

MINUTES OF 21st FINANCE COMMITTEE MEETING OF DIAT (DU) HELD ON 05.10.2018

1. The 21st Finance Committee meeting was held on 05 October 2018 at 11:30 Hrs at 4th Floor Conference Hall of Defence Institute of Advanced Technology (DU), Girinagar, Pune-411025 under the Chairmanship of Dr C.P.Ramanarayanan, Vice Chancellor, DIAT (DU).

The following were present:-

1	Dr C.P.Ramanarayanan	Vice Chancellor –DIAT (DU)	Chairman
2	Shri Subir Mallick	Addl. FA & JS (R&D), DRDO HQ	Member
3	Shri K.S.Varaprasad	DG- HR, DRDO HQ	Special Invitee
4	Shri Ashok Kumar	Director- HRD, DRDO HQ	Member
5	Cmde Atul Kumar Sinha (Retd)	Registrar	Member
6	Dr Kumaraswamy	Dean (Technology)	Member
7	Dr. P.K.Khanna	Dean (student Affairs)	Invitee
8	Dr Sangeeta Kale	HMMG	invitee
9	Shri Ramesh A Jahagirdar	Finance Officer	Member Secretary

2. At the outset,, Finance Officer welcomed the members and invitees to the 21st Finance Committee Meeting and requested the Vice Chancellor to conduct the proceedings as per agenda.

3. The Vice Chancellor welcomed all the members in particular thanked members from DRDO Hqs Addl. FA & JS and D.G.(HR) (Special Invitee). He then directed the Finance Officer to proceed for discussion on the Agenda points. The deliberations on the Agenda items and the decisions taken are recorded in the succeeding paragraphs.

4. **AGENDA POINTS :-**

1) **Action taken report on 20TH Finance Committee Meeting held on 23 Mar 2018:**

The details of action taken on the decisions taken during 20th FC Meeting were presented by the Finance Officer in the following manner:

Sl No.	AGENDA POINT	ACTION TAKEN
02	Review of Expenditure of DIAT(DU) for the year 2017-18	The committee reviewed the actual expenditure up to 31.03.2018 and BE for the year 2018-19
3 (a) & (b)	Considering & approving policy to charge DRDO and Tri-services for M. Tech/ Ph.D and other sponsored courses.	As decided claim will be preferred on DRDO i.e. sponsored students for M.Tech/ Ph.D and other sponsored courses of DRDO from Academic year 2018-19 onwards subject to revision of MOU between DRDC and DIAT.
3(C)	Proposal to reconsider Honorarium and Coordination Charges for internal faculty and staff of DIAT to customized courses:	Discussed
3(d)	The Addl. FA & JS suggested to devise a mechanism to meet part of Revenue expenditure from the internal resources generated.	The Budget for the year 2018-19 has been reduced to the extent of Rs. 4.00 crores by adjusting internal resources generated by DIAT
4.	Transfer of security contract of DIAT to EMU	The EMU Girinagar has since taken over the responsibility of Security of Township other than Technical area

The Committee accepted the Action Taken Report.

II) Review of the Actual Expenditure of DIAT (DU) for the year 2017-18 and 2018-19 (Till 30.09.2018):

a) Finance Officer informed the members that as against the Sanctioned Budget of Rs.40.00 Crores for F.Y.2017-18, actual expenditure incurred was Rs. 38.53 Crores. The B.E. of Rs.32.00 Crores for F.Y.2017-18, has been sanctioned by DRDO HQrs and that expenditure to the tune of Rs. 16.85 Crores has been incurred till 30.09.2018.

b) The Finance officer informed the committee that as decided in 20th Finance committee meeting, the responsibility of town ship security (except technical area) has since been handed over to EMU Girinagar consequently there will be savings of Rs. 1.80 crores for the FY 2018-19 and around Rs. 3.50 Crores for 2019-20

c) Finance Officer then presented the head-wise details of the Expenditure Status, which are shown in the Annexure- I to the Minutes.

(iii) To consider and approve Budget estimates for the year 2019-20.

- a. The committee deliberated at length the requirement Budget for the year 2019-20. The Addl. FA & JS sought reasons for increase in amount projected under pay & allowances and Capital expenditure. The Finance officer clarified that consequent to implementation of 7th CPC recommendations for DIAT staff and Faculty, there is around 15% increase in Pay & Allowances.
- b. The Hon. Vice chancellor also clarified that Faculty have projected additional requirement of Equipments for Research work in labs.

