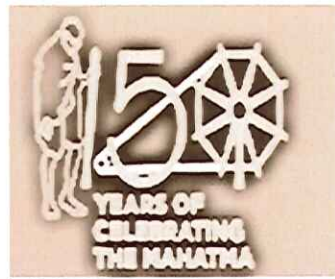


**NATIONAL INSTITUTE OF TECHNOLOGY KARNATAKA, SURATHKAL**

**P.O. SRINIVASNAGAR, MANGALURU-575025**



**MINUTES**  
**OF THE 44<sup>th</sup> MEETING OF THE**  
**FINANCE COMMITTEE**

**Date :** April 29, 2019 (Monday)

**Time :** 10:00 AM

**Venue:** Board Room, NITK, Surathkal



**NATIONAL INSTITUTE OF TECHNOLOGY KARNATAKA,  
SURATHKAL**

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**MINUTES OF PROCEEDINGS OF 44<sup>th</sup> MEETING OF THE FINANCE COMMITTEE (FC)  
OF THE NATIONAL INSTITUTE OF TECHNOLOGY KARNATAKA, SURATHKAL  
HELD ON MONDAY, APRIL 29, 2019 AT 10:00AM  
IN THE BOARD ROOM, NITK, SURATHKAL.**

**Members Present:**

1. **Prof. K Balaveera Reddy,** ..... Chairperson  
Former Vice Chancellor – VTU, Belgaum  
Veerabhadra Nilayam, H.No.10, 4<sup>th</sup> A Cross, 2<sup>nd</sup> Block,  
HRBR Layout, Kalyana Nagar, Bengaluru - 560043.
2. **Prof. K Umamaheshwara Rao,** ..... Member  
Director,  
NITK, Surathkal.
3. **Shri A K Singh,** ..... Member  
*Under Secretary (NITs),  
Dept. of Higher Education,  
Ministry of Human Resource Development  
Govt. of India, Shastri Bhavan, New Delhi-110 001*

***Representative of:***

***Dr. Sukhbir Singh Sandhu, IAS***  
*Additional Secretary (TE) & CVO,  
Ministry of Human Resource Development, Govt. of India,  
Dept. of Higher Education, T E Bureau,  
Room No. 122 'C', Shastri Bhavan, New Delhi-110 001.*

4. **Shri D K Singh,** ..... Member  
*Deputy Secretary (Finance),  
Dept. of Higher Education,  
Ministry of Human Resource Development,  
Govt. of India, Shastri Bhavan, New Delhi-110 001*

***Representative of:***

***Ms. Darshana M Dabral,***  
*Joint Secretary and Financial Advisor,  
Integrated Finance Bureau,  
Ministry of Human Resource Development, Govt. of India,  
120-C, Shastri Bhavan, New Delhi - 110 001.*

5. **Shri G M Ravindra,** ..... Member  
Managing Director,  
RKS INFRATECH Pvt. Ltd.,  
No.42/36, "Rajani Towers", 3<sup>rd</sup> Floor  
27<sup>th</sup> Cross, 7<sup>th</sup> 'B' Main Road,  
4<sup>th</sup> Block, Jayanagar, Bengaluru – 560011
6. **Prof. Muralidhar Kulkarni,** ..... Member  
Professor,  
Department of Electronics & Communication Engg.,  
NITK, Surathkal.
7. **Shri K Ravindranath** ..... Member Secretary  
Registrar  
NITK, Surathkal.

Chairperson welcomed all the members to the 44<sup>th</sup> meeting of the Finance Committee. After a brief discussion, with the permission of the Chair, the FC began deliberations on Agenda items.

**FC Item No. 44.1:**      **Reading and Confirmation of the Minutes of the 43<sup>rd</sup> Meeting of the Finance Committee held on Monday, December, 2018 at 10:30AM in the Board Room, NITK, Surathkal - Reg.**

The Minutes of 43<sup>rd</sup> meeting of the Finance Committee were read, and since no comments have been received, the Finance Committee resolved to confirm the Minutes.

