

AGENDA NOTES

**For the 48th Meeting of the Finance Committee of National Institute of
Technology Durgapur to be held on Tuesday, June 25, 2019 at
N.I.T. Transit House, Panchasheel Enclave, Near Chirag Delhi Flyover,
New Delhi 110017 from 10.30 a.m. onward**

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48.01	To confirm the Minutes of the 47 th Meeting of the Finance Committee held on March 25, 2019.	2
48.02	To note the Actions Taken on the Minutes of the 47 th Meeting of the Finance Committee held on March 25, 2019.	2
48.03	To consider the fund position as on June 10, 2019.	2
48.04	To consider the Annual Accounts of the Institute for the year 2018-19	2
48.05	To consider the fee structure of B.Tech/B.Tech & M.Tech. (Dual Degree)/Integrated M.Sc. Programme, PhD Programme for the year 2019-2020 and PG Programmes for the year 2020-2021.	3
48.06	To consider evolving a policy for investment of funds	3
48.07	Any other item with the permission of the Chair	3


13.06.19

48.01 To confirm the Minutes of the 47th Meeting of the Finance Committee held on March 25, 2019

The 47th meeting of the Finance Committee of NIT Durgapur was held on March 25, 2019 at Seminar Room #2, United Service Institution of India, Rao Tula Ram Marg, Opposite Signals Enclave, Vasant Vihar, New Delhi 110057 and is placed as **Annexure I**.

The Minutes of the said meeting was circulated amongst the members of the Finance Committee for comments. No comments were received from the Members. The Minutes of the meeting is placed before the Finance Committee for consideration and confirmation please.

48.02 To note the Actions Taken on the Minutes of the 47th Meeting of the Finance Committee held on March 25, 2019.

Item	Subject	Action Taken
47.01	To confirm the Minutes of the 47 th Meeting of the Finance Committee held on March 25 th , 2019	Confirmed
47.02	To note the Actions Taken on the Minutes of the 46 th Meeting of the Finance Committee held on October 15, 2018.	Noted.
47.03	To consider the fund position as on 08 th March, 2019	Noted.
47.04	To consider plan for implementation of ERP for establishment of a smooth process flow for administrative and academic activities of the Institute.	IDM issued to Nodal Officer, TEQIP.
47.05	To consider the initiation of an Incubation Centre under the aegis of NIT Durgapur for incubating new and start-up companies	IDM issued to Prof N.K. Roy.

48.03 To consider the fund position as on June 10th, 2019.

The fund position as on June 10th, 2019 is provided hereunder for consideration.

(Rs. in Lakh)

Object Head	Expenditure 2018-19	Opening Balance 1.4.2019	Grant released as on 10.6.2019 during 2019-20	IRG 2019-20	Total fund Available with the institute	Actual Expenditure during 2019-20 as on 10.6.2019	Unspent/ Deficit Balance 10.6.2019
[1]	[2]	[3]	[4]	[5]	[6]=[3]+[4]+[5]	[7]	[8]=[6]-[7]
31	7424.79	0.00	741.00	278.58	1019.58	1384.18	(364.60)
36	6679.66	0.00	1230.00	0.00	1230.00	1618.24	(388.24)
Total (recurring)	14104.45	0.00	1971.00	278.58	2249.58	3002.42	(752.84)
35	1725.68	762.32	0.00	0.00	762.32	1093.02	(330.70)
Grand Total	15830.13	762.32	1971.00	278.58	3011.90	4095.44	(1083.54)

48.04 To consider the Annual Accounts of the Institute for the year 2018-19

The Annual Accounts of the Institute for the year 2018-19 shall be placed on the table for the consideration of the Finance Committee.


13.06.19

- 48.05 To consider the fee structure of B.Tech / B.Tech & M. Tech (Dual Degree) / Integrated M.Sc. Programme, PhD Programme for the year 2019-2020 and PG Programmes for the year 2020-2021.**

The fee structure of B.Tech/B.Tech & M.Tech (Dual Degree)/Integrated M.Sc. Programme, PhD Programme for the year 2019-2020 and PG Programmes for the year 2020-2021 is being placed for consideration and ratification and is being placed as **Annexure II**.

