

**Revised Minutes of the 23<sup>rd</sup> Meeting of the Finance Committee**

Date and time: 29.05.2024 at 10 AM

Venue: 5<sup>th</sup> Floor, Board Room, IIT Hyderabad, Kandi 502 284, Sangareddy, Telangana.

The 23<sup>rd</sup> Meeting of the Finance Committee (FC) of Indian Institute of Technology Hyderabad (IITH) was held on 29.05.2024 (Wednesday) at 10 AM.

Members present:

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

The comments of JS(TE) and JS & FA, MoE were received vide their letter no. 11-9/2018-TS-I dated 29.05.2024 and F.No.1-07/2023-IFD dated 28.05.2024 respectively.

At the outset, the Director, IIT Hyderabad (IITH) welcomed the Chairman and Members of the Finance Committee (FC) to its 23<sup>rd</sup> FC Meeting.

**Item No. 23.1:** Confirmation of the Minutes and Action Taken Report (ATR) of the 22<sup>nd</sup> Meeting of the Finance Committee (FC)

*JS (TE), MoE, Comments: May be considered.*

*IFD, MoE Comments: May be considered as per the recommendations and rules.*

The Director mentioned that the 22<sup>nd</sup> Meeting of the FC of the Institute was held on 18.01.2024. A copy of the Minutes has been circulated to the FC members and no observations have been received in this regard.

On a query from the FC Member in the matter relating to circulation of Minutes and implementation thereof, the Chairman, FC/BoG has advised the Registrar in this regard to follow the timelines as given below:

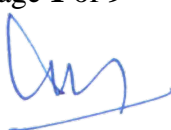
Preparation and Circulation of the Minutes of FC/BoG	Within 2 weeks from the date of the Meeting of FC/BoG
Obtaining the comments/remarks/consent of the Members of FC/BoG	Within 2 weeks from the date of the Circulation of the Minutes of FC/BoG
Issue of Notification and Implementation of the decisions of FC/BoG in the Institute	Within 2 weeks from the date of approval of the Minutes of FC/BoG

**Resolution:** The Minutes and Action Taken Report (ATR) of the 22<sup>nd</sup> FC Meeting of IITH held on 18.01.2024 are confirmed.

**Item No. 23.2.1:** Proposal for availing HEFA loan for procurement of teaching and research equipment at IIT Hyderabad (IITH)

*JS (TE), MoE, Comments: The loan proposal may be submitted through proper channel to the Ministry after routing it through HEFA.*

*IFD, MoE Comments: May be considered as per the requirement and repaying capacity of the Institute out of IRG.*



The Director stated that the teaching and research equipment purchased in the early years have outlived their lives and there is a need to be replace/upgrade the equipment, a committee has been constituted to recommend the list of teaching and research equipment that are to be procured. Accordingly, a list has been prepared and the total cost works out to Rs. 80.00 Cr. as per the break-up given below:

Teaching Equipment : Rs. 35 Cr  
 Research Equipment : Rs. 45 Cr  
**Total : Rs. 80 Cr**

Thereafter, the Director briefed the FC on the status of IRG for the FYs 2019-20 to 2023-24 and informed that HEFA expenditure, after taking into account this new HEFA loan, is well within the limits of HEFA expenditure from IRG (40%) of the specific year, in line with the approval of the BoG in its 42<sup>nd</sup> Meeting. Therefore, it is proposed to avail an additional HEFA (Higher Education Financing Agency) loan under Window II of HEFA.

Dean (SRC) has stated that the Equipment Committee, constituted for the purpose, is not fully aware of a few additional items included in the list of equipment which has been presented by the Director and, therefore, this needs to be re-looked into. After due deliberations, the Finance Committee recommended the following:

1. The FC recommended the proposal for procurement of teaching and research equipment at a total estimated cost of Rs. 80 Cr, as proposed, and that the list of equipment may be finalized by the Director, on the basis of the recommendation of the Equipment Committee and in consultation with the Departments.
2. At the end of every financial year, 25% of the closing balance of IRG may be parked as a Corpus Fund of the Institute.

