

**Expenditure Cutting  
and  
Revenue Generation  
to meet  
Special Needs and Heightened  
Budget Requirements  
in Future**

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**Background**

In the Deans & Heads Committee meeting held on 15th March 2018, Vice Chancellor constituted a committee to give suggestions on minimizing the maintenance grant expenses and new ways of revenue generation for the University.

- Prof. Arun Agarwal
- Prof. M. Ghanshyam Krishna
- Prof. Vasuki Belvadi
- Mr. S. B. Srinivas Dy. Registrar ( Finance) - Convener

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**Extracts for this presentation are  
taken from the Part-B of the Report  
submitted, with some changes**

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### Hard Facts

**REVENUE (Annual)**

- After several years the UGC grant is pegged at Rs.25 crores for recurring grant.
- Internal Resources generated is around Rs.10 Crores

**EXPENDITURE (Annual)**

- **Rs.18 Cores** are payment towards Electricity & Water charges, annually
- Present MG expenditure [averaged over last 3 years] to Academic Units, Central Facilities, Administrative Offices is 17 Crores
- Average expenditure on **Outsourced Staff** is around **Rs.20 Crores** per annum and UoH at present is booking the expenditure under salaries budget. UGC is insisting to meet this expenditure from the Recurring Expenses being provided i.e. from 25 crores.

**Deficit Budget = - [20.0 Crores ??? + {Special Needs + Heightened Expenditure from 2019-20}]**

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### 2018-19 MG expenditure to Academic Units, Central Facilities, Administrative Offices is **17 Crores**

- For MG 2018-19 following amounts were increased and newer ones introduced
  - Increased for Common needs, some examples
    - Placements
    - R&D Coordinator
    - Repairs & Maintenance incl. AMCs, buildings etc.
    - Library
    - Health Centre
    - Physical Education & Sports
  - New School/Centre/Cell
    - School of Education
    - e-Learning Centre
    - e-Governance Cell, AICTE Cell

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### How to meet expenditure towards Special Needs and Heightened Budget Requirements in Future?

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### Cutting Costs

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### Expenditure on such events/activities/services should not be borne by the University

- Convocation
- Entrance Examination
- Guest House
- Internet Access: Hostels (Students), Residential houses (Faculty, Staff): Maintenance of cables (Fibre, copper), switches, splicing work. Laying of cables etc. Wireless Access, UTM upgrade, Firewalls etc
- Faculty Research Labs: Expenditure towards consumables, new ACs, repair of ACs, UPS (including batteries), networking components, should be met from the project overheads: % from overhead to PIs can be made variable. [\[Currently, it is 20% and is put in FDF\]](#)

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### Cutting Cost-Other Measures-01

- MG should not be used to buy Capital equipment.
- Academic Programmes can be started after due sanctions from UGC/AICTE for faculty salary/ equipment/ buildings etc
- No new vehicles to be purchased by the Schools/Departments/Centres. Hiring a Vehicle is cheaper.
- Student population to be doubled over time, but no increase in hostel accommodation. At present 93% students stay in the hostel

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### Cutting Cost-Other Measures-02

- Outsourcing staff to be reduced gradually at all places
  - DEO for every 150-200 students to be provided in a School
  - Manpower in Administrative Units to be rationalized
    - 1 or 2 outsource persons to handle LC, TT processing [foreign currency remittance] for the entire University
    - out-sourced personnel to be rationalized, as University has taken e-Gov initiative, SFACTS system
  - Emphasis should be given to Computerization of various sections

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### Cutting Cost-Other Measures-03

- On the maintenance of buildings it is suggested to classify buildings as A=Over 40 yrs; B=Over 30 yrs, C= Over 20 yrs, D= over 10 yrs. E= below 10 yrs. More MG should be allocated for A category buildings and so on.
- Hostel Building which are consuming high MG as compared to the collections should be looked at.

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### Cutting Cost-Other Measures-04

- Rationalization of Maintenance Grant (MG) to Schools
  - Each School should get base MG support based on Number of Programmes, Number of students, Number of faculty/staff, Number of teaching labs, conduct of workshops, seminars etc.
  - Those Schools generating revenue for the University through Tuition and other Fees which is higher than their 3 years average MG expenditure should be supported additionally towards MG.
  - Those Schools generating revenue for the University through Project Overheads, which is higher than their 3 years average MG expenditure, should be supported additionally towards MG.
  - For Departments within Schools, MG of 85-90% should be distributed to departments/centres, after setting aside 15-10% for Dean's office.

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## Revenue Generation

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### Revenue Generation-01

- Recovering Electricity/Water Charges from students staying in the Hostel. It is estimated that currently Rs 9.0 Crores out of Rs 18 Crores is spent. But, what is the recovery? [ZERO].
  - At least 20% of the amount should be collected.
  - Modern Technology and proper/efficient protocols to be set up. Metering to be established.
- Charges for outsourced personnel working in hostels. It is estimated that currently Rs 5.0 Crores out of Rs 20 Crores. But what is the recovery? [ZERO]
  - At least 20% of the amount should be collected.