- 48.06 To consider evolving a policy for investment of funds.**

The recommendation of the internal Investment Committee regarding a policy decision for investment of funds of the Institute will be placed on the table for consideration please.

- 48.07 Any other item with the permission of the Chair.**



13.06.19

Mr. Soumya Sen Sharma
Registrar & Member Secretary, Finance Committee,
National Institute of Technology Durgapur, Durgapur 713209

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Annexure-I

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NATIONAL INSTITUTE OF TECHNOLOGY DURGAPUR
MAHATMA GANDHI AVENUE, DURGAPUR-713209, WEST BENGAL, INDIA

Minutes for the meeting of 47th Finance committee of National Institute of Technology Durgapur held on Monday, March 25, 2019 at Seminar Room #2, United Service Institution of India, Rao Tula Ram Marg, Opposite Signals Enclave, Vasant Vihar, New Delhi 110057 from 10.30 a.m. onward.

The following members attended the Meeting:

- | | |
|--|---|
| <p>1. Prof. Anupam Basu
 Director
 National Institute of Technology Durgapur</p> | <p>Chairperson</p> |
| <p>2. Shri Madan Mohan
 DDG (HE)
 Department of Higher Education
 Ministry of Human Resource Development
 Government of India, New Delhi</p> | <p>Member</p> |
| <p>3. Mrs. Darshana M.Dabral
 Joint Secretary & Financial Advisor (IFD)
 Department of Higher Education
 Ministry of Human Resource Development Government
 of India, New Delhi</p> | <p>Member</p> |
| <p>4. Professor Partha Pratim Gupta
 Professor
 Department of Chemical Engineering
 National Institute of Technology Durgapur.</p> | <p>Member</p> |
| <p>5. Shri Soumya Sen Sharma
 Registrar & Member Secretary, Finance Committee
 National institute of Technology Durgapur</p> | <p>Member
 Secretary</p> |


 22/3/19

At the outset, the Chairperson, Finance Committee welcomed all members of the Finance Committee. Thereafter, the following Agenda Items were taken up sequentially by the Finance Committee and the decisions of the Committee were noted as follows against each individual item:

47.01 To confirm the Minutes of the 46th Meeting of the Finance Committee held on October 15, 2018

The Minutes of the 46th Meeting of the Finance Committee held on October 15, 2018 was confirmed.

47.02 To note the Actions Taken on the Minutes of the 46th Meeting of the Finance Committee held on October 15, 2018

46.05 The Committee desired that Expression of Interest be sought from interested service providers in addition to Reliance Jio for implementation of Digital Campus through a modern state-of-the-art wi-fi enablement.

47.03 To consider the fund position as on 08th March, 2019

The Committee noted the fund position of the Institute as on March 8, 2019.

47.04 To consider plan for implementation of ERP for establishment of a smooth process flow for administrative and academic activities of the Institute.

- Action may be taken as per Letter No. 33-8/2018-TSIII dated March 15, 2019 for implementation of Enterprise Resource Planning in National Institute of Technology, Durgapur.
- The Committee suggested that the Institute should proceed with the implementation of ERP through utilization of the IRG, which would later be recouped from TEQIIP III Grant. The Committee further suggested that necessary consent be obtained from National Project Implementation Unit in this regard.

47.05 To consider the initiation of an Incubation Centre under the aegis of NIT Durgapur for incubating new and start-up companies

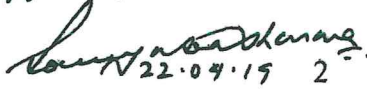

The Committee suggested that communication should be initiated with the NITI Aayog for aligning the initiation of the proposed Incubation Centre with the provisions of the Atal Innovation Mission, leading to its possible funding.

47.06 Any other item with the permission of the Chair None

The meeting ended with a vote of thanks to the Chair.


22.04.19
Mr. Soumya Sen Sharma
Registrar & Member Secretary
Finance Committee

Chairman, Board of Governors National Institute of Technology Durgapur
may kindly approve.


