

**Rules and Procedures for Financial Affairs of the
Students' Gymkhana
Indian Institute of Technology Kanpur**

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Chapter-1

Budget

1.1. Annual Budget of the Students' Gymkhana

Students' Gymkhana budget for the respective year shall be allocated (to the councils/clubs/cells), at the beginning of the tenure of the Student Senate by the Finance committee in consultation with the Office Bearers. The Finance Convener shall present the budget to the Students' Senate for approval.

1. Students' Gymkhana takes the following amount of fees from all general body members (students), which contributes to the budget of the Students' Gymkhana.
 - a. Gymkhana fee: INR 500 (+Some Percentage as Matching Grant (currently 50%) from Institute)
 - b. Festivals fee: INR 200
2. Reallocation of the Gymkhana Budget, as and when necessary, shall be done by the Finance Convener, with the concurrence of the Finance Committee.

1.1.1. Grant to the Gymkhana Festivals

The fee collected towards the Gymkhana Festivals shall be allocated to the festivals from the students' activities account by the Finance Convener in consultation with the Finance Committee members.

1.2. Income generated by the Councils/Cells

- The councils/cells may be allowed to generate income through sponsorship, registration fee from the participants (pre-approved amount) for any event, or any other available source (in consultation with the Finance Convener, Students' Senate, and Faculty Advisor). Whereas the Income received from all the above sources shall be treated as a Gymkhana fee that comes under the GFR guidelines.
- An MoU (Memorandum of Understanding) (similar to clause 4.1 of chapter 4 pertaining to festivals) explicitly stating (a) the deliverables (liabilities) from the councils/cells, (b) the deliverables from the third party (sponsorship amount, barter deal, etc.) (c) with all financial details in Section-C, such as third party's registration, GST No, Mode of taxation, TDS applicability, POC info, etc. must be signed by the President/General Secretary of the respective council, Finance Convener, Faculty Advisor, ADSA and the Third Party before moving forward with any monetary transactions.

The approved 'MOU Format' must be used for all understanding (exceptional cases must be informed prior). Before finalizing the MoU (signing of ADSA), it shall be forwarded to the CA for an

opinion on Taxation i.e., GST, TDS, etc. Based on their recommendations the invoice will be generated by the DoSA office. This process may take approximately 1-3 working days.

- Cash transactions in any case are not allowed. In case of any such transactions, the Student Senate or DoSA has all the rights to take appropriate action against it.
- In case of services, no payment more than INR 5000 shall be made directly to the vendor instead the payment shall be routed through SG-2 form for 'Payment to Vendor'. No reimbursement/advance settlement will be considered over INR 5000.
- Income shall be collected through an approved online gateway (i.e., SBI-Collect or any other gateway provided by the Banks). Any third-party 'apps/portal' must not be used for collecting money at any point in time.
- For exceptional cases, where the income needs to be collected through any other sources (than the designated channels mentioned above), prior approval must be forwarded to the DoSA through the Finance convener/Faculty counselor/advisor. The amount shall be collected only after approval is obtained from the DoSA. The details of the amount collected should be submitted to the DoSA office by the 30th day of each month. It's mandatory to fulfill the GST compliances that arise due to the collection each month.
- Any amount collected without prior approval from DOSA must be considered a breach of the regulations and be punished accordingly.
- A cap on the number of flagship events would be imposed per entity to restrict the dependency on Gymkhana's fund and look for other sources of income (e.g. Sponsorship) for the conduction of such events. Club/Society may collaborate with festivals to organize such events.
- To organize any 'Event', it is mandatory to take prior approval through the Faculty Advisor from ADSA for the event with the schedule and budget.
- It is advisable to plan and consume the budget allocated to each of the councils/Clubs equally throughout the year instead of utilizing it towards the end of the financial year.

1.3. Funds Other than the Annual Budget of the Gymkhana (External)

- The following funds from the institute (however not be limited to) may be utilized by the executives of the Students' Gymkhana (on an approval basis), that are not included in the Annual Budget of the Gymkhana.
 - Student's Activity Fund (SAF)
- The funds mentioned above can be utilized after the recommendation and approval of the following signatories:
 - President Students' Gymkhana.
 - Finance Convener, Students' Senate.
 - PI of the concerned fund (e.g., DoSA in case of SAF).

