

MINUTES OF THE 46TH MEETING OF THE FINANCE COMMITTEE OF NATIONAL INSTITUTE OF TECHNOLOGY CALICUT HELD AT NIT TRANSIT HOUSE, NEW DELHI, ON 05/02/2019 AT 10:30AM.

Members Present

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| 1. Dr. Sivaji Chakravorti Director, NIT Calicut and Chairperson, BoG, NIT Calicut | Chairperson |
| 2. Sri Madan Mohan DDG, MHRD | Member |
| 3. Smt Darshana M Dabral JS & FA, MHRD | Member |
| 4. Prof. A.V. Babu Nominee of the BoG of NIT Calicut | Member |
| 5. Prof. Manju Bansal Nominee of the BoG of NIT Calicut | Member |
| 6. Lt. Col. Pankajakshan K Registrar, NIT Calicut | Member Secretary |

Director, NIT Calicut and Chairperson, Finance Committee of NIT Calicut, called the meeting to order at 10.30 am and welcomed the members.

The comments of Technical Section-III of MHRD on the FC agenda points as sent vide F.No.4-3/2019-TS.III dated 01.02.2019 were duly noted in the meeting.

The Agenda points and the decisions taken are enumerated below:-

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| Subject FC.46.01 | Confirmation of the minutes of the 45 th meeting of the Finance Committee held on 12 th October 2018 at NIT Calicut |
| Decision | The minutes of the 45 th FC meeting held on 12 th October 2018 at NIT Calicut were circulated among the members. No comment has been received from any member. The FC confirmed the minutes. |
| Subject | Report of action taken / action pending on the decisions taken in the 45 th |

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| FC. 46.02 | meeting of the FC |
| Decision | FC noted the report of the actions taken on the decisions taken at its 45 th meeting. |
| Subject FC.46.03 | <p>Consideration of the items of the minutes of the BWC meeting dated 17/01/2019</p> <p>FC noted the minutes of the BWC meeting dated 17.01.2019 and considered the following.</p> |
| | <p>2019:01:02 Consideration of proposal for Construction of Subway across the Calicut-Mukkam road to connect the south and north parts of campus</p> <p>Decision:</p> <p>FC was apprised that the proposed subway is an important requirement of the institute considering safety of the students and staff. The matter has been taken up by the institute since 2011 and now has fructified. FC also noted the details of the approach roads to be constructed within the campus in this context. After careful consideration, FC decided to recommend to BoG</p> <ul style="list-style-type: none"> (i) for approval of the construction of Subway across the Calicut-Mukkam Road by Kerala PWD with an estimate of Rs.8.3 Crores and (ii) to entrust the work of approach road within the campus to CPWD, the estimate of which is to be placed in a subsequent FC meeting at the earliest. (iii) to fund (i) and (ii) above from the Inter Revenue Generation of the institute. |
| | <p>2019:01:03 Consideration of the proposal for demolition of the existing old building belonging to Electrical Maintenance Unit</p> <p>Decision:</p> <p>FC was apprised that the alignment of the proposed subway and the associated approach roads have been carefully studied by the Civil Engineering Dept of NIT Calicut. The study found that the existing old building belonging to electrical maintenance unit needs to be demolished for constructing the approach road. FC was also apprised that the building to be demolished is an old one built in 1970s and is a small semi-permanent structure only. It is now used for storing old electrical materials, which will be disposed of soon. This semi-permanent structure cannot be used for any significant purpose now.</p> |

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| | <p>After detailed discussion, FC decided to recommend to BoG the demolition of the old semi-permanent structure belonging to electrical maintenance unit in relation to construction of the subway and associated approach roads. The expenditure for the said demolition work will be included in the total cost of the approach road.</p> |
| | <p>2019:01:04 Consideration of the proposal for termination of the contract of M/s. EIEL for the work - Construction of Building for Mega Hostel- I</p> <p>Decision: FC was apprised of the following:</p> <ol style="list-style-type: none"> i) Based on the recommendations of BWC and FC, the BoG in its meeting held on 22nd April 2017 decided to terminate the contract agreement with risk and cost of the contractor, M/s EIEL, and show-cause notice and termination order were issued to the contractor. ii) Subsequently, the contractor approached the court and the matter was referred by the court to District Legal Service Authority (DLSA) Kozhikode and joint settlement was arrived at between the institute and the contractor. iii) Consequently, a supplemental agreement was executed on 13th Oct 2017, according to which the work was to be completed by the contractor by 15th July 2018 with a grace period of one month. iv) The time of completion of work was later extended to 30th Nov 2018 taking into account the problems that occurred due to Nipah virus outbreak. v) The contractor did not complete the work even within the extended deadline in spite of repeated warnings/notices served by the institute to the contractor during the period of supplemental agreement. vi) In the meantime, National Company Law Tribunal (NCLT) Principal Bench, New Delhi, initiated the Corporate Insolvency Resolution Process based on the application of Union Bank of India against M/s EIEL under Section 7 of Insolvency and Bankruptcy Code 2016. NCLT vide their order dated 8th May 2018 appointed an Interim Resolution Professional (IRP) and the management of affairs of M/s EIEL is now vested with the IRP. vii) The matter was referred to the Project Management Consultant and also to the legal counsel of the institute. The PMC informed the institute that the performance of the contractor is unsatisfactory and recommended termination of the contract with risk and cost of the contractor. The legal counsel also recommended termination of the contract and rearrangement of the work as per the conditions prescribed in the |