22.04.19 2

24.04.19

Annexure-II

NATIONAL INSTITUTE OF TECHNOLOGY DURGAPUR

MAHATMA GANDHI AVENUE, DURGAPUR- 713 209

FEE STRUCTURE FOR THE ADMISSION YEAR OF 2019-2020

B. TECH / B. TECH & M. TECH (DUAL DEGREE) / INTEGRATED M.Sc. PROGRAMME

A. PAYABLE AT THE TIME OF ADMISSION (ONE TIME PAYMENT)

ITEM	AMOUNT IN INR
Admission Fee	3000
Institute Registration Fee	500
Training and Placement Fee	3500
Convocation Fee	500
Alumni Activity Fee	1000
Institute Caution Money (Refundable after adjustments)	5000
TOTAL	13500

B. TUITION FEE (PAYABLE PER SEMESTER INCLUDING FIRST SEMESTER)

ITEM	AMOUNT
STUDENT admitted through JoSSA/ CSAB (Fee waiver as per MHRD, GOI order)	INR 62500
STUDENT admitted through GOI, MEA-E (SAARC Countries)	USD 1750
STUDENT admitted through GOI, MEA-E (Non SAARC Countries)	USD 3500
STUDENT admitted through ICCR	USD 1500
STUDENT admitted through DASA	USD 4000

C. OTHER INSTITUTE FEE (PAYABLE PER SEMESTER INCLUDING FIRST SEMESTER)

ITEM	AMOUNT IN INR
Library charge	1000
Computing charge	1500
Students' Health Care	200
Examination Fee	1000
Students Activity Fund	1200
Comprehensive Insurance premium including Medical Insurance	400
TOTAL	5300

D. HOSTEL FEE (PAYABLE PER SEMESTER INCLUDING FIRST SEMESTER)

ITEM	AMOUNT IN INR
Seat Rent	4000
Electricity and Water Charge	1500
Hostel Employees' Welfare Fund	100
TOTAL	5600

E. OTHER HOSTEL RELATED CHARGES

ITEM	AMOUNT IN INR
Hostel Caution Money (Onetime payment, refundable after adjustment)	5000
Students' Aid Fund (Payable each Semester)	200
Maintenance and Development Charge (Payable each Semester)	1500
Mess advance (Payable each Semester)	15000

Bank
23/5/19
DEAN (ACADEMIC)

approved

[Signature]

NATIONAL INSTITUTE OF TECHNOLOGY DURGAPUR

MAHATMA GANDHI AVENUE, DURGAPUR- 713 209

FEE STRUCTURE FOR THE ADMISSION YEAR OF 2019-2020 PG PROGRAMMES

A. PAYABLE AT THE TIME OF ADMISSION (ONE TIME PAYMENT)

ITEM	AMOUNT IN INR
Admission Fee	3000
Institute Registration Fee	500
Training and Placement Fee	3500
Convocation Fee	500
Alumni Activity Fee	1000
Institute Caution Money (Refundable after adjustments)	5000
TOTAL	13500

B. TUITION FEE (PAYABLE PER SEMESTER INCLUDING FIRST SEMESTER)

ITEM	AMOUNT
M.Tech. Programmes- Indian students/ MEA- Wards of GOI officials	INR 35000
M.Tech. Programmes- GOI, MEA-E (SAARC Countries)	USD 1750
M.Tech. Programmes- GOI, MEA-E (Non-SAARC Countries)	USD 3500
M.Tech. Programmes- ICCR	USD 1500
M.Tech. / MBA/ MSc Programmes- DASA	USD 4000
MBA Programme- Indian students	INR 37500
MSc Programmes- Indian students	INR 7500

C. OTHER INSTITUTE FEE (PAYABLE PER SEMESTER INCLUDING FIRST SEMESTER)

ITEM	AMOUNT IN INR
Library charge	1000
Computing charge	1500
Students' Health Care	200
Examination Fee	1000
Students Activity Fund	1200
Comprehensive Insurance premium including Medical Insurance	400
TOTAL	5300

D. HOSTEL FEE (PAYABLE PER SEMESTER INCLUDING FIRST SEMESTER)

ITEM	AMOUNT IN INR
Seat Rent	4000
Electricity and Water Charge	1500
Hostel Employees' Welfare Fund	100
TOTAL	5600

