

MINUTES OF THE 25TH FINANCE & AUDIT COMMITTEE (F&AC) MEETING HELD ON 19TH NOVEMBER, 2013 (TUESDAY) AT 3.30 P.M. AT THE OFFICE OF AS&FA, MINISTRY OF TEXTILES, UDYOG BHAWAN, NEW DELHI

The following were present:

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| 1. Smt. Anita Agnihotri, AS&FA, MOT | Chairperson |
| 2. Sh. Prem Kumar Gera, DG-NIFT | Member |
| 3. Sh. Sujit Gulati, Jt. Secretary for Smt. Sunaina Tomar | Member |
| 4. Sh. Anand Kedia, Director (F&A), NIFT | Member Secretary |

Sh. Sanjeev Kumar, Director (NRC)- NIFT, Sh. Abdul Malik, Deputy Director (F&A)- NIFT and Ms. Rajni Shah, Assistant Board Secretary- NIFT were also present.

Smt. Priya Dutt, Hon'ble M.P. Lok Sabha, Sh. Sunil Sethi and Sh. William Bissell were granted leave of absence.

AGENDA ITEM NO.2501

To confirm minutes of the 24th meeting of Finance & Audit Committee held on 21st August, 2013 at 3.00 p.m. at the office of AS&FA, Ministry of Textiles, Udyog Bhawan, New Delhi

The minutes of the meeting had been circulated to all the members of the Committee. No changes or modifications were proposed. The minutes were therefore confirmed without any modification.

AGENDA ITEM NO.2502

Action taken report on last minutes of the Finance & Audit Committee Meeting

The Action Taken Report on the decisions of the last meeting of the F&AC was noted with the following directions:

- (i) In the last meeting it was decided that DG should take up the matter of admissibility of claims for 6th CPC arrears at the highest level and for this a meeting of Secretary (Textiles), Minister of Textiles, where Joint Secretary and Financial Advisor of the Ministry could be invited. AS&FA again emphasised that this meeting may be expedited.
- (ii) While taking note of the Action Taken Report on the Advances, the AS&FA suggested that reasonable efforts should be made to dig out the old files and to read/analyse them. If no records are found in NIFT, efforts may be made to see the records available with PSUs and Non PSUs regarding those advances. Similar process of verification was suggested for advance to employees. The BOG may be intimated regarding write off cases. It was also proposed that a system may be introduced so that all the advances get reconciled by the next year.

AGENDA ITEM NO.2503

Status of Capital Expenditure and Revenue Income & Expenditure for the six month ended September, 2013

Director (F&A) NIFT presented the status of Capital Expenditure and Revenue Income & Expenditure for the six month ended September, 2013. The Committee was informed that there is an increase in Capital Expenditure under the head Building due to release of payment for Building Construction by Mumbai, Chennai and Jodhpur Campus and there is also an increase under the head Non- IT Items due to purchase of Books, Furniture and procurement of Infrastructure for new courses by Kannur and Bhopal Campus.

The Committee was also apprised that overall Revenue Expenditure and Income has also increased by 15% and 16% respectively. The F&AC took note of the same.

AGENDA ITEM NO.2504

Proposed amendments to the Purchase Policy for National Resource Centre/ Resource Centre Materials

DG apprised the Committee that through this agenda amendment to the Purchase Policy for National Resource Centre/ Resource Centre Materials is being proposed to facilitate online purchases of specialised print and non- print material from Flipkart, Amazon. Com, Addall using Debit card/ Credit card.

Director (NRC) informed the F&AC that the online purchase of print and non- print material would only be made once they are approved by the Committee constituted for this purpose.

The F&AC considered and approved the proposed amendments to the Purchase Policy for National Resource Centre/ Resource Centre Materials as brought out in the agenda notes with the direction that care should be taken to ensure that no personal purchases would be made from the Debit Card/ Credit Card which is issued for official purposes.

AGENDA ITEM NO.2505

Proposal for Revised Estimate 2013-14 & Budget Estimate 2014-15 (Revenue)

Director (F&A) NIFT presented the Revised Estimate 2013-14 & Budget Estimate 2014-15 (Revenue) and informed the Committee that Surplus and income has gone down because of decrease in interest income of HO , since surplus fund on account of OBC grant has reduced. Further most of the new campuses have not budgeted for their losses which is recoverable from state government. The Committee approved and recommended the Revised Estimate 2013-14 & Budget Estimate 2014-15 (Revenue) with the direction that accounting instructions regarding proper budgeting of the losses may be given to the Campuses by HO.

AGENDA ITEM NO.2506

Proposal for Revised Estimate 2013-14 & Budget Estimate 2014-15 (Capital)

DG apprised the F&AC that the capital expenditure of the old Campuses i.e. Campuses which were established till 2007 were funded substantially by OBC grant and capital expenditure of the new Campuses are funded by respective State Governments. Funding for the J&K Campus is to be provided by Central Govt. and State Govt. in the ratio of 50:50. Director (F&A) informed the Committee about the fund requirement for the Campuses and the status of fund availability.

It was also proposed that till the time NIFT receives additional allocation in OBC fund the deficit may be met out of interest on Endowment fund (Rs.1 crore per campus) and out of depreciation fund (to the extent of Rs.2 crore per campus). The Committee felt that funds for the creation of infrastructure of the campuses (like building in case of Mumbai) should come from the Government grant and it should not be met out of the revenue of the Campuses i.e. the fee of the students. AS&FA suggested NIFT to put up their case for Block Grant to the Central Government.

The F&AC considered and approved the Revised Estimates (RE) 2013-14 for Rs. 19492.28 Lakhs and Budget Estimates (BE) 2014-15 for Rs. 21244.41 Lakhs.

AGENDA ITEM NO.2507

Any other item with the permission of the Chair

The meeting concluded with vote of thanks to the Chair.