



मोतीलालनेहरू राष्ट्रीय प्रौद्योगिकी संस्थान इलाहाबाद
प्रयागराज-211004 [भारत]
Motilal Nehru National Institute of Technology Allahabad
Prayagraj-211004 [India]
Website: <http://www.mnnit.ac.in>

Minutes of the Fifty-fifth [55th] meeting of the Finance Committee held on December 7, 2019 at 02:30 p.m. in Conference Hall, Executive Development Centre, Motilal Nehru National Institute of Technology Allahabad, Prayagraj-211004.

Following members of the Finance Committee attended the meeting -

1. **Prof. Devendra Pratap Singh** Chairman
Distinguished Professor, IIT (BHU),
Varanasi - 221005 (U.P.)
2. **Prof. Rajeev Tripathi** Member
Director,
Motilal Nehru National Institute of Technology Allahabad,
Prayagraj – 211004.
3. **Shri Madan Mohan** Member
Additional Director General [HE],
Department of Higher Education,
Ministry of Human Resource Development,
Government of India, Shastri Bhawan, New Delhi-110 001.
[Through Remote Conferencing]
4. **Prof. Neeraj Misra** Member
Professor, Department of Mathematics & Statistics,
Indian Institute of Technology, Kanpur,
Kanpur 208 016.
[Nominee of Director, IIT Kanpur]
5. **Prof. M. M. Gore** Member
Professor, Department of Computer Science & Engineering,
Motilal Nehru National Institute of Technology Allahabad,
Prayagraj – 211004.
6. **Dr. Sarvesh K Tiwari** Member
Registrar,
Motilal Nehru National Institute of Technology Allahabad,
Prayagraj – 211004. Secretary

Following members of the Finance Committee were granted leave of absence from the meeting on account of their preoccupation:

- | | |
|---|--------|
| 1. Smt. Darshana M Dabral
JS & FA
Integrated Finance Division,
Ministry of Human Resource Development
Government of India, ShastriBhawan, New Delhi – 110001 | Member |
|---|--------|

The Chairperson extended a warm welcome to the members and thanked them for taking their time out to attend the meeting.

The Finance Committee was informed that the Institute has received comments from the Integrated Finance Division of Ministry of HRD vide letter F. No. 3-18/2013-IFD, dated 05.12.2019 [ANNEXURE-I] on the agenda items of 55th meeting of the Finance Committee and 60th meeting of the Board of Governors of the Institute. The Finance Committee resolved to take these comments on records.

The Finance Committee deliberated the agenda and proceedings are as under:

Item No. 55.01 : To confirm the minutes of the Fifty-fourth [54th] meeting of the Finance Committee held on 27.08.2019.

Resolution : The Finance Committee considered the confirmation of the minutes of its Fifty-fourth [54th] meeting held on 27.08.2019 and noted that no comments have been received from any of the members.

The Finance Committee resolved to confirm the minutes of its Fifty-fourth [54th] meeting held on 27.08.2019.

Item No. 55.02 : To report the action taken on the decisions taken in the Fifty-fourth [54th] meeting of the Finance Committee held on 27.08.2019.

Resolution : The Finance Committee perused the action taken by the Institute on the decisions taken in its Fifty-fourth [54th] meeting held on 27.08.2019, as circulated along with agenda papers.

The Finance Committee resolved that action taken by the Institute on the decisions taken in its Fifty-fourth [54th] meeting be noted and taken on record.

Item No. 55.03 : To confirm and ratify the decision of the Chairman, Finance Committee on the proposal for construction of new block for Academic Building (G+2) in front of Central Library i/c internal electric installations, fans, fire-fighting system & lift, in the Institute.

Resolution : The Finance Committee noted the approval accorded by the Chairman, Finance Committee and Chairperson, Board of Governors on 1.10.2019 on the proposal for construction of new block for Academic Building (G+2) in front of Central Library i/c internal electric installations, fans, fire-fighting system & lift of the Institute, as per the recommendations of the Building and Works Committee in its Thirty-first [31st] meeting held on 26.09.2019.

The Finance Committee resolved to confirm and ratify the approval accorded by the Chairman, Finance Committee, on the above.

Item No. 55.04 : To consider the proposal for delegation of powers to the Building and Works Committee [B&WC] for giving the necessary administrative approval and expenditure sanction for executing additions/ alterations/ modifications etc of Civil or Electrical works in the existing buildings and execution of original/ minor works with estimated cost upto ₹ 30.00 Lakhs as per the provision of GFR-2017.