E. OTHER HOSTEL RELATED CHARGES

ITEM	AMOUNT IN INR
Hostel Caution Money (Onetime payment, refundable after adjustment)	5000
Students' Aid Fund (Payable each Semester)	200
Maintenance and Development Charge (Payable each Semester)	1500
Mess advance (Payable each Semester)	15000

Donb
23/5/19
DEAN (ACADEMIC)

approved.
To be effective from 2020-21
Amrta

NATIONAL INSTITUTE OF TECHNOLOGY DURGAPUR

MAHATMA GANDHI AVENUE, DURGAPUR- 713 209

FEE STRUCTURE FOR THE ADMISSION YEAR OF 2019-2020

PhD PROGRAMME

A. PAYABLE AT THE TIME OF ADMISSION (ONE TIME PAYMENT)

ITEM	AMOUNT IN INR
Admission Fee	3000
Registration Fee	5000
Institute Caution Money (Refundable after adjustments)	5000
Library Caution Money (Refundable after adjustments)	10000
Convocation Fee	500
TOTAL	23500

B. TUITION FEE (PAYABLE PER SEMESTER INCLUDING FIRST SEMESTER)

ITEM	AMOUNT
INDIAN SCHOLARS- Category A, B, C and D	INR 7500
INDIAN SCHOLARS- Category G, H, I and J	INR 20000
FOREIGN SCHOLARS- GOI, MEA-E (SAARC Countries)- Category E	USD 1500
FOREIGN SCHOLARS -GOI, MEA-E (non-SAARC Countries)- Category E	USD 3000

C. OTHER INSTITUTE FEE (PAYABLE PER SEMESTER INCLUDING FIRST SEMESTER)

ITEM	AMOUNT IN INR
Library charge	1000
Computing charge	1500
Students' Health Care	200
Examination Fee	1000
Students Activity Fund	1200
Comprehensive Insurance premium including Medical Insurance (For Full Time scholars only)	400
TOTAL	5300

D. HOSTEL FEE (PAYABLE PER SEMESTER INCLUDING FIRST SEMESTER)

ITEM	AMOUNT IN INR
Seat Rent	4000
Electricity and Water Charge	1500
Hostel Employees' Welfare Fund	100
TOTAL	5600

E. OTHER HOSTEL RELATED CHARGES

ITEM	AMOUNT IN INR
Hostel Caution Money (Onetime payment, refundable after adjustment)	5000
Students' Aid Fund (Payable each Semester)	200
Maintenance and Development Charge (Payable each Semester)	1500
Mess advance (Payable each Semester)	15000

F. FEE PAYABLE AT THE TIME OF THESIS SUBMISSION

ITEM	AMOUNT IN INR
Thesis submission Fee (Onetime payment)	15000

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23/5/19
DEAN (ACADEMIC)

Approved
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Agenda Notes for 48th Finance Committee Meeting

Item # 48.06 : To consider evolving a policy for investment of funds

The Investment Committee of the Institute in its meeting held on May 27, 2019 has noted that major banks have recently cut interest rates on fixed deposits (FDs) in select maturity baskets. The Institute is facing a typical problem to balance the downswing of interest income on Fixed deposit (FD) and the constant pressure from various stake holders of the Institute to earn more interest rate on the fixed deposit to increase the internal revenue (IRG) and to pay out higher interest rate on Provident Fund of the employees. While the leading PSU banks of the nation like SBI, Canara Bank, Oriental bank of Commerce are offering highest interest rates of 6.80 per cent to 7.15 per cent per annum currently, leading private banks like HDFC Bank, ICICI Bank and Axis Bank are giving highest interest rates in the range of 7.5 per cent and above. It may be noted that interest rates on FDs vary widely depending on banks/types of banks as well as tenors.

Therefore, to earn more interest on the fixed deposits, the Institute wants to adopt The Gazette of India Notification No. 55, dated March 2, 2015 regarding the pattern of Investment which was circulated by Ministry of Finance Notification No. F.No. 11/14/2013-PR, dated March 2015, as follows:

Category	Investment Pattern	Percentage amount to be invested
(i)	Government Securities and Related Investments	Minimum 45% and upto 50%
(ii)	Debt Instruments and Related Investments	Minimum 35% and upto 45%
(iii)	Short-term Debt Instruments and Related Investments	Upto 5%
(iv)	Equities and Related Investments	Minimum 5% and upto 15%
(v)	Assets Backed, Trust Structured and Miscellaneous Investments	Upto 5%

Submitted for approval please.



