

MINUTES OF THE 25TH MEETING OF THE BOARD OF GOVERNORS HELD ON 26TH JUNE, 2014 (THURSDAY) AT 10:30 A.M. IN THE INDIA HABITAT CENTRE, LODI ROAD, NEW DELHI

Members Present:

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| 1. Ms. Kiran Dhingra, IAS (Red.) | In Chair |
| 2. Mr. B.P. Pandey, AS & FA | Member |
| 3. Mr. Sunil Sethi, President, Fashion Design Council of India | Member |
| 4. Dr. A. Sakthivel, Chairman, Poppys Knitwear Pvt. Ltd. | Member |
| 5. Ms. Namita Chowdhary | Member |
| 6. Mr. P.K. Gera, DG-NIFT | Member |

Members Absent:

The following members were granted Leave of Absence.

1. Ms. Sunaina Tomar, Joint Secretary, Ministry of Textiles
2. Mr. Pradyumna Vyas, Director, National Institute of Design
3. Ms. Veenalsh, Joint Secretary (Admn.), Ministry of HRD
4. Ms. Kavita Bhartia, M/s Ogaan
5. Mr. Sabyasachi Mukerjee, Fashion Designer, Sabyasachi Couture.
6. Mr. William Bissell, Managing Director, Fabindia Overseas Pvt. Ltd

AGENDA ITEM NO.2501

CONFIRMATION OF THE MINUTES OF 24TH BOARD OF GOVERNORS MEETING OF NATIONAL INSTITUTE OF FASHION TECHNOLOGY HELD ON 19TH FEBRUARY, 2014(WEDNESDAY) AT 10.30 a.m. AT INDIA HABITAT CENTRE, NEW DELHI.

The Board Secretary informed the members of the Board that the minutes of the previous meeting had been circulated among them for their comments. Since no comments had been received, the Board approved the Minutes of 24th Meeting of Board.

AGENDA ITEM NO.2502

Action Taken Report on 24th Meeting of the BOG held on 19th February, 2014

<u>Agenda Item 2403 (24th BOG) – Enhancement of seats for residents of J&K from 35 % to 50% in all courses of NIFT, Srinagar</u>	The Members were informed that the decision of the Board was communicated to MOT. The Board directed that if no further communication or request is received from MOT, the NIFT may proceed with certificate/ Diploma courses at J&K Campus
<u>Agenda Item 2404 (24th BOG) – Second Statutes of National Institute of Fashion Technology</u>	The Board noted its Empowered Committee had prepared 2 nd Statutes, which it decided to be sent to MOT for approval of the Visitor before laying on the table of the House as per the NIFT Act 2006.
<u>Agenda Item 2305 (24th BOG) – Revision of Continuing Education Programmes 2013 of NIFT</u>	The Board noted the Action Taken on the decisions of the Board against the respective agenda items. The Board pointed out the need for greater clarity in the circulars issued, and required that circulars amending earlier
<u>Agenda Item 2306 (24th BOG) –</u>	

Agenda Item 2307 (24 th BOG) –	policies or decisions should be issued not as amendments, but with the change clearly highlighted, should be complete and comprehensive redrafts that did not require the recipients to refer to earlier versions to decipher the changes.
Agenda Item 2308 (24 th BOG) –	
Agenda Item 2309 (24 th BOG) –	
Agenda Item 2310 (24 th BOG) –	
Agenda Item 2311 (24 th BOG) –	
Agenda Item 2312 (24 th BOG) –	
Agenda Item 2313 (24 th BOG) –	
Agenda Item 2314(24 th BOG) –	
Agenda Item 2315 (24 th BOG) –	
Agenda Item 2316 (24 th BOG) –	
Agenda Item 2317 (24 th BOG) –	
Agenda Item 2318 (24 th BOG) –	
Agenda Item 2319 (24 th BOG) –	
Agenda Item 2320 (24 th BOG) –	
Agenda Item 2321(24 th BOG) –	

Since the Agenda Items were voluminous hence, the Board decided to take up the agenda items in order of their urgency for its approval.

AGENDA ITEM NO. 2511

PROPOSAL FOR REVISED ESTIMATE 2013-14 & BUDGET ESTIMATE 2014-15 (REVENUE)

The Board considered and approved the Revised Estimate (Revenue) for the financial year 2013-14 and Budget Estimates (Revenue) for 2014-15 as brought out in the agenda notes. While discussing the agenda item, the Chairperson expressed her concern that the completion of the hostel construction for accommodating 300 students in Mumbai campus should happen in time for the new session. DG – NIFT stated that the issue was also raised in the F&AC Meeting and a separate meeting has been scheduled by F&AC in Mumbai to review the progress of construction work in Mumbai.

