

**Guidelines for furnishing fee proposals by Private Un-aided Higher Educational Institutions in the State of Andhra Pradesh for the block period 2020-21 to 2022-23.**

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1. As per the APHERMC Regulations, 2020 in G.O.Ms.No.12 and 13 dated 04-03-2020 and 16-03-2020, in Guidelines No:5(1) to (39), Nos: 5(A) and 5(B) the unaided private Higher Educational Institutions engaged in imparting the education shall furnish the required data in the relevant Schedule Nos. 1 to 31. As per the various Judgments of the Hon'ble Supreme Court, APHERMC Act 2019, rules and regulations made thereunder and as per the provisions of Prohibition of Capitation Fee Act, the collection of capitation fee by Private Unaided Higher Educational Institutions by whatever name is illegal. The Private Un-Aided Educational Institutions should run for charity and not for earning surplus.
2. It is therefore necessary that the fee proposals furnished by the Private Unaided Higher Educational Institutions have to be evaluated based on the income and expenditure of the institutions as well as the Societies/Trusts under which umbrella the said institutions are established/functioning.
3. Further in order to evaluate the fee proposals the following principles will be considered for adaptation, keeping in view the interests of both the institutions as well as the student community.
  - i) All the required financial information should be submitted as per the Mercantile (Accrual) System of Accounting. Financial information submitted in any other system of accounting shall not be treated as the information provided by the institution and the same will not be considered for the purpose of evaluation.
  - ii) If an institution previously followed any other system of accounting and for the purpose of fee fixation has migrated to the Mercantile (Accrual) System of Accounting, all the expenditure which pertains to the previous financial years shall be excluded while preparing the financial statements/information to be submitted to the Andhra Pradesh Higher Education Regulatory and Monitoring Commission (APHERMC).
  - iii) The fee shall be determined based on the revenue expenditure including depreciation on the Assets of the institution allowable as per the regulations

notified by the APHERMC till date.

4. In order to evaluate the total income of the institution the following heads are to be taken into consideration.
  - i) Fee Receipts from programme – **(Refer Schedule-1)**
  - ii) Fee receipts from other programmes **(Refer Schedule-1).**
  - iii) Fee receipts from lateral entry like ECET for B.Tech program **(Refer Schedule-1)**
  - iv) Fee receipts from 2<sup>nd</sup> shift programs like M.Tech. and Polytechnics in B.Tech. Institutions. **(Refer Schedule 1).**
  - v) Other income like interest on investments, rents received, interest on fixed deposits etc. **(Refer Schedule-2).**
  - vi) Grants received from the Government and other sources like TEQIP, MHRD etc. **(Refer Schedule-14)**
5. With regards to the expenditure it is broadly categorized as follows:

**A) Salary Expenditure:**

- i) Salary expenditure on teaching faculty who are on regular scale and fully qualified as per norms, including the age of retirement and within the required cadre strength as per the prescribed teacher-student ratio.

Note: 1. The salary expenditure of the teaching faculty for whom the

Tax Deductions (TDS) are made only will be considered.

2. The proof of highest qualification of the teaching faculties concerned shall be uploaded.

**(Refer Schedule – 3 for both 2018-19 & 2017-18).**

- ii) Salary expenditure of teaching faculty who are not fully qualified regarding qualifications, age and staff appointed beyond prescribed teacher-student ratio etc. **(Refer Schedule- 4 for both 2018-19 & 2017-18).**
- iii) Salary expenditure of non-teaching staff, who are on regular scales and within the prescribed teaching and non-teaching ratio, including the age of retirement **(Refer Schedule- 5 for both 2018-19 & 2017-18).**
- iv) Salary expenditure of non-teaching staff, who are on consolidated / contract emoluments or reemployed beyond the age of retirement and staff engaged beyond the prescribed teaching and non-teaching ratio **(Refer Schedule- 6 for both 2018-19 & 2017-18).**