भारत का राजपत्र

The Gazette of India

असाधारण

EXTRAORDINARY

भाग I—खण्ड 1

PART I—Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 55]

नई दिल्ली, सोमवार, मार्च 2, 2015/फाल्गुन 11, 1936

No. 55]

NEW DELHI, MONDAY, MARCH 2, 2015/PHALGUNA 11, 1936

वित्त मंत्रालय

(वित्तीय सेवाएं विभाग)

अधिसूचना

नई दिल्ली, 2 मार्च, 2015

फा. सं. 11/14/2013-पीआर.—इस मंत्रालय की 14 अगस्त, 2008 की अधिसूचना संख्या 5(88)/2006-पीआर, में आंशिक संशोधन करते हुए 01 अप्रैल, 2015 से गैर-सरकारी भविष्य निधियों, अधिवर्षिता निधियों तथा उपदान निधियों द्वारा निवेश की निम्नलिखित पद्धति अपनायी जाएगी:—

श्रेणी	निवेश की पद्धति	निवेश की जाने वाली प्रतिशत राशि
(i)	सरकारी प्रतिभूतियां तथा संबंधित निवेश (क) सरकारी प्रतिभूतियां, (ख) अन्य प्रतिभूतियां {प्रतिभूति संविदा (विनियमन), 1956 की धारा 2(ज) में यथा परिभाषित प्रतिभूतियां} जिसके मूलधन और उस पर ब्याज की पूरी और बिना शर्त गारंटी केंद्र सरकार अथवा राज्य सरकार द्वारा दी जाएगी। प्रतिभूतियों के इस उप-श्रेणी के अंतर्गत निवेशित पोर्टफोलियो निधि के कुल पोर्टफोलियो के 10% अधिक से नहीं होगा। (ग) म्यूचुअल फंड की यूनिट सरकारी प्रतिभूतियों में निवेश के लिए यथा निर्धारित निधियों के अनुसार स्थापित की जाएगी तथा इनका विनियमन भारतीय प्रतिभूति एवं विनियमन बोर्ड द्वारा किया जाएगा।	न्यूनतम 45% तथा 50% तक

10. यदि अपनी आस्तियों के प्रबंधन हेतु निधि ने पेशेवर निधि/आस्ति प्रबंधकों की सेवाएं ली हों, जिसे प्रत्येक लेन-देन की कीमत के आधार भुगतान किया जा रहा हो, उनके द्वारा, वर्णित श्रेणियों में से किसी एक म्यूचुअल फंड अथवा ईटीएफ अथवा इंडेक्स निधियों में निवेश की गयी निधियों की लागत उनको देय भुगतान की गणना करके पहले ही घटा दी जाएगी ताकि लागत के दोहरेपन से बचा जा सके। यह सुनिश्चित करने के लिए उचित सावधानी बरती जाएगी कि देय शुल्क को बढ़ाने के उद्देश्य से एक ही निवेश को बार-बार न कर दिया जाए। इस संबंध में श्रेणी III लिखतों में निवेशों के लिए कमीशन को विशेष रूप से सावधानीपूर्वक विनियमित किया जाएगा।

शशांक सक्सेना, आर्थिक सलाहकार-II

MINISTRY OF FINANCE
(Department of Financial Services)

NOTIFICATION

New Delhi, the 2nd March, 2015

F. No. 11/14/2013-PR.—In partial modification of this Ministry's Notification No. 5(88)/2006-PR dated 14th August, 2008, the pattern of investment to be followed by Non-Government Provident Funds, Superannuation Funds and Gratuity Funds shall be as follows, effective from 1st April, 2015:—