AGENDA ITEM NO. 2512

RE 2013-14 & BE-2014-15 (Capital)

The Board considered and approved the Revised Estimates (Capital) for the financial year 2013-14 and Budget Estimate (Capital) for the Financial Year 2014-15 as brought out in the agenda notes.

AGENDA ITEM NO. 2513

Fee Structure for academic year 2014-15

Detailed discussion on fees charged from the students for the academic year 2014-15 took place during the meeting. The Board took note of the recommendations as made by the F&AC and contained in its minutes and gave its post facto approval for the 10% hike in the fees for the year 2013-14 for all students.

During discussion, Mr. Sunil Sethi, Member of the Board remarked that even at this percentage of hike NIFT seemed to be getting enough response, but he felt that the demand was for particular courses. The most sought course of NIFT was Bachelor of Design (Fashion) and mostly those who did not get admission in Fashion Design opted for other courses so that they could continue to be part of NIFT. He suggested that NIFT may not place emphasis on running the same set of courses in each campus, and should be open to reducing courses where seats were left empty after all the transfers had been done, while increasing the courses which were clearly the more popular. NIFT should consider increasing the number of batch of those courses for which demand was high such as Fashion Design and Fashion Communication course etc. Mr. Sethi suggested that intake of students in courses which were high in demand may be increased to double. This would result in increased revenue and financial sustainability of NIFT. It would reduce the pressure on the DG to search for solutions to fill up vacant seats. After detailed deliberation, the Board noted the primacy of demand for Fashion Design and Fashion Communication and the need of the Institute to respond to it, and advised the Senate to study the course options in the admission forms and submit its recommendation in time for decisions before the prospectus for 2015-16 was planned :

- Size of demand for Fashion Design and Fashion Technology
- Combining of LD, KD & FD under one umbrella.
- Starting of two batches of Fashion Design in some selected Campuses.

The Board expressed its concern over the variable quality of education from campus to campus due to expansion of campuses, and the unavoidable focus on achieving economic feasibility of Campuses. It would be a good idea if 2-3 Board members get associated with NIFT and give their recommendations on measures to be taken for assuring the Board about quality of NIFT education. Therefore the Board decided that a Committee may be formed with internal and external members who may visit various campuses to study the quality of education offered at NIFT Campuses. Mr. Sunil Sethi, Ms. Namita Chawdhury and Dr. A. Sakthivel agreed to be a part of the Committee and Dean(A) as the member secretary who would coordinate their visits.

On a concluding note on Fee Structure the Board directed that the prospectus should have mentioned in an unambiguous terms that *“an annual increase of atleast 10% will be applicable to all students”*.

DG also informed the members that a **“Fee Revision Committee”** under Director (F&A) had been set up to look into the fee revision and submit its recommendations for the next Academic Year before the Finance and Accounts Committee whose recommendations would be placed before the Board.

AGENDA ITEM NO. 2516

Consolidated internal audit report of NIFT for the period April 1, 2013 to September 30, 2013

Mr. Deepak Jain presented the consolidated Internal Audit Report of NIFT for six months ending September 30, 2013 to the Board. DG brought to the notice of the members that it was for the first time that a consolidated report for all fifteen campuses was prepared and the same was also appreciated by the F&AC. The Chairperson enquired from the Auditor if he had any remarks on the Audit report. The Auditor stated that his major concern was regarding the advances that had very old and remained outstanding. These were very old and required a decision from the management. Director (F&A) submitted that the amount of advances pertains to very old time period and rigorous follow up was in process to recover the same. He also stated that other than the advances, all other audit objections had been resolved and due care would be taken that the same were not repeated in future.

The members took note of the internal audit report for the six months ending 30th September, 2013.

AGENDA ITEM NO. 2519

Consolidated Internal Audit Report of NIFT for the period October 1, 2013 to December 31, 2013

Mr. Deepak Jain, internal auditor presented the consolidated Internal Audit Report of NIFT for 3rd Quarter ending 31st December, 2013. The members discussed and took note of the same.

In addition, noting the delay in the presentation of the quarterly reports the Board directed that the Quarterly Internal Audit report should be submitted not later than 45 days from the end of the quarter and should be presented to BOG on a quarterly basis. Also, the report should be submitted to F&AC one week before its meeting.

AGENDA ITEM NO. 2522

Inter campus transfer of Ms. Niharika Namade from NIFT Shillong to NIFT Bhopal campus for 7th and 8th Semester

BOG took note of the specific circumstances of the case and granted its ex-post facto approval for Inter Campus Transfer of Ms. Niharika Namade from NIFT Shillong to NIFT Bhopal Campus for seventh and eight semesters.

