

**MINUTES OF THE 18<sup>th</sup> FINANCE & AUDIT COMMITTEE (F&AC) MEETING HELD ON  
10<sup>TH</sup> FEBRUARY, 2012 AT 4:00 P.M. IN THE CHAMBER OF AS&FA,  
MINISTRY OF TEXTILES, UDYOG BHAWAN, NEW DELHI**

The following were present:

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|----|--|-------------|
| 1. | Dr. Rajan Katoch, AS&FA, MOT                 | Chairperson |
| 2. | Ms. Monika S. Garg, DG-NIFT & JS, MOT        | Member      |
| 3. | Ms. Archana S. Awasthi, Director (F&A), NIFT | Member      |

**In attendance**

1. Sh. B.K. Pandey, CAO, NIFT
2. Sh. Chandra Choodan, Registrar (Estt)/Board Secretary, NIFT

**AGENDA ITEM NO. 1801**

**TO CONFIRM THE MINUTES OF THE 17<sup>TH</sup> FINANCE & AUDIT COMMITTEE MEETING HELD  
ON 12<sup>TH</sup> AUGUST, 2011**

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. 1802**

**ACTION TAKEN REPORT ON LAST MINUTES OF THE FINANCE & AUDIT COMMITTEE  
MEETING HELD ON 12<sup>TH</sup> AUGUST, 2011**

The Action Taken Report on the decisions of the last meetings of the F&AC was noted.

**AGENDA ITEM NO. 1803**

**PROPOSAL FOR ENDOWMENT FUND POLICY**

The Committee took note of the present status of the endowment fund of NIFT and considered the proposed policy for utilization of the Endowment Fund. The Committee recommended that any actual savings of the Institute above Rs.100 crore, i.e. beyond the level of the endowment fund shall also go to the fund. However, in line with approved Govt. Policy, the Institute may utilize any such surplus fund beyond the Rs.100 crore and the interest generated by the Endowment fund for infrastructure development purposes; but in no case, the corpus created at the level of Rs.100 crore can be used by the NIFT. For utilization of money from Endowment Fund, a separate annual budget may be prepared and submitted for approval of the Committee.

The Committee also agreed that Endowment Fund should be utilized for the following kinds of development activities as proposed in the Policy:

- a) Construction of Research Centre, Lab, Class Rooms etc.
- b) Capital purchase of Machineries
- c) Upgradation of facilities
- d) Scholarships
- e) Engaging International Guest Faculties
- f) Membership of the Institute in International/national Bodies or Organizations of academic relevance.
- g) Organising Seminars/Workshops

- h) Payment for Industry Chairs
- i) Funding specific research work.

Chairman of the Committee suggested that considering the increase in the number of NIFT centers, from 7 to 15, a proposal may be moved to the Competent Authority for increasing the size of the Endowment Fund to Rs.200 crore and for continuation of the matching grant from the Ministry till the corpus reaches that level. The Committee accordingly recommended the proposed policy for utilization of the Endowment Fund for the approval of the Board.

#### **AGENDA ITEM NO. 1804**

##### **APPROVAL FOR RELEASE OF BONUS OF THE FINANCIAL YEAR 2010 – 11**

The Committee indicated its “no objection” to the payment of ad-hoc bonus to NIFT employees for the financial year 2010-11 as applicable in the GOI and suggested that NIFT define the appropriate authority for approval of such payment in future.

#### **AGENDA ITEM NO. 1805**

##### **PROPOSAL FOR REVISED ESTIMATE 201 1-12 & BUDGET ESTIMATE 2012-13 (REVENUE)**

The Committee recommended for Board approval the Revised Revenue Budget for the financial year 2011-12 and Budget Estimates for 2012-13. The Committee appreciated the austerity measures and efforts to increase income in view of the fact that while the Revised Estimates of Expenditure for 2011-12 is less than the Budget Estimates, the Revised Estimates of Income for the same period higher than the Budget Estimates.

#### **AGENDA ITEM NO. 1806**

##### **PROPOSAL FOR RE 2011-12 & BE 2012-13 (CAPITAL)**

The Committee recommended the proposal for Board consideration. However it was noted that interest income from the Endowment Fund is also proposed to be utilized for funding the BE. The Committee directed that for expenditure from Endowment Fund, a separate budget proposal has to be put up for approval.

#### **AGENDA ITEM NO. 1807**

##### **PROPOSAL FOR UTILIZATION OF THE OBC QUOTA FUNDS AND EXTENSION OF TIME**

The Committee considered the proposal for extension of time upto March 2015 for utilization of funds under OBC quota and advised that the proposal may be submitted to the competent authority after obtaining the approval of the Board.

**AGENDA ITEM NO. 1808**

**STATUS UPDATE ON OUTSTANDING C&AG AUDIT PARA**

The Committee took note of the status of the outstanding C&AG audit paras as indicated in the note and advised expeditious reply to the observations of Special Audit conducted by MoT.

**AGENDA ITEM NO. 1809**

**MODIFICATION IN THE CLAUSE OF FINANCE & ACCOUNTS MANUAL  
– PURCHASE POLICY**

The proposal was approved by the Committee.

**AGENDA ITEM NO. 1810**

**CONSTRUCTION OF ACADEMIC BLOCK, AUDITORIUM (750 SEATER) WITH SERVICE &  
DISPLAY HALL, DEVELOPMENT WORKS AND OTHER FACILITIES AT NIFT CENTRE,  
HYDERABAD**

The Committee granted “in-principle approval” to the proposal, subject to approval by the Board, so that preparation of DPR can be initiated for consideration.

**AGENDA ITEM NO. 1811**

**ADMINISTRATIVE APPROVAL FOR PERMANENT CONNECTION OF ELECTRICITY AT NIFT  
CAMPUS, RAEBARELI**

The Committee concurred with the proposed payment of an additional amount of Rs.6,58,068 demanded by the U.P. State Electricity Board for providing permanent electricity connection for the NIFT Raebareli Centre.

**AGENDA ITEM NO. 1812**

**ANY OTHER ITEM WITH THE PERMISSION OF CHAIR**

The meeting concluded with vote of thanks to the Chair.