22 मई 2025 (गुरुवार) को प्रातः 11.00 बजे आयोजित वित्त समिति (एफसी) की 15वीं बैठक के कार्यवृत्त
MINUTES OF 15th MEETING OF THE FINANCE COMMITTEE (FC) HELD ON 22nd MAY 2025 (THURSDAY) AT 11.00 AM

The following Members attended the **15th Finance Committee Meeting** of Indian Institute of Information Technology, Nagpur (IIIT, Nagpur) held on **22nd May 2025** in the Board Room at IIIT Nagpur:

Sr. No.	Name & Address	Designation
1	**Shri Ravi Sharma,** Chairperson, BoG	Chairman
2	**Prof. (Dr.) P.L. Patel,** Director, IIIT-Nagpur	Member
3	**Dr. Manoj Daigavane,** Joint Director, DTE, GoM as Representative of Director, DTE, GoM	Member
4	**Shri Narayan Singh Bisht,** Deputy Secretary (IFD), Ministry of Education as MoE Representative **{ONLINE}**	Member
5	**Shri Piyush Agrawal,** Services Delivery Leader, Tata Consultancy Services, Industry Partner **{ONLINE}**	Member
6	**Shri Kailas N. Dakhale,** Registrar, IIIT, Nagpur	Member Secretary

The agenda of the day was taken up as below:

FC 15.1	**To confirm the Minutes of the 14th Finance Committee (FC) Meeting held on 29th Jan. 2025.**
Resolution	The MoM were circulated to all the esteemed Members. As no comments were received from the esteemed Members, FC confirmed the MoM of 14th Meeting held on 29-01-2025.
FC 15.2	**Action Taken Report on the Minutes of the 14th FC Meeting.**
Resolution	The FC noted the Action Taken Report on the 14th FC Meeting. Further, the FC resolved to discuss the Agenda Item 14.4 related to construction of Student's Hostel under PPP Mode as separate agenda item in the current FC Meeting.
FC 15.3	**To approve the Financial Statement (Balance Sheet, Income & Expenditure Accounts & Receipts Payments) for the Financial Year 2024-25.**
Resolution	The FC deliberated on the matter and recommended the Financial Statement (Balance Sheet, Income & Expenditure Accounts & Receipts Payments) for the Financial Year 2024-25 for approval of the Board. Further, the FC opined that while submitting the Balance Sheet for the approval of the Authorities, the Institute should provide a summary of expenditure and receipts for comparison between previous Financial Year and current Financial Year along with proper justification wherever required in future.

FC 15.4	**To approve the proposal received from M/s Haldiram Foods International Pvt. Ltd for association with IIIT, Nagpur as Industry Partner.**
Resolution	The FC deliberated on the matter and recommended proposal received from M/s Haldiram Foods International Pvt. Ltd for association with IIIT, Nagpur as Industry Partner to Board for approval.
FC 15.5	**To approve the proposal received from M/s Haldiram Foods International Pvt. Ltd for establishment of the "Incubation Centre" and the "Multi-Purpose Hall".**
Resolution	The FC deliberated on the matter and recommended proposal received from M/s Haldiram Foods International Pvt. Ltd for establishment of the "Incubation Centre" and the "Multi-Purpose Hall" to Board for approval.
FC 15.6	**Ratification Item**
FC 15.6.1	**Approval of the Academic & Hostel Fees Structure for the 2025-26 Batch.**
Resolution	The FC ratified the approval of the Academic & Hostel Fees Structure for the 2025-26 Batch.
FC 15.7	**Reporting Item.**
FC 15.7.1	**Approval of the Budget Expenditure & Receipts for the Financial Year 2025-26.**
Resolution	Noted
FC 15.7.2	**Nomination of Independent External Monitors (IEMs) for overseeing and implementation of Integrity Pact in Indian Institute of Information Technology, Nagpur.**
Resolution	Noted
FC 15.8	**Any other item with the permission of Chair.**
Resolution	With permission from Chair, the FC discussed the following agenda item:
FC 15.8.1	**Review of the decision regarding construction, development, financing, operation & maintenance and transfer (DBFOT) of Student's Hostel under PPP Mode.**
Resolution	The FC noted that subsequent to the recommendation of the Finance Committee, the BoG had also consented on the same vide Resolution No. BoG10.04.02 of 10th BoG Meeting held on 29-01-2025 and approved the resolution to the effect that the Institute shall not go ahead with the proposal approved by PPPAC in the context of construction of Hostel on BOT basis. Further, the FC noted that during a Review Meeting held on 4th April 2025, the Joint Secretary (ISD), Infrastructure Finance Secretariat, Department of Economic Affairs, Ministry of Finance advised the Institute to reconsider the decision of withdrawing the Project under PPP/VGF Scheme. The Chairperson, FC apprised the Committee that the matter was discussed with the Transaction Adviser (TA) viz. Darashaw & Company Pvt. Limited who has submitted a summarized working sheet on 21-05-2025 to facilitate informed decision.