- v) The retirement age shall be **65** years for teaching faculty and **60** years for non-teaching staff and **60** years for last grade employees.
- vi) Arrears of previous years' salary should not be included in the gross salary and should be shown separately.
- vii) In order to consider the expenditure on teaching and non-teaching staff, the cadre strength fixed by the respective competent authorities like **AICTE / NCTE** etc., have to be adopted. Persons who are appointed over and above this strength shall be shown in the other related **proforma**.
- viii) Faculty norms shall be as per notification issued by respective competent authorities like AICTE, NCTE etc.
- ix) In case any of the employee service is utilized for more than one programme, such names shall be shown only in one programme.
- x) The teaching faculty should be qualified. Non-qualified teaching faculty will not be counted /considered for the purpose of expenditure.
- xi) **PAN number for teaching faculty is a must.** In respect of non-teaching and other staff also, PAN data shall be furnished, where monthly salary/emoluments/honorarium/remuneration is Rs. 25,000 or more. If no PAN/wrong PAN data of them is given, the **expenditure to that extent will be ignored for the purpose of calculation of fee.**
- xii) Aadhar Card Number **MUST** be indicated both for teaching faculty/non-teaching faculty. If wrong data is furnished, the expenditure of such persons will be ignored.
- xiii) Payment of **salaries through cheque/bank will only be considered** for expenditure purpose in respect of teaching faculty.
- xiv) In case of non-teaching staff, the monthly salary/ remuneration, as the case may be, is more than Rs. 5,000/-, the same shall be made through cheque/bank. Cash payments less than Rs.5,000/- shall be subject to production of evidence and scrutiny.
- xv) Audited financial statements for the financial year **2018-19** will be the basis for calculating the expenditure of the Institution.
- xvi) Audited financial statements for the financial years **2017-18** shall also be furnished along with the fee proposals.
- xvii) Acknowledgement of Returns of income filed with the **Income Tax Department for the asst. Years 2018-19& 2019-20** pertaining to the **financial years 2017-18& 2018-19 together with Form-10B/10BB** Audit Report shall be submitted along with the fee proposal.
- xviii) Audit report shall contain the signature of the Auditor, his name, ICAI membership number along with the following information: -
- i) PAN Number of the Auditor.
  - ii) E-mail id of the Auditor.

## iii) Phone No. of the Auditor.

If the Auditor is a partner of the firm, following additional details shall be given;

- a) Firm ICAI Registration Number
- b) PAN Number of the Firm.
- c) E-mail id of the Firm.

**Note:** - (a) If the above said details are not furnished, auditor's report will not be considered and the fee proposal will be summarily rejected.

(b) The APHERMC has a right to direct the presence of Auditor or seek confirmation from him/her and the corresponding costs, if any, shall be met by the Institution concerned. It is the responsibility of the Institution to secure the presence of the auditor whenever required.

**B. Other Expenditure.**

- i) Statement of Legal Expenses **(Refer Schedule - 7)**
- ii) Statement of Gardening Expenses **(Refer Schedule - 8)**
- iii) Statement of Expenditure on Seminars, Workshops, Student Related Expenditure, Fests **(Refer Schedule - 9)**

**NOTE:** - Against the Items (i), (ii) and (iii), only student related expenditure will be considered.

- iv) Statement of Expenditure on Scholarships, Merit Awards etc., Spent by the Institution. **(Refer Schedule- 10)**
  - v) Administrative and other expenditure **(Refer Schedule-11)**
  - vi) Finance costs. **(Refer Schedule-12)**
  - vii) Fixed Assets and Depreciation **(Refer Schedule - 13)**
6. Books of account (Cash/Bank/Day Book , All Ledgers) in pdf format, Bank statements directly down loaded from concerned Bank web sites in pdf format, copy of income-tax return-7 and Each course wise audited financial statements certified by Chartered Accountants (2018-2019) & (2017-2018) **(Refer Schedule - 15)**
  7. Statement of Performance Indicators. **(Refer Schedule - 16)**
  8. Statement of Utilized Expenditure for the Block Period of 2016-2017 to 2018-2019 by the Institution. **(Refer Schedule -17)**
  9. Statement of Proposed Expenditure for the Block Period of 2020-2021 to 2022-2023 by the Institution. **(Refer Schedule -18)**
  10. Statement of Fixed Deposits of the institution. **(Refer Schedule - 19)**
  11. Statement of Loans Received from Societies, Banks/ Financial Institution and

others by the institution. **(Refer Schedule - 20)**

12. Independent Income & Expenditure of the Society/Trust.

**(Refer Schedule - 21)**

13. Independent Balance Sheet of the Society/Trust. **(Refer Schedule - 22)**

14. Building Infrastructure for the year 2018-19 **(Refer Schedule - 27)**

15. All Rooms for the year 2018-19 **(Refer Schedule - 28)**

16. Lab Equipment for the year 2018-19 **(Refer Schedule - 29)**

17. Other Areas for the year 2018-19 **(Refer Schedule - 30)**

18. Cash Payments made in excess of Rs.5,000/- for each entry and Rs.5,000/- in aggregate for each transaction or service for the year 2018-19 **(Refer Schedule - 31)**

19. In case any institution runs more than one programme, if course wise details of expenditure are not maintained, total expenditure shall be bifurcated and reflected course/ programme wise in the respective Schedules and the bifurcated expenditure shall be certified by Chartered Accountant. If clear bifurcation is not given the proposal shall be rejected.

