

INDIAN INSTITUTE OF TECHNOLOGY (INDIAN SCHOOL OF MINES), DHANBAD

**MINUTES OF THE 21st MEETING OF THE BOARD OF GOVERNORS HELD ONLINE
ON 30 MARCH 2022 AT 3.00 PM**

Members Present:

Prof PremVrat, Chairperson, BOG, IIT (ISM)	: Chairperson
Prof Rajiv Shekhar, Director, IIT (ISM)	: Member
Prof Shailendra Singh, Director, IIM-Ranchi	: Member
Shri Gautam N Mehra, CMD, Savita Oil Technologies Ltd.	: Member
Prof G Udayabhanu, IIT (ISM)	: Member
Prof Sarat Kumar Das, IIT (ISM)	: Member
Dr. Arun Kumar, Director, TE, Govt. of Jharkhand	: Member
Prof Shalivahan, Deputy Director, IIT (ISM)	: Special Invitee
Shri P R K Sinha, Registrar (Actg.)	: Secretary

Leave of absence:

Shri Rakesh Ranjan, Additional Secretary (TE), MOE, GOI	: Member
Prof Pallab Banerji, IIT Kharagpur	: Member

At the outset, the Chairperson welcomed all the distinguished members of the BOG and expressed his gratitude for their contributions and active participation in the meetings of the Board. All the members welcomed Prof G Udayabhanu and Prof Sarat Kumar Das as new members of the Board of Governors. The Chairperson also congratulated Prof Shalivahan on his appointment as the Director, Indian Institute of Petroleum & Energy (IPE), Visakhapatnam.

Comments received vide letter no. F. No. 23-8/2021-TS-I dated 29.03.2022 from AS (TE), Technical Section-I, MOE on the BOG agenda were placed before the Board of Governors.

The following agenda items were deliberated:

21/1 Confirmation of the Minutes of the 20th Meeting of the BOG of IIT(ISM) held on 23.12.2021

The minutes of the 20th meeting of the BOG held on 23.12.2021 were confirmed as no comments were received earlier and no comments were offered on the floor by any member.

21/2 Actions taken on the decisions of the 20th Meeting of the BOG held on 23.12.2021

Actions taken on the decisions made in the 20th meeting of the BOG held on 23.12.2021 were noted by the Board of Governors.

21/3 A report on pending actions on the decisions taken by the Board of Governors in its previous meetings

The agenda item on pending actions was presented and noted by the Board.



21/4 To review the Status Report of various ongoing construction works undertaken by CPWD at IIT(ISM)

Superintending Engineer, IIT (ISM) presented the status of construction activities of ongoing infrastructure projects undertaken by CPWD in the Institute. The Board noted the same. The Board also asked the Institute to request CPWD to invoke penalty clause of the contracts for delays caused by the contractors and take action as per norms.

21/5 Director's Report on progress of various activities

The Director presented the performance of the Institute during last three months in respect of various key indicators viz. teaching / non-teaching appointments, sponsored research projects, placement statistics etc. The BOG expressed its pleasure on the positive growth in placements.

21/6 Presentation by Department of Applied Geology, viz. Vision, Mission, Roadmap and achievements during the last two years

Prof M K Mukherjee, Head, Department of Applied Geology made a presentation on Vision, Mission, Roadmap and achievements during the last two years. The Board observed the following:

1. The Dept. of Applied Geology being the oldest department of the Institute must be positioned as the leading geology department in the country.
2. The Dept. of Applied Geology should compare its achievements vis-a-vis Geology Departments of other old IITs.
3. A template for presentation may be circulated to all the departments for making such presentations more informative.

21/7 Performance evaluation against MoU parameters signed by the Institute with MoE

The performance of the Institute against each parameter of the MOU signed by the Institute with MOE was presented and BOG noted the same.

21/8 Ratification & Reporting Items

The BOG ratified the approvals accorded by the Chairperson, BOG as mentioned from Sl. Nos. 1 to 14 under heading 'A', 1 to 14 under heading 'B' and noted the Reporting Items under heading 'C' in the agenda paper.

21/9 To receive and consider the recommendations made by the 21st Finance Committee, meeting held on 30.03.2022 at 11.00 A.M.

