

SUSTAINING ST. ALOYSIUS – OUR FINANCIAL PICTURE

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Every good work has to be sustained by constant support from many friends and partners. In the case of St. Aloysius, you the alumni are our principal partners. The following is a summary of the cost of our operations.

Our total capital and operational and cost in the year is **Rs.10,44,72,000.**

(This includes salaries of 100 (out of 150) staff members, cost of maintenance and construction, and financial assistance to needy students amounting to approximately **Rs.1,50,00,000.**)

The salaries of 50 staff members is covered by government's grant-in-aid. The government has not sanctioned any new posts for the last 10 years. Their salaries are fully covered by the management.

(This does not include AIMIT and new campus expenses, which is explained separately as it is a major investment).

We receive from the government a grant for partial payment of staff salaries (as explained above).

We collect from the students Rs. 7 crores (approx)

(This amounts to, on average, less than Rs.10,000 per student per year in the College level; the actual amount varies for different courses)

The shortfall to be filled is Rs. 3 crores

We receive donations from individuals and alumni groups, which enable us to largely offset the shortfall and build small savings for anticipated developments on new projects.

Donations from Alumni organizations SACCA—Rs. 3 lakhs (approximate)

APNA – Rs.10 lakhs (approximate)

As you see, your ongoing partnership is vital to enable us to maintain St. Aloysius offering highest quality education at affordable cost.

Investment on Beeri Campus and AIMIT

As you know, development of new campus and construction of so many buildings with modern equipment is an enormous investment, biggest in St. Aloysius history.

The total cost of 1st phase of development is Rs. 30 crores.

Met by internal savings (contributed by the management) Rs. 5 crores

Private donations thus far Rs. 6 crores.

Shortfall Rs. 19 crores

Annual operational cost Rs. 3 crores

Government grants Rs. NIL

Collected from students Rs. 5-6 crores

(approximately Rs.1 lakh per student per year).

(excess used for repayment of loans)

The Shortfall on development expenses has been met in part by internal and external borrowing (Rs.9 crore) and other part by bank loan (Rs.10 crore) carrying interest cost of 11%. The excess amount collected from students goes towards repayment of the loan and borrowed money. If we have to rely on this source alone, it will take 7-8 years to clear the shortfall with interest. That is a long period, which will hinder us from proceeding on the 2nd phase of development. In order to clear the shortfall faster, we continue to depend upon new donations from alumni and partners. We are grateful to our donors who continue to stand with us. It is worth mentioning some very significant donations which we have received. Mr. Prem Watsa, a well known business man in Canada, whose father graduated from St. Aloysius has donated Rs.2 crores thus far and promises to increase his donation in the coming months. Mr. Victor Pais, a distinguished alumnus and an active business man in the U.S. has donated Rs. 1 crore.

I am also happy to inform you that already three batches of our MBA students have become entrepreneurs. In the first week of November 2010, we saw the inaugural of MARITZ Pharma, a venture by 3 outgoing MBA students. Your generous donations are thus proving to be an investment in developing our business and entrepreneurial talents who will enrich Indian economy creating new exciting opportunities for young men and women.

We trust, you, our alumni, friends and partners will continue supporting the Alma Mater and enable us to overcome the financial shortfall in the near future. That will lead us to initiate the 2nd phase of developments in the new campus, which will include more academic buildings, to develop new courses and research programs suited to meet the needs of industry, residence buildings, health and recreational facilities, all needed to ensure healthy development of young men and women. We also want to build an endowment for the professional development of faculty and a scholarship fund to assist deserving students from low income families. The projected cost of the second phase of development is **Rs.30 crores** as of the present estimate. We want to embark on the 2nd phase as soon as we can since delaying will only escalate the cost. We count on your continuing support for greater accomplishments.