Category	INVESTMENT PATTERN	Percentage amount to be invested
(i)	<p>Government Securities and Related Investments</p> <p>(a) Government Securities,</p> <p>(b) Other Securities {‘Securities’ as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956} the principal whereof and interest whereon is fully and unconditionally guaranteed by the Central Government or any State Government.</p> <p>The portfolio invested under this sub-category of securities shall not be in excess of 10% of the total portfolio of the fund.</p> <p>(c) Units of Mutual Funds set up as dedicated funds for investment in Govt. securities and regulated by the Securities and Exchange Board of India:</p> <p>Provided that the portfolio invested in such mutual funds shall not be more than 5% of the total portfolio at any point of time and fresh investments made in them shall not exceed 5% of the fresh accretions in the year.</p>	<p>Minimum 45% and upto 50%</p>
(ii)	<p>Debt Instruments and Related Investments</p> <p>(a) Listed (or proposed to be listed in case of fresh issue) debt securities issued by bodies corporate, including banks and public financial institutions (‘Public Financial Institutions’ as defined under Section 2 of the Companies Act, 2013), which have a minimum residual maturity period of three years from the date of investment.</p> <p>(b) Basel III Tier-I bonds issued by scheduled commercial banks under RBI Guidelines:</p> <p>Provided that in case of initial offering of the bonds the investment shall be made only in such Tier-I bonds which are proposed to be listed.</p> <p>Provided further that investment shall be made in such bonds of a scheduled commercial bank from the secondary market only if such Tier I bonds are listed and regularly traded.</p> <p>Total portfolio invested in this sub-category, at any time, shall not be more than 2% of the total portfolio of the fund.</p> <p>No investment in this sub-category in initial offerings shall exceed 20% of the initial offering. Further, at any point of time, the aggregate value of Tier I</p>	<p>Minimum 35% and upto 45%</p>

Category	INVESTMENT PATTERN	Percentage amount to be invested
	<p>bonds of any particular bank held by the fund shall not exceed 20% of such bonds issued by that Bank.</p> <p>(c) Rupee Bonds having an outstanding maturity of at least 3 years issued by institutions of the International Bank for Reconstruction and Development, International Finance Corporation and Asian Development Bank.</p> <p>(d) Term Deposit receipts of not less than one year duration issued by scheduled commercial banks, which satisfy the following conditions on the basis of published annual report(s) for the most recent years, as required to have been published by them under law:</p> <p>(i) having declared profit in the immediately preceding three financial years;</p> <p>(ii) maintaining a minimum Capital to Risk Weighted Assets Ratio of 9%, or mandated by prevailing RBI norms, whichever is higher;</p> <p>(iii) having net non-performing assets of not more than 4% of the net advances;</p> <p>(iv) having a minimum net worth of not less than Rs. 200 crores.</p> <p>(e) Units of Debt Mutual Funds as regulated by Securities and Exchange Board of India:</p> <p>Provided that fresh investment in Debt Mutual Funds shall not be more than 5% of the fresh accretions invested in the year and the portfolio invested in them shall not exceed 5% of the total portfolio of the fund at any point in time.</p> <p>(f) The following infrastructure related debt instruments:</p> <p>(i) Listed (or proposed to be listed in case of fresh issue) debt securities issued by body corporates engaged mainly in the business of development or operation and maintenance of infrastructure, or development, construction or finance of low cost housing.</p> <p>Further, this category shall also include securities issued by Indian Railways or any of the body corporates in which it has majority shareholding.</p> <p>This category shall also include securities issued by any Authority of the Government which is not a body corporate and has been formed mainly with the purpose of promoting development of infrastructure.</p> <p>It is further clarified that any structural obligation undertaken or letter of comfort issued by the Central Government, Indian Railways or any Authority of the Central Government, for any security issued by a body corporate engaged in the business of infrastructure, which notwithstanding the terms in the letter of comfort or the obligation undertaken, fails to enable its inclusion as security covered under category (i) (b) above, shall be treated as an eligible security under this sub-category.</p> <p>(ii) Infrastructure and affordable housing Bonds issued by any scheduled commercial bank, which meets the conditions specified in (ii)(d) above.</p> <p>(iii) Listed (or proposed to be listed in case of fresh issue) securities issued by Infrastructure debt funds operating as a Non-Banking Financial Company and regulated by Reserve Bank of India.</p> <p>(iv) Listed (or proposed to be listed in case of fresh issue) units issued by Infrastructure Debt Funds operating as a Mutual Fund and regulated by Securities and Exchange Board of India.</p> <p>It is clarified that, barring exceptions mentioned above, for the purpose of this sub-category (f), a sector shall be treated as part of infrastructure as per Government of India's harmonized master-list of infrastructure sub-sectors:</p>	