Chapter-2

General Rules and Procedures

2.1. Bill Clearance

- Bill for any activity conducted must be submitted in the SAC office with the Bill Clearance form (SG-2) attached to it and signed by the following signatories:
 - Proposed by: President Students' Gymkhana/General Secretary/UG(PG) Secretary, whosoever is relevant to the body under which the activity has taken place.
 - Recommended by: the Chief counselor/ Faculty Advisor/Faculty counselor of the respective Council/Cell (in case none is applicable, then the signatory shall be the DoSA).
 - Verified and approved by Finance Convener, Students' Senate with the opening and closing balances.
- All the following necessary supporting documents (however not limited to) must be attached to the bills:
 - In the case of Flight tickets: Boarding Passes are mandatory to attach, and the tickets must be purchased from the Govt authorized agent (OM dt: 16 June 2022) only.
 - Any student going to participate in any event of the Students' Gymkhana outstation. They should take Leave approval from the SUGC. Financial approval from the DoSA will not be considered as approval for going outstation.
 - Prize Money/Honorarium of Judges: The amount of Prize Money must be declared for 1st, 2nd, and 3rd Place winners. PAN number, Account no., Beneficiary name, IFSC Code, and result sheet signed by the judges (or any other relevant authority like the event managers/coordinators). In case of a tie-up, the rules regarding the distribution of prizes should be clearly laid down.
 - In case of travel outside the city, Toll Tax receipts must be enclosed along with the Bills. The vehicle number mentioned on the toll tax receipts must match the vehicle number mentioned on the bill.
 - Travel by a Vehicle/Train/Flight: Vehicle Requisition Form/Approval from faculty in charge/counselor. *
 - ★ In case the vehicle requisition form is not being used. The approval must contain the vehicle number, name and roll no. of the student, date, and duration of the journey, and destination (basically the contents of the requisition form). The Vehicle is to be hired from the Authorized/registered Institute Vendors only. Personal Scooters/Bikes are not allowed.
 - ★ In the case of festivals or when many vehicles are requisitioned, the same contents can be translated on an Excel sheet, and approval can be taken once instead of using the

requisition form. A conveyance form must be used. The details of travellers with tentative expenditures should be given in the form.

- The Finance Convener must be **informed** prior to any transaction exceeding INR 5,000 upto INR 24,999/-. He/she can reject clearance of any uninformed expenses at any point of time. Such decisions can be overturned by the Chairperson, Student Senate on the recommendation of the Senate/Faculty Counselor/Advisor.
- In case of reimbursement account statement indicating the particular transaction(s) is to be attached along with the concerned bill and the bill clearance form.
- If an invoice/ cash memo of 'Petty expenses' or receipt of payment is missing, and/or cash payment is done, take a special approval from the DoSA/ ADSA for bill clearance.

2.2. Advance Request

- Any of the executives can request an advance from the Gymkhana budget for any approved activities using the Advance Request Form (SG-1) signed by the following signatories:
 - Proposed by: the President Students' Gymkhana/General Secretary/UG(PG) Secretary whosoever is relevant to the body under which the activity has taken place.
 - Recommended and approved by the Faculty Counsellor of the respective Council/Cell (in case none is applicable, then the signatory shall be the DoSA).
 - Verified by: Finance Convener, Students' Senate.
 - No direct payment above INR 25000 will be made to the vendor with the Advances taken. The payment will be done through the NEFT/RTGS/UPI (cashless mode) and the receipt of the transaction shall be attached to the Advance settlement form. Cash transactions shall be avoided at any cost.
- The Advance Request Form must carry a detailed estimate of the expenditure out of the advance amount requested. If needed an Annexure can be added. It should be signed by the Competent Authorities.
- The advance request received at the DoSA office must be processed within 4 working days in normal circumstances.
- At max only 5 advances with a budget cap of Rs. 1.5 Lakh can be taken by every entity, additionally festivals are allowed to take a Rs. 5 Lakh advance for booking of flights only.