**Resolution:** The FC approved the proposal as (1) and (2) above for procurement of teaching and research equipment and recommended the proposal for approval of the BoG.

**Item No. 23.2.2:** Enhancing the institute support to PhD students engaged in projects and subsequent revision of rates for distribution of overheads generated from Grant-In-Aid and Sponsored Research projects

**JS (TE), MoE, Comments:** May be considered subject to sufficient IRG available with the institute. Views of JS & FA may also be taken into account.

**IFD, MoE Comments:** May be considered.

The Director informed the FC that based on the recommendations of HoDs/Deans in their meeting held on 15.5.2024, the Dean (SRC) has come up with a proposal to extend the Institute fellowship support **to 1 year** to all PhD scholars engaged through projects subject to adhering to the existing criteria i.e. minimum 2.5 years fellowship in project and one publication. Currently, this is restricted to 1 PhD student per faculty. This will encourage the faculty to bring more projects and hire more PhDs in the projects.

This requires an additional estimated funding of Rs. 3.52 Cr for FY 2024-25 and to meet this additional financial burden, the following revision to the existing rates of distribution of Overheads from the projects is proposed:

Sl No	Type of Project	% of Overheads	Distribution of Overheads		
			SRC	DDF	To PI (Co-PI)/ REMF
1	Gran-in-Aid	20% or Sponsored agency norms			10% RDF +

2	Sponsored Research Project	20% on the total grant received plus additional 10% on the honorarium	70	10	10% REMF or 20% RDF or 20% REMF
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Further, RDF supported PhD students should be considered at par with the Project supported PhD students.

**Resolution:** *The FC approved the proposal for enhancing the institute support to 1 year to PhD students engaged in projects and subsequent revision of rates for distribution of overheads generated from grant in aid and sponsored research projects, as presented and recommended the proposal for approval of BoG.*

**Item No. 23.2.3:** Proposal for availing services of external consultants/outsourcing agencies for execution of consultancy services

*JS (TE), MoE, Comments: GFR 2017 and relevant rules in this regard may be followed.*

*IFD, MoE Comments: May be considered as per GFRs. However, 40% of total project cost for outsourcing / consultancy charges seems on higher side. This may be reviewed.*

Dean (SRC) informed the FC that the services of external consultants/experts or outsourcing of some of the services may be utilized to a limited extent for execution of any consultancy work undertaken by the IITH where such expertise is not available in the IITH. The consultancy fee/outsourcing charges payable to external consultants/outsourcing agency shall not exceed 40% of the total project cost after taking into account essential expenditure directly related to the assignment outsourced. The selection of the consultant/outsourcing shall be made following institute purchase procedure and as per the GFR provisions.

**Resolution:** *The FC approved the proposal for availing services of external consultants/outsourcing agencies for execution of consultancy services as per the GFR provisions, as presented and recommended the proposal for approval of BoG.*

**Item No. 23.2.4:** Proposal to amend the existing guidelines for distribution of overheads (CCE)

*JS (TE), MoE, Comments: May be considered.*

*IFD, MoE Comments: May be considered as per relevant rules.*

The Director briefed the FC that for certificate programs, the total income generated so far has been distributed as per the existing policy and no expenditure towards consumables, food, accommodation, travel, honoraria, and contingencies were considered. Therefore, a revised policy, including the expenditure incurred in running the program, is proposed with the the following revised guidelines for certificate programs:

### **Type - 1**

#### **A. Short-term Certificate Programs organized by IITH faculty without external agency collaboration with duration of less than 4 weeks**

10% of the total income generated will be the Overheads, which will be distributed as given in the table below. The remaining 90% can be spent by the Coordinator of the program for all expenses towards the program including honoraria:

Distribution of overheads for Certificate Programs-Short term without any collaboration		
DDF	Institute	CCE
20%	40%	40%

**B. Long-term Programs Certificate Programs organized by IITH faculty without external agency collaboration with duration of 4 weeks and more**

20% of the total income generated will be the Overheads, which will be distributed as given in the table below. The remaining 80% can be spent by the Coordinator of the program for all expenses towards running the program including faculty and staff honoraria:

Distribution of overheads for Certificate Programs-Long term without any collaboration		
DDF	Institute	CCE
20%	40%	40%

Further, for Type-1 (A) & (B) above, no Hall charges will be charged.