The summary submitted by the TA was circulated to the FC Member during the FC Meeting itself. The same is also attached with this MoM as **Annexure – 1**.

Subsequently, the FC discussed the calculations and observations submitted by the TA, and noted the following:

1. The comparison is mainly between the two options viz. first: if Institute opts for VGF Scheme and second: if Institute avail HEFA Loan.

2. In case of VGF Scheme, the Institute shall be investing about Rs. 25 Crores which would be like a grant to the Private Entity for 22 Years. The construction of the hostel shall be done by the Private Partner.

3. To recover this investment done under VGF Scheme @ 7.84% IRR, the Institute would need more than 52 Years as it will not be getting any returns during the concession period.

4. In case of HEFA Loan also, the Institute would be investing about Rs. 25 Crores (70% will be through HEFA loan). However, in this case the construction shall be done by the Institute (may be through PMC).

5. To recover this investment done considering HEFA Loan and 7.84% IRR, the Institute would need approx. 52 Years.

6. Thus, whether the Institute opts for first option or second option, financially the return on investment would be received only after 52 Years.

7. However, in case of VGF Proposal, the grant of about Rs. 25 Crores to be received from DEA, Ministry of Finance shall contribute to meet the pre-decided IRR of 14% of the Private Partner.

8. Thus, **as far as Institute is concerned, the construction of hostel through VGF shall not be adding any value to the Institute. Also, the DEA Grant shall be instrumental in meeting the IRR of 14% which would benefit the Private Partner only.**

9. In case the VGF Proposal is implemented, the Private Partner shall receive grant of about Rs. 50 Crores (Rs. 25 Crores from DEA and Rs. 25 Crores from the Institute).

In view of the above, the Finance Committee opined that the construction of hostel through PPP Mode would not be in the overall interest of the Institute as the grant received by the DEA will not enhance the financial model.

Further, the FC noted the following observations:

a. Construction of hostel through VGF would take away all the operational flexibility from the Institute as it will have to adhere to the terms and conditions of the Concession Agreement.

	The Institute would not be in a position to change/modify/alter room occupancy, fees, mess contractors, housekeeping services, security services, if required. b. The Institute would have two hostel buildings managed by different entities, one by the Institute (existing hostel) and other by the PPP Partner. The management of both the hostels would be different and quality of services would be different which may create confusion and dissatisfaction amongst students. c. The Total Project Cost worked out in the case of VGF Scheme is based on the CPWD Plinth Rates and shall be fixed while tendering. The PPP Partner (Concessionaire) shall be submitting the quote on the basis of this Project Cost. If actual project cost is less, the PPP Partner (Concessionaire) will benefit from it. However, if the Institute float the construction tender, it may receive lowers quotes as it is observed that normally the rates are about 10% to 15% lower than the CPWD Rates. In this case the Institute shall benefit from the same. Considering all the above points, the Finance Committee, unanimously decided that the earlier decision to not to go ahead with the proposal approved by Public-Private Partnership Appraisal Committee (PPPAC) in the context of construction of Hostel on BOT basis is in the overall benefit of the Institute as well as the Central Government. Accordingly, the FC resolved again to recommend the Board its decision to not to go ahead with the proposal approved by PPPAC in the context of construction of Hostel on BOT basis. Further, the FC resolved to recommend the Board that the Institute should construct the hostel considering 70% funding by loan through Higher Educational Funding Agency (HEFA) and 30% funding from Institute's Internal Revenue Generation (IRG).

The meeting ended with vote of thanks to the Chair.

कैलास एन. डाखले / KAILAS N. DAKHALE
कुलसचिव / REGISTRAR

प्रेमलाल पटेल

प्रो. (डॉ.) प्रेमलाल पटेल / PROF. (DR.) PREM LAL PATEL
निदेशक / DIRECTOR

Ravi Sharma

रवि शर्मा / RAVI SHARMA
अध्यक्ष, वित्त समिति / CHAIRMAN – FINANCE COMMITTEE