AGENDA ITEM NO. 2523

Ex-post facto approval regarding the Inter Campus Transfer of Ms. Simple Bamrah from NIFT Delhi Campus to NIFT Bhopal Campus and Mr. Shalabh Kumar Sissodia from NIFT Kangra Campus to NIFT Kannur Campus

BOG perused the recommendation of Academic Affairs Committee (AAC) regarding Inter Campus Transfer of Ms. Simple Bamrah from NIFT Delhi Campus to NIFT Bhopal Campus and Mr. Shalabh Kumar Sissodia from NIFT Kangra Campus to NIFT Kannur Campus and granted its ex-post facto approval.

AGENDA ITEM NO. 2524

To charge facilitation fee from students who go for International Exchange

BOG took note of the recommendations of AAC for charging facilitation fee and accorded its ex-post facto approval for charging facilitation fee of Rs. 2000/- per student who avail facility of International Exchange.

AGENDA ITEM NO. 2525

To charge NIFT tuition fee from students who go for International exchange on paid seat

The Board took note of the recommendations of the AAC that in order to recover fixed costs, NIFT students who go on paid seat opportunity to International Universities for semester exchange or dual degree programmes should pay 40% of tuition fee at NIFT apart from paying full tuition fee of the foreign school. The BOG after due deliberation granted its ex-post facto approval of charging students going on paid seats in international exchange to pay 40% tuition fee at NIFT.

Agenda Item No. 2526

Revised MOU on Academic cooperation between NIFT and Partner Institute/University

BOG took note of the recommendations of the AAC and new provisions included in the revised MOU and granted its ex-post facto approval of the revised MoU that NIFT may sign with Partner Institute / University.

Agenda Item No. 2528

New Degree programmes at NIFT Bhubaneswar and Patna Campuses w.e.f. 2014

The Board approved the proposal of starting of two new courses at Bhubaneswar and Patna Campuses on the basis of demand survey which had been carried out to assess the commercial viability and feasibility to the start these courses, on being assured of the availability of sufficient space in the new buildings handed over by the State Governments. The starting of these courses would make the campuses self-sufficient and financially viable that would obviate the need of recurring support from the State Government.

AGENDA ITEM NO 2535

Review and approval of Annual Accounts for the Financial Year 2013-14

Director (F&A) presented the Annual Accounts of NIFT for the Financial Year 2013-14 to the members present. He brought to the notice of the members, that financial accounts this year were much more uniform and standardized across all campuses of NIFT as compared to last year. He informed that seeing to the problems faced last year, accounting codes had been introduced from this year and campuses were asked strictly to adhere to the same.

The Annual Accounts have been compiled by F&A division at HO and were vetted the Internal Auditors, M/s. M.C. Jain & Co. During the meeting, various reasons for increase in income and expenditure over last year were explained by Director (F&A). Mr. Deepak Jain from M/s. M.C. Jain & Co. stated that there was a marked improvement in the accounts of NIFT compared to last year. He credited this to good work done by Finance and Accounts

division at HO. He also suggested following changes that can be taken into consideration in the future:

- a) Leave encashment and gratuity to be accounted on actuarial basis in the Annual Accounts.
- b) Fees should be recorded on accrual basis as against the practice of NIFT to record the same on cash basis.
- c) Standardization to be brought in accounts heads across all campuses of NIFT.
- d) More qualified officials to be inducted in the accounts team across all campuses.
- ~~d/e)~~ Provision to be made for retirement benefits so that it did not need to be adjusted against expenditure for the year.

The Chairperson appreciated the improved system of financial accounting adopted in the year under review. She also directed to maintain the same in the future and ensure that best practices of accounting is being followed in NIFT. After detailed discussion, the Annual Accounts of NIFT for the Financial Year 2013-14 were considered and approved by the members of the Board.

Agenda Item No. 2529

Proposal regarding 15% NRI seats to partially state funded NIFT campuses

Director(Admission) apprised the members that in State Government funded Campuses 20% supernumerary seats were reserved for domicile candidates. Since there was a significant increase in the admission of NRI category, the Director of new Campuses requested that the domicile quota should be offered within 30 seats of their campuses and 05 NRI seats may be made available at the Campus as supernumerary, this would help to improve the financial viability of the campuses and reduce the deficits. The proposal was deliberated in the Academic Affairs Committee in its meeting held on 29.01.2014 and was recommended. The Board took note of the recommendation of AAC. The Chairperson felt that increase of seats beyond the existing supernumerary seats of State quota was not desirable. Allowing vacant State domicile reserved seats by NRI may not be possible. NRI could be allowed against State Domicile seats for general category. Before taking a final view, a robust legal opinion on the proposal may be obtained and placed for approval in the next meeting.