**Type-2**

**Certificate Programs organized by IITH faculty with external agency collaborations:**

For programs offered in collaboration with third parties, a certain percentage of revenue is shared between the third party and IITH after the expenses for running the program are taken care of. The revenue sharing between the third party and the institute varies on a case-to-case basis and will be mentioned in the Master Service Agreement (MSA) and the revenue sharing will be approved by the Director, on the recommendations of the Chair, CCE. In this case, the total share of the revenue generated by IITH will be distributed as given in the table below:

Distribution of IITH Share for Certificate Programs in collaboration with third parties			
Faculty & Support Staff Honorarium	DDF	Institute	CCE
40%	10%	30%	20%

The Director stated that to encourage more faculty to conduct various Conferences/Workshop/Symposia/other Outreach Programs, it is proposed to reduce the existing overheads from 15% to 10% and presented the proposed revised guidelines as below:

Type of Project	Percentage of Overhead	Distribution of Overhead (%)		
For Workshops/Symposia/ other Programs	10% or norms of the Govt. sponsoring agency	CCE	DDF	Institute
		40	20	40

Type of Project	Percentage of Overhead	Distribution of Overhead (%)			
For Conferences	10% or norms of the Govt. sponsoring agency	CCE	RDF	DDF	Institute
		30	10	20	40

*SRC - Sponsored Research & Consultancy Cell*

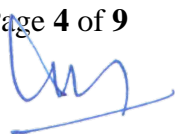
*DDF - Department Development Fund*

*RDF - Research Development Fund*

*REMF - Research Equipment Maintenance Fund*

*CCE - Centre of Continuing Education*

*PIs - Project Investigators*



**Resolution:** The FC approved the proposal to amend the existing guidelines for distribution of overheads (CCE) as presented, with the following recommendations.

**Against the Type-1:**

**Short-term programs:** The Coordinator fee may be limited to Rs.50,000/- or 20% whichever is lower.

**Long-term Programs:** The Coordinator fee may be limited to Rs.1,00,000/- or 20% whichever is lower.

**Further, the FC recommended the proposal for approval of BoG.**

**Item No. 23.2.5:** Proposal for distribution of leftover funds of workshops/symposia/ other programs/conferences

**JS (TE), MoE, Comments:** May be considered.

**IFD, MoE Comments:** The expenditure on workshops/conference is met on actual basis. How leftover fund exist, is not clear. May be discussed. Does this needs a policy!!

The Director stated that there is no policy existing at IITH for the distribution of the leftover funds and proposed the following guidelines for distribution:

Type of Project	Distribution of Overhead (%)	
For Workshops/Symposia/ other Programs	DDF (Department/Schools)	Institute
	20	80

Type of Project	Distribution of Overhead (%)		
For Conferences	RDF	DDF (Department/Schools)	Institute
	40	10	50

**Resolution:** The Committee approved the proposal for distribution of leftover funds of workshops/symposia/ other programs/conferences as presented with following modification and recommended the proposal for approval of BoG.

“Since the new guidelines for the distribution of overheads towards workshops/symposia/ other programs/conferences have been approved, this proposal may be made applicable only to those projects which were announced before June 2024.”

