

# **PANDIT DEENDAYAL ENERGY UNIVERSITY**

## **MINUTES OF THE 42<sup>nd</sup> FINANCE COMMITTEE MEETING HELD ON 20<sup>th</sup> MAY, 2024 AT 03:00 PM AT BOARD ROOM, 2<sup>nd</sup> FLOOR, C BLOCK, PDEU CAMPUS**

The following were present:

- |   |           |
|---|-----------|
| 1. Dr. S. S. Manoharan, Director General  | Chairman  |
| 2. Shri Rajesh Sivadasan, Secretary GERMI | Member    |
| 3. Dr. Dhaval Pujara, Director SOT        | Member    |
| 4. Dr. Anirbid Sircar, Director SOET      | Member    |
| 5. Col. (Dr.) Rakesh Kumar, Registrar     | Secretary |
| 6. Shri Abhinav Kapadia, CFO              | Invitee   |

Dr. S. S. Manoharan, Director General PDEU and Chairman Finance Committee, extended a cordial welcome to all the members.

### **Item 42/1: Confirmation of Minutes of 40<sup>th</sup> meeting of the Committee**

The Committee approved the Minutes of its 41<sup>st</sup> meeting held on 20-Jul-23.

### **Item 42/2: Review Report of 41<sup>st</sup> meeting of the Committee**

The Committee reviewed the Action Report and confirmed the same.

### **Item 42/3: Update on construction of New High Rise Hostel Blocks at Rs. 82.32 Crs and Term Loan proposal**

The Chief Finance Officer (CFO) apprised the Committee that construction of two new Blocks of High Rise Hostel was approved in the 41<sup>st</sup> meeting of Finance Committee and in 21<sup>st</sup> meeting of Standing Committee.

The Committee was informed that the original estimated cost was Rs. 57.12 Crs (based on Schedule of Rates (SOR) of



GoG) and as per our architect – M/s HCP DPM the market estimate rate was Rs. 63 Crs. Accordingly, an open tender for Civil, Electrical and Plumbing Works was issued by PDEU, M/s Shanti Construction being L1, at bid price of Rs. 61.92 Crs, have been awarded the Work Order. **The Committee reviewed and approved the revised Project Cost for building two New High Rise Hostel Blocks** is as follows:

(Rs. in Crs)

Sr. No.	Particulars	Revised Cost of Project
1	Civil Works, Electrical & Plumbing Works	61.92
2	ELV Components	1.76
3	HVAC Works	1.85
4	Furniture Works	9.24
5	Elevators	1.42
6	Architect Fees	1.43
7	PMC	0.38
8	Contingency (% of Project Cost)	2.20
9	Interest During Construction (IDC)	2.12
	<b>TOTAL</b>	<b>82.32</b>

The Committee was further apprised that in the 21<sup>st</sup> meeting of Standing Committee, it was directed to follow the model of 50% financing through University's Funds and 50% through Bank Finance. **The Committee reviewed and approved the Means of Finance for construction of two New High Rise Hostel Blocks** are as follow:

(Rs. in Crs)

Sr. No.	Particulars	Amt.
1	Endowment Funds of the University	29.25
2	Hostel Surplus	12.07
3	Term Loan from Bank	41.00
	<b>Means of Finance</b>	<b>82.32</b>

The CFO apprised the Committee that PDEU has approached State Bank of India (SBI), Union Bank of India (UBI) and GSFS to raise funds through Term Loan. GSFS has shared that they shall not be able to finance as per their norms. SBI and UBI has sanctioned our application of Term Loan. The comparative of commercial terms of sanction by SBI and UBI are as below:

