

Minutes of the 21st Meeting of the Finance Committee

Date and time: 04.12.2023 at 10:00 AM

Venue: Board Room, IIT Hyderabad, Kandi 502 284, Sanga Reddy District.

The 21st Meeting of the Finance Committee (FC) of Indian Institute of Technology Hyderabad (IITH) was held on 04.12.2023 (Monday) at 10.00 AM.

Members present:

Dr. B.V.R. Mohan Reddy	Chairman
Prof. B.S. Murty	Director, IITH, Member
Prof. S. Suriya Prakash	Dean (Planning), IITH, Member
Prof. Chandrashekhar Sharma	Dean (SRC), IITH, Member
V Venkat Rao	Registrar, IITH and Secretary

The official comments from IFD, MoE have been received vide F.No.1-07/2023-IFD dated 01.12.2023 and the same are reproduced under each Item.

At the outset, the Director, IIT Hyderabad (IITH) welcomed the Chairman and Members of the Finance Committee (FC) to its 21st FC meeting.

Item No. 21.1: Confirmation of the minutes of the 20th meeting of the FC

JS (TE), MoE, Comments:

IFD, MoE Comments: May be considered.

The Director mentioned that the 20th Meeting of the FC of the Institute was held on 25.09.2023. A copy of the minutes has been circulated to the FC members and no observations have been received in this regard. Further, he mentioned that there is no action pending on the minutes of the 20th meeting of the FC.

Resolution: The Minutes of the 20th FC meeting of IITH, held on 25.09.2023, are confirmed.

Item No. 21.2: Welcoming of Prof. S Suriya Prakash, Department of Civil Engineering, and new Dean (Planning) as a member of FC

JS (TE), MoE Comments:

IFD, MoE Comments: May be passed the resolution.

The Director informed the FC that the current tenure of Prof K V L Subramaniam as Dean (Planning) has ended on 15.11.2023. Prof. S Suriya Prakash, Department of Civil Engineering, has been appointed as the next Dean (Planning) for a period of three years with the approval of the Chairman, BoG. The Dean (Planning) is an ex-officio member of FC and hence Prof. Suriya Prakash is being proposed as a member of FC.

Resolution: The FC welcomed Prof. S Suriya Prakash, Dean (Planning), as a member of FC. The FC also placed on record its appreciation for the excellent support provided by Prof. KVL Subramaiaam as FC member during his term as Dean (Planning).

Item No. 21.3.1: Report on Annual Accounts 2022-23

JS (TE), MoE Comments:

IFD, MoE Comments: May be reported.

The Director informed the FC that the Annual Accounts of the Institute were prepared in the format prescribed by the Ministry of Education, GoI, and were audited by a team of auditors under C&AG. In terms of Ministry of Education letter F.No.32-15/2015-T.S.-I dated 21.08.2015, the Annual Accounts were forwarded to MoE on 06.11.2023, after obtaining the approval of the Chairman, FC, IITH.

Further, the Director presented the Annual Accounts audited by the C&AG along with Audit Certificate and Management letter to the FC members.

Resolution: The FC ratified the Report on the Annual Accounts 2022-23.

Item No. 21.3.2: To ratify Report on Major Purchases

Comments of JS (TE):

IFD, MoE Comments: May be reported.

A Report on Major Purchases of value of Rs 20 lakhs and above, made by the Institute during the period 30.08.2023 to 16.11.2023, was presented by the Director for the ratification of the FC. It was informed by the Director to the FC that in accordance with the approval of the FC in its 3rd meeting, held on 03.01.2014, the purchases of the order of Rs 20 lakhs and above is to be reported to the FC. He further added that the relevant provisions of GFR-2017 were fully followed in all these purchases.

Resolution: The FC ratified the Report on Major Purchases, as presented.

Item No. 21.4.1: Report on Campus Development Works

JS (TE), MoE Comments:

IFD, MoE Comments: May be reported.

(a) Report on Campus Development Works of IITH Phase-I and Phase II [HEFA]

The Dean (Planning) stated that, Government of India vide letter No. 34-1/2016 -TS-I dated 08.07.2016 accorded revised sanction for the Detailed Project Report (DPR) for an amount of Rs 2075 Cr, wherein a provision of **Rs 1042 Cr** was allocated for the Construction of Permanent Campus of IITH. An additional **Rs 510.5 Cr** was approved under HEFA Window-II for the completion of the Campus Development Works. The detailed break-up of the HEFA loan disbursements is tabulated below.