**Item No. 23.2.6:** Proposal for distribution of funds for Open to All Teaching (OAT) courses

**JS (TE), MoE, Comments:** May be considered.

**IFD, MoE Comments:** May be considered as per relevant rules.

The Director informed the FC that as per the existing norms, the fee distribution originally proposed was 25% to Faculty and TA honorarium, 15% DDF, and 60% to the Institute. However, this distribution was not encouraging the faculty to come forward to offer the OAT courses. Therefore, the following revised distribution is proposed instead of the existing distribution:

Description	Distribution of total amount			
OAT Courses Fee	Faculty and TA Honorarium	DDF	Institute	CCE
	40%	10%	40%	10%

**Resolution:** *The FC approved the proposal for distribution of funds for OAT courses, as presented, and recommended for approval of BoG.*

**Item No. 23.2.7:** Proposal for implementing nursing allowance and dress allowance for the staff nurse

*JS (TE), MoE, Comments: For dress allowance, MoE letter dated 2.8.2022 may be adhered. (copy enclosed). Nursing allowance is under examination in consultation with MoH&FW. IITH may await.*  
*IFD, MoE Comments: This needs reference to M/o Health & Family Welfare. The OM is not automatically applicable to Autonomous Bodies of MoE. It needs to be implemented uniform to all IITs duly considering overall financial implications. Proposal needs examination in MoE.*

The Director informed the FC that there are six (06) sanctioned posts of Staff Nurse positions and it is proposed to implement the Nursing Allowance and Dress Allowance to the regular nursing employees of the institute, as per the OM's issued by the Ministry of Health & Family Welfare (GoI).

**Resolution:** *The FC recommended the proposal for implementation of dress and nursing allowance, however advised that the matter may be referred to MoE/MoHFW for their clearance before its implementation in the Institute.*

**Item No. 23.2.8:** Proposal for formation of SATHI-CISCoM as a Section-8 Company at IIT Hyderabad

*JS (TE), MoE, Comments: May be considered.*

*IFD, MoE Comments: May be considered, as per the advice of DST, the sponsor of SATHI Centre.*

The Director briefed the FC that as per the mandate of the DST (Department of Science & Technology), the Sophisticated Analytical & Technical Help Institutes (SATHI) Scheme, it is essential to operate the SATHI Centre as a Section-8 company and after due deliberations, the FC approved the proposal for formation of SATHI-CISCoM as a Section-8 Company at IITH.

**Resolution:** *The FC approved the proposal for formation of SATHI-CISCoM as a Section-8 Company at IITH and recommended the proposal for approval of BoG.*

**Item No. 23.3.1:** To ratify Report on Major Purchases

*JS (TE), MoE, Comments: All the procurement may be done in line with GFR 2017, GeM procurement rules and DFPR.*

*IFD, MoE Comments: May be ratified.*

A report on Major Purchases of value of Rs 20 lakhs and above, made by the Institute during the period 02.01.2024 to 08.05.2024, were presented by the Director for the ratification of the FC.

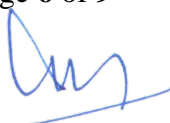
**Resolution:** *The FC ratified the Report on Major Purchases, as presented.*

**Item No. 23.4.1:** Report on Campus Development Works

*JS (TE), MoE, Comments: May be noted.*

*IFD, MoE Comments: May be reported. Timelines set may be adhered to.*

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





The Director 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.

<b>Expenditure details against sanctioned amount of Rs 1042 Cr</b>		
<b>Particulars</b>	<b>Expenditure incurred so far</b>	<b>Remarks</b>
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.	<b>Rs 1032.85 Cr</b>	As on 31.10.2023 an expenditure of <b>Rs 1032.85 Cr</b> has been incurred.

