised eligibility criteria for PhD admission as suggested in the AAC held on 09-05-2012 and 27-02-2013.	The Board took note of the action taken.
4	<b>20<sup>th</sup> BOG meeting : 08-03-2013</b> <b>Agenda Item No : 2009 (Tabled)</b>  Delegation of powers to Finance and Audit Committee of Board	No member of the Board offered any Comments.
5	<b>21<sup>st</sup> BOG meeting : 15-07-2013</b> <b>Agenda Item No : 2103</b>  Reconstitution of the Authorities of NIFT	No member of the Board offered any Comments
6	<b>21<sup>st</sup> BOG meeting : 15-07-2013</b> <b>Agenda Item : 2105</b>  Reduction in fee structure for the Academic year 2013-14	No member of the Board offered any Comments
7	<b>21<sup>st</sup> BOG meeting : 15-07-2013</b>	No member of the Board offered any

	<b>Agenda Item : 2108</b> Progress Report of Construction projects of NIFT	Comments
8	<b>21<sup>st</sup> BOG meeting : 15-07-2013</b> <b>Agenda Item : 2110</b> Annual Accounts for the financial year 2012-13	<p>The Director (F&amp;A) explained the Action Taken and informed that for the current year on the basis of an open tender M/s MC Jain and Company was selected as a common Internal Auditor for all the NIFT campuses. The Board was informed that the Internal Auditor had completed the audit of Q1 and Q2 for certain campuses. The audit work was in progress. Shri NK Singh honorable member of the Board, desired to know how the selection of Internal Auditor was made. On being told the procedure, he pointed out his dissatisfaction at its lack of rigor that the consortium members of the selected auditor were not asked for as part of the tender documents, and advised that the contract should be limited to one year and a fresh tender floated for the next year.</p> <p>To Chairperson's query regarding the progress on engagement of an External Auditor for a process audit, which in the last Board meeting to approve the revised Internal Accounts was a decision taken, the Director Finance explained that the scope of work did not include the Process Audit as by the time the Board had given its directions on Process Audit, the tender process had reached a point where any further delay may have jeopardized the whole process. The Board was informed that teams under CVO were conducting the Process Audit. DG-NIFT stated that another reason for not changing the scope of work the process in midcourse was that C&amp;AG had taken up a thematic audit of NIFT for the last 5 years. A report received was being examined. NIFT's comments on the observations would be sent to C&amp;AG, whose final report would be placed before the Board. This thematic audit was over and above the regular audit that C&amp;AG conducted every year. The Chief Controller of Accounts of the Ministry of Textiles also carries out its Audit periodically.</p> <p>The Chairperson felt that while the CVO should continue her efforts, in order to improve the functioning of NIFT and to satisfy the Board, but said that in view of the state of affairs with its accounts and in the face of its delegation of powers to Centres to function as Profit Centre, it was necessary that NIFT should get an independent and External Process Auditor, and should start the process of tendering well in time so as to be able to get quarterly audit reports submitted in time to the Finance and Audit Committee the Board, in 2014-15.</p>

		The Board directed that for the next year, separate tenders may be invited for Internal Audit and Process Audit. In order to increase competition, the tender document may have a provision allowing for applicants to form consortium partners, all of whom should meet the qualification norms independently.
9	<b>21<sup>st</sup> BOG meeting : 15-07-2013</b> <b>Agenda Item : 2111</b> Proposal for construction of additional building in Delhi Campus	No member of the Board offered any Comments
10	<b>21<sup>st</sup> BOG meeting : 15-07-2013</b> <b>Agenda Item : 2115</b> Endowment fund and holding Board meeting in a NIFT campus outside Delhi	No member of the Board offered any Comments
11	<b>22<sup>nd</sup> BOG meeting : 03-09-2013</b> <b>Agenda Item : 2201</b> Minor correction in NIFT Annual Accounts 2012-13	No member of the Board offered any Comments
12	<b>22<sup>nd</sup> BOG meeting : 03-09-2013</b> <b>Agenda Item : 2202</b> Proposal for construction of additional building in Delhi Campus	No member of the Board offered any Comments
13	<b>22<sup>nd</sup> BOG meeting : 03-09-2013</b> <b>Agenda Item : 2203</b> Enhancement of seats for residents of Jammu & Kashmir from 35% to 50% in all course of NIFT Srinagar	No member of the Board offered any Comments

### **Agenda Item No. 2303**

#### **Setting up of New NIFT Campuses**

The agenda item was discussed at length. The Board noted that even though it had not been in favor of opening new campuses and expanding at a pace likely to affect the retention of quality of education, however it had found difficult to resist the populist pressure to open new campuses. Despite its discomfort, it had seen NIFT grow to 15 Centres; and even in the last three years, it had agreed to opening up of new campus at Panchkula and consequential merger of the existing campus of Government of Punjab called Northern India Institute of Fashion Technology (NIIFT) at Mohali, and Srinagar on account of PM's package for J&K. Board discussed its strategy, whereby, once the decision to concur to a State's request for a Campus had been taken, and courses started in a temporary Campus, the initiative for further action to fund, construct and hand over the Campus lay with the State and outside the NIFT control. Clearly, NIFT became a prisoner of the decision to start courses in temporary buildings, which often lacked basic infrastructure, because it became powerless to suspend courses if the State Government reneged on its commitments of funding or its timelines.