Recommendations made by the Finance Committee in its 21st meeting held on 30.03.2022 were received by the Board of Governors. The Board of Governors approved the recommendations of the Finance Committee with the following observations:



FC Agenda Item No.	Particulars	Observations/ deliberations of the BoG	Decisions of the BoG
21/5	Provision for erstwhile Group-D employees for promotion in the entry grade of Group-C post:	<p>As per section 6(h) of Institutes of Technology Act, the IITs are empowered to institute academic and other posts and to make appointments thereto (except in the case of the Director).</p> <p>Further, as per MHRD letter No. 32-14/2013-TS1 dated 10.06.2013 IITs are allowed to design their administrative / management / technical staff structure as per requirement after due approval from BOG keeping in mind sustainability of expenditure on this account; and IITs are allowed to institute and recruit non-faculty positions as per the 10:1.1 students to non-faculty ratio.</p>	<p>The BoG considered the fact that the proposal is to provide an opportunity to the employees who could not be mapped into the new cadre structure, but they possess the qualifications and experience for the higher post (Junior Assistant (JA) / Junior Technician (JT)). At present only three erstwhile Group-D employees (S/sh. Budhadeo Singh, Peon; Dilip Kumar Mandal, Lab Attendant and Amarnath Gupta, Lab Attendant) are having requisite qualification for promotion to the post of JA / JT. The total number of sanctioned posts in JA and JT are 106 each and only up to 10% of vacancies are proposed to be filled up by seniority quota promotion. The presently eligible three incumbents are already drawing salary in Pay Level - 3 or higher and thus there is no financial implication if they are promoted to the post of JA/JT. In view of this the BoG approved the proposal.</p>
21/6	Amendment in mode of appointment of Chief Security Officer (Level-12) to be filled by promotion	<p>Approval of the MHRD would be required if the total non-faculty posts exceeds the 10:1.1 ratio.</p>	<p>The BoG considered the fact the post of Chief Security Officer should be manned by a person having a sound knowledge and understanding of the campus and the local political and administrative environment. The proposal will cater to these requirements as the person who can be appointed as Chief Security Officer would have at least 10 years' experience in the Institute as Sr. Security Officer. There is no additional financial implication. In view of this, the BoG approved the proposal.</p>



FC Agenda Item No.	Particulars	Observations/ deliberations of the BoG	Decisions of the BoG
21/7	Creation of post of Senior Horticulture Officer (Level-12) to be filled by promotion	Same as above. In near future, the Institute is going to have two campuses at a distance of about 45 km from each other and managing the two campuses by one officer in may not be feasible.	The BoG considered the fact that the no additional posts is being created. Instead, one post of Sr. Technical Officer is proposed to be converted to Senior Horticulture Officer and thus there is no additional financial implication. It is reiterated that the post of Horticulture Officer (HO) was created before ISM was converted to an IIT; none of the IITs have a HO. Also, the post of HO neither has a feeder grade nor any promotional hierarchy. Consequently, the BoG approved the proposal and asked the Institute to convey the decision to MoE for their concurrence.
21/8	Modification in the requisite qualification and experience for the posts of Sports Coach(Pay Level-06) and Framing of RRs for Jr. Coaching Assistant (Pay Level-03) & Sr. Coaching Assistant (Pay Level - 05)		The BoG considered the fact that no additional posts are being created and thus there is no additional financial implication as all the posts will be within the approved number of JT/JA level posts in Infrastructure and Services cadre. Earlier, the posts in Sports Cadre was starting from Pay Level - 6, but due to non-availability of adequate number of posts at that level in infrastructure and services cadre, Junior Coaching Assistants/Senior Coaching Assistants in PL-3/PL-5 within the overall sanctioned strength are proposed to be filled. As in the earlier RRs the posts of Jr. Coaching Assistant/Sr. Coaching Assistant is not mentioned, the RRs for these posts are proposed for approval. The proposed RRs are in accordance with the requisite qualifications for sports coaches as mandated for Sports Authority of India (SAI). In view of this, the BoG approved the proposal.