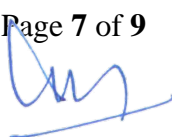
HEFA Loan Disbursement against sanctioned amount of Rs 510.5 Cr		
1 <sup>st</sup> Instalment	Rs 275 Cr	Against Ministry’s sanction of Rs 510.5 Cr towards HEFA Loan, the Higher Education Funding Agency (HEFA) had granted loan of Rs 275 Cr in First Instalment and Rs 150 Cr (Rs 125 Cr for Infra works and 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 <sup>nd</sup> 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 31.10.2023, <b>Rs 370.34 Cr</b> of Loan has been disbursed by HEFA against Loan of Rs 425 Cr
Operationalization of Campus	Rs 30 Cr	
Phase-II	Rs 220.78 Cr	
Total	Rs 370.34 Cr	

The expenditure also covers the infrastructure development works under the ongoing construction contracts for Phase 2 works clubbed with the JICA assisted works of campus development. All these works amounting to Rs 464.07 Cr have been budgeted under HEFA loan within the scope of the revised DPR as approved by Government of India.

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

The Director 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 30.04.2024, an expenditure of **Rs. 941.72 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	₹ 7,42,72,14,109.00	₹ 1,31,32,05,978.00	₹ 67,67,99,355.00
Secured Advance	₹ 0.00	₹ 0.00	₹ 0.00
<b>Total</b>	₹ 7,42,72,14,109.00	₹ 1,31,32,05,978.00	₹ 67,67,99,355.00
<b>Grand Total</b>			<b>*₹ 9,41,72,19,442.00</b>

*\*The excess over contract price is due to imposition of higher rate of cost of 18% from 12% which was prevailing at the time of award of the contract. Another major reason is the heavy impact of price escalation of the construction materials and labour Costs in the aftermath of the Covid-19 waves I, II and III.*

**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 30.04.2024, an expenditure of **Rs. 853.02 Cr** has been incurred. He further presented the breakup of the expenditure among the sub-heads as shown below:

Particulars	JICA	HEFA
Mobilization Advance	₹ 00	₹ 00
Value of Work	₹ 7,36,59,06,758.00	₹ 1,16,43,63,526.00
Secured Advance	₹ 00	₹ 00
<b>Total</b>	₹ 7,36,59,06,758.00	₹ 1,16,43,63,526.00
<b>Grand Total</b>		<b>₹ 8,53,02,70,284.00</b>

**Resolution:** *The FC noted the Report on Campus Development Works of IIT Hyderabad.*

**Item No. 23.4.2:** Report on Construction of precast 2 Nos of Faculty Housing Towers (G+12), 3 Nos of Staff Housing Towers (G+12) and 3 Nos of Hostel Blocks (G+6) RCC Structure at IIT Hyderabad

JS (TE), MoE, Comments: *May be noted.*

IFD, MoE Comments: *May be reported. Timelines set may be adhered to.*

The Director informed the FC that Construction of precast 2 Nos Faculty Housing Towers (G+12), 3 Nos Staff Housing Towers (G+12) and 3 Nos Hostel Blocks (G+6) RCC Structure was awarded to M/s. Teemage Builders Private Ltd for Rs. 254,65,48,485/-. He further updated the Project Timelines for completion of Respective Buildings and Progress Status (Physical & Financial) to the Members.

**Resolution:** *The FC noted the Report on Construction of precast 2 Nos of Faculty Housing Towers (G+12), 3 Nos of Staff Housing Towers (G+12) and 3 Nos Hostel Blocks (G+6) RCC Structure at IIT Hyderabad.*

**Item No. 23.4.3:** Report of items to be procured through Global Tender Enquiry (GTE)

JS (TE), MoE, Comments: *May be noted.*

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

The Director informed the FC that a total of 03 Nos of GTE proposals of this Institute were submitted to the Ministry for its approval and MoE vide its letters No: 32-22/2021-TS-I dated 6<sup>th</sup> March, 10<sup>th</sup> April and 3<sup>rd</sup> May 2024 respectively, conveyed approval against the proposals.



**Resolution:** *The FC noted the Report of items to be procured through Global Tender Enquiry (GTE).*

**Item No. 23.5:** Any other item with the approval of the Chair

*There being no further points, the meeting ended with thanks to the Chair.*

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