Resolution : The Finance Committee considered the proposal for delegation of powers to the Building and Works Committee [B&WC] for giving necessary administrative approval and expenditure sanction for executing additions/ alterations/ modifications etc of Civil or Electrical works in the existing buildings and execution of original/ minor works with estimated cost upto ₹ 30.00 Lakhs as per the provisions of GFR-2017 and in terms of Ministry of HRD vide letter F. No. 10-5/2019-TS.III, dated 10.06.2019.

The Finance Committee resolved to accept and recommend the same to the Board of Governors for approval.

Item No. 55.05 : To consider the Revised Budget Estimates for the year 2019-20 and the Budget Estimates for the year 2020-21.

Resolution : The Finance Committee considered the Revised Budget Estimates [RE] for the year 2019-20 and the Budget Estimates [BE] for the year 2020-21 as recommended by the Institute Committee for casting and reviewing the budget periodically.

The Finance Committee resolved to recommend the Revised Budget Estimates [RE] for the year 2019-20 and the Budget Estimates [BE] for the year 2020-21 under various heads as follows:

Head	Revised Budget Estimates [2019-20]	Budget Estimates [2020-21]
Grant-in-Aid Salary[OH-36]	₹ 65.38Crore	₹120.05 Crore
Grant-in-Aid General [OH-31]	₹123.14 Crore	₹134.07 Crore
Grant for Creation of Capital Assets [OH-35] (including Loan from HEFA)	₹191.86 Crore	₹308.12 Crore

Item No. 55.06 : To consider the guidelines/ policy for writing off of the irrecoverable losses upto a limit of ₹10, 000.00 and the irrecoverable value of store items lost or rendered unserviceable due to normal wear and tear or obsolete upto a limit of ₹ 25,000/-.

Resolution : The Finance Committee considered the guidelines/ procedures/ stipulations to be followed for write off of irrecoverable losses upto a limit of ₹10, 000.00 and of irrecoverable value of store items lost or rendered unserviceable due to normal wear and tear or obsolete upto a limit of ₹ 25,000/-.

The Finance Committee resolved to accept and recommend these guidelines to the Board of Governors for approval. A copy of the guidelines as accepted by the Finance Committee and recommended to the Board of Governors for approval is at **ANNEXURE-II**.

Item No. 55.07 : To consider the recommendations of the Thirty-second [32nd] meeting of the Building & Works Committee [BWC] held on 30.10.2019 on the following items:

[A] Preliminary/Detailed Estimates of ₹ 9,74,71,400.00 submitted by the CPWD Allahabad for widening and re-carpeting of roads with provision of interlocking tiles on the road berms in the Academic, Residential and Hostel

Campus of the Institute.

[B] Modifications/ new works in the already approved and ongoing work of Construction of Girls Hostel (G+6) by M/S RITES Ltd. within the contract amount of the subject work.

Resolution : **[A]** The Finance Committee considered the recommendations of the Thirty-second [32nd] meeting of the Building & Works Committee [BWC] held on 30.10.2019 on the following:

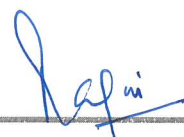
- (i) Preliminary/ Detailed Estimates of ₹ 9,74,71,400.00 (Rupees Nine Crore Seventy Four Lac Seventy One Thousand Four Hundreds only) for widening and re-carpeting of roads with provision of interlocking tiles on the road berms in the Academic, Residential and Hostel Campus at MNNIT Allahabad, Prayagraj.
 - a. To award the work to CPWD Allahabad.
 - b. The flow of funds shall be as per clause 3.1.2.1.(9) of CPWD Works Manual 2019 and SOP No.3/6 (Deposit Works) of SOP for CPWD Works Manual 2019 or relevant rules applicable.

The Finance Committee resolved to recommend the same to the Board of Governors for approval along with grant of administrative approval and expenditure sanction for the above work.

The Finance Committee also recommends that for the above project, expenditure may be met out of the funds available with the Institute, preferably under OH-35.

[B] The Finance Committee considered the recommendations of the Thirty-second [32nd] meeting of the Building & Works Committee [BWC] held on 30.10.2019 on the modifications/ new works proposed in the already approved and ongoing work of Construction of Girls Hostel (G+6) by M/S RITES Ltd. within the contract amount of the subject work.

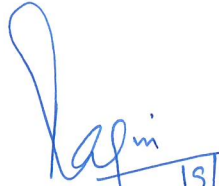
The Finance Committee resolved to recommend the same to the Board of Governors for approval.




Considering the importance and urgency, the Finance Committee resolved to request the Board of Governors to consider the above recommendations of the Finance Committee in its very next meeting.

The meeting ended with thanks to the Chair.


