

TABLED AGENDA ITEM NO. (T)

APPROVAL FOR STARTING REGULAR UNDER-GRADUATE & POST-GRADUATE PROGRAMME AT NIFT'S TEMPORARY CAMPUS AT SRINAGAR, J&K

1. SCOPE OF THE PROPOSAL:

The proposal seeks consideration and the approval of the Board members for starting regular under-graduate programme / post-graduate programmes from the academic year 2016 -17 at NIFT temporary campus at Srinagar, J&K.

2. GENESIS:

In pursuance to the announcement of PM's package for J&K, the State Government of J&K and Union Govt. of India have collaborated to set up a NIFT campus at Budgam adjoining Srinagar. On the 19th day of July, 2010, the Board of Governors (BOG), NIFT accorded in principle approval for the establishment of NIFT's Campus at Budgam, Jammu & Kashmir. Also, NIFT agreed to the State Governments' demand of a 35% domicile quota.

On the request of the state government, NIFT set up its coordination office in July 2013 in the premises of the Crafts Development Institute, Nowshera, Srinagar. The following year, in April 2014, NIFT shifted temporarily to a campus at the SIDCO industrial estate, Rangreth. As envisaged, the temporary campus has dual objectives of popularizing NIFT's academic programmes and providing training to local students / youth to strengthen their creativity and innovation.

As per NIFT's revised policy for establishment of a new campus (w.e.f 04.09.2012) regular courses can be launched only once the permanent campus is ready. In line with NIFT policy, 03 certificate programmes were launched in April 2014 at NIFT Srinagar, but the result has not been encouraging.

The programme wise details are as below:

S. No.	Course Name	Duration	Course Fee (Rs.)	Status
1.	Studio Photography	06 Months (Weekend)	Rs. 30,000/-	Two candidates enrolled for the course. One candidate paid Rs. 20,000 and the other Rs. 5,000. The course was dropped after few classes. The fee collected was refunded to the candidates.
2.	Fashion and Design Drawing	03 Months	Rs. 30,000/-	One candidate registered for the course but withdrew later.
3.	Fashion Apparel in	One year (two	Rs. 80,000/-	04 students enrolled with each of them paying Rs. 20,000 towards course fees.

	Women's Wear	semester) course		<p>The course commenced in August 2014. There were disruptions in conducting the course due to floods in Srinagar, and also due to lack of availability of visiting faculty.</p> <p>It therefore was decided to discontinue the course.</p>
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As per timelines submitted by J&K SIDCO in February 2015, the permanent campus would be ready by November 2020. Regular courses, therefore, can only commence in the following academic year of 2021 - 22 as per NIFT's revised policy for establishment of a new campus (effective from 04.09.2012).

The team at NIFT Srinagar had several meetings with various stakeholders in the State. One of the important suggestions received was to offer regular degree courses at the temporary campus. This proposal is in line with the suggestions received.

3. PROPOSAL:

Proposal to start UG / PG Courses at Temporary Campus, Rangreth, Srinagar:

The temporary campus provided by the State at Rangreth has a constructed area of approx. 15000 sq ft. The constructed area provided is sufficient to run one UG and one PG course.

A wait of 6 years for regular course to commence is a long one given that the permanent campus would be ready only by Nov. 2020. This discounts any possible delay in the handover of the permanent campus and the changing dynamics of other macro factors such as global education model, socio-political scenario etc.

To have only CE programmes during this period would require a good turnover of students failing which the financial burden would only increase. The response to the CE programmes held in the past has not been very encouraging. Secondly, to initiate regular courses now would give a fillip to the local industry's need for professionals and would also be in line with 'Make in India' drive as envisioned by the Honourable Prime Minister.

It was therefore proposed to Senate in its 24th Meeting held on 26.06.2015 to commence the following 02 regular degree courses from the temporary campus:

- i) Bachelor of Design – Fashion Design (4 Years UG Course) w.e.f. 2016-17.
- ii) Master of Fashion Management (2 Years PG course) w.e.f. 2017-18.