2.3. Advance Clearance (ADSA)

- Advance requested, as per section 2.2 must be Settled/cleared within **30 days** of the event/activity. In case the Advances are not settled in due time by the concerned executive, an equal amount shall be put in the No Dues against that executive. An Order is available where the maximum limit of advances and the amount is already given.

- An account statement/UPI transaction receipt indicating the particulars of the transaction(s) should be attached along with the Bill(s) and the Advance clearance form. In the case of payment to individuals, it is advisable for students to have some proof that the recipient is the actual vendor or affiliated to the vendor/firm. The payment will be done through the NEFT/RTGS/UPI (cashless mode) and the receipt of the transaction shall be attached with the Advance Clearance Form. Cash transactions must be avoided at any cost.

2.4. Senate Seed Fund

- Any General Body Member may request an amount from the 'Senate Seed Fund' through the Chairperson, Students' Senate, for any approved activity of the Students' Gymkhana. The Chairperson (SS) shall allocate the amount for the activity and inform the Students' Senate of the same and provide a minimum window of 12:00 hrs to raise objections/concerns on it. If no objection is raised within the stipulated time, the amount allocation shall be considered final for the concerned activity.
- In case the amount has been requested by the Councils/Cells within the Students' Gymkhana budget then the amount can be reallocated as income from SSF to the budget head of the concerned Councils/Cells. The reallocated budget head will be approved by the Competent Authorities.
- 40 days prior to the end of the financial year, the unused portion of the SSF shall be re-allocated to any of the Students' Gymkhana Councils/Cells as per the need on the concurrence of the Chairperson, Students' Senate and the Finance Convener.
- In the second last quarter of the financial year (September to December) all executives will submit the proposal of fund utilization. Accordingly, the budget head may be re-shuffled with the approval of the competent authority to complete the purchases within the next 60 days.

Purchase Procedure from Students' Gymkhana Budget (GFR Fund):

2.5. Purchases through E-Gem MarketPlace (From INR 25000 to INR 500000)

- A Financial Approval for the purchases shall be taken from the ADSA/DoSA.
- The standard process followed is as follows:
 - The Local Purchase Committee (from 25001 to 250000) shall be approved by the Dosa_
 - Associate Dean, Students' Affairs (Convenor)
 - Faculty Counselor/Faculty Advisor (Member)
 - Finance Convener, Students' Senate (Member)
 - President, Students' Gymkhana (Member)
 - AR, Store and Purchase or nominee (Member)
 - AR, Students' Affairs (Nominated by DoSA) (Member)
 - The Local Purchase Committee (above 250000) shall be approved by the DoSA (Upto 10 Lacs)_
 - Associate Dean, Students' Affairs (Convenor)
 - Associate Dean, Hall Affairs (Member)
 - Faculty Counselor/Faculty Advisor (Member)
 - Finance Convener, Students' Senate (Member)
 - President, Students' Gymkhana (Member)
 - OIC, Internal Audit or nominee (Member)
 - OIC, Store and Purchase or nominee (Member)
 - OIC, Students' Affairs (Nominated by DoSA) (Member)
- To ensure accuracy and alignment with the requirements, it is necessary to provide a detailed item description, including relevant quantity and specifications. This description should be presented to the Faculty Advisor for approval before proceeding.
- With all three above documents one can reach out to the Store and Purchase (S&P) to find out the availability of the item on e-Gem (Government E-Marketplace).
 - a) **If the Item is available with at least 3 registered vendors (upto 5 Lacs):**
 - A comparison will be done immediately.
 - The order can be placed to the L1 (lowest one).
 - b) **If the item is not available (but the category is available) on e-Gem or at least 3 vendors are not registered with the catalog (upto INR 250000):**
 - A 10-day enquiry (for the bid) shall be hosted on the e-GeM platform. A 3-day extension can be done in the case of need.
 - If there is zero participation from the vendors. A non-availability will be generated by Store & Purchase Section (S&P) and the purchase can be done through LPC by Market survey (**Upto 2.5Lacs**).
 - If there are fewer than 3 vendor participants then the purchase can be routed through CPPP, where a Tender for 21 days (minimum) will be floated to seek bids (**Upto 5 Lacs**).
 - c) If the Category of the item is not available on e-Gem:
 - A non-availability report (ARPTS) will be generated.
 - An offline purchase through the LPC (Local Purchase Committee) by doing a Market survey can be done.