Category	INVESTMENT PATTERN	Percentage amount to be invested
	<p>Provided that the investment under sub-categories (a), (b) and (f) (i) to (iv) of this category No. (ii) shall be made only in such securities which have minimum AA rating or equivalent in the applicable rating scale from at least two credit rating agencies registered with Securities and Exchange Board of India under Securities and Exchange Board of India (Credit Rating Agency) Regulation, 1999. Provided further that in case of the sub-category (f) (iii) the ratings shall relate to the Non-Banking Financial Company and for the sub-category (f) (iv) the ratings shall relate to the investment in eligible securities rated above investment grade of the scheme of the fund.</p> <p>Provided further that if the securities/entities have been rated by more than two rating agencies, the two lowest of all the ratings shall be considered.</p> <p>Provided further that investments under this category requiring a minimum AA rating, as specified above, shall be permissible in securities having investment grade rating below AA in case the risk of default for such securities is fully covered with Credit Default Swaps (CDSs) issued under Guidelines of the Reserve Bank of India and purchased along with the underlying securities. Purchase amount of such Swaps shall be considered to be investment made under this category.</p> <p>For sub-category (c), a single rating of AA or above by a domestic or international rating agency will be acceptable.</p> <p>It is clarified that debt securities covered under category (i) (b) above are excluded from this category (ii).</p>	
(iii)	<p>Short-term Debt Instruments and Related Investments</p> <p>Money market instruments:</p> <p>Provided that investment in commercial paper issued by body corporates shall be made only in such instruments which have minimum rating of A1+ by at least two credit rating agencies registered with the Securities and Exchange Board of India.</p> <p>Provided further that if commercial paper has been rated by more than two rating agencies, the two lowest of the ratings shall be considered.</p> <p>Provided further that investment in this sub-category in Certificates of Deposit of up to one year duration issued by scheduled commercial banks, will require the bank to satisfy all conditions mentioned in category (ii) (d) above.</p> <p>(b) Units of liquid mutual funds regulated by the Securities and Exchange Board of India.</p> <p>(c) Term Deposit Receipts of up to one year duration issued by such scheduled commercial banks which satisfy all conditions mentioned in category (ii) (d) above.</p>	Upto 5%
(iv)	<p>Equities and Related Investments</p> <p>Shares of body corporates listed on Bombay Stock Exchange (BSE) or National Stock Exchange (NSE), which have:</p> <p>(i) Market capitalization of not less than Rs. 5000 crore as on the date of investment; and</p> <p>(ii) Derivatives with the shares as underlying, traded in either of the two stock exchanges.</p> <p>(b) Units of mutual funds regulated by the Securities and Exchange Board of India, which have minimum 65% of their investment in shares of body corporates listed on BSE or NSE.</p> <p>Provided that the aggregate portfolio invested in such mutual funds shall not be in excess of 5% of the total portfolio of the fund at any point in time and</p>	Minimum 5% and upto 15%

Category	INVESTMENT PATTERN	Percentage amount to be invested
	<p>the fresh investment in such mutual funds shall not be in excess of 5% of the fresh accretions invested in the year.</p> <p>(c) Exchange Traded Funds (ETFs)/Index Funds regulated by the Securities and Exchange Board of India that replicate the portfolio of either BSE Sensex Index or NSE Nifty 50 Index.</p> <p>(d) ETFs issued by SEBI regulated Mutual Funds constructed specifically for disinvestment of shareholding of the Government of India in body corporates.</p> <p>(e) Exchange traded derivatives regulated by the Securities and Exchange Board of India having the underlying of any permissible listed stock or any of the permissible indices, with the sole purpose of hedging.</p> <p>Provided that the portfolio invested in derivatives in terms of contract value shall not be in excess of 5% of the total portfolio invested in sub-categories (a) to (d) above.</p>	
(v)	<p>Asset Backed, Trust Structured and Miscellaneous Investments</p> <p>(a) Commercial mortgage based Securities or Residential mortgage based securities.</p> <p>(b) Units issued by Real Estate Investment Trusts regulated by the Securities and Exchange Board of India.</p> <p>(c) Asset Backed Securities regulated by the Securities and Exchange Board of India.</p> <p>(d) Units of Infrastructure Investment Trusts regulated by the Securities and Exchange Board of India.</p> <p>Provided that investment under this category No. (v) shall only be in listed instruments or fresh issues that are proposed to be listed.</p> <p>Provided further that investment under this category shall be made only in such securities which have minimum AA or equivalent rating in the applicable rating scale from at least two credit rating agencies registered by the Securities and Exchange Board of India under Securities and Exchange Board of India (Credit Rating Agency) Regulations, 1999. Provided further that in case of the sub-categories (b) and (d) the ratings shall relate to the rating of the sponsor entity floating the trust.</p> <p>Provided further that if the securities/entities have been rated by more than two rating agencies, the two lowest of the ratings shall be considered.</p>	Upto 5%