Sr. No.	Particulars	SBI	UBI
1	Facility	Term Loan	Term Loan
2	Limit	<b>Rs. 41 Crs</b>	<b>Rs. 40 Crs</b>
3	Interest	Type	Floating (Date of reset of Interest: 6 months)
		Rate	<b>8.55% p.a. (linked to 6 M MCLR)</b>
			Floating (Date of reset of Interest: 12 months)
			<b>8.90% p.a. (linked to 1 Y MCLR)</b>
4	Loan Processing Charges	NIL	<b>1% of the limit subject to minimum Rs. 30,00,000/- + GST</b>
5	Upfront fees	Rs. 9,84,000 + GST	NIL
6	Tenure	118 Months	118 Months
7	Margin	43.99%	Minimum Margin of 25%
8	Security	<ol style="list-style-type: none"> <li>1. First charge on Cash Flow of the Hostel Building by way of Escrow arrangement</li> <li>2. Land FP No. 373, TPS No. 19 admeasuring 58,095 Sq. Mtrs and proposed Construction thereon</li> </ol>	Mortgage of University premises situated at Plot No. 369, 370, 371, 372, 373 TPS No. 19 mouje Raysan Taluka District Gandhinagar
9	Repayment	<ol style="list-style-type: none"> <li>1. Moratorium of 16 months</li> <li>2. 101 monthly instalments of Rs. 40,00,000/-</li> <li>3. 1 monthly instalment of Rs. 60,00,000/-</li> </ol>	<ol style="list-style-type: none"> <li>1. Moratorium of 18 months be allowed from date of first disbursement</li> <li>2. 102 monthly instalments of Rs. 39,21,569/- and interest after moratorium</li> </ol>

The Committee reviewed the sanction Terms and Stipulations of SBI and UBI. **The Committee approved to accept the sanction of SBI** and advised that PDEU may request SBI for 3 months MCLR rate i.e. 8.20% p.a.

**Item 42/4: Update on construction of Extension Wings at Block E and Academic Infrastructure CAPEX in Block E (Computer Lab) at Rs. 23.73 Crs**

The Committee was apprised regarding construct extension of another wings at Block E to meet the academic classes and lab requirements. **The Committee reviewed and approved the overall cost estimates of all 4 Wings at Block E**, from our architect – M/s HCP DPM, as follows:

(Rs. in Crs)

Sr. No.	Title	Tender Estimate	Conceptual Estimate			TOTAL PROJECT COST
		Classroom Wing	Lab Wing	Workshop Wing	Admin Wing	
	<b>Built up Area (in Sqm)</b>	1,368	1,245	1,302	1,035	4,950
	<b>Built up Area (in Sqft)</b>	14,720	13,396	14,010	11,137	53,263
<b>A</b>	<b>Academic Building</b>					
1	Civil and Door Window Works	3.19	2.90	3.04	2.41	11.54
2	PHE Works	0.17	0.15	0.16	0.13	0.61
3	Electrical & ELV Works	0.63	0.57	0.60	0.48	2.28
4	Additional Cost of ELV Active Components	0.44	0.40	0.42	0.33	1.59
	<b>Sub Total ( A )</b>	<b>4.43</b>	<b>4.02</b>	<b>4.22</b>	<b>3.35</b>	<b>16.02</b>
<b>B</b>	<b>Other Works</b>					
1	HVAC Works	0.70	0.64	0.67	0.53	2.54
2	Furniture	1.29	0.60	0.63	0.50	3.02
3	FFTG Works	0.14	0.12	0.13	0.10	0.49
	<b>Sub Total ( B )</b>	<b>2.13</b>	<b>1.36</b>	<b>1.43</b>	<b>1.13</b>	<b>6.05</b>
<b>C</b>	<b>Total Construction Cost ( A + B )</b>	<b>6.56</b>	<b>5.38</b>	<b>5.65</b>	<b>4.48</b>	<b>22.07</b>
<b>D</b>	<i>Add: Architect Fees Including GST</i>	0.27	0.24	0.25	0.20	0.96

Sr. No.	Title	Tender Estimate	Conceptual Estimate			TOTAL PROJECT COST
		Classroom Wing	Lab Wing	Workshop Wing	Admin Wing	
E	Total Project Cost without Contingency	6.83	5.62	5.90	4.68	23.03
F	Add: Contingency@2.5%	0.29	0.14	0.15	0.12	0.70
G	Total Project Cost with Contingency	7.12	5.78	6.04	4.81	23.73

The Committee was apprised that in the 41<sup>st</sup> meeting of the Finance Committee, it was approved to earmark the CSR contribution from Reliance for FY 2023-24 for the construction of extension wings at Block E. **The Committee reviewed and approved, the Means of Finance for the project as follows:**

(Rs. in Crs)

Sr. No.	Particulars	Amount
1	Contribution from Reliance Foundation under CSR	10.00
2	Contribution from University Funds	13.73
	<b>Means of Finance</b>	<b>23.73</b>

#### **Additional Furniture Works at Classroom Wing**

The CFO apprised the Committee regarding the additional Furniture Works at Classroom Wing. The total approved cost of project is Rs. 7.12 Crs in which the Budget for furniture of Rs. 0.66 Crs. However, the estimated cost of Furniture Works has increased to Rs. 1.29 Crs.