Expenditure details against sanctioned amount of Rs 1042 Cr		
Particulars	Expenditure incurred so far	Remarks
The expenditure covers construction related activities including buildings in Phase-I, expenditure on consultancy services, payment to local bodies for obtaining bulk services like water and power besides development of few facilities such as sports fields, project student hostels, workshops, etc. The expenditure also covers the infrastructure development works under the ongoing construction contracts for Phase-II works clubbed with the JICA assisted works of campus development.	Rs 1032.85 Cr	As on 31.10.2023 an expenditure of Rs 1032.85 Cr has been incurred.

HEFA Loan Disbursement against sanctioned amount of Rs 510.5 Cr		
1 st Instalment	Rs 275 Cr	Against Ministry's sanction of Rs 510.5 Cr towards HEFA Loan, the Higher Education Funding Agency (HEFA) had granted loan of Rs 275 Cr in First Instalment and Rs 150 Cr (Rs 125 Cr for Infra works and balance Rs 25 Cr for electro-mechanical equipment) in Second Instalment. HEFA loan of Rs 275 Cr was sanctioned on 31.08.2018 and a loan of Rs 150 Cr was sanctioned vide SAN/IITH/142/21-22/dated 02.07.2021.
2 nd Instalment	Rs 150 Cr	
Total	Rs 425 Cr	
Expenditure details against HEFA Loan of Rs. 425 Cr		
Phase-I	Rs 119.56 Cr	As on 31.08.2023, Rs 320.01 Cr of Loan has been disbursed by HEFA against Loan of Rs 425 Cr
Operationalization of Campus	Rs 30 Cr	
Phase-II	Rs 170.45 Cr	
Total	Rs 320.01 Cr	

He further informed that an expenditure of Rs. 1038.68 Cr which was reported to the 44th BoG meeting, has since been reconciled to Rs. 1032.85 and Revised Cost Estimate (RCE) Closure Report has been submitted to the Ministry accordingly with a request to consider the final reconciled figure of expenditure as stated above.

(b) Report on Campus Development Works of IITH Phase-II: (IITH-JICA Collaboration Project)

The Dean (Planning) stated that the Phase-II Infrastructure Development at IITH was divided in two different packages viz. Package-3A and Package-3B and then briefed the progress of each package separately.

Package 3A: The Contract for the Construction of Permanent Campus of IITH at Kandi for Package-3A was awarded to M/s. Larson & Toubro Ltd. (L&T) for Rs 864,45,75,374.00. The Contractor had started the work on 25.03.2019. As on 31.10.2023, an expenditure of **Rs. 862.83 Cr** has been incurred. He further presented the breakup of the expenditure among the sub-heads as shown below:

Particulars	JICA	HEFA	TRP
Mobilization Advance	₹0.00	₹ 0.00	₹ 0.00
Value of Work	₹ 6,77,20,77,101.00	₹ 1,21,73,76,500.00	₹ 63,88,87,780.00
Secured Advance	₹ 0.00	₹ 0.00	₹ 0.00
Total	₹ 6,77,20,77,101.00	₹ 1,21,73,76,500.00	₹ 63,88,87,780.00
Grand Total			₹ 8,62,83,41,381.00

During the period under report, an academic department building for Chemistry was inaugurated and occupied.

Package 3B: The Contract for the Construction of Permanent Campus of IITH at Kandi for Package-3B was awarded to M/s. Shapoorji Pallonji & Company Pvt. Ltd. (SPCPL) for Rs.820,96,51,369.00. The Contractor had started the work on 01/08/2019. As on 31.10.2023, an expenditure of **Rs. 643.32 Cr** has been incurred. He further presented the breakup of the expenditure among the sub-heads as shown below:

Particulars	JICA	HEFA
Mobilization Advance	₹ 28,88,41,475.00	-₹ 18,45,340.00
Value of Work	₹ 5,21,82,65,470.00	₹ 72,23,38,873.00
Secured Advance	₹ 17,27,53,636.00	₹ 3,29,05,456.00
Total	₹ 5,67,98,60,581.00	₹ 75,33,98,988.00
	Grand Total	₹ 6,43,32,59,569.00

Resolution: The FC noted the Report on Campus Development Works of IITH.

Item No. 21.4.2: Closure Report of the Revised Cost Estimate (RCE) - Construction of Permanent Campus of IITH

JS (TE), MoE Comments:

IFD, MoE Comments: May be considered, after approval of FC/BoG the report may be submitted to MoE for examination.

