



**ANDHRA PRADESH HIGHER EDUCATION  
REGULATORY AND MONITORING COMMISSION**

III Floor, Sree Mahendra Enclave, NRI Block (C-Block),  
NH-16, Tadepalli, Guntur District - 522501  
Office Telephone : 08645 274443 Email Id : aphermc@gmail.com



**PROCEEDINGS OF THE ANDHRA PRADESH HIGHER EDUCATION  
REGULATORY and MONITORING COMMISSION**

The Andhra Pradesh Higher Education Regulatory and Monitoring Commission (herein after referred as APHERMC or the Commission) met on **24.05.2020** to review and determine the fee structure for Post Graduate Medical and Dental Courses in the Private Un-aided Professional Higher Educational Institutions in the State of Andhra Pradesh for the academic year 2020-21 to 2022-23 in the Office of the Commission. The meeting is attended by all the following Members:

<b>Sl.No.</b>	<b>Name</b>	<b>Designation</b>
<b>1</b>	Justice V. Eswaraiah	Chairperson
<b>2.</b>	Prof. N. Bhargava Rama Mohan Rao	Vice-Chairperson
<b>3.</b>	Shri Asutosh Mishra IAS., (Rtd.)	Member Administration
<b>4.</b>	Shri Kaliki Vijayulu Reddy	Member Finance
<b>5.</b>	Prof. D. Usha Rani	Member Academic
<b>6.</b>	Dr. G. Santa Rao	Member Academic
<b>7.</b>	Prof. P. Vijaya Prakash	Member Academic
<b>8.</b>	Shri A. Sambasiva Reddy	Nominee Member from Higher Educational Institutions
<b>9.</b>	Dr. N. Rajasekhar Reddy	Secretary & CEO

The Members at serial No.1, 2, 8, & 9 attended the meeting personally and the Members at Serial No.3 to 7 attended online.

**MINUTES**

1. The Andhra Pradesh Admission and Fee Regulatory Committee (AFRC) constituted under Andhra Pradesh Admission and Fee Regulatory

Committee (for professional courses offered in Private Un-aided Professional Institutions) Rules, 2006 issued in G.O.Ms.No.6, Higher Education (EC-2) Department, dated 08.01.2007 ceased to hold office upon the formation of the Commission constituted under the Andhra Pradesh Higher Education Regulatory and Monitoring Commission Act, 2019 (Act 20 of 2019). The G.O.Ms.No.6 dated 08.01.2007 was withdrawn and AFRC was abolished. The Rules called the Andhra Pradesh Higher Education Regulatory and Monitoring Commission Rules, 2019 (Rules) have been issued in G.O.Ms.No.49, Higher Education Department, Dated 11.10.2019 for fee regulation and the Andhra Pradesh Higher Education Regulatory and Monitoring Commission Regulations, 2020 have been issued in G.O.Ms.No.12 and 13 dated 04.03.2020 and 16.03.2020 prescribing the detailed guidelines to review the fee proposals of the Higher Educational Institutions.

- 2.** The Commission issued a notification dated 09.01.2020 requiring the managements of the UG, PG and Super Specialities in medical programs, UG & PG Dental Courses etc., in the unaided professional institutions in the state of Andhra Pradesh, proposing to review and determine the fee structure for the block period 2020-21 to 2022-23. The managements of the said colleges were required to submit the relevant data together with their audited financial statements for the year 2017-18 and 2018-19 in the prescribed Schedules No.1 to 31, online before 29.02.2020. On the request of the A.P. Medical and Dental Colleges Management's Association, the last date was extended from time to time and ultimately extended upto 06.05.2020. Wherever the entire required information in the prescribed schedules and the financial statements etc., could not be uploaded online they were able to furnish the same via e-mail.
- 3.** The Fee proposals were submitted online and by e-mail by entering the required data in the 31 schedules relating to the fee receipts for all programmes, income like interest on investments, rents, grants received from the Government, salary expenditure of teaching and non-teaching



staff, those with qualifications and without qualifications. TDS returns filed in form 24Q and 26Q under the Income Tax Act for both years i.e., 2017-18 and 2018-19, cadre strength, faculty strength, evidence of payment of salaries through cheques, audited financial statements for the financial year 2018-19 and 2017-18, income tax returns together with form 10B/10BB/3cb-3cd audit reports, legal expenditure, gardening expenditure, expenditure on seminar/workshops, students related expenditures, fests, scholarships, merit awards, administrative and other expenditures, hostel charges, hospital income & expenditure, transport charges, depreciation, finance costs, statement of performance indicators, statement of proposed expenditure for the block period 2020-21 to 2022-23, statement of fixed deposits of the institutions, statement of loan received, independent income and expenditure of the society/trust and balance sheet, expenditure bifurcated and reflected programme-wise data/figures certified by the Chartered Accountants.