The Committee was apprised that the estimated cost of project shall not increase from Rs. 7.12 Crs, as the requisite funding gap shall be allocated from contingency funds.

**The Committee noted and approved the Incremental cost of Furniture Works in the ongoing classroom Wing extension upto Rs. 1.29 Crs to be allocated from Contingency.**

*ll*

## **New Hybrid Computer Labs in Block E**

The Committee was apprised regarding the proposal to procure 200 laptops for five new Hybrid Labs at the 3<sup>rd</sup> Floor Extension of E Block, with each lab needing 40 laptops. The total estimated cost is approximately Rs. 2.10 Crs. M/s Chintech has already been issued a purchase order for 100 laptops, costing Rs. 1.06 Crs. The original CAPEX budget was Rs. 1 Cr; thus, an additional Rs. 1.10 Crs is recommended to cover the total procurement cost.

**The Committee noted and approved the procurement of 200 laptops for the 5 new Hybrid Labs at the 3<sup>rd</sup> Floor Extension of E Block with an additional budget of Rs. 1.10 Crs.**

### **Item 42/5: Update on Fees Determination of all programs of the University and notification from Appellate Committee of Centre of Excellence, Education Dept., Govt. of Gujarat**

The CFO apprised the Committee that PDEU has been granted Centre of Excellence and as per the communication from the Appellate Committee to submit the proposed fee structure to be implemented, along with an undertaking to the effect that it shall not profiteering and / or charge Capitation fees.

The Committee reviewed and noted the financials, prepared by our Statutory Auditor – M/s Dhirubhai Shah & LLP, as per the SoP are as follows:

(Rs. in lakhs)

Sr. No.	School / Course	2022-23 (Audited)		2023-24 (Provisional)	
		Total Expenses	Per Student Cost	Total Expenses	Per Student Cost
1	B.Tech / B.Sc	10,676	2.34	11,536	2.27
2	M.Tech / M.Sc	793	2.62	848	2.97
3	BA/BBA/BCOM	2,738	1.43	3,076	1.60

Sr. No.	School / Course	2022-23 (Audited)		2023-24 (Provisional)	
		Total Expenses	Per Student Cost	Total Expenses	Per Student Cost
4	MBA	1,044	4.18	1,146	4.19

The Committee was apprised regarding the existing fees for FY 23-24 and proposed fees for FY 24-25 as follows:

(Rs. in lakhs)

Sr. No.	School / Course	2023-24	2024-25
		Existing Fees	Proposed Fees
1	B.Tech	2.40	2.49
2	M.Tech	1.50	1.50
3	BA/BBA/BCOM	2.40	2.49
4	MA	1.50	1.50
5	MBA	4.25	4.63
6	B.Sc.	2.40	1.20
7	M.Sc.	1.50	1.50

The Committee was apprised that University may consider upto 15% for reasonable surplus (categorized as such by the Apex Court) towards Depreciation of fixed assets, Replacement, Expansion, Augmentation and Modernization (DREAM), as per the submission of PDEU to COE.

The Committee reviewed and approved the audited cost-sheets for FY 2022-23 and FY 2023-24 along with the existing Fees of FY 2023-24 and proposed Fees of FY 2024-25 for submission to The Appellate Committee of Centre of Excellence, Education Department, GOG.

**Item 42/6: Budget Estimates of the University for FY 2024-25**

The CFO presented the Budget Estimates of the University for FY 2023-24 along with School-wise financials to the Committee. The summary of the Overall (consolidated) and School-wise is as follows:



(Rs. in Lakhs)