FC Agenda Item No.	Particulars	Observations/ deliberations of the BoG	Decisions of the BoG
21/9	Rectification of inadvertent errors in the Recruitment Rules for the post of Systems Engineer / Assistant Systems Engineer and Technical Officer-reg.	Same as above	<p>The BoG considered the fact that no additional posts are being created and thus there is no additional financial implication. Only the discrepancies are proposed to be rectified.</p> <p>In view of this, the BoG approved the proposal.</p>
21/10	Amendment in the technical requirement for the post of Junior Assistant (Pay Level-03)		BoG approved that instead of term "reasonable speed in typing" the following stands incorporated : "25 words per minute in English typing / 20 words per minute in Hindi typing on computers"
21/11	Incorporating specific provisions for MIS in the Recruitment Rules for the post of Junior Technical Superintendent		<p>The BoG considered the fact that the proposal is adding new essential qualifications for the post as despite advertising the post twice, the Institute could not find good quality candidates for the post of Junior Technical Superintendent (MIS). Added qualification is higher and in line with IIT Madras. This proposal does not have any financial implication.</p> <p>In view of this, the BoG approved the proposal.</p>

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FC Agenda Item No.	Particulars	Observations/ deliberations of the BoG	Decisions of the BoG
21/13	Simplification of procedures regarding contributions for issue of Medical Books with life-time validity in respect of retired employees/family pensioners of IIT(ISM), Dhanbad	The policy of medical benefits for the retired employees is not new and is already in operation since 2002.	The BoG approved the proposal scheme for realization of medical contributions from the pensioners/family pensioners.
21/14	Redevelopment, Modification and Beautification in the entry area of Main Gate of IIT (ISM), Dhanbad		The BoG deliberated the proposal and approved the same as per the recommendations of the Finance Committee.
21/15	Rehabilitation of two Blocks (G+1) of Mining Department in IIT (ISM), Dhanbad		The BoG deliberated the proposal and approved the same as per the recommendations of the Finance Committee.
21/16	Construction of G+3 Storied Building behind FMME Department for modular Laboratory at IIT (ISM), Dhanbad		The BoG deliberated the proposal and approved the same as per the recommendations of the Finance Committee.
21/17	Structural Lab (20.00 n x 18.00 height 8.5 m) with attached room (18 m x 4 x 8.5 m) and installation of EOT crane of carrying capacity of 10.00 MT for IIT (ISM) at Dhanbad		The proposal was deliberated by the BoG. It has been clarified that the project is already approved by HEFA for funding. Because of no progress in work by CPWD, it has been taken back and is proposed to be executed by the internal construction wing (ECMU). The BoG approved the proposal as per the recommendations of the Finance Committee.

FC Agenda Item No.	Particulars	Observations/ deliberations of the BoG	Decisions of the BoG
21/18	Deployment of Wi-Fi facility at hostels (including 2000 boys hostel), Staff Quarters, EDC and SAH & deployment of network switches at 2000 boys hostel	The proposal was deliberated by the BoG. It has been clarified that the project is already approved by HEFA for funding and because of no progress in work by CPWD it has been taken back and proposed to be executed by the internal construction wing (ECMU).	The BoG approved the proposal as per the recommendations of the Finance Committee.
21/19	Financial support to Sanskar Creche for two more year to meet out its recurring expenses		The BoG deliberated the proposal and approved the same as per the recommendations of the Finance Committee.
21/20	Additional fund requirement of Rs. 29.42 crore for 180 Type V and Type VI quarters		The proposal was considered and approved by the BoG as per the recommendations of the Finance Committee. Further, as recommended by the Finance Committee, the BoG, in principle, resolved that if IRG is available, payments may be made to the PMC/ Contractor from the available IRG in HEFA funded projects also.
21/21	Additional funding requirement for the CIL R&D Project on Development of guideline for prevention & mitigation of explosion hazard by risk assessment and determination of explosibility of Indian coal incorporating risk based mine emergency evacuation and re-entry protocol [CIL(4)/2015-2016/461/Mining Engg]	The Board of Governors was apprised the importance of the project. Having a facility for such research infrastructure will further enrich the research infrastructure of the Institute.	The Board of Governors approved and sanctioned Rs.2.5 crore from the Institute Budget heads (Plan / Non-Plan) by re-appropriation of funds.