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### Revenue Generation-02

- Tuition Fees from Professional programmes [MTech with GATE Fellowship] [3 months Fellowship]
- Tuition fees for PhD students with JRF Fellowship [1 ½ months]
- Tuition Fees towards other programmes to be increased by 20% every 2/3 years from present 10% every 2 years. [To be further rationalized. See Revenue Generation-05 slide].
- Lab fee being collected from the students may be increased as consumables and maintenance of equipment in labs are increasing year by year.
- To continue Recognition status to External Centres, fee is proposed as @ Rs 1.0 Lakhs/year. Access to library print and e-resources can be considered

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### Revenue Generation-03

- Distance Education contribution to University should be enhanced. Add more innovative, skill based programmes; closing non-profit making programmes
- Incubation Centres should contribute 20% of their revenue [5 year moratorium] can be given.
- CC/CNF, CMSD should contribute by conducting various latest certificate courses like Big data, IoT, Cloud Computing etc.
- Library usage charges to outside/ inside corporate organizations to be enhanced from present fees of Rs 7,500/year. Charges for accessing Books and Journals and e-versions to be rationalized.

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### Revenue Generation-04

- Schools to consider
  - extra seats as paid seats, in existing programmes
  - They can also launch new and innovative programmes, short term certificate courses which are skill based etc, and are popular and demand based.
- Academic Development Fund for each School
- Alumni Donations
- Corporates
  - To be invited to participate in academic activities and support
  - CSR
- Rational User Charges for University level scientific equipment facility
- Internet Fees [Staying on Campus]
  - a. Students @ Rs 500/year x 5000
  - b. Staff/Faculty @ 1000/year x 2000

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### Revenue Generation-05

- Tuition and other Fees charged by our University to be rationalized based on support provided by other State Governments for SC/ST and OBC students based on merit-cum-means criteria.
- University level infrastructural space: Conference Venue/ Sports facility/Guest House etc, to be used by allowing external users to rent them.

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**A New Model for distributing MG to Schools**

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**Base MG to the Schools: A New Model**

- a. No of Programmes (NP): Teaching and Research = Rs 50,000 x NP
- b. No of Faculty (NF) = Rs 7,500 x NF
- c. No of Staff (NS) = Rs 2,500 x NS
- d. No of Labs for teaching purpose (LABS)  
 (in Hum, SS, CS, M&S, Mgmt, Eco ) Rs 25,000 x LABS  
 (in SEST, Medical Sci, SNS) Rs 1,00,000 x LABS  
 (in LS, Sciences) Rs 1,50,000 x LABS
- e. No. of Research Student (RS) Rs 4,000 x RS
- f. No of Students (Teaching) (ST) Rs 2,000 x ST
- g. Vehicle(s) (V)\*\* Rs 1,50,000
- h. Workshops/Seminars (WS):  
 Rs 2,00,000 (Single School)  
 Rs 5,00,000 (Multi-D/C Sch)
- i. Additional MG [Incentive]:]
  - i. If Tuition Fee (TF) collection > MG Expenditure [Additional 10 % of TF]
  - ii. If Project Overheads (PO) collection > MG Expenditure [Additional 10 % of PO]
- j. Distribution in Multi-Dept Schools: For Departments within Schools, MG of 85-90% should be distributed to departments/centres, as per the formula recommended by the committee, after setting aside 15-10% for Dean's office.

NOTE\*\* Every School to get the amount, whether they have a Vehicle or not.

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**MG Allocation [2018-19] some Schools have certain Expenditures included in their annual allocation**

- PhD Evaluation and conduct of PhD Viva-Voce: Payment towards Airfare, transport and honorarium expenditure [Now can be shown against [Controller of Examination Office](#)].
- Outsourced staff expenditure [Now can be shown separately as a central pool under [Registrar's office](#)].
- AMC towards DG sets, Central AC plants etc across University. Schools/Departments/Centres [Now can be shown against [Engineering Department](#)].
- Maintenance/minor repair of the Buildings etc [Now can be shown against the [Engineering Department](#)].

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### Support for New Initiatives

- Incentive for Students Best Project/Dissertation/Thesis.
  - Should have societal impact
  - Technology transfer to industry
- Incentive for faculty:
  - Article highlighted on the cover page of a Journal. Number of Citations for a paper crosses certain threshold etc
- Best Alumni Awards
- International conferences: International Travel, Registration grants for PhD students. UGC 2016 regulations, Clause 9.4 stipulates that Ph.D. scholars must publish at least one (1) research paper in refereed journal and make two paper presentations in conferences/seminars before the submission of the dissertation/thesis for adjudication, and produce evidence for the same in the form of presentation certificates and/or reprints.

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### Central Facilities

- A separate amount may have to be set aside for urgent repair of equipment under Central Facilities category, as all such facilities are running 24X7.
- Central Pool of funds to be set aside for repairs/AMC. This could initially be about Rs. 50 lakhs, to start with.

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### How?

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### CORPUS

- What are we using [Interest accrued: 6.56 Crores/yr] part for?
  - At present 50% of the Interest [3.28 Crores] can be used
    - BBL Allowances and 5<sup>th</sup> year non-NET PhD Fellowship [~1.5 Crores]
    - KV School [Salary: ~1.8 Crores] + 15% Administrative Overhead [NOT Being PAID]
  - CORPUS should not be used for above purpose, or EC to enhance % of Interest that can be utilized from CORPUS for other purposes, mentioned below:
- To be used only under exigency situations and for Cat-I: Graded Autonomy Status given recently by MHRD-UGC
  - New Infrastructure
  - Incentives for Faculty under Graded Autonomy status
  - Launch of new income generating innovative, skill based courses
  - Instituting Alumni Awards etc
  - Attending conferences including travel, based on some criteria for Faculty and Students.

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**Comments and Suggestions are invited**

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*Thank You*

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