Process of Purchase through Local Purchase Committee by doing a Market survey in case of non-availability on e-Gem (upto 2.5 Lacs)

- 3 or more vendors shall be approached to provide quotations against the inquiry.
- The quotations shall be received at the DoSA office in a sealed envelope or through e-mail to all the committee members. The envelope should superscribe the details of the inquiry and the details of the vendor (s).
- The quotation should be coherent with the inquiry made. It should also carry the date of the quotation, signature, and seal of the vendor.
- Once all the quotations are received, these will be opened by the AR (SA) or S&P. All the committee members will sign on each quotation and on envelopes or on all the email print-outs of the quotations.
- The committee shall ascertain each bid's reasonableness as per the GFR guidelines and eventually select the L1 lowest. In case any of the quotations are not in proper shape or are incomplete, the committee has all the rights to take the final decision on all such cases.
- Form P-02 and P-03A shall be duly filled and signed by the Committee (LPC) members.
- A comparative Sheet shall be attached additionally as and when needed.
- The complete file shall be submitted to the Store and Purchase Section (S&P) to generate Purchase Order (PO).
- Once the purchase order is received to the vendor, the item can be delivered as per the terms and conditions mentioned in the PO.

Settlement of Payment to the vendor in case of receipt of the Item against PO

- Once the item is received, it should be presented to the Store and Purchase section (S&P) or SAC office for item verification with the original bill.
- Based on the verification, the S&P will generate the IR.
- The IR with the original bill must be submitted to the SAC office for stock entry.
- Sac office will forward the IR with an indent book to the S&P for 'Pass for Payment'. The Indent and IR will be signed by the Indenter and the DoSA.
- The final payment will be made once the 'Pass for Payment' is done through the S&P.

2.6. Tender enquiry Process

- According to the Government of India guidelines (GFR 2017) and Institute Norms, a Tender/Bid Document must be floated on e-Gem, CPPP, and/or institute website to invite Quotation/Bid for any **purchase exceeding ₹2,50,000**.
- Custom Bidding (Tender) on e-Gem can be done only when the purchase amount exceeds 5 lacs. The duration for bidding could be 21 days -45 days.
- If no bid is received within the given time frame the buyer may choose for Globe Tender Enquiry.

Document required for Tender/Bid enquiry

- Financial Approval for the Purchases from the DoSA (Upto 10 Lacs).
- The Purchase Committee approved by the competent authority such as DoSA (Upto 10

- lacs).
- Tender/ Bid Document.
- Detailed specification (if needed).

Process of Tender/ Bid enquiry

- For purchase amount upto 5 Lacs:
 - * Bid Document shall be uploaded on CPPP and Institute website for at least 21 days.
 - * Bid Document must carry all the information such as Opening and Closing date of Bid, Enquiry no., Specification of the item to be purchased, Other terms and conditions of procurement etc.
 - * In case of No or Less than 3 Bid is received, an Extension of 3 days may be done.

The bid opening process is further divided into 2 subprocesses:

- First, **the technical bids** are opened. Wherein, the technical specifications of the product or service offered by the vendor are ascertained.
 - Committee members will review each specification along with freight, warranty, terms and conditions etc. Those who do not fully fill the criteria as per Tender notification, will not be eligible to participate in the Financial bid. The whole committee will sign on the technical bid document with justification.
- Next, **the financial bids** are opened out of the selected vendors from technical bids. It is mandatory to select the L1 (Lowest one) bid if the bid is reasonable.
 - If the bid is not reasonable, it is scrapped, and the L1 bid from among the reasonable bids is chosen as the successful bid.