4. The above referred data relating to the fee proposals have been evaluated by the Commission based on faculty available (teaching & non-teaching staff), infrastructural, instructional, laboratory and other facilities. The financial aspects have been evaluated by the appointed Auditors M/S. G.K Rao & Co., and M/S. Ramanatham & Rao, Chartered Accountants. The Auditors have taken note of the expenditure statements of all the relevant heads relating to the Salaries including Provident Fund of teaching & non-teaching, administration, welfare expenses, telephone charges, postage & internet, equipments purchased, books & periodicals, printing & stationary, consumables, research & development, university affiliation fee & inspection charges, examination fee, sports, games, meetings and functions, awards, merit scholarships, travelling and conveyance, repairs and maintenance, depreciation, interest, advertisement and miscellaneous expenditure etc. The Chartered Accountants have carried out the necessary exercise by following the standard accounting practices. A detailed report was made covering all these aspects in accordance with the Regulations and Guidelines issued



by the Commission which was analysed by the Members of the Commission.

- 5.** The Commission issued notices dated 17.05.2020 and 18.05.2020 to the management of the said institutions indicating the items of expenditure which are liable to be disallowed as per the Guidelines of the Commission such as cash payments over and above Rs.5,000/-, faculty salaries relating to duplicate or wrong PAN or repeated in more than one Course/Institution, the salaries of ineligible staff etc. The expenditure incurred on hostel and transport charges, charity, donations, legal expenses, scholarships, merit awards, guest house maintenance, expenditures made over and above the prescribed limit on workshops, advertisements, gardening, student related expenditure, miscellaneous expenditure without any specifications, finance costs etc., have been disallowed. The said college managements were called upon to appear in person and submit their representations, if any, along with the hard copies of various documents and soft copies in PDF Format of Cash/Day Book, Ledger Book for the financial year 2018-19, list of all kinds of staff with their names, designation, salary, acquaintance register for the year 2018-19 and proof of payment of the salary through banks, details of expenses incurred in the earlier years towards furtherance/development of the institution during the last 3 years i.e., 2017-18 to 2019-20, copies of financial statement submitted to the bank duly attested by the concerned bank, audited financial statements, particulars of proof of payment for contracts, outsourcing staff from the manpower agencies etc.
- 6.** The Commission provided reasonable opportunity of personal hearing to all the institutions on 20.05.2020 and 21.05.2020. The Commission worked out the cost per student on the basis of the financial data re-cast by the Chartered Accountants. The Commission has determined the cost per student based on the sanctioned intake. The Commission has taken into account the expenditures which are directly relating to the imparting



of education. The Commission has also taken into account the element of general inflation for successive years and considered appropriate allowances like furtherance for future development, depreciation, quality parameters submitted in the Schedule 17 while determining the fee structure.

7. The Andhra Pradesh Educational Institutions (Regulation of Admissions and Prohibition of Capitation Fee) Act, 1983 (Act No.5 of 1983) was enacted to provide for regulation of admissions into educational institutions and to prohibit the collection of capitation fee.

Section 4A of the said Act provides for the admission of foreign country students and Non-Resident Indian students on payment of higher fee in accordance with the guidelines for the improvement of the college and development of facilities and other related purposes. Section 5 prohibits the collection of any capitation fee by any educational institution or by any person who is in-charge of or is responsible for the management of the institution. The voluntary donations by the institution shall be deposited in the account of the institution in any scheduled Bank and spent for improvement of the institution i.e., on the development of educational facilities and for such other related purposes. Under Section 7 of the Act the State Government shall issue a notification regulating tuition fee or any other fee that may be levied and collected by any educational institution in respect of each class of student. No educational institution shall collect any fee in excess of the fee notified.

As per the judgments of Supreme Court in T.M.A. Pai Foundation Vs State of Karnataka (2002) 8 SCC 481, Islamic Academy case (2003) 6 SCC 697 and Fee Regulatory Committee Vs Kallol Institute of Management (2011) 10 SCC 592, the fee structure for each institute must be regulated keeping in mind the infrastructure and other facilities available, investments made, salaries paid to the staff, future plans for



expansion and/or betterment of the institution, etc., but there cannot be any profiteering or collection of capitation fee. Education is essentially charitable and non-profiteering in nature. There can be a differential fee structure for the meritorious students admitted under the Convenor Quota for whom the Government is extending scholarships, grants, fee concessions, etc., and in some cases by the Institutions themselves from that of the fee of the Management and NRI Quota.

- 8.** In P.A. Inamdar Vs. State of Maharashtra (2005) 6 SCC 537 at Para 131 relating to 15% allocation of NRI Seats, the Supreme Court held that: -

131. ....