20. The entire particulars would be obtained online. However, the institution shall provide a hardcopy of uploaded information duly signed by the Secretary/Correspondent/Director/ Principal. The prescribed programme-wise processing charges to be paid through **PAYMENT GATEWAY** as follows;

	Programme	Processing Charges
(1)	<b>B.Tech.</b>	Rs.20,000/- Per Programme
(2)	<b>B.Pharmacy.</b>	
(3)	<b>PharmaD</b>	
(4)	<b>Pharma(PB)</b>	
(5)	<b>B.Arch.</b>	
(6)	<b>B.Planning.</b>	
(7)	<b>M.Tech.</b>	
(8)	<b>M.Arch.</b>	
(9)	<b>M.Planning.</b>	
(10)	<b>M.Pharmacy.</b>	
(1)	<b>MBA</b>	Rs.15,000/-
(2)	<b>MCA</b>	
(3)	<b>B.Ed.,</b>	

(4)	<b>LPT (Telugu)</b>	Per Programme
(5)	<b>LPT (Urdu)</b>	
(6)	<b>LPT (Hindi)</b>	
(7)	<b>M.Ed</b>	

21. If a society/trust runs more than one institution, the data/information shall be furnished institution-wise.
22. For the purpose of obtaining the relevant data, particulars are to be furnished institution-wise. If any institution runs more than one programme, the data relating to all the programmes is to be provided in one set of proforma. For this purpose the following -sets of proforma are evolved.

<b>Appendix – I</b> <i>(To be furnished by the institutions running B.Tech and other programmes, if any)</i>	B.Tech., M.Tech M.Tech. (2 <sup>nd</sup> shift), M.C.A. and M.B.A., Polytechnic (2 <sup>nd</sup> shift).
<b>Appendix – II</b> <i>(To be furnished by the institutions running B. Pharmacy and other programmes, if any)</i>	B.Pharmacy, M.Pharmacy Pharma-D, Pharm-PB, M.Pharmacy (2 <sup>nd</sup> shift)
<b>Appendix – III</b> <i>(To be furnished by the institutions running B. Arc., and other programmes, if any)</i>	B. Arc., M. Arc., B Planning and M Planning
<b>Appendix – IV</b> <i>(To be furnished by the institutions running B. Ed and other programmes, if any)</i>	B.Ed., M.Ed.
<b>Appendix – V</b> <i>(To be furnished by the institutions running L.P.T. and other programmes, if any)</i>	L.P.T., T.P.T., H.P.T., U.P.T.
<b>Appendix – VI</b> <i>(To be furnished by the institutions running M.B.A./M.C.A. and other programmes)</i>	M.B.A., M.C.A.

**Note:**

- a) If an institution runs only one programme for example B.Tech., and does not run other programmes, the data has to be furnished in the Appendix–I and details relating to other programmes are to be shown as zero.
- b) If an institution runs standalone programme like MBA/MCA, the data is to be furnished in the Appendix – VI.

### 23. Other Directions

- i) Any expenditure that does not directly relate to the student's education shall not be considered.
- ii) Projected expenditure like advertisement of the institution in the ensuing block period, purchase of equipment, new recruitment to be made during the block period shall be met from the funds earmarked for the furtherance of the education.
- iii) Percentage of increase between financial year 2017-18 and 2018-19 will be taken into account to consider expenditure for the purpose of expenditure pertaining to the financial year 2019-20.
- iv) Schedules for salary payment for the teaching staff will be included for
  - (i) Those with qualifications
  - (ii) Those without qualifications.
- v) Interest on any loan whether secured/unsecured/overdraft/cash credit/term loan etc., shall be disallowed. Further Interest on the loan given by the societies to the institutions in respect of internal funds will not be taken into consideration.
- vi) When an institution is running more than one course/programme, the income and expenditure statement and Balance sheet shall be bifurcated and bifurcated statement certified by the Auditor shall be furnished along with the fee proposals. If it is not done, the proposals will be summarily rejected.
- vii) Annual TDS Returns filed in Forms 24Q and 26Q under Income Tax Act shall be submitted along with the proposal. **(Refer Schedule 25 and Schedule 26 for both years i.e. 2018-19 & 2017-18).**
- viii) Depreciation will be considered only on the College buildings, but not Hostel buildings or residential buildings
- ix) Any expenditure **without** corresponding income shall be disallowed, if corresponding income is not shown.
- x) Filling up of the column relating to **fee proposed** (course wise) for the block period of 2020-21 to 2022-23 in the general information schedule is mandatory.