Sr. No.	Particulars	RE 22-23	BE 23-24	RE 23-24	BE 24-25
<b>Overall (Consolidated)</b>					
<b>A</b>	<b>Total Income</b>	<b>20,502</b>	<b>21,769</b>	<b>21,798</b>	<b>22,830</b>
1	Academic Fees	17,417	18,971	18,498	19,379
2	Hostels	2,085	2,148	2,200	2,400
3	Other Income	1,000	650	1,100	1,051
<b>B</b>	<b>Total Expenses</b>	<b>16,906</b>	<b>19,137</b>	<b>19,300</b>	<b>20,670</b>
1	Human Resources	9,272	10,435	10,300	11,184
2	Academic & Student Expenses	2,607	3,542	3,488	3,593
3	Maintenance of Infrastructure Expenses	2,011	2,084	2,232	2,391
4	Hostel Expenses	1,051	1,125	1,331	1,454
5	Depreciation	1,757	1,800	1,869	1,896
6	Contingency & Other Expenses	208	151	80	153
<b>C</b>	<b>Operational Surplus / Deficit</b>	<b>3,596</b>	<b>2,632</b>	<b>2,498</b>	<b>2,160</b>

The Committee was apprised with the salient points of the Budget Estimates of the University for FY 2024-25 as follows:

- 2,500 occupancy is considered at Hostel Fees of Rs. 96,000/- per student (2,500 students at Hostel Fees of Rs. 89,500/- per student)
- Provision of Rs. 233 lakhs (Rs. 323 lakhs) for Recruitments of 40 Faculties & 15 Staff (52 Faculties & 37 Staff).



- Provision of Rs. 160 lakhs (Rs. 90 lakhs) for CPDA is made.
- Provision of Rs. 675 lakhs for Admission Expenses (Rs. 498 lakhs)
- Provision of Rs. 114 lakhs for T&P Cell Expenses (Rs. 102 lakhs)
- Provision of Rs. 393 lakhs (Rs. 315 lakhs) for TAShip / Fellowship to M.Tech & Ph.D students
- Scholarship Expenses of Rs. 296 lakhs (Rs. 190 lakhs) for scholarship schemes for student in SLS, SOM, FOET (cash prize), B.Sc & M.Sc., etc.
- Provision for Library Expenses (subscription to Books & Journals) of Rs. 379 lakhs (Rs. 375 lakhs)
- Provision for R & D Office Expenses of Rs. 120 lakhs (Rs. 198 lakhs)
- Provision of Rs. 1,549 lakhs (Rs. 1,097 lakhs) for **Outsourced Services of Housekeeping & Security**
- Provision of Rs. 708 lakhs (Rs. 660 lakhs) for **Power & Light**

The Committee also noted the School-wise Budget Estimates of FY 2024-25 as follows:

(Rs. in Lakhs)

Sr. No.	Particulars	RE 22-23	BE 23-24	RE 23-24	BE 24-25
<b>FOET</b>					
A	<b>Total Income</b>	<b>10,844</b>	<b>12,740</b>	<b>12,270</b>	<b>12,997</b>
1	Academic Fees	10,755	12,485	12,015	12,745

Sr. No.	Particulars	RE 22-23	BE 23-24	RE 23-24	BE 24-25
2	MDP, Consultancy & Workshop	89	255	255	252
<b>B</b>	<b>Total Expenses</b>	<b>10,396</b>	<b>11,910</b>	<b>11,827</b>	<b>12,809</b>
1	Human Resources	6,567	7,490	7,400	8,010
2	Academic & Student Expenses	1,415	1,825	1,941	2,055
3	Infrastructure Maintenance Expenses	1,053	996	1,012	1,243
4	Contribution to University	1,048	1,178	1,045	973
5	Depreciation	313	336	425	438
6	Contingency	-	85	4	90
<b>C</b>	<b>Operational Surplus / Deficit</b>	<b>448</b>	<b>830</b>	<b>443</b>	<b>188</b>

(Rs. in Lakhs)

Sr. No.	Particulars	RE 22-23	BE 23-24	RE 23-24	BE 24-25
<b>SLS</b>					
<b>A</b>	<b>Total Income</b>	<b>4,731</b>	<b>4,901</b>	<b>4,756</b>	<b>4,702</b>
1	Academic Fees	4,691	4,871	4,726	4,627
2	MDP, Consultancy & Workshop	40	30	30	75
<b>B</b>	<b>Total Expenses</b>	<b>2,483</b>	<b>3,152</b>	<b>2,966</b>	<b>3,153</b>
1	Human Resources	1,355	1,516	1,454	1,624
2	Academic & Student Expenses	415	700	730	665
3	Infrastructure Maintenance Expenses	221	398	337	442
4	Contribution to University	450	475	406	348
5	Depreciation	42	38	37	43
6	Contingency	-	25	2	31