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FC Agenda Item No.	Particulars	Observations/ deliberations of the BoG	Decisions of the BoG
21/22	Proposal to revise the fee charged for Summer Semester		BoG approved the proposal as recommended by the Senate and the Finance Committee.
21/23	Adoption and implementation of Govt. of India, Ministry of Finance OM No.19051/1/2017-E.IV dated August 02, 2017	The OM dated August 02, 2017 of Ministry of Finance has been implemented in some of IITs Viz., IIT Kanpur.	BoG approved the proposal for adoption and asked the Institute to convey the decision to MoE for their concurrence.
21/24	Adoption and implementation of GoI OM No. 39020/01/2013-Estt (B) dated 09.10.2015 regarding discontinuation of Interviews for Group-C and Group-B (Non-Gazetted) posts		The BoG approved the proposal in line with the DoPT's rules/guidelines on the subject.
21/25	Separate Audit Report for the F.Y. 2020-21	The Finance Committee deliberated the SAR vis-a-vis comments of the Institute.	The BoG considered and noted the comments/justifications of the Institute on SAR (Annexed to these minutes).

21/10 Recommendations of Committee for revision of modalities related to Confirmation, Up-gradation, MACP etc. in respect of Faculty Members, Officers (Group-A) and Group-B & C Staff Members of IIT (ISM), Dhanbad

The Board of Governors approved the composition of respective committees. In line with other IITs (such as IIT Delhi), the Board authorized the Chairperson, BOG to approve all appointments /confirmations/ up-gradations / promotions etc. for Group 'A' posts (faculty and non-faculty), and the approvals accorded by the Chairperson should be placed in the next meeting of the Board for ratification. For Group 'B' and Group 'C' posts, the Director will be the Competent Authority to approve all appointments /confirmations/ up-gradations / promotions etc.

21/11 Leave Provisions for Emeritus Fellow / Visiting Faculty - clarification regarding

The proposal was considered by the Board of Governors. The Board observed that the provisions for leave in respect of Emeritus Fellow / Visiting faculty in IIT Delhi are as quoted below:

"7.13 LEAVE TO EMERITUS FELLOWS/CHAIR PROFESSORS/WHOLE-TIME VISITING PROFESSORS/FACULTY
Emeritus Fellows/Chair Professors/Whole-Time Visiting Professors/ Faculty serving the Institute are allowed to avail Vacation/Earned/Casual Leave as admissible to regular faculty members of the Institute except that such Leave (s) shall lapse at the end of the year and no carry forward/encashment etc. for the same shall be admissible".

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The Board of Governors approved adoption of the above provisions for implementation at IIT (ISM), Dhanbad.

21/12 Proposals recommended by the Senate for the consideration of the Board of Governors for approval

Item No. 21/22.06: Proposal of Merging the Department of Mining Machinery Engineering with the Department of Mechanical Engineering and transferring the MME Faculty to the Mechanical and Electrical Engineering Departments

The Board of Governors deliberated the proposal to merge the Department of Mining Machinery Engineering with the Department of Mechanical Engineering and transferring the faculty members of Department of Mining Machinery Engineering to the departments of Mechanical and Electrical Engineering as per their specialization.

The BOG appreciated the move in view of the fact that this will give a broader spectrum to the students of Mining Machinery Engineering and will help in better placements of these students.

The BOG approved the proposal as recommended by the Senate.

Item No. 21/22.07 : List of Graduating Students

1. UG & PG
2. Ph.D

The Board approved the names for award of degrees.


21/13 Status report on the implementation of reservation for SC, ST, OBC and EWS in faculty positions

A report on the status of implementation of reservation for SC, ST, OBC and EWS in faculty positions at IIT (ISM) Dhanbad was presented before the Board of Governors. The Board was also apprised that as on date out of 330 fulltime faculty members the representation of OBC, SC and ST are 19%, 8.4% and 2% respectively. That is, the overall representation of reserved category candidates in faculty positions is 29.4%. The BOG noted the same.

21/14 AOB

No agenda item was placed on the table or raised by any member in the meeting.

The meeting ended with thanks to the Chair.