19/12/19
[Sarvesh K Tiwari]
Registrar/ Member Secretary


19/12/19.
[Rajeev Tripathi]
Director, MNNIT Allahabad

Approved


19.12.19
[Devendra Pratap Singh]
Chairman, Finance Committee
MNNIT Allahabad



मोतीलाल नेहरू राष्ट्रीय प्रौद्योगिकी संस्थान इलाहाबाद
प्रयागराज-211004 [भारत]
Motilal Nehru National Institute of Technology Allahabad
Prayagraj-211004 [India]

Guidelines /Policy for writing off of the irrecoverable losses up to a limit of ₹10,000/- and the irrecoverable value of store items lost or rendered unserviceable due to normal wear and tear or obsolete up to a limit of ₹ 25,000/-

A. DISPOSAL OF STORES/ IT EQUIPMENT

1. Introduction

Disposal of stores is one of the most important functions of materials management in any organization. This has become necessary as the equipment and other items tend to become surplus/obsolete, unserviceable etc. over a period of time due to its long usage. The disposal of this type of stores is needed to be done on periodic basis.

2. Stages of disposal

The steps in disposal are as under:

- a) Identification of types of disposable stores-surplus, obsolete, Unserviceable or scrap.
- b) Identification of items proposed to declare as store items lost or rendered unserviceable due to normal wear and tear or obsolete
- c) Consideration by the Departmental Level Disposal Committee
- d) Inspection of this proposed to declared as surplus/ obsolete or unserviceable
- e) Consideration by the Institute Level Disposal Committee
- f) Mode of Disposal, Fixation of Reserve price, Approval of the Competent Authority, Evaluation of the offers, Accounting Entries, Removal of the disposed off stores

3. The stores for disposal is divided into the following categories:

[A.] Store Items other than IT Equipments

- i) Surplus Stores–Items that are in working order but are not required for use in a particular Section/Division/Institute and stock lying in stores for more than five years shall be deemed as surplus unless there is any good reason to treat them otherwise.
- ii) Obsolete Stores–Items in working order but cannot be put into use effectively being outdated due to change in technology/design.
- iii) Unserviceable stores–Items which are not in working order, outlived its normal span of life and are beyond economic repair.
- iv) Scrap-Process waste, broken & any other item not covered above but has got resale value.
- v) Empties-Empty containers, crates, bottles, plastic jars, drums etc.

[B.] IT Equipments

IT Equipment (including servers, PC's, Dumb Terminals, Printers, UPS, Laptop/Notebook/tablet, Data Communication Equipment/LAN switches/Routers/Data Cables) can be condemned on the following grounds:

- a) Equipment outlived its prescribed life and certified by Head of the Department/Section as unfit for its useful contribution. The prescribed life of various IT equipment is as following
 - i) Servers/PC's/dumb terminals/printers- 5 years
 - ii) Laptop/Note-book- 4 years or till the fitness of such device is certified by NIC of the ministry/department, whichever is later.
 - iii) UPS excluding battery- 5 years
 - iv) Battery of UPS- 1 year after warranty period.
 - v) Printers - 5 years
 - vi) Softwares do not require any physical scrapping

vii) Data Communication Equipment/LAN switches/routers/data cables 5 years.

Note: Life time of above IT-Items have been decided in terms of DoPT O.M. No. 8-11/2012-13/IT-I dated 09.01.2015 (Copy enclosed as Annexure-I)

- b) Equipment which have become obsolete technology-wise and can't be upgraded and support from vendor either paid or unpaid does not exist and their use may result in security threat/ unauthorized access to data
- c) Beyond economical repair: When repair cost is considered too high (exceeding 50% of residual value of equipment taking depreciation into account), and the age of the equipment. Such cases should be dealt on case to case basis and should have concurrence of finance. In case of IT equipments, a depreciation of 20% per year may be taken for calculation of residual value.
- d) Equipment that has been damaged due to fire or any other unforeseen reason and have been certified as beyond repair by the authorized service agency and agreed upon by the Head of the Department.
- i) Consumable items related to IT like used printer cartridges etc. are not included in the scope of scrapping on account of the fact of its nature as consumable.
- ii) IT items like pen drives/floppies, which are petty valued and are not capitalized, are not qualified for the detailed scrapping procedure.