Sr. No.	Particulars	RE 22-23	BE 23-24	RE 23-24	BE 24-25
C	Operational Surplus / Deficit	2,248	1,749	1,790	1,549

(Rs. in Lakhs)

Sr. No.	Particulars	RE 22-23	BE 23-24	RE 23-24	BE 24-25
<b>SOM</b>					
A	<b>Total Income</b>	<b>1,174</b>	<b>1,187</b>	<b>1,179</b>	<b>1,542</b>
1	Academic Fees	1,173	1,172	1,164	1,518
2	MDP, Consultancy & Workshop	1	15	15	24
B	<b>Total Expenses</b>	<b>991</b>	<b>1,139</b>	<b>1,167</b>	<b>1,331</b>
1	Human Resources	730	781	822	922
2	Academic & Student Expenses	117	168	173	209
3	Infrastructure Maintenance Expenses	80	92	95	109
4	Contribution to University	52	72	59	61
5	Depreciation	12	16	16	17
6	Contingency	-	10	2	13
C	<b>Operational Surplus / Deficit</b>	<b>183</b>	<b>48</b>	<b>12</b>	<b>211</b>

(Rs. in Lakhs)

Sr. No.	Particulars	RE 22-23	BE 23-24	RE 23-24	BE 24-25
<b>Hostels</b>					
A	<b>Total Income</b>	<b>2,085</b>	<b>2,148</b>	<b>2,200</b>	<b>2,400</b>
B	<b>Total Expenses</b>	<b>1,787</b>	<b>1,799</b>	<b>2,037</b>	<b>2,137</b>
1	Academic Expenses	-	25	15	15
2	Infrastructure Maintenance Expenses	1,051	1,125	1,331	1,454

Sr. No.	Particulars	RE 22-23	BE 23-24	RE 23-24	BE 24-25
3	Depreciation	736	637	690	645
4	Contingency	-	12	1	14
<b>C</b>	<b>Operational Surplus / Deficit</b>	<b>304</b>	<b>349</b>	<b>163</b>	<b>263</b>

The Committee reviewed and approved the Budget Estimates for FY 2024-25.

**Item 42/7: Shifting of Endowment Fund Fixed Deposits to GOI Securities of Rs. 101.95 Crs**

The Committee was apprised regarding the matter placed in the 41<sup>st</sup> meeting of Finance Committee to shift the fixed deposit of Endowment Funds of the University to medium term GOI Securities for improved yield. As per the view of the Investment Advisor of the University - Shri Kashyap Mody: *the Fixed Deposits can be shifted to 10Yr Government Bonds (7.20%) or 10Yr State Government Bonds (7.45%) or 10Yr AAA Corporate Issuer (HDFC Ltd @ 7.80%).*

The Committee reviewed and noted the Maturity Profile and instrument-wise breakup of the University's Endowment Funds as on 31-Mar-24 is as follows:

(Rs. in Crs)

Fund Group	Year			Total
	2024-25	2025-26	2026-27	
Endowment Funds	131.33	19.13	-	150.46
<b>Total</b>	<b>131.33</b>	<b>19.13</b>	-	<b>150.46</b>
<i>Fixed Deposits</i>	<i>92.25</i>	<i>19.13</i>	-	<i>111.38</i>
<i>GOI Securities</i>	<i>13.84</i>	-	-	<i>13.84</i>
<i>T-Bills</i>	<i>25.24</i>	-	-	<i>25.24</i>

The Committee was also apprised that Endowment Funds FDs of Rs. 29.38 Crs out of the total Rs. 131.33 Crs are earmarked for construction of New HRH Blocks and are parked separately in T-Bills for 91 Days and 182 Days.

The Committee reviewed and approved the shifting of Endowment Funds of Rs. 101.95 Crs maturing in FY 2024-25 to GOI Securities, as follows:

(Rs. in Crs)

Sr. No.	Tenure	Instrument	Amount
1	3 Years	GOI Securities / Bank FD	25.49
2	5 Years	GOI Securities	25.49
3	10 Years	GOI Securities	50.98
<b>TOTAL</b>			<b>101.95</b>

The Committee also approved to earmark Rs. 19.13 Crs maturing in FY 2025-26 for upcoming projects of new Academic Block F1 and F2.