[P R K Sinha]
Registrar (Actg)
& Secretary, BOG

Indian Institute of Technology (Indian School of Mines), Dhanbad

Annexure
(to 21st BGC minutes)

STATUS OF SAR RECEIVED VIDE LETTER NO: DGAC/LKO/SAR-IIT(ISM)2021/2021-22/185 DATED 22.11.2021

Memo No	Observation	Response of the Institute
A.1.1 Liabilities A.1.1.1 Corpus The institute was required to exhibit Rs 45.79 crore as grant refundable to Ministry and accordingly be shown as liabilities to the Institute. This resulted in understatement of Current liabilities and overstatement of Capital Fund by Rs 45.79 crore.	As per the UCs of the FY 2019-20, the unspent balance was Rs.5.45 cr. The institute has received grant of Rs 58.75 crores & other income of Rs.0.99 crore. Out of which, utilization of Rs 65.29 crores made during the FY 2020-21 under the plan head. The closing balance as per UCs for the FY 2020-21 was -9.66 lakh. The actual unutilized grant is Rs 39.11 crores and it is in the form of advances to CPWD. As the grant has been utilised in the form of advance, it is not refundable to the Ministry.	
A.2.1 Assets A.2.1.1 CPWD incurred expenditure of Rs. 44.56 crore and leaving the balance of Rs.25.97 crore as per Form- 65 furnished by the CPWD but ledger revealed that the work was executed for Rs. 42.24 crore. This resulted overstatement of capital works in progress of Rs. 2.32 crore and understated the advance to CPWD by the same amount.	The whole amount is with CPWD, only to be shown in two ledgers namely CWIP and Advances. Will be presented as desired by the Audit.	
A.2.1.2 Computers and peripherals erroneously booked in the electrical installation and equipment for Rs. 7.59 lakh (Details are shown in Annexure- III). This resulted in overstatement of Electrical installation and equipment by Rs. 7.59 lakh and understatement of Computers and Peripherals by the same amount. This also affect the depreciation figures during the year as the rate of depreciation of electrical items is 5% while on computer peripherals items is 20%. As such depreciation was understated by Rs.11385/-.	As per the list provided by the CAG Audit, the items are UPS which have been purchased for power backup to High End Equipment not to Computers, hence they have been capitalized in the Electrical Installation and Equipment. The Institute has correctly capitalized the assets in the Electrical Installation and Equipment and there is no undervaluation of depreciation.	
A.2.1.3 The institute has taken services for supply of manpower from M/s Wiztech Informatics Pvt Ltd Kolkata on quarterly basis. As such Rs.	As per the AS-10, Accounting for Fixed Assets issued by the ICAI, the expenditure up to the installation of Fixed Assets needs to be capitalized	




Indian Institute of Technology (Indian School of Mines), Dhanbad

	<p>with the Fixed Assets purchased. The amount paid towards extended warranty/support is also included in the fixed assets. In the purchase order issued to the vendor, technical support for 03 years was included in the PO for which amount payable and payment terms were included in the PO. In order to ensure better service from the vendor, condition of deployment of 02 manpower was included in the PO.</p>
<p>A.2.1.4 Central Public Works Department (CPWD) completed 17 works under plan head (consisting of building and other works) worth Rs. 209.25 crore on different dates which were not capitalised/shown under the head Roads and Buildings in the schedule of fixed assets. This resulted understatement of building and overstatement of capital work in progress (CWIP) by Rs. 209.25 crore. Further the institute did not charge depreciation.</p>	<p>The amount paid to the M/s Wizech Informatics Pvt Limited for the supply of manpower was towards support after sale of goods as per PO terms. There was no hiring of man power from the institute. That's why the said expenses was booked under the head of computers and peripherals.</p>
<p>A.2.1.5 The work namely "DG set for lighting and for construction of new library- Electrical" has been completed and expenditure incurred on this work is Rs. 5.67 crore which was not capitalized. This resulted in understatement of tangible fixed assets and overstatement of capital works in progress (intangible assets).</p>	<p>As stated by the Office of Dean (infra), the Standing Committee for handing/taking over of the construction works completed by the CPWD has already been constituted and the completed works mentioned in the Para will be taken over by the Committee and accordingly the same will be capitalized.</p>
<p>A.2.2 Current Assets</p>	
<p>A.2.2.1 During scrutiny of bank reconciliation statement and balance confirmation certificate of bank it was noticed that current assets was overstated by Rs. 11.47 lakh due to difference in balances of Bank book and Bank Account.</p>	<p>The Institute is taking regular follow up regarding the amounts not credited by our bank. As most of the transactions are pertaining to FY 2011-12 & 12-13, the bank officials are taking time to trace the same.</p>
<p>A.2.2.2 As per format of financial accounts introduced by MHRD, Fixed Deposits/Term Deposits are to be accounted for under the head 'Current Assets'. The Institute, however exhibited the above amount under the head 'Investment' resulting in overstatement of</p>	<p>It is as per previous practice and practice being followed other IITs. However, this is just a matter of presentation. If CAG clearly provides the basis of bifurcation of Term Deposits between Investments and Current Assets, the Institute may comply the observations.</p>