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| | <p>original agreement.</p> <p>Considering all the relevant facts and after detailed deliberations, FC decided to recommend to BoG to terminate the contract of M/s EIEL and to make rearrangement of work at the risk and cost of the contractor to CPWD for completion of the construction of the building for Mega Hostel-I as per conditions/procedures prescribed in the original agreement no. 44/2008-2009 dated 30.01.2009 and tender documents.</p> |
| | <p>2019:01:05 Consideration of the proposal for the extension of Project Management Consultancy services of M/s. PNP - Construction of building for Mega Hostel- I</p> <p>Decision: FC was apprised of the following:</p> <p>i) In relation to the construction of building for Mega Hostel-I, arbitration proceedings have begun on 8th July 2018 under the Hon'ble Sole Arbitrator Justice M. Sasidharan Nambiar (Former Judge of Hon'ble High Court of Kerala) pursuant to the settlement arrived at between the institute and M/s EIEL before the District Legal Service Authority (DLSA) Kozhikode upon reference by the Hon'ble High Court of Kerala in AR No. 3 of 2017. So far, four sittings have been conducted by the Hon'ble Arbitral Tribunal in Ernakulam. Actions have also been initiated by the institute before the Hon'ble Arbitral Tribunal to terminate the arbitration proceedings as per relevant clauses of the agreement. The PMC, M/s Pithavadian and Partners (PNP), is assisting the institute in preparing the voluminous documents for conducting the arbitration proceedings.</p> <p>ii) Preparation of legal documents in the present context is very important and also laborious. The PMC is aware of all the developments of the project since its inception in Feb 2009. Hence, the services of the PMC are required for preparing reference statements as well as affidavits and also for providing the supporting documents.</p> <p>iii) In the case of termination of contract at risk and cost of the contractor, the final measurement of the work executed by the contractor is to be taken as per clause 87 and 88 of the original agreement to finalize the value of the work done. As per the agreement executed between the institute and the PMC, M/s PNP, the responsibility of quality and quantity of work is vested with the PMC. Hence, the services of the PMC are essential for finalization of the value of work done by the contractor, M/s EIEL.</p> |

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| | <p>iv) For rearranging the work at risk and cost of the contractor, the balance work, as per BoQ and as per present CPWD rate, is to be assessed before entrusting the balance work to another agency. Assistance of the PMC is required for assessment of the balance work. The services of PMC are also required to explain the details of specifications and drawings for the balance work to the other entrusted agency, as all the designs and drawings of the project were furnished by the PMC from the beginning.</p> <p>v) In the case of termination of the contract, court cases may arise. Assistance of the PMC is required in preparing the legal documents in such eventuality also.</p> <p>FC noted the BWC recommendation that the services of two engineers of PMC need to be taken and the payment is to be made accordingly. FC was also apprised that at least six months will be required to complete the termination process and to hand over the balance work to another agency after completing the due formalities.</p> <p>After careful consideration of all the relevant details, FC decided</p> <p>a) to recommend to BoG the get the services of the PMC, M/s Pithavadian & Partners, by making a suitable agreement detailing the further work to be done by the PMC along with the corresponding time line, for a fixed cost of Rs. 9.0 Lakhs.</p> <p>b) that the institute should initiate steps to recover the payment made to the PMC during the extended period due to non-completion of the project by the contractor, M/s EIEL.</p> |
| | <p>2019:01:06 Consideration of the proposal for extension of time of completion for the works of SITC of 6 numbers of lifts for Mega Hostel- I</p> <p>Decision:</p> <p>FC was apprised of the following:</p> <p>i) The time of completion of SITC of lifts by M/s Johnson Pvt Ltd was extended upto 31st Dec 2018, with the expectation that M/s EIEL will complete the works agreed upon in the supplemental agreement between the institute and M/s EIEL within the deadline of 30th Nov 2018.</p> <p>ii) The lifts could be erected only when the civil works are completed by M/s EIEL. Further, as per the work program submitted by M/s EIEL following the supplemental agreement, the electrical power supply to the lifts was to be provided by M/s EIEL by the end of Oct 2018. But, M/s EIEL has completed neither the civil works nor the electrical works necessary for lift erection.</p> |