**Item 42/8: Construction of Academic Block F1 at an estimates cost of Rs. 39.53 Crs**

The Committee was apprised regarding University's plans to enhance its global ranking and accreditation by establishing a state-of-the-art Central Library, creating a national facility for Core Repository, and allocating space for a Semiconductor Lab. Additionally, the university aims to meet the demand for classrooms and labs by constructing a new Academic Block F1, connecting to the existing Academic Block F. This new block will have a built-up area of 9,950 square meters across six floors, accommodating the expansion requirements effectively.

The Committee reviewed the layout and proposed facilities floor wise and approved the estimated cost of project, as per our architect – M/s HCP DPM, as follows:

(Rs. in Crs)

Sr. No.	Particular	Estimated Cost of Project
1	Civil, Door & Windows	20.90
2	Electrical Works	3.68



Sr. No.	Particular	Estimated Cost of Project
3	Plumbing Works	0.50
4.a.	FFTG Works – Floor extension	0.40
4.b.	FFTG Works – Addressable system	0.70
5	HVAC Works	2.19
6	Furniture Works	3.94
7	Elevators, Substation upgradation, etc.	1.10
8	Connection Road, STP & Courtyards	2.20
9	Landscape Works	0.15
<b>A</b>	<b>Total Amount (excluding GST)</b>	<b>35.75</b>
B	<i>Add: Consultancy Fees @5.31%</i>	1.90
<b>C</b>	<b>Total Cost (excluding GST)</b>	<b>37.65</b>
D	<i>Add: Contingency</i>	1.88
<b>E</b>	<b>Total Amount (excluding GST)</b>	<b>39.53</b>

The Committee was further apprised on the Means of Finance proposed as 50% from Grants of Govt. & other Funding Agencies and 50% from University's Endowment Funds. The Committee was also apprised that considering the present need of classrooms, it is pertinent to build another Academic Block of G + 6 Floors as exclusive block for classrooms only. The Committee reviewed the fund requirements and available means of Finance. Post discussion, **the Committee approved to the following Means of Finance for new two Academic Blocks F1 & F2, as follows:**

(Rs. in Crs)

Sr. No.	Particulars	Amount
1	Grant from ONGC for Core Repository Lab	15.00
2	Grant from GOG for Semi-conductor Lab	10.00
3	Contribution from University Endowment Funds	19.00
4	Bank Overdraft against Fixed Deposit on Operational & Endowment Funds	35.06
	<b>Means of Finance</b>	<b>79.06</b>

**Item 42/9: Update on EOI for appointment of Internal Auditors of the University for FY 2023-24**

The Committee was apprised that in the 41<sup>st</sup> meeting of the Committee, it was approved to issue Expression of Interest (EOI) for appointment of the Internal Auditor for FY 2023-24. Accordingly, EOI was notified on the website of the University and by the end of the timelines, total 19 bids were received from the interested CA firms.

The Committee was further apprised that based on the Pre-Qualification criteria of EOI, these CA firm's proposals were assessed. The qualified proposals were Technically Evaluated as per the mentioned parameters in EOI out of 40 marks. The firms from H1, H2 and H3, who were having relevant experience of carrying out Internal Audit of the University / Academic Institutes were called for presentation. Accordingly, M/s Mukund & Rohit, being H1 bidder has been appointed as Internal Auditors of the University for FY 2023-24 at their Annual Audit Fees of Rs. 6,00,000/- (inclusive of out-of-pocket expenses and exclusive of GST).

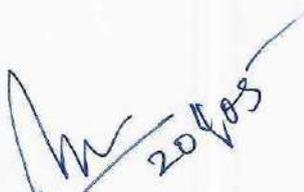
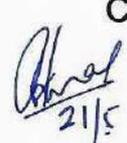
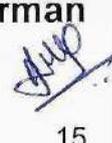
**The Committee noted and approved the same.**

**Item 42/10: Provisional Financials of the University of FY 2023-24**

The Committee noted that the Provisional Financials of the University as on 31-Mar-24. The Committee directed to close financials by May every year.

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

Date: 21-May-24  
Place: Gandhinagar

  
Chairman  
  
21/5  
  
20/05