Agenda Item No. 2542

Distribution of unfilled NRI seats of various campuses/programmes to Gandhinagar, Mumbai, Kolkata, Chennai and New Delhi

Board deliberated on the reallocation of left over NRI seats from the various NIFT campuses / Programmes on demand to the NIFT Campuses of Chennai, Kolkata, Mumbai, Gandhinagar and Bengaluru for Admission 2014.

Director (Admissions) informed that since 2010 NIFT Campus Gandhinagar was running a separate NRI batch (B.Des. –Fashion Design) successfully. For that, the vacant seats from other NIFT Campuses have been shifted each year to Gandhinagar. 30% of the revenue being generated by Gandhinagar Campus on account of fee is given to the Campuses from which vacant seats have been shifted to Gandhinagar.

The Board of Governors understood that the request was not for filling additional seats but, within the existing quota of 15% seats for Foreign Nationals/SAARC/NRI and wards of the total NIFT seats, of shifting the vacant seats from colleges where NRIs did not wish to join to colleges where they were willing to join. The Board agreed to the proposal on condition that

the attempt would be to consolidate the shift of seats to one campus and run a full additional course (as was already being done in Gandhinagar) in preference to spreading them over the four proposed campuses and thereby creating a larger than approved class size in all of them and that the Admission would be given strictly on the basis of merit secured through All India Competitive Exam conducted for the same.

Agenda Item No. 2543

Setting up named Chair(s) at NIFT

The BOG after thorough review of the policy on setting up named chair(s) at NIFT unanimously found the initiative was progressive in nature and approved it for.

Agenda Item No. 2530

Progress Reports of the Construction Projects of NIFT

The Board expressed its difficulty in appreciating the progress report. It suggested that henceforth a summary may be provided in a tabular format containing the Estimated cost and estimated time at the start of the project ; current status of completion in terms of percentage of the work done and current expenditure and percentage thereof incurred ; the expected date of completion, with estimated time and cost overrun (costs calculated by working in the inflation due to delay) and reasons for delay (in any).

Agenda Item No. 2531

Result Framework Document (RFD) of the NIFT for the year 2014-15

The Board took note of it.

Agenda Item No. 2537

Permanent transfer of Ms. Shristi Arora (PHP) candidate from Accessory Design (AD) programme to Fashion Communication (FC) programme at NIFT Gandhinagar

Keeping in view of the particular situation of the case, BOG considered and approved the proposal regarding permanent transfer of Ms. Shrishti Arora (PHP candidate) from Accessory Design (AD) programme to Fashion Communication (FC) programme at NIFT Gandhinagar.

Agenda Item No. 2538

Offer the vacant seats reserved for SC/ST/OBC in third semester of UG and PG programme to the existing students of NIFT irrespective of their category

The Head – Academic Affairs apprised the members that 112 seats were lying vacant which were reserved for SC/ST/OBC candidates. The DG explained that first year students are allowed to change their campuses and/or courses as per Students' Permanent Transfer Policy which the Board had approved. These transfers are made category wise i.e. SC, ST & OBC can seek transfer on seats reserved for respective category or General category as per merit position prepared as per the policy. After allowing this facility, the remaining seats are offered to applicants under Lateral Entry Admission policy. This admission was given category wise. Thus, there were three attempts made to fill all reserved seats for student at NIFT. If NIFT did not fill up these vacant seats, it would be a loss of National resources. The

Board was informed that there were demands from unreserved category candidates who were seeking to shift against these vacant seats. Taking into consideration the reservation norms, the Board turned down the proposal, deciding that the reserved seats should not be de-reserved for general category candidates and that lateral transfers at so many points could dilute the discipline of the initial admissions process.

Agenda Item No. 2536

Starting a 2 ½ year Master of Design Program with built-in flexibility for completing it in 6 years

The Agenda was discussed at length, and the Board decided to defer a decision, while asking the DG to consider proposing a faculty training course instead.

Agenda Item No. 2539

Establishment of NIFT Jodhpur's Extension Centre at Jaipur

The Agenda was discussed, the Board however decided to defer the agenda.

Agenda Item No. 2540

Ex-post facto approval for starting temporary campus at NIFT Srinagar, J & K

The proposal was approved by the Board.

Agenda Item No. 2544

Status of Pending Disciplinary Proceeding cases of Head Office

The details of disciplinary cases of NIFT were noted by the Board. The Chairperson desired that a detailed note on the many disciplinary cases in respect of Mr. D K. Rangra be made and submitted to members for information.

Agenda Item Nos. 2503 to 2510, 2514 & 2515, 2517 & 2518, 2520 & 2521, 2526 & 2527, 2532 to 2534, 2541, 2545 to 2547

Due to paucity of time these Agenda items were not discussed.

The meeting ended with vote of thanks to the Chair.