2. Fresh accretions to the fund will be invested in the permissible categories specified in this investment pattern in a manner consistent with the above specified maximum permissible percentage amounts to be invested in each such investment category, while also complying with such other restrictions as made applicable for various sub-categories of the permissible investments.

3. Fresh accretions to the funds shall be the sum of un-invested funds from the past and receipts like contributions to the funds, dividend/interest/commission, maturity amounts of earlier investments etc., as reduced by obligatory outgo during the financial year.

4. Proceeds arising out of exercise of put option, tenure or asset switch or trade of any asset before maturity can be invested in any of the permissible categories described above in the manner that at any given point of time the percentage of assets under that category should not exceed the maximum limit prescribed for that category and also should not exceed the maximum limit prescribed for the sub-categories, if any. However, asset switch because of any RBI mandated Government debt switch would not be covered under this restriction.

5. Turnover ratio (the value of securities traded in the year/average value of the portfolio at the beginning of the year and at the end of the year) should not exceed two.

6. If for any of the instruments mentioned above the rating falls below the minimum permissible investment grade prescribed for investment in that instrument when it was purchased, as confirmed by one credit rating agency, the option of exit shall be considered and exercised, as appropriate, in a manner that is in the best interest of the subscribers.

7. On these guidelines coming into effect, the above prescribed investment pattern shall be achieved separately for each successive financial year through timely and appropriate planning.

8. The investment of funds should be at arms length, keeping solely the benefit of the beneficiaries in mind. For instance, investment (aggregated across such companies/organizations described herein) beyond 5% of the fresh accretions in a financial year will not be made in the securities of a company/organization or in the securities of a company/organization in which such a company / organization holds over 10% of the securities issued, by a fund created for the benefit of the employees of the first company/organization, and the total volume of such investments will not exceed 5% of the total portfolio of the fund at any time. The prescribed process of due diligence must be strictly followed in such cases and the securities in question must be permissible investments under these guidelines.

9. i. The prudent investment of the Funds of a trust/fund within the prescribed pattern is the fiduciary responsibility of the Trustees and needs to be exercised with appropriate due diligence. The Trustees would accordingly be responsible for investment decisions taken to invest the funds.
- ii. The trustees will take suitable steps to control and optimize the cost of management of the fund.
- iii. The trust will ensure that the process of investment is accountable and transparent.
- iv. It will be ensured that due diligence is carried out to assess risks associated with any particular asset before investment is made by the fund in that particular asset and also during the period over which it is held by the fund. The requirement of ratings as mandated in this notification merely intends to limit the risk associated with investments at a broad and general level. Accordingly, it should not be construed in any manner as an endorsement for investment in any asset satisfying the minimum prescribed rating or a substitute for the due diligence prescribed for being carried out by the fund/trust.
- v. The trust/fund should adopt and implement prudent guidelines to prevent concentration of investment in any one company, corporate group or sector.

10. If the fund has engaged services of professional fund/asset managers for management of its assets, payment to whom is being made on the basis of the value of each transaction, the value of funds invested by them in any mutual funds mentioned in any of the categories or ETFs or Index Funds shall be reduced before computing the payment due to them in order to avoid double incidence of costs. Due caution will be exercised to ensure that the same investments are not churned with a view to enhancing the fee payable. In this regard, commissions for investments in Category III instruments will be carefully regulated, in particular.

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