4. **Identification of items proposed to be declared as store items lost or rendered unserviceable due to normal wear and tear or obsolete**

1. The Head of the Departments/Sections/Units proposing the disposal of item(s)/equipment(s) as Surplus, Obsolete and Unserviceable Stores shall be required to submit the details of such item(s) in the following format:-

Item No.	Particulars of store	Quantity/ Weight	Book Value/ Original purchase price	Condition and year purchase	Mode of disposal (sale, public auction or otherwise)	Remarks
1	2	3	4	5	6	7

Note:

1. Certified that the item referred above is in working order but is no longer used by me/ my division. The item may be declared as surplus.
2. Certified that the item referred above has become outdated technically and is not useful within the Institute. The replacement parts are also not available for its repair and so same may be declared as obsolete.
3. Certified that the item mentioned above has lived a normal life of _____ years and become unserviceable due to normal wear & tear. The item is beyond economic repair and thus may be declared as unserviceable.
4. Certified that the service and inventory Labels from the items has been removed
5. Certified that AMC, if any, for such items has been stopped with the effective date of scrapping
6. (In case IT Equipments only), Certify that all data including operating system has been removed after taking proper backup and preserved by the user of the items

Indentor

Head of the Department

[To be signed by the each members of the Department Level Disposal Committee]

Section B: [to be filled in by the Institute Level Disposal Committee].

The material in question has been inspected by us and found to be surplus/ obsolete/ unserviceable due to its normal wear & tear. The committee recommends for its disposal.

[To be signed by the each member of the Committee]

The report in the above format shall be submitted to the Director for consideration.

5. Department Level Disposal Committee

On consent of the Director on the report of the HoD to go ahead, a Departmental Level Committee may be constituted as per the following composition:-

- | | | | |
|--------|--|---|-------------|
| (i). | Head of the Department | : | Chairperson |
| (ii). | Any two faculty members nominated by the HoD | : | Member |
| (iii). | One faculty member from the other department | : | Member |

5.1. **Functions of the Departmental Level Disposal Committee will broadly include the following:**

- a) Physical Verification Report in respect of each of every item with their present status.
- b) In cases, where equipments are to be written off on account of being obsolete/unserviceable, report to this effect from the equipment manufacture/authorized dealer may be obtained and enclosed.

6. **Inspection of items proposed to declared as surplus/ obsolete or unserviceable**

The Committee shall examine the stores to be declared as surplus/obsolete and unserviceable taking into account the stipulated life period of each item, overall condition of the items, the reasons for obsolesce etc., requirement of such items in future, negligence or mischief or frauds on the part of any individual for such loss.

7. **Institute Level Disposal Committee:**

1. The recommendations of the Departmental Level Committee shall be considered by an Institute Level Committee consisting of members of the above Committee along with Deputy Registrar (Finance & Accounts) and Assistant Registrar (Store & Purchase) as additional members.
2. Recommendations of the Institute Level Committee will be processed as per provisions of the Statutes 17 (5), such as irrecoverable value of store items lost or rendered unserviceable, due to normal wear and tear or obsolete up to a limit of Rs 25, 000.00 shall be considered by the Director.

Further proposals for writing off of irrecoverable value of store items lost or rendered unserviceable, due to normal wear and tear obsolete up having value more than the above limit shall be placed before the Finance Committee (FC)/ Board of Governance (BoG) for consideration.

8. **Mode of Disposal, Fixation of Reserve price, Approval of the Competent Authority, Evaluation of the offers, Accounting Entries, Removal of the disposed off stores by the Purchaser**

The Institute Level Disposal Committee will decide one of the following modes off disposal:

- (i). By gift to Education Institute within the State
- (ii). By public action
- (iii). By limited tendering

For disposal of such item approved to be declared as surplus/ obsolete/ unserviceable, by the Competent Authority; any one of the methods as listed above may be adopted as per applicable provisions of the General Financial Rules 2017 and the Manual for of procurement of Goods & Sevices-2017 published by the Ministry of Finance, Govt. of India, and accordingly accounting entries for such disposed off shall be done as per the provisions of the GFR.

B. DISPOSAL WRITING OFF OF THE IRRECOVERABLE LOSSES UP TO A LIMIT OF ₹10,000/-

Where the loss does not disclose a defect in the procedures, or where there has not been any serious negligence on the part of any employee:

1. Irrecoverable loses of stores or public money (including loss of stamps)
2. For losses of stores due to theft/fraud or negligence
3. All other cases
4. Loss of Revenue or irrecoverable loans and advances
5. Deficiencies and depreciation in the value of stores including in the stock and other accounts.

- Note:**
1. For the purpose of this, the value of stores shall be the book value where priced accounts are maintained and 'Replacement Value' in other cases
 2. Such Write-Off shall only be initiated after making all possible efforts to recover such losses, and even after all efforts the recovery of same is not possible. The same shall be duly recorded in writing before initiating the process of writing off of the irrecoverable losses up to a limit of ₹10,000/-.
 3. For irrecoverable losses above ₹10,000/-, the matter with full details to be putup before the Finance Committee/ Board of Governors for consideration.