Chapter-3

Asset Purchase and Inventory Management

3.1. Stock Entry and item verification

- **In the case of Gymkhana Festivals**

1. All items purchased must be verified and entered in the stock register at SAC Office. All the rental services (such as mattress, tenting etc.) shall be verified by the SAC Office within 2 days of their purchase or within 1 day of arrival of the items (whichever is convenient).
2. The responsibility of item verification must be borne by the Head Finance of the Festival and New SAC Supervisor for this purpose (till an online mechanism is in place).

- **In the case of Students' Gymkhana Purchases**

- In the case of consumables**

1. Students must provide a basic proof of purchased consumables. The responsibility shall be of the Finance Convener to ensure that the no foul play is committed.
2. All items purchased/rented must be verified and entered in the stock register at SAC Office. on its purchase and/or arrival (proof of receipt required in this case), whichever is later.
3. Each purchase of consumables should be stock registered at the SAC office before use.

- **General rules for all Gymkhana entities:**

1. The original bill (TAX invoice, Bill of Supply, Cash Memo etc. duly sealed and signed) must be submitted for the bill clearance form. No photocopy/duplicate bill will be accepted.
2. All bills must carry a GSTIN number of vendors.
3. In case of Purchase Orders (PO), the bills must be in accordance with the PO. Hence the quantity, specification, date of delivery, GSTIN of DoSA Etc. must be mentioned on the bill.
4. Any "Non-Consumable" item purchased shall be added against the relevant Coordinator's dues (e.g., Club Coordinators in case of clubs, OCs in case of Cells, Festival Coordinator in case of Festivals, etc.). He/she will be responsible for submitting these items back at the time of charge handover. The items subsequently would be added to the incoming Coordinator's dues after he/she has accepted the Inventory list physically.
5. In case a "Non-Consumable" item in the dues list is not functional or damaged, then the same should be reported by the relevant executive. The damaged items must be deposited in the Gymkhana Store properly.
6. Any item in the inventory (except that of Festivals) may be issued by any General Body Member after approval from the relevant Executive (President Students' Gymkhana/General Secretary) and shall be added to the General Body Member's dues list till the item is returned.
7. Note that the items can be issued directly by the executives of the same council under their name until the item is returned.
8. In case any item in the inventory goes missing, then a prompt intimation must be given to the DOSA/ADSA. The appropriate action will be taken by them accordingly.

9. Goodies/T-shirts/Prizes or anything similar, for any flagship event should not be funded with Students' Gymkhana budget.
10. Food/Beverage expenses should only be done for such events that involve a high commitment from the participants and the organizing team. If the Food/Beverage charges are already included in accommodation then only the Fooding for the Workers of vendors shall not be provided (such as workers used in Festivals). All food expenses for an event should be informed in the pre-term.
11. Offline talk sessions with speakers would be monitored, and restricted, if the budget gets breached above the expectations. It is recommended to pay only for travel expenses.

Note: If any of the above clauses are not adhered to, then the bill shall not be passed by the Finance Committee, or the committee shall recommend appropriate action.

Chapter-4

Financial/Accounting Rules Pertaining to Festivals

4.1 MoU guidelines

All the MoUs should be according to the following guidelines. Else, the relevant signatories shall not approve the same:

1. MoU should be entered with GST registered organizations. In case of services from a Non-GST registered service provider, the FAC should recommend the same.
2. MoU must clearly contain all the relevant details such as the 'purpose of the MoU', 'deliverables from all the parties', 'exceptional terms and conditions on case to case basis', and financial details (Service(s)/Amount, Taxation applicable (RCM/FCM), GSTIN details, TDS applicability, Address of Firm, POC(person of contact) details, etc.,
3. MoU's with Foreign embassies, Rules and Regulations for MOU/Invoices shall be followed as per the Indian Laws. In case of contradiction between both the countries' laws, the Double Taxation Avoidance Agreement between both the countries shall prevail over it. If no such agreement exists between the states and contradiction arises, then Indian law shall prevail for the MoU.
4. Every MoU should clearly state the liability of tax to be borne by which party in Forward/Reverse changes Mechanism
5. Interest Clauses may be added in each MoU so that liability can be determined in the case of breach of understanding/contract.
6. The following shall be the signatories for any MoU pertaining to the Gymkhana Festivals:
 - a. Festival Chairman
 - b. Festival Coordinator
 - c. ADSA/DoSA
 - d. A representative of the concerned party with whom the MoU is being entered into.
7. All the MOU must be processed 5 days before the event starts.
8. Tri-party agreement...