**FC Item No. 44.2:**      **To consider the report on action taken on the resolutions of 43<sup>rd</sup> Meeting of the Finance Committee held on Monday, December 24, 2018 at 10:30AM, in the Board Room, NITK, Surathkal – Reg.**

**FC Item No. 43.3.1:**      *To consider the Certified "Annual Accounts" of the Institute for the year 2017-18 – Reg.*

*The Finance Committee noted the action taken. The Finance Committee further informed to place all the pending CAG Audit Para and pending Court Cases of the Institute in every meeting of the Finance Committee as information item.*

**FC Item No. 43.3.2:**      *To consider the Procurement of Sports Equipment at an estimated cost of Rs.92.50 lakh - Reg.*

*The Finance Committee noted the action taken and suggested to expedite the tender process.*





FC Item No. 43.3.3: To consider the proposal of Budget allocation towards 'Alumni Relationship Development Fund' to be handled by Dean (Alumni Affairs and Institutional Relations) – Reg.

The Committee noted the action taken. The Director, NITK briefed about the representation received from the Alumni Association raising its concern over transferring a portion of the amount that collected in the name of Alumni Association Fee from the 1<sup>st</sup> batch of students into the Institute head of account 'Alumni Relationship Development Fund'.

After discussion on the matter, the Finance Committee advised to the Institute that the matter be placed in the next meeting as an item for discussion with all related details for taking a decision.

FC Item No. 43.3.4: To consider the receipt of contribution from KREC B.E 1981 batch Reunion group – Reg.

The Finance Committee noted the action taken.

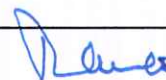
FC Item No. 43.3.5: Any other item with the permission of the Chair

No other items were discussed, hence no action.

FC Item No. 44.3: To consider the Items placed before the present (44<sup>th</sup>) Meeting of Finance Committee (FC) held on April 29, 2019 at 10:00AM in the Board Room, NITK, Surathkal – Reg.

#### ITEMS FOR DISCUSSION AND APPROVAL:

<b>FC Item No. 44.3.1</b>	<p>To consider the Procurement of 250 kN Servo hydraulic Fatigue Testing Unit for Central Research Facility under HEFA – Phase I (Tender notification: NITK/CRF/Fatigue/02S3, dt. 22.11.2018) - Reg.</p> <p>The FC noted the contents of agenda note. The HEFA Project Coordinator briefed the Committee about the procedure that adopted in inviting the tenders, contention of one of the agency (who has not participated in the tender) regarding the technical specification adopted in the tender, decision of the expert committee on the specification adopted and other developments.</p> <p><b><u>Resolution:</u></b></p> <p>The FC resolved to recommend to the BoG for going ahead with the tender and placing orders with the evaluated lowest bidder.</p> <p>[Action owner : Dean (P&amp;D) Timeframe : As applicable]</p>
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<p><b>FC Item No. 44.3.2</b></p>	<p><b>To consider the recommendation of B&amp;WC for granting approval for demolishing existing structure at the proposed site for 'Construction of building for School of Interdisciplinary Studies and Central Research facility (CoEs)' - Reg.</b></p> <p>The FC noted the contents of agenda note. The FC noted the decision of the Institute for allotting one bay of the Workshop building for CRF for housing heavy equipment to be procured under HEFA scheme. The FC suggested that early action be taken if any modifications are required in the Workshop bay allotted to CRF so that the building space be ready in all respects for housing the equipment immediately on its arrival. The FC further noted that the site adjacent to the Workshop that proposed for the new building is convenient. The FC further noted structural condition, period of construction and capital cost of the old building situated at the proposed site as placed before FC; and opined that demolishing the same for erection of new building is worth.</p> <p><b><u>Resolution:</u></b></p> <p><b>The FC resolved to recommend to the BOG for approving demolishing of the old building existing at the proposed site by a public auction; and to write it off from the Asset/ Building Register of the Institute.</b></p> <p><b>[Action owner : Dean (P&amp;D)</b>  <b>Timeframe : On confirmation of the minutes]</b></p>
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**FC Item  
No. 44.3.3**

**To consider the recommendation to HEFA for preparing LC for the purchase of equipment for CRF supported by HEFA - Phase I - Reg.**

The Finance Committee noted the contents of the agenda note. The FC noted the estimated cost of the equipment and its bid amount as follows:

**Item 1:**

Sl No	Name of the equipment		Cost		Vendor name
	As in the proposal	To be approved	As in the proposal	PO value	
1	Field emission gun scanning electron microscope (FEGSEM)	Field emission gun scanning electron microscope	Rs. 400 lacs	5,05,000=00 euros + 7,56,000 +GST (@ 18% = 1,36,080) = 8,92,080	M/s Carl Zeiss microscopy, GmbH, Carl-Zeiss group, Carl-Zeiss Strasse 22, 73447, Oberkochen, Germany  M/s Carl Zeiss (India) Pvt Ltd, Plot No 3, Jigani Link road, Bommasandra Industrial Area, Banaglore 560059.

PO value @81.54 =4, 11,77,700 INR + 8,92,080 = INR 4,20,69,780

Justification for increased cost: 1. Currency fluctuations, 2. Warranty period: three years.

**Item 2**

Sl. No	Name of the equipment		Cost		Vendor name
	As in the proposal	To be approved	As in the proposal	PO value	
1	Laser Flash Analyser (LAF) equipment for comprehensive analysis of thermal properties	Laser Flash Analyser	Rs. 80 Lacs	1,54,604 USD (@70.9108)= 1,09,63,093 INR	M/s Water (India) Pvt Ltd, TA Instruments Div, Mohan Matrix building, #450, 12 <sup>th</sup> cross, II stage, Mahalaxmipuram, Bangalore, 560086

Justification for increased cost: 1) Additional Spares and accessories 2) Price escalation during 15 months between proposal and bidding, 3) Three years warranty period. 4) Currency fluctuations.

*Dames*

	<p><b><u>Resolution:</u></b></p> <p>The Finance Committee resolved to recommend to the BOG for approving the lowest bids mentioned above.</p> <p>The Finance Committee suggested that the total purchase under HEFA should be restricted to the total approved cost.</p> <p>[Action owner : Dean (P&amp;D) Timeframe : On confirmation of the minutes]</p>
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<p><b>FC Item No. 44.3.4</b></p>	<p><b>To consider the Progress of equipment purchase for CRF supported by HEFA – Phase 1 - Reg.</b></p> <p>The Finance Committee noted with displeasure that the departmental buyers are not coming forward for procurement of equipment under HEFA scheme which were approved in the scheme as per their proposal. The Committee suggested the Director for making efforts to convince the buyers once again. After deliberation, the following resolution was passed:</p> <p><b><u>Resolution:</u></b></p> <p>The Finance Committee resolved that if the buyers are not coming forward to procure the items as proposed by them, a review of the procurement may be allowed for the new prospective buyers of the Institute.</p> <p>[Action owner : CRF Coordinator Timeframe : On confirmation of the minutes]</p>
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<p>FC Item No. 44.3.5</p>	<p>To consider the 'Framework for Sponsored Research Projects, Testing and Industrial Consultancy' - Reg.</p> <p>The Finance Committee noted the contents of the agenda note. The Finance Committee further noted that a draft framework has been prepared by the MHRD. After discussion, the following resolution was passed:</p> <p><b><u>Resolution:</u></b></p> <p>The Finance Committee resolved to the BoG for referring the proposed draft frame work for a committee with Prof. Anathanarayana, Dy. Director of the Institute as Chairman, Dr. Shanth A Thimmaiah, BoG member, Dr.Prasanna, Faculty in charge,IIP Cell and Dr.U.Sripati, Dean(R&amp;C) as Convenor. The Committee may re-examine the draft with that of the draft prepared by the MHRD. The report of the committee may be placed before FC/ BOG members through circulation or in the next meeting of the FC/ BoG for further decision.</p> <p>[Action owner : Dean (R&amp;C) Timeframe : On confirmation of the minutes]</p>
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<p>FC Item No. 44.3.6</p>	<p>To consider the Group Medical Insurance Facility for NITK Employees - Reg.</p> <p><b><u>Resolution:</u></b></p> <p>The Finance Committee resolved to recommend to the BOG for granting in-principle approval for the proposal. The Health Care Committee shall obtain Expression of Interest (Eols) from reputed medical insurance firms and recommend the feasibility model in line with other CFTIs to the next meeting of the Finance Committee for further decision.</p> <p>Further, representative of JS &amp; FA, MHRD informed the Committee that after 7<sup>th</sup> CPC, Union Cabinet considered a recommendation to extend medical facilities to serving and retired staff and their dependants. However, final decision in this regard is to be taken after consultation with Ministry of Finance.</p> <p>[Action owner : Chairman, Health Care committee. Timeframe : On confirmation of the minutes]</p>
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Insurance  
Notes