The Committee approved the Budget Estimates of Rs. 40.00 crores for the year 2019-20 and recommended the same for approval of BOM.

IV) To consider and approve Audited Annual Accounts of DIAT(DU) for the year 2017-18.

a) Detailed presentation on the Financial Statements for FY 2017-18, i.e., **Income and Expenditure Account and the Balance Sheet** was made by Finance Officer. He informed the members that Accounts were audited by M/s Sharad Shah & Co., Chartered Accountants and they have certified that the Accounts of DIAT (DU) give true and fair view in conformity with the generally accepted accounting principles in India.

b) The Finance officer also brought out that the Statutory Auditors have made an observation that the Actuarial valuation in r/o retirement benefits as per requirement of AS-15 is not obtained. In this regard the Finance officer clarified that creation of provision for retirement benefits as per Actuarial valuation as per AS-15 involves expenditure of Rs 3-4 crores. The proposal was submitted for approval of Governing Council (8th G.C meeting). However the same was not approved by G.C. as DIAT is a very young organization and there are no large scale retirements in near future.

c) Finance Officer stated that in opinion of the Auditors, Proper Books of Accounts are maintained in conformity with the requirements of the statutes.

The committee recommended the submission of audited Annual Accounts for the F.Y.2017-18, to the Board of Management, for approval.

iii) **The Committee resolved to recommend to the BOM, the approval for the above proposal subject to a stipulation that a Committee may be constituted to look into the utilization aspect.**

VIII) A. Any other points with the permission of Chairman:

Payment of Allowances to DIAT STAFF as per 7th CPC recommendations as applicable to Central Govt employees /Autonomous Bodies.

- o The Finance officer informed the Committee that the DRDO Hqrs (Govt.) has approved the implementation as per terms and conditions laid down in Ministry of Finance Dept. of Expenditure OM. No. F 1/1/2016-EIII (A) dt.13.Jan. 2017 and Min. of HRD OMs. No. 1-7/2015-UII(1) & 1-7/2015-UII(2) dt. 2nd Nov 2017 on the subject.
- o It is stated in para 11 & 5 of MHRD orders 2.11.2017, the decision on payment of Allowances will be taken after consultation with Ministry of Finance. However so far MHRD has not issued any orders regarding applicability of allowances in revised rates as per 7th CPC recommendations and the date of implementation.

- In this regard Hon. Vice chancellor stated that DIAT is an organization funded by DRDO and not by MHRD, hence, the implementation of Allowances for staff of DIAT(DU) can be considered on par with other Autonomous bodies who have already implemented payment of Allowances as per Ministry of Finance order dt. 26.07.2017.

The Addl. FA & JS stated that the proposal needs detailed examination by DRDO Hqrs hence a detail statement of case may be submitted to DRDO Hqrs for consideration.

(Action : Finance Office

B. The committee deliberated the new initiatives for generation of additional revenue by DIAT(DU). Prof P.K.Khanna Dean (AS) presented the details as summarized below.

SL.No.	NEW INITIATIVES BY DIAT TO AUGMENT INTERNAL RESOURCES
1.	Periodical review of Fee Structure for M.Tech and PhD with higher Fee structure for Industry sponsored students.
2.	Increase in customized courses for DPSUs and other industries.
3.	Introducing short term courses for industries and general public in certain niche areas of Defense Technologies.
4.	Charging all DRDO sponsored courses like POINTS, MATLAB etc. as per industry standards subject to revision of MOU between DRDO and DIAT.
5.	High Technology Equipments of DIAT will be allowed to be used by outside institutes for experiments and analysis – User charges will be levied for the same.
6.	Consultancy Services will be offered by faculty of DIAT to other Government and Private Organisations.
7.	An Incubation Centre is being set up to try and develop new technologies for commercial exploitation.

Additional revenue generation of Rs. 2.00 crores is expected from above initiatives for the year 2018-19

5. The Vice Chancellor thanked all members for active participation in the meeting and interactions on various issues of long term interest to DIAT (DU). There being no other points, the meeting was concluded with thanks to the chair.


(R.A. Jahagirdar)
Finance Officer &

Secretary Finance Committee
DIAT(DU)

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To

All members and invitees