Therefore, the Board asked DG to review the progress of construction of permanent infrastructure at the NIFT Campuses operating from temporary Campuses and submit a report. If the progress of permanent Campus offered by the State Government was not satisfactory, DG may frame and put before the Board a proposal for the closure of the temporary Campus till the permanent Campus was made available to NIFT. The Board further decided that in future NIFT should not agree to starting without the permanent campus being fully built and handed over. If in any case in the face of overwhelming concerns, it became necessary to open a campus in a temporary structure, NIFT should only introduce Certificate/diploma courses of one or two years of duration which could be shut down at short notice. The State Government must provide funds upfront to meet operational

losses for running the temporary campuses. In case, the State Government was not able to provide the permanent structure within stipulated period and/or in case, the response for admission to NIFT courses was not encouraging, and it was assessed that the strain was detrimental to quality of education; NIFT should discontinue its activities.

As regards the pending request from Chattisgarh, in view of the lack of response from the Government to NIFT's conditions as per policy, it was agreed that the Campus proposed for Chhattisgarh could be treated as cancelled.

#### **Agenda Item No. 2304**

##### **Second Statutes of National Institute of Fashion Technology**

Shri N. K. Singh desired that as the proposal was voluminous, it may be submitted in a tabular form showing the existing Statutes/ Ordinances, and the revised proposed Statutes/ Ordinances along with the observation of Committee of Sub-ordinate Legislation (Rajya Sabha). Chairperson noted the need for some changes to the draft, especially in regard to the Authorities constituted. The draft set up the Establishment and the Buildings and Works Committees as parallel authorities, independent of the Board, but not the Finance and Audit Committee. Since changes to the Recruitment Rules and Terms and Conditions fell within the definition of Establishment, and in a manpower dependent institute were as important as accounts, she would be more comfortable with such issues coming before the Board for ratification.

The DG requested the members to offer their comments on the Statutes and Ordinance, which he would provide in the tabular form as suggested, as it would help him in improving the final proposal for the Board. After obtaining the approval of the Board, it would be sent for vetting to the Ministry of Legislative Affairs through the Ministry of Textiles for obtaining the approval of the Visitor i.e. the President of India. Thereafter it would be laid on the table of the Houses of Parliament.

#### **Agenda Item No. 2305**

##### **Revision in Continuing Education (CE) Policy 2013**

Prof. Shalini Sud Head, Continuing Education Programs (CEP) explained the proposal in detail as the current policy did not provide the flexibility to introduce CEP across disciplines leading to non-utilization of general pool of faculty/resources available in most of the Campuses which were expected to earn to improve their viability as the Central Government had stopped providing NIFT the Block Grants. The current CE policy was revised in 2010. As per the policy, it was due for revision as NIFT Board reviewed this policy every two years. The proposed policy proposed to decentralize the operation of these programs to the NIFT campuses, where the Director of the Campus would be responsible for their effective implementation with the quality of programs being supervised by the Chairperson of the Departments and the Dean who assisted the DG in this endeavor. In such system, the ownership of the program would be shared as on the principle of subsidiarity. This would ensure that the competent persons were involved to evaluate content, viability, originality and attractiveness of programme at different Campuses. Keeping in view the inflation, the fee structure and payment to faculty/staff also needs revision. The last fee revision was undertaken in 2006. As some honorable members of the Board had left before this item came up for discussion, the Chairperson suggested that this could be taken up in next meeting. She suggested to the Head CEP to address the Board's concern on the quality of the program, which may get affected as the Director of the Campuses, under the pressure to improve the financials might compromise the NIFT's brand value. Since the policy provided for running these programs during the day, the faculty members, in order to increase their earnings, may compromise their focus on regular programs that may cause deterioration of the rigor of the regular programs. With these observations, the Board decided to take up the item in next meeting of the Board.

#### **Agenda Item No. 2306**

##### **Diploma Programme Policy of NIFT**

The agenda item could not be discussed.

