

Chapter 7

Financial Implications, Phasing & Roll Out Plan

Guiding Principles: Gross Financial Requirements for Capital Investment of the Project:

The capital investment required to build the university in the light of the above vision has been estimated at ₹1,569 Crores, as per the details given below:

SI No	Details/ Item Heads	Qutlay (Rs in Crores)	Remarks
I	NON-RECURRING (Creation of Capital Assets)		
A	PERMANENT CAMPUSES		
1	Environment & Forest Clearance	50	Details as per Annexure F
2	Boundary, Gates & Fencing	20	
3	Campus Development	120	
4	Building Infrastructure	1,115	
5	Furniture & Fixtures	114	10% of the Building Cost
6	Equipment	100	Office, Labs, Classrooms, IT etc
7	Books & Journals	50	
	Total for Permanent Campus	1569	
B	TEMPORARY CAMPUSES		
1	Furniture & Fixture	5	
2	Temporary Constructions	6	
3	Equipment	5	Office, Labs, Classrooms, IT etc
4	Books & Journals	2	
	Total for Temporary Campus	18	
	Total Non-Recurring Expenditure	1,587	

Phasing and Rollout Plan of the University

The academic architecture and curricular framework described in the preceding sections implies that the system can work well only when sufficient number of Schools, Departments and Centres have been put in place. It also pre-supposes the availability of sufficient number of full time faculty. It may take about 10 years for the University to make full impact on the higher education scenario in the country. The impact would, however, start becoming visible from the 3rd year onward from the date when the land is allotted to the University and development activities begin. Phase-wise Capital, Non-recurring Expenses are as under. Details of the phasing and roll out plan are given in Annexure G.

Phases	Building	Furniture & Fixtures	Equipment	Books & Journals	Total
Phase I	345.00	34.50	50.00	25.00	454.50
Phase II	560.00	56.00	50.00	25.00	691.00
Phase III	715.00	71.50	50.00	25.00	861.50
Total	1620.00	162.00	150.00	75.00	2007.00

Possibility of PPP in Infrastructure Development:

It could be possible for the university to get infrastructure worth ₹435 Crores built under PPP mode. This will, however, entail commitment of the UGC/MHRD to meet recurring costs arising on account of PPP engagements, particularly, when the focus is on making the higher education inclusive.

S.No.	Infrastructure	Investment (₹ in Cr)
1	Boys Hostels	100
2	Girls Hostel	100
3	International Students Hostels	20
4	Auditorium/ Convention Centre	40
5	Community Centre/Shopping Complex	40
6	Canteens/Cafeteria/Kiosks	30
7	Banks/Post Office/Reservation Counters	05
8	Technology Park/Incubation Centre	100
	Total	435

Gross Annual Recurring Expenses:

Once the University is complete with all the schools and departments envisioned under this document, the annual recurring expenses at today's cost shall be roughly ₹187 Crores.

II	Annual Recurring Expenses	Rs in Crores
1	Salaries & Allowances of Teaching Staff (Ideally, 50% of Annual Recurring Expenses)	90
2	Salaries & Allowances of Non-Teaching/Technical Staff (Ideally 20% of Annual Recurring Expenses)	32
	Total Staff Cost	122
3	Outsourcing of Services (Ideally 10% of the capital investment in physical facilities & infrastructure; Minimum 10% of the Total Annual Recurring Expenses)	20
4	Operating Expenses (Ideally 30% of total Annual Recurring Expenses (Operating Costs))	41
	Total Recurring Expenditure	183

Annual Outflow on account of Recurring Expenses:

Years	Salaries (₹ in Cr)		Outsourcing of Services (₹ in Cr)	Operating Expenses (₹ in Cr)	Total (₹ in Cr)
	Teaching	Non-Teaching			
2007-08					
2008-09					
2009-10					
2010-11	14	3	2	5	24
2011-12	22	7	5	10	44
2012-13	31	10	8	14	63
2013-14	40	13	10	18	81
2014-15	49	17	12	22	102
2015-16	58	20	15	27	120
2016-17	67	23	16	31	137
2017-18	76	26	17	34	153
2018-19	81	30	18	37	166
2019-20 onward	90	32	20	41	183

Cost Recovery and Other Sources of Income:

On an average, the University will recover 20% of its operating expenses through fees and other sources.

Strategies for Development:

Starting from 20th January 2010, the University shall be taking up the following on priority basis:

- Setting up of temporary offices of the University in Dharamshala in Kangra District
- Networking and collaborating with institutions of repute in higher education
- Constitution of the university authorities - Court, Executive Council, Academic Council, Finance Committee
- Appointment of officers of the University - Registrar, Finance Officer, Controller of Exams
- Framing of Statutes, Ordinances and Regulations for the functioning of the University
- Identification, recruitment and selection of faculty in a phased manner. This will give time to selected faculty members to undertake curricula development activities and preparatory works for effective launch of the programmes of studies
- Arousing the expectation of people by making right kind of noises during the course of infrastructural development, recruitment drive, networking initiatives with a view to attract best of the faculty and students
- Major academic programmes across disciplines are proposed to be launched only after bulk of academic and physical infrastructure has been put in place. But for that, it may be difficult to attract sufficient number of applicants for the University to select the best and most talented
- Initiating the designing and development of physical infrastructure for permanent campuses of the University, which may include the following
 - Master Plan of the campuses developed and approved
 - Selection and appointment of Architects
 - Selection and appointment of Project Management Consultants

- Approval of the architectural design
- commencement of the development work
- Most importantly, taking the MHRD/UGC on board and obtaining approval and sanction of funds for development and operation. Finally, the size of the university, magnitude and quality of academic infrastructure and physical facilities, speed and pace of work shall depend on the availability of adequate funding and systematic flow of resources.

In the interim, the University may want to start some academic activities. This in view, it has already initiated the process, in consultation with the state government, for identifying suitable institutional infrastructure and readying the same for commencement of academic activities from the academic session 2010-11. Obviously, the University may not be able to commence all programmes that are fully in compliance with the academic architecture and curricular framework that have been elaborated in preceding section. For that to happen the University first needs to put in place the academic and physical infrastructure that it requires. However, the ultimate objectives as explained in the preceding sections would not be lost sight of even while launching the programmes in the interim.

Depending on the kind of temporary institutional infrastructure that is made available to the University, it proposes to begin with non-experimental and non-lab-based selected PG and RD programmes that are of contemporary relevance to the market and societal needs. Some such programmes could be (a) MBA with focus on Entrepreneurship Development; (b) PG Programme in Ecology and Environment; (c) MPhil and PhD programme across disciplines in the areas where faculty has been appointed and in Sciences such programmes could be in areas like Bio-informatics, Computational Biology, Theoretical Physics, and Mathematics.

In order to provide wider choices to students in terms of courses of study, the University may not only initiate the process of creating and filling up faculty positions across disciplines but will also engage a large number of visiting/guest faculty to take care of the identified courses. Besides, the University may invite academicians and practitioners across disciplines throughout the country urging them to design and offer courses according to their areas of expertise and time-convenience. Since the courses would be credit-based and modular, they may take the required number of contact hours as visiting faculty/scholars in residence in the university.