*D. Anas*



<p><b>FC Item No. 44.3.7</b></p>	<p><b>To consider the Opening and Running a Kendriya Vidyalaya at NITK Campus - Reg.</b></p> <p>Director persuaded and tried to justify the Board on the need for a Kendriya Vidyalaya at NITK Campus, which has been duly approved by MHRD. The BOG did not find it justifying to bear for opening a new Kendriya Vidyalaya School with one time cost of Rs.7 Crores and an annual expenditure of Rs.3.0 Crores for running the KV.</p> <p><b><u>Resolution:</u></b></p> <p><b>The Finance Committee resolved to decline the proposal to the BoG and the matter of Kendriya Vidyalaya at NITK is closed for the time being.</b></p> <p><b>[Action owner : Dean (AA&amp;IR) and Dean (P&amp;D)</b>  <b>Timeframe : On confirmation of the minutes]</b></p>
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<p><b>FC Item No. 44.3.8</b></p>	<p><b>To consider the 39<sup>th</sup> B&amp;WC item - Proposal for the construction of “Alumni Centre of Excellence” on BOT mode – Proposal of the Chairperson, Board of Governors – Reg.</b></p> <p>The Finance Committee noted that the contents of the agenda note is not specific in some of the matters regarding mode of execution (BOT or only build and Transfer), period of lease, lease amount etc. After discussion, the FC made the following resolution.</p> <p><b><u>Resolution:</u></b></p> <p><b>The Finance Committee resolved that the Institute should review the proposal in consultation with the Alumni Association in order to address the concerns of the Institute as well as the Alumni Association. The revised proposal shall be placed in the next meeting of the Finance Committee for further decision.</b></p> <p><b>[Action owner : Dean (AA&amp;IR)</b>  <b>Timeframe : On confirmation of the minutes]</b></p>
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*Ramesh*


**ITEMS FOR INFORMATION:**

FC Item No. 44.3.9	<p>To consider the information regarding sanction of term loan of ₹ 48.00 crore by HEFA board vide letter dated 18-03-2019 of HEFA for the 'Construction of building for School of Interdisciplinary Studies (CoEs) and Central Research facility' – Reg.</p> <p><b>Resolution:</b></p> <p>Finance Committee noted the sanction of term loan of ₹ 48.00 crore by HEFA board vide letter dated 18-03-2019 of HEFA for the 'Construction of building for School of Interdisciplinary Studies (CoEs) and Central Research facility'. The FC further suggested for taking timely action for utilizing the loan amount.</p> <p>[Action owner : Dean (P&amp;D) Timeframe : NA]</p>
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FC Item No. 44.3.10	<p>To consider the information regarding approval of "Construction of new Girls Hostel of 300 single occupancy rooms" by MHRD under HEFA infrastructure scheme in place of residential apartments approved earlier – Reg.</p> <p><b>Resolution:</b></p> <p>The Finance Committee noted the approval of "Construction of new Girls Hostel of 300 single occupancy rooms" by MHRD under HEFA infrastructure scheme in place of residential apartments approved earlier.</p> <p>[Action owner : Dean (P&amp;D) Timeframe : NA]</p>
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FC Item No. 44.3.11	<p>Any other item with the permission of the Chair</p> <p>No other items considered for discussion.</p>
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With the above, the meeting is concluded with a vote of thanks to the Chair.

  
(K Ravindranath)  
Member Secretary, FC  
NITK, Surathkal.

  
(K Umamaheshwar Rao)  
Director, NITK, Surathkal.

  
(K Balaveera Reddy) 20-05-2019  
Chairperson - FC  
NITK, Surathkal.