As stated above also that as per NIFT's revised policy for establishment of a new campus (w.e.f 04.09.2012) regular course can be launched only once the permanent

campus is ready. Therefore, this proposal would be a deviation from the existing policy and we propose to deviate from the revised policy and introduce under-graduate programme / post – graduate programme at NIFT Temporary campus at Srinagar, J&K

By starting one UG and PG Course as envisaged above in temporary campus, the following other benefits will also be derived:

- i) Availability of full time faculty members would ensure offering certificate courses successfully in parallel;
- ii) Optimum space utilization;
- iii) improved industry – institute interaction;
- iv) Better participation in carrying out projects/schemes for fashion, textiles and handicraft sector in the state.

The experience of past two years at temporary campus of NIFT Srinagar has shown a very poor response in the number of students admitted as against expected under CE programmes. The details of the same is tabulated under Para 2 above. The main reasons for the same include geographical conditions, transportation/ connectivity problems faced by both students and faculty etc.

4. FINANCIAL IMPLICATION:

If we take forward the proposal of starting one UG Course from the year 2016-17 and one PG Course from the year 2017-18, then the revenue deficit for the temporary campus for the period 2016 – 2021 is estimated at Rs. 10.33 Crores as shown in the table 1 below. If we compare this with the revenue deficit amounting to Rs. 13.50 Crores for the same period projected as per the DPR, there will be a saving of Rs. 3.17 Crores.

TABLE 1: STATEMENT SHOWING REVENUE DEFICIT

(Rs. In Crores)

YEAR	REVENUE DEFICIT		SAVINGS
	If one UG and one PG course is started in the year 2016-17 & 2017-18 respectively in temporary campus	If only CE Programme is started from the temporary Campus	
(1)	(2)	(3)	(4) = (3-2)
Temporary Campus Period			
2013-14 to 2015-16	2.32	2.32	NIL
2016-17 to 2020-21	10.33	13.50	3.17
Permanent Campus Period			
2021-22 to 2025-26	34.11	39.04	4.93
TOTAL	46.76	54.86	8.10

Also, as per the detailed project report (revised in 2015) on establishment of NIFT permanent campus at J&K, the revenue deficit is estimated at Rs 54.86 Crores for the period of 2013 – 2026 which includes the revenue deficit for the temporary campus amounting to Rs. 15.82 Crores and for permanent campus Rs. 39.04 Crores. The report further projects that the permanent campus would achieve breakeven in 2026 – 27. However, this is considering the fact that the regular courses would commence in the academic year 2021.

It is pertinent to note here that commencing regular courses from the temporary campus would reduce the revenue deficit of the temporary campus for the period 2016 - 2021 to the extent of Rs. 8.10 Crores.

Annexes I – VI presents the financial implication of offering one UG course in 2016 and one PG course from 2017 onwards in temporary campus.

5. RECOMMENDATION OF SENATE:

The agenda was placed for discussion in the 24th Senate meeting held on 26th June, 2015. Deliberations in detail took place during the meeting. The Senate recommended that the decision to start full time courses from temporary campus could only be done after necessary approval and recommendations of the Board. On the advice of the Board, the Senate could deliberate on the courses which could be offered in Srinagar.

6. RECOMMENDATIONS OF DG:

Director General, NIFT has recommended that the agenda may be put up before the BOG for approval and its recommendation.

7. MATTER FOR CONSIDERATION OF BOG:

The matter is put up for the kind consideration and the approval of the Board of Governors.

Annexure I

Table 2 – Projected Income and Expenses

(Rs. in Crores)

S.No	Head of Expenditure/ Income	2016-17	2017-18	2018-19	2019-20	2020-21	
	Expenditure						
1	Establishment expenditure	1.24	1.89	2.53	3.32	3.88	
2	Academic Expenses	0.14	0.19	0.24	0.29	0.33	
3	Other Administrative Expenses including Depreciation	1.01	1.07	1.13	1.17	1.19	
	Total (a)	2.39	3.14	3.90	4.79	5.41	
	Income						
1	Income from Fees	0.25	0.91	1.88	2.81	3.44	
	Total (b)	0.25	0.91	1.88	2.81	3.44	
	Net Revenue Surplus/ (Deficit) (b - a)	-2.14	-2.23	-2.02	-1.98	-1.97	-10.33