- xi) In the case of expenditure other than salaries wherever TDS provisions as per IT Act are applicable for payments exceeding Rs. 30,000/- as single payment or Rs. 1,00,000/- in multiple payments to a single person shall upload TDS payment details.
- xii) Expenditure incurred from college account shall only be considered.
- xiii) All the Engineering Colleges should maintain Websites with up to date information. The data submitted to the APHERMC shall also be hosted on the College Website. Further the Colleges to host a link (URL) of the APHERMC on its website, by clicking which the data submitted to the APHERMC will be displayed on the APHERMC Website.

24. **Procedure to be adopted for filling the proforma:**

- i) The Codes allotted by the respective conveners to the institution shall be used, for example EAMCET code for Engineering Colleges.
- ii) Financial details shall be furnished in Rupees only.
- iii) The per student fee proposed should be programme-wise and for the block period 2020-21 to 2022-23 to be shown in the General Information schedule.
- iv) Audited financial statements for the years 2018-19 and 2017-18 of the Society/Trust shall also be furnished along with the information relating to the institution together with the fee proposals. Scanned copy of the statements shall be furnished online along with the relevant data.
- v) If the institution furnishes incomplete data or fails to remit the processing charges as prescribed through **PAYMENT GATEWAY**, such proposals will not be considered & ignored and the fee proposal will be summarily rejected.

25. **The institute has to submit the following documents along with the fee proposals:**

- i) Formats duly filled in and signed by the Secretary/ Correspondent/ Director/ Principal of the Institution;
- ii) Final audited Statements for the period from 01-04-2017 to 31-03-2018 of the Institution as well as Society/Trust;



- iii) Final audited Statements for the period from 01-04-2018 to 31-03-2019 of the Institution as well as Society/Trust;
  - iv) Form 24Q and 26Q of IT Act for both financial year 2018-19 & 2017-18.
  - v) Statement of amounts paid for both financial years i.e. 2018-19 & 2017-18 towards affiliation, university development fee, examination fee etc.
  - vi) Income Tax filed acknowledgement with computation of income and audit report in prescribed form 10B/10BB as applicable for both financial year 2018-19 & 2017-18.
  - vii) Documents relating to gratuity fund and payment of gratuity settled by gratuity fund manager.
  - viii) Letter of confirmation of conducting audit and certified statements prepared based on the accrual system of accounting issued by the statutory auditor along with auditor details like name, mobile number, e-mail etc.
  - ix) Details of sanctioned intake approved by the competent authority course wise to be submitted.
  - x) Other information/documents, if any (specify).
26. Copies of approvals given by the competent authorities viz. AICTE/PCI/NCTE etc., and affiliation certificate granted by the concerned university shall be submitted for fee determination.
27. The following directions of Hon'ble High court of A.P., in the D.B. Judgment dt.29.10.2011 in WP's No.16547/2010 and batch reported in 2012 (3) ALT 686 (D.B.) is brought to the notice of the Institutions: -

**“.....an institution which is unresponsive or does not submit statements of income and expenditure, audited balance sheets, and requirements for developmental needs for the immediately preceding year; particulars of expenditure incurred on salaries and infrastructure and other particulars as may be specified (with supporting bills, vouchers or receipts, etc.) shall not be permitted to collect any fee....”**

Accordingly, in case of failure to furnish specified data as mentioned above or submission of proposal with incomplete data the institution/college will not be entitled for determination fee and will not be allowed to collect any fee from the students for the block period 2019-20 to 2021-22 in terms of the said judgment.

**SECRETARY & CEO**

**Andhra Pradesh Higher Education Regulatory and  
Monitoring Commission (APHERMC)**