4.2 Pre-festival events:

- 1) If any Pre-Festival workshop/event or Main Festival workshop is planned, the participation fee should not be collected on any third party app/ portal instead the CCE will help in organizing the workshop and collect the money through SBI-collect.
- 2) The money collected at CCE will be used to disburse Prizes to the participants and expenses to organize the workshop. In case of any other settlement an approval from ADSA/DOSA shall be taken.
- 3) CCE shall be approached to manage the Pre-fest Incomes and Income through a workshop during Festival.
- 4) For clearing Bills and taking Advance from CCE, the Festival Bill Clearance form and Advance request form for the festivals shall be used with the following signatories:
 - a) Festival Chairman
 - b) Festival Coordinator
 - c) Finance Convener, Students' Senate

4.3 Management of Finances and Accounts:

- 1) At least 50% of the Sponsorship amount should be received at least 7 days before the event, and 50% may be collected post-festival within one month of the festival. Review the non received payment cases and contact them accordingly to realize the committed amount. Those who are not replying or willing to release the payment, their GST invoice may be canceled and credit notes be issued.

The Income sources for receipt of any income must be under the following heads :-

- (a) Registration Fees.
 - (b) Sponsorships.
 - (c) Renting of Stalls.
 - (d) Sale of T-Shirts.
 - (e) Accommodation and Foodings.
 - (f) Financial Support/CSR activities.
- 2) For any committed expense made for organizing the festivals, a maximum of 1 times the sponsorship amount received before the festival can be used for budgeting. Ideally, 10-15% of the amount to be received post-festival must be taken as a buffer amount in the budget.
 - 3) The Budget for the Festivals must clearly include all the Committed Expenditures i.e. Tenders, LPCs, Rental services (Tenting, Bedding , Production, ShowM, Artist, and other misc. exp. etc.) as well as the Income i.e. sponsorships received through MoUs, Participation fees, Accommodation fees, sale of T-shirts, etc.).
 - 4) Prior approval has to be taken from the Festival Chairman for all expenditures involved, including all kinds of travels. Bill clearance shall be as per the approval granted by the Chairman. The same may be taken in writing or over email. Note that it must not be taken Post facto.
 - 5) A list of bills (including those for reimbursement) must be submitted within 10 working days after the festival in the DoSA office. No bill shall be added without any prior intimation of the delay. All further bills must be cleared according to the list provided.
 - 6) Tendering/Purchase Committee is required for all services/goods as per the GFR '17 norms.
 - 7) All the POs must be completed at least 3-5 working days before the event.
 - 8) Payment shall be made to the person with whom the contract has been entered into. Further, every payment shall be made after considering applicable Indian tax laws (Double taxation should be avoided wherever applicable).
 - 9) Primary responsibility towards GST shall be of service provider except where the GST Act has specified liability towards service recipients.
 - 10) Documents/Receipts: Documents or receipts/database of all sources of earning (Sponsorship, sale of Merchandises) need to be furnished.
 - 11) All bills must be settled within 30 days as per GFAC after the festival. This deadline must be adhered to strictly.
 - 12) Post Festival, the following order must be followed in order to settle the pending liabilities.
 - a) LPCs.
 - b) Prize Money details should be submitted within 15 days of completion of the Festival.
 - c) Any service provider with whom an MoU was signed and payment is to be made post-festival.
 - d) Other service providers.
 - e) Reimbursement.

f) Approval of the DD is needed for the amount >10 lakhs.

- 13) When selling goods such as Goodies, T-shirts, or other similar commodities, it is important to aim to recover the basic cost of procurement for these products.
- 14) The transfer of prize money should be done exclusively from the Festival Account and not through direct means.
- 15) To ensure tax liabilities are addressed prior to payment, any service obtained from a vendor that costs more than 5000 (e.g. printing posters, renting equipment, etc.) should not be directly paid to the vendor or party involved. Instead, payment should be made through the "Payment to Vendor" route using the SG2 form.