**Agenda Item No. 2307**

**NIFT Lateral Entry Admission (NLEA) policy for admission**

The agenda item could not be discussed.

**Agenda Item No. 2308**

**Modification in Moderation Policy in NIFT Exam**

The agenda item could not be discussed.

**Agenda Item No. 2309**

**Reconstitution of State Level Advisory Committee (SLAC) for NIFT Patna**

The agenda item could not be discussed.

**Agenda Item No. 2310**

**Engagement of NIFT faculty on contract basis beyond their retirement**

The agenda item could not be discussed.

**Agenda Item No. 2311**

**Reimbursement of OPD expenses above OPD ceiling in r/o Shri Raj Singh, Assistant Director (Admissions), NIFT Head Office**

The agenda item could not be discussed.

**Agenda Item No. 2312**

**Approval of Creation of additional posts for NIFT Kannur and Patna**

The agenda item could not be discussed.

**Agenda Item No. 2313**

**Status Report on Admissions-2013**

The agenda item could not be discussed

**Agenda Item No. 2314**

**Annual Work Plan(AWP) of Sh. Prem Kumar Gera, DG-NIFT**

The agenda item could not be discussed

**Agenda Item No. 2315**

**Result Framework Document(RFD) of the NIFT for the year 2013-14**

The agenda item could not be discussed

**Agenda Item No. 2316**

**Important agenda items regarding student affairs as placed before the Academic Affairs Committee in its 11<sup>th</sup> meeting held on August 22<sup>nd</sup> August, 2013**

The agenda item could not be discussed

**Agenda Item No. 2317**

**Physical and financial progress of NIFT construction projects**

The agenda item could not be discussed

**Agenda Item No. 2318**

**Taking Note of the Minutes of 23<sup>rd</sup> and 24<sup>th</sup> Finance & Audit Committee of the NIFT held on 10<sup>th</sup> July, 2013 and 21<sup>st</sup> August, 2013 respectively**

The agenda item could not be discussed

**Agenda Item No. 2319**

**Taking note of the Minutes of the 19<sup>th</sup> Senate of the NIFT held on 27<sup>th</sup> September, 2013**

The agenda item could not be discussed

**Agenda Item No. 2320**

**Taking note of the Minutes of the 11<sup>th</sup> & 12<sup>th</sup> Meeting of Academic Affairs Committee of the NIFT held on 22<sup>nd</sup> August, 2013 & 30<sup>th</sup> September, 2013 respectively.**

The agenda item could not be discussed

**Agenda Item No. 2321**

**Taking note of the Minutes of the 12<sup>th</sup> Establishment Committee of the NIFT held on 02<sup>nd</sup> September, 2013**

The agenda item could not be discussed

**Tabled Agendas**

- 1- **Taking note of the Minutes of the 25<sup>th</sup> Finance & Audit Committee of the NIFT held on 19<sup>th</sup> November, 2013**
- 2- **Proposal for 15% NRI seats as Supernumerary seats to partially state funded NIFT campuses approval for circulation-reg.**
- 3- **Creation of additional administrative posts at NIFT Kangra**

The tabled agenda items could not be discussed.

Before parting Smt. Namita Chowdhary, an honorable member of the Board desired that NIFT may provide all Board members a copy of all the NIFT Manuals. The Board may be apprised of details & status of Court/CAT/Departmental disciplinary Cases. She also desired to know as to why NIFT was not writing 'Ministry of Textiles' in all its official communications and the advertisements released. She emphasized that all NIFT campuses may have a R &D to facilitate faculty research in NIFT. She inquired about the media plan followed in releasing NIFT advertisements.

The DG-NIFT agreed to provide to all Board members a set of Manuals for Academics, Finance and Establishment. He agreed to include status of cases in various Courts including CAT/ High Court/ Supreme Court along with Departmental disciplinary Cases as part of 'Matters for information of the Board' in every meeting of the Board. He further informed that as per Act, NIFT was a body corporate governed by the NIFT Act 2006. The Ministry had stopped block grants. None of the IITs or IIMs were in their advertisements released in press that they 'under the Ministry of HRD'. However if the Board desired NIFT might include the following: - 'An institute governed by the NIFT Act 2006 and set up by the Ministry of Textiles'. However if these were included in all advertisements, this would mean extra cost to NIFT as the advertisement space was expensive. All NIFT campuses would be instructed to include in their official communication as mentioned above. NIFT has a Head (R&D) unit functioning from Chennai Campus. Having a unit in each campus would require nominating a Campus Coordinator at each Campus. This would be placed in the next NIFT Senate for its consideration. The DG agreed to provide an agenda item in the next meeting providing the details of media plan followed in releasing the advertisements in last financial year.

The meeting ended with vote of thanks to the Chair.