The Director informed the FC that the Government of India had decided to establish 8 new IITs during the year 2008 and one of the Institutes was decided to be set up at Hyderabad. The Government of Andhra Pradesh had initially allotted a land measuring about 523 acre for setting up of IITH at Kandi Village, NH-9, erstwhile Medak District. The land was handed over to IITH on 06.10.2008. Subsequently, additional land was also allocated and currently about 600 acres of land is in the possession of IITH. IITH started functioning from August 2008 from its temporary campus located in Ordnance Factory Estate, Medak district.

The then Ministry of Human Resource Development (MHRD) had appointed Educational Consultants India Limited (EdCIL), a PSU under MHRD, to oversee the proposals of the new IITs related to their permanent campuses. The Members of EdCIL visited IITH during the 2nd week of November 2011 and thereafter again in September 2015. Based on the report of EdCIL, Revised Cost Estimate (RCE) was approved for an amount of Rs 2075 Cr vide DO No. 34-1/2016-TS-I dated 08.07.2016. A second RCE was approved vide no.F.No-34-1/2016-TS.I dated 30.08.2019 wherein a re-revised amount of Rs 342.61 Cr was allocated under Capital Equipment as against the RCE amount of Rs 326 Cr. Thus, the total RCE stands at Rs 2091.61 Cr.

The initial time limit to complete the project as per the revised sanction was 31.03.2019. This was extended by the Ministry till 31.03.2021. The Ministry of Education granted 'no cost time extension' to the second generation IITs vide letter no. F. No. 34-1/2016-TS-I dated 30.08.2019 till 31.03.2021 vide letter of even number dated 01.12.2021 till 31.10.2022 (for IITH) and further vide letter of even number dated 16.05.2023 till 31.07.2023. The MoE also issued instructions to submit a closure report upon completion of the works. Accordingly, the Institute had submitted Closure Report in respect of the construction activities, vide letter no. Nil dated 23.10.2023.

Complying with the instructions of the Ministry, the institute had submitted Closure Report in respect of the construction activities vide letter no. Nil dated 23.10.2023.

Resolution: The FC noted the Closure Report on the Revised Cost Estimate (RCE) on Campus Development works of IIT Hyderabad.

Item No. 21.4.3: Report on Items to be procured through Global Tender Enquiry (GTE)

JS (TE), MoE Comments:

IFD, MoE Comments: May be reported, as per the approvals of MoE.

The Director informed that a total of 06 Nos (05 Nos in August 2023 and 1 No. in October 2023) of GTE proposals of this Institute were submitted to the Ministry for its approval and MoE

vide Letter No: 32-5/2022-TS-I dated: 15.09.2023 and Letter No.32-22/2021-TS-I dated: 03.11.2023 has conveyed its approval for the proposals.

Resolution: *The FC noted the report on items to be procured through GTE.*

Item No. 21.5: Any other item with the approval of the Chair

Item No. 21.5.1: Proposal for minor revisions to the existing guidelines for Distribution of Overheads from Outreach Programs

The Director informed the FC that after the approval of the guidelines for distribution of overheads from outreach programs in the 37th BoG held on 05.10.2021, which got confirmed in the 38th BoG Meeting held on 16.02.2022, the guidelines were promulgated vide *Ref. No. Office Memorandum IITH/BoG-37-24&25/2021-22/02 dated 24.02.2022.*

Since the Centre for Continuing Education (CCE) is fully established in the Institute and all the logistics and financials for all Conferences/Workshop/Symposia and other Outreach Programs are solely handled by the CCE office and not by SRC anymore, a revised distribution of overheads, as given under, has been proposed and presented to the FC for approval:

The Current Policy for Distribution of Overheads from Outreach programs:

Type of Project	Percentage of Overhead	Distribution of Overhead (%)				
		CCE	SRC	RDF	DDF	Institute
Conference/ Workshop/ Symposium/ CE Programs (Outreach)	15% or Sponsor agency norms	40	-	-	20	40

Resolution: *The FC recommended the proposal to the Board with minor modifications, as follows:*

Type of Project	Percentage of Overhead	Distribution of Overhead (%)				
		CCE	SRC	RDF	DDF	Institute
<i>For Workshop/Symposium/ CE Programs (Outreach)</i>	<i>15% or Sponsor agency norms</i>	40	0	0	20	40

Type of Project	Percentage of Overhead	Distribution of Overhead (%)				
		CCE	SRC	RDF	DDF	Institute
<i>For Conferences</i>	<i>15% or Sponsor agency norms</i>	30	0	10	20	40

The meeting ended with thanks to the Chair.