Indian Institute of Technology (Indian School of Mines), Dhanbad

	<p>'Investment' and understatement of 'Current Assets' by Rs. 276.93 Crore</p> <p>Similarly, accrued interest was also to be exhibited under the head 'Current Assets'. Irregular treatment resulted in overstatement of 'Investment' and understatement of 'Current Assets' by Rs.20.03Crore</p>	
A.2.3	Loans Advances & Deposits	
A.2.3.1	<p>The works of Rs. 271.89 crore is in progress and balance amount of Rs. 20.20 crore is still with CPWD which should have been booked in Loan and Advances as advance but in contrary the same was taken in capital works in progress and accordingly Loans and advances understated by Rs. 20.20 crore and overstated the CWIP by the same amount.</p>	
A.2.3.2	<p>During the test check of ledger of current Assets, it was noticed that an amount of Rs. 3.95 crore was shown outstanding against CPWD for more than six months. As per format of accounts prescribed by MHRD, advances which are outstanding for more than six months should be shown separately in annual accounts.</p>	<p>The whole amount is with CPWD, only to be shown in two ledgers namely CWIP and Advances. Will be presented as desired by the Audit.</p>
B	Income and Expenditure Account	
B.1	<p>Income from consultancies is to be accounted for as income in Income and Expenditure account under the head "other income" and Expenditure of consultancies is to be accounted for under the head "other Administrative and General Expenses".</p> <p>The Institute is treating consultancy as liability which is not in consonance with the format of accounts prescribed by the MHRD. During the year the institute received Rs 3.71 crores under the head consultancy and incurred expenditure of Rs 6.65 crores. The institute was required to exhibit Rs 3.71 crores together with advance of Rs 7.13 crores received in previous year consultancies as income of current year and expenditure of Rs 6.65 crores under the head other Administrative and General expenses in income and expenditure account.</p>	<p>Institute has correctly shown income from consultancy as income and rest of the amount as liability which is carried forwarded till it gets completed.</p>