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| | <p>iii) In the case of termination of contract, the lifts can only be erected after rearrangement of balance work and after the completion of the civil and electrical works necessary for lift erection by the other entrusted agency.</p> <p>iv) The defect liability period of two years for the lifts supplied by M/s Johnson Pvt Ltd will commence only after taking over the lifts by the institute.</p> <p>FC also noted the recommendation of BWC that there will be no enhancement of rates.</p> <p>After detailed deliberations, FC decided to recommend to BoG for extension of time of completion for the works of SITC of six numbers lifts of Mega Hostel-I without any enhancement of rates and with the condition that the defect liability period of two years for the lifts supplied by M/s Johnson Pvt Ltd will commence only after taking over the lifts by the institute.</p> |
| <p>Subject FC.46.04</p> | <p>Consideration of the Proposal for starting a new B.Tech programme in ‘Material Science and Engineering’ by School of Nano Science and Technology (SNST) as recommended by the Senate</p> |
| <p>Decision</p> | <p>FC noted the approval of the proposed B.Tech program by the senate vide resolution no S69.2 dated 4th Jan 2019.</p> <p>FC was also apprised that the following aspects have been considered in the proposal and discussed at length in the senate: i) rationale for the program, ii) relevance of the program, iii) benefits that will be acquired by the students, who will pursue the proposed program, iv) similar and related programs in other institutes in India and abroad, v) academic quality aspects of the program, vi) sectors/employment markets to which the graduates could look for gainful employment, and vii) cost and support for the program including faculty and staff details as well as hostel facilities.</p> <p>After careful consideration, FC decided to recommend to BoG</p> <p>i) to approve starting of B.Tech in Material Science and Engineering under the School of Nano Science and Technology with an annual intake of 30 including the students from EWS reservation from the academic year 2019-2020.</p> <p>ii) that the institute should consider rationalization of intake of various courses keeping the total sanctioned student intake same as that in the academic year 2018-2019.</p> <p>iii) that the institute should take necessary steps for closer involvement of industry in this course in particular and all the courses in general.</p> |

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| Subject FC.46.05 | Consideration of the proposal for revision of remuneration for Student Counselors |
| Decision | <p>FC was apprised of the following:</p> <ul style="list-style-type: none"> i) The institute is engaging appropriate personnel since 2012. ii) The remuneration was last enhanced in 2015 to Rs 30,000/- consolidated per month. iii) The institute is engaging qualified Student Counselors preferably with experience of two years in Professional psychological counseling. iv) Large numbers of students including staff members are taking the help of student counselors. <p>Considering all the facts, FC decided to recommend to BoG to engage two student counselors with consolidated remuneration of Rs. 40,000/- per month from the next cycle of engagement.</p> |
| Subject FC.46.06 | Consideration of the proposal for providing Research Seed Grant to newly joined Faculty members |
| Decision | <p>FC was apprised that the institute is taking proactive role in motivating the newly joined faculties in 2018 to write sponsored research project proposals for the startup of own research areas and for accelerating sponsored research activities. In order to give a boost to such activities of the newly joined faculties, the institute needs to provide a research seed grant.</p> <p>FC discussed the proposal in details and decided the following to BoG for approval:</p> <ul style="list-style-type: none"> i) Seed grant upto a maximum of Rs. 5 Lakhs will be given to each new faculty, who has joined in 2018, in two installments of 2.5 Lakhs each. The first installment will be given initially based on research proposals, which will be appropriately screened by the institute. After one year, the progress made by the faculties will be reviewed and based on satisfactory progress the second installment will be released. ii) The seed research grant will be for setting up of experimental or computational facilities. No manpower will be allowed. No laptop, mobile device, printer, external storage device or other gadgets, which could be for possible personal usage, will be permitted. iii) Duration of Seed Research: Three Years. |

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| | <p>iv) Source of Fund: Institute Internal Revenue generation (IRG)</p> <p>v) Institutional monitoring committee will be set up to oversee the progress of seed research. Institute will make necessary framework and detailed guidelines to monitor proper utilization of seed research grant.</p> |
| Subject FC.46.07 | Consideration of the implementation of the revision of allowances of Faculty, Scientific/Design Staff and Non-teaching Staff as per recommendations of 7th Central Pay Commission |
| Decision | <p>FC noted the MHRD communication no. 15-4/2017-TC dated 31st Jan 2019 as well as the corrigendum of even no. dated 01.02.2019 regarding the implementation of the revised allowances of Faculty, Scientific/Design Staff and Non-teaching Staff in Centrally Funded Technical Institutions (CFTI) as per recommendations of 7th central Pay Commission.</p> <p>FC decided to recommend to BoG the implementation of MHRD communication no. 15-4/2017-TC dated 31st Jan 2019 read with the corrigendum of even no dated 01.02.2019 wef 1st July 2017.</p> |
| Subject FC.46.08 | Consideration of the revision of emoluments and guidelines on service conditions for research personnel engaged in R&D programme of the Central Government Departments/Agencies |
| Decision | <p>FC noted the MHRD communication F.No.33-1/2019-TS.III dated 1st Feb 2019 regarding the implementation of the revision of emoluments and guidelines on service conditions for research personnel engaged in R&D programme of the Central Government Departments/Agencies.</p> <p>FC decided to recommend to BoG the implementation of MHRD communication F.No.33-1/2019-TS.III dated 1st Feb 2019 wef 1st Jan 2019.</p> |

The meeting concluded at 12.00 noon with vote of thanks to the Chair.