Table 3 – Projected Academic Staff Salaries

Annexure II

S.No.	Name of Post	No. of Post					2014-15 Base	(Rs. in Lakhs)				
		2016-17	2017-18	2018-19	2019-20	2020-21		2016-17	2017-18	2018-19	2019-20	2020-21
1	Professor	0	0	0	1	2	1761680	0.00	0.00	0.00	32.58	69.40
2	Associate Professor	1	2	4	4	4	972950	14.90	31.73	67.59	71.98	76.66
3	Assistant Professor	1	3	4	6	6	807368	12.36	39.50	56.09	89.60	95.42
4	Research Asstt. (including RC)	2	2	2	2	2	485376	14.86	15.83	16.86	17.96	19.12
5	Machine Mechanic	0	1	1	1	1	355726	0.00	5.80	6.18	6.58	7.01
6	Lab Asstt.	1	1	1	1	1	284782	4.36	4.64	4.95	5.27	5.61
7	Jr. Asstt.	0	1	1	1	1	284782	0.00	4.64	4.95	5.27	5.61
8	Multi Tasking Staff	0	1	2	2	2	261016	0.00	4.26	9.07	9.66	10.28
Total (in Lakhs)								46.49	106.41	165.67	238.89	289.12
Total (in Crores)								0.46	1.06	1.66	2.39	2.89

Note: Salary has been increased 6.5% every year from 2017-18 onwards after hike of 35% IN 2016-17.

Annexure III

Table 4 – Projected Academic Expenses

Head	(Rs. In Lakhs)				
	2016-17	2017-18	2018-19	2019-20	2020-21
Lease Line Exp.	0.50	0.53	0.55	0.58	0.61
Promotional exp.	2.00	2.10	2.21	2.32	2.43
Scholarships	2.00	4.00	6.00	8.00	10.00
TA/DA	3.00	3.60	4.32	5.18	6.22
Class Room Exp.	0.50	0.75	1.00	1.50	1.65
Craft Doc.	0.50	0.75	0.90	0.99	1.09
Field Study	0.50	0.75	0.90	0.99	1.09
G. Faculty	3.00	4.50	5.00	5.50	6.00
Other Acad Exp. viz. Printing Stationery, Jury Exp. Exam & Eval Exp., R&M Equipments, Misc etc.	2.00	2.40	2.88	3.46	3.80
Total (in Lakhs)	14.0	19.4	23.8	28.5	32.9
Total (in Crores)	0.14	0.19	0.24	0.29	0.33

Annexure IV

Table 5 – Year wise Estimated Enrolment

Category	2016-17	2017-18	2018-19	2019-20	2020-21
UG Gen	15	15 20	15 20 25	15 20 25 25	20 25 25 25
PG Gen		15	15 20	20 25	25 25
Total	15	50	95	130	145

Annexure V

Assumptions

1. Building Construction should complete by November, 2019.
2. The centre will offer Fashion Design course in 2016 - 17 and Master of Fashion Management in 2017 – 18.
3. The salary has been increased 6.5% every year except 2016-17. In 2016-17, it is increased by 35% due to 7th Pay Commission.
4. It is assumed that other revenue expenditure will increase 10% or more every year.
5. The fee from students increases by 10% every year.

Annexure VI

Table 6 – Cost Comparison

(Rs. in Crores)

S No	Particulars	Cost if Regular 06 courses are launched in 2021 - 22	Cost if 01 UG and 01 PG course is launched in 2016 - 17 and 2017 - 18 respectively
A	Building Construction Cost	237.05	237.05
B	Office Furniture to be provided by SIDCO	16.99	16.99
C	Furniture and other Items to be procured by NIFT		
i	Office Furniture, Labs Furniture etc.	4.00	4.00
ii	Information Technology (Hardware & Software to be used for academic purpose)	9.00	9.00
iii	Resource Centre (Print & Non-Print Materials, Hardware, Software)	1.50	1.50
iv	Design Studio - Capital infrastructure	1.80	1.80
v	Handicrafts and Handloom Museum - Capital Infrastructure	1.80	1.80
vi	School of Design	7.18	7.18
vii	School of Fashion Management	0.34	0.34
viii	Centre of Languages, Humanities, Basic Science and Sciences	0.12	0.12
ix	Centre for Industry, Artisans & Craftsmen Interface	0.50	0.50
x	2 Buses and 1 Car	1.01	1.01
xi	Revenue Deficit for five years (permanent campus)	39.04	34.11
xii	Cost of Setting up Temporary Campus and Revenue Deficit for 7 years	20.78	17.56
	Total C - (Rs. in Crores))	87.01	78.92
	Grand Total A + B + C (Rs. in Crores)	341.05	332.96