Indian Institute of Technology (Indian School of Mines), Dhanbad

<p>B.2</p> <p>The academic receipt i.e, fees collected from students was taken in the books of account of IIT(ISM), Dhanbad worth Rs. 53.18 crore but as per ledger Rs. 55.25 crore was shown. The Difference should be reconciled.</p>	<p>The nature of Receipt & Payment Account and of Income and Expenditure Account is totally different. Receipt & Payment account includes only cash and bank transactions. Whereas, income and expenditure account includes cash as well as non-cash transactions (adjustment entries). Therefore, transactions which are not affected by either cash or bank account do not get reflected in the receipt and payment account.</p> <p>Institute has therefore not been contravened any accounting policy and the treatment is in conformity with the established accounting norms. Institute does not agree with the observations of C&AG.</p>
<p>B.3</p> <p>In the Non Plan Head the Institute earned interest Rs. 6.79 crore from fixed deposits. Interest earned from fixed deposits was credited in Endowment fund in contravention of provision of MHRD. This resulted in overstatement of endowment fund by Rs. 6.79 crore.</p>	<p>As per the decisions taken in the 44th Finance Committee Meeting held on 25.06.2015 and EB meeting held on 26.06.2015, Interest earned on investments of funds is transferred every year to Endowment Fund of the Institute.</p>
<p>B.4</p> <p>During scrutiny of Annual Accounts for the year 2020-21, there are negative balance of Rs. 2.71 crore under schedule 4 current liabilities and provision. These amounts denoted payment in excess of fund received. As such these figures were to be exhibited under the head current assets.</p>	<p>The Same will be reconciled and incorporate in the annual accounts ending 31st March 2022.</p>
<p>B.5</p> <p>Bills of Rs 60.94 Lakhs of previous year pending for payment has been cleared in the current financial year 2020-21. This understates the prior period expenditure and overstates the current year expenditure of Rs 60.94 lakhs.</p>	<p>Due to COVID-19 lock down in March 2020, many departments could not submit the bills before 31st March 2020 as a result these bills were admitted in the current financial year. The observation has been noted for compliance.</p>
<p>C.</p> <p>Accounting Policies and Notes on Accounts</p>	
<p>C.1</p> <p>As per schedule 19 significant accounting policies, retirement benefits are accounted for on cash basis.</p> <p>The accounting policy is in contravention of common format of accounts which states that retirement benefit is to be accounted for in the annual accounts on actuarial basis.</p>	<p>In order to make the actuarial valuation and provision for Leave Encashment, a proposal was taken up by the Institute in the 16th Finance Committee Meeting held on 28.12.2020. The proposal was not approved by the FC/BOG and it was decided to refer the matter to the Ministry of Education, Govt. of India for having a uniform policy applicable to all IITs.</p>




Indian Institute of Technology (Indian School of Mines), Dhanbad

		Accordingly, the proposal was sent to the MOE and decision of the Ministry is awaited. Actuarial valuation of Gratuity is done as per the policy.
D	General	
D.1	Test check of investments provided by bank revealed that certificates of FDR held with institute varies with FDR shown in Annual Accounts, which poses constraints in certification of principal/maturity value.	The value of investment shown in the schedule of investments includes the face value of investments along with accrued interest on it up to 31.03.2021 . This mismatch would not have happened if the maturity date of FDR would have been 31.03.2021. The Institute has followed the same procedure in all previous years, which was acceptable to the CAG audit.
D.2	As per the provision of the Rule 230 (6) of GFR 2017 and MHRD, Department of Higher Education OM dated- 25.10.2018, it is advised not to show the negative balances corresponding to the fund spent from IRG (Internal Resource Generation) in the books of accounts, instead IRG/Corpus Fund should be debited corresponding to the expenditure incurred out of it. No additional requirement should be projected to the MHRD as it is not possible to release the grants in aid for recouping the IRG/Corpus Fund of the institution per provision of GFR stated above.	The institute has not raised/projected any additional fund through UCs. The negative balance is shown in the UCs just to represent the clear picture of the accounts and same is adjusted with the IRG of the Institute. The same practice was followed in all the previous years by the Institute and the same was accepted to the MOE and the CAG.
D.3	The Institute however, has shown Rs. 9.66 lakh as negative balance in the utilization certificate of Plan head and above rule was not adhered to by the Institute.	
D.3	Bank reconciliation statement and balance confirmation certificate of bank (0986101009746-Project, Canara), it was noticed that difference of Rs 3,19,06,296.39 in balances of bank book and bank account is lying since July 2013 to March 2020.	The reconciliation has been done. The current difference is only for Rs. 54.00 lakh which is being reconciled.
D.4	The Institute did not prepare the Balance Sheet, Income and Expenditure Account and Receipts and Payments account of NPS	Noted for compliance. The Same will be incorporate in the annual accounts ending 31 st March 2022.




Indian Institute of Technology (Indian School of Mines), Dhanbad

	(new Pension Scheme) as required under formats of accounts prescribed by MHRD.	
D.5	As per common format of accounts for higher education institution prescribed by MHRD, Secured Loans taken from HEFA which is to be repaid to the funding agency. That fund should be booked in the Liability of the Balance sheet in the prescribed Schedule 3 instead of placing it in separate schedule which was not booked in the accounts of the institute.	Noted for compliance. The Same will be incorporate in the annual accounts ending 31 st March 2022.
D.6	An amount of Rs. 106.33 lakh (48.30 lakh of plan and 58.03 lakh of non-plan) was outstanding of Security deposit with Jharkhand State Electricity Board for more than three years. As such, the power supply has been disconnected from JBVNL(JSEB) on 30.06.2017. This resulted huge loss of interest to the institute.	The matter is being taken up with the JVBNL
E.	Grant in Aid The Institute received total plan grant from the Ministry of Human Resources, Department of Higher Education, GOI amounting to Rs. 319.77 crore(Capital Rs. 58.75 crore and Revenue Rs. 261.02 crores). Interest received during the year under the head Capital was Rs. 0.41 crore. The other income under in under capital was Rs 0.94 crores and under revenue Rs 5.45 Crores. The Institute has unspent balance of previous year of Rs. 51.31 crores (Capital Rs. 51.34 crore and Revenue Rs. Nil). Thus, The Institute has total fund of Rs. 377.91 crore (Capital Rs. 111.07 crores and Revenue Rs.266.845 crores). Out of which,, the Institute has utilized a sum of Rs 272.85 crores(Capital Rs. 191.29 crore and Revenue Rs. 81.56 crores) and leaving unspent balance of Rs 105.06 crores.	Advance released to CPWD is considered as unspent grant by the C&AG, which is not acceptable to the Institute.
	Annexure to Audit report	
1.	Adequacy of Internal Audit System	
A	<i>The Internal Audit (IA) has one Assistant Registrar , one superintendent and junior assistant</i>	Noted for compliance.




Indian Institute of Technology (Indian School of Mines), Dhanbad

B	<i>IA is inadequate keeping in view the size of the Autonomous body.</i>	Noted for compliance.
C	<i>The IA wing conducts pre-check of purchase vouchers and pay fixation and other terminal files only.</i>	Noted for compliance.
D	<i>The wing did not conduct audit of annual accounts and other basic records maintained in the Institute.</i>	Noted for compliance.
E	<i>Beside, no Internal Audit Manual has been prepared by the Institute.</i>	The Institute follows GFR, 2017 and other rules & regulations of Government of India.
F	<i>The IA did not prepare report and did not submit IR to management.</i>	Noted for compliance.
2.	<i>Adequacy of Internal Control System</i>	
i.	<i>The Institute does not have own accounting manual and office procedure manual.</i>	The Institute follows GFR, 2017 and other rules & regulations of Government of India.
ii.	<i>There was no procedure for rotating duties of the employees dealing with cash, valuable, store and stock put in place.</i>	Cash dealing has been completely stopped from the current FY. All receipts and payments are done through online mode.
iii.	<i>Records regarding work in progress was not maintained by the Institute to watch delay in completion of the work.</i>	Work in progress is monitored by the office of Dean (infra)
iv.	<i>Noncompliance of outstanding audit observation reflect poor follow up procedure.</i>	Audit paras are complied with to the extent practicable.
v.	<i>The institute did not take confirmation of Debtors/loan and advances from the respective parties.</i>	Advances to the parties are almost negligible.
vi.	<i>The institute is not maintaining fixed assets register in the format prescribed in GFR-22, in absence of fixed assets register & consumable good & material register, the actual position of assets and consumable of goods could not be ascertained.</i>	Fixed assets register is being maintained in the format prescribed in GFR-22 by Finance & Accounts Department and other registers are being prepared & kept by concerned departments.
vii.	<i>The following records were not maintained by the institute.</i>	
a)	<i>Investment register</i>	Investment register is maintained by the Institute.
b)	<i>Register of Contracts</i>	Register of Contracts is maintained by the Institute in the soft copy.
c)	<i>Stationery Register</i>	Stationery register is maintained by the Institute.
d)	<i>Register of unserviceable Items</i>	Register of unserviceable Items is maintained in the concerned department/sections of the institute.
e)	<i>Medical claim register</i>	Medical claim register is maintained by the Institute in the soft copy.

Indian Institute of Technology (Indian School of Mines), Dhanbad

f)	Grant in aid register	Grant in aid register is maintained by the Institute
3.	Physical Verification of Fixed Assets and Inventory The physical verification of fixed assets as well as consumable and non-consumable items has not conducted by the institute during the year.	Physical verification of fixed assets and inventory is performed annual and such reports are also furnished at the time of audit.
4.	Regular in payment of statutory taxes	Noted with thanks.