To prevent misutilization of such quota or any malpractice referable to NRI quota seats, suitable legislation or regulation needs to be framed. So long as the State does not do it, it will be for the Committees constituted pursuant to the direction in Islamic Academy to regulate.

The Supreme Court further held that with regard to NRI seats not exceeding 15% the higher amount of money (fee) collected from such NRIs should be utilized for benefiting the students of economically weaker sections of the society who are admitted on subsidized payment of their fee by way of a suitable legislation or regulation. No capitation fee can be charged and there cannot be any profiteering. To check the prohibition of capitation fee and profiteering, admissions and fee structure have to be regulated.

- 9.** The Supreme Court, right from the Modern School Vs. Union of India & others dated 27.04.2004 in Appeal (Civil) No.2699 of 2001 to Inamdar & others Vs. State of Maharashtra (2005) 6 SCC 537, held that education is a charitable service. This implies that education institutions are run for philanthropic purposes and accounting principles to be applied to them are that of not for profit or non-business organizations.



- 10.** Article 38 R/w Article 41, 45 & 46 of the Constitution of India proclaims about education of the people, naturally subject to availability of the funds by the State. It is the duty of the States to provide free education. But if the State is not in a position to provide equal opportunities of education to all sections of the society, it may liberate the opportunities through private educational institutions, obviously without collecting capitation fee or indulging in profiteering. The Hon'ble Supreme Court has further observed that unfortunately education has become a business and for this reason in the recent past the private unaided educational institutions are mushrooming without any quality and standards. Therefore, in view of the afore said judgements of the Supreme Court, State has been taking effective steps to improve the standards and impart quality of education by enacting Act No.20 of 2019, Rules and Regulations are made thereunder.
- 11.** The Rules called the Andhra Pradesh Higher Education Regulatory & Monitoring Commission Rules, 2019 and the Andhra Pradesh Higher Education Regulatory & Monitoring Commission Regulations, 2020 have been made under the Act by adopting some of the previous guidelines issued by the Government in various G.O's, guidelines of the erstwhile AFRC as confirmed by the Supreme Court in various judgments and the Regulations and Guidelines of various other State Committees. The fee proposals have been considered by the Commission in the light of the recent judgment of the Supreme Court in the case of Vasavi Engineering College Vs. State of Telangana dated 01.07.2019 in C.A.No.5133 of 2019.
- 12.** As per the Regulation No.5(36) of the Regulations of the Commission issued in G.O.Ms.No.12 dated 04.03.2020, there can be differential fee structure for the benefit of more meritorious sections of the students admitted under the Convenor Quota from that of the students admitted under the Management and NRI Quota. The institution shall

be at liberty to collect the fee for the Management quota seats up to two (2) times of the fee notified for the Convener quota. There can be higher fee for the NRI and the Institution Quota, up to six (6) times of the Convener quota fee, which shall be utilised for the benefit of the students of from backward classes, economically weaker sections and more meritorious students admitted under the Convenor quota and for the utilisation of development of the college and infrastructure towards the furtherance.

- 13.** The fee that was notified based on the recommendations of the AFRC by the Government vide G.O.Ms.No.116 dated 14.05.2010 for the block period 2010-11 to 2012-13 for 50% competent authority seats and for the remaining 50% of management quota seats for the **PG Medical courses** in the non-minority institutions was as follows:

<b>Details</b>	<b>Competent Authority Seats</b>	<b>Management Seats</b>
Clinical Degree Clinical Diploma	Rs.2,90,000/-	Rs.5,25,000/-
Para Clinical Degree Para Clinical Diploma	Rs.80,000/-	Rs.1,70,000/-
Non-Clinical Degree Non-Clinical Diploma	Rs.30,000/-	Rs.60,000/-

The Fee that existed for the block period 2010-11 to 2012-13 for 50% competent authority seats and for the remaining 50% management quota seats for **PG Dental Courses** as per G.O.Ms.No.118, dated 14.05.2010 was as follows

<b>Details</b>	<b>Competent Authority Seats</b>	<b>Management Seats</b>
Clinical Degree Clinical Diploma	Rs.1,85,000/-	Rs.3,70,000/-

- 14.** The same fee was continued for the academic year 2013-14 and 2014-15 for the PG Medical and Dental courses as per the orders of the Government in G.O.Ms.No.92 HM & FW (E.1 Depart.) dated 01.07.2013 and by letter No.6852/C1/2014 dated 26.06.2014. For the academic year 2015-16, the Government vide Lr.No.1331/



C1/2015, dated 05.05.2015 increased the fee by 5% over and above the existing fee of 2014-15, for both PG Medical and Dental Courses. Again, for the year 2016-17 the same existing fee was continued by Lr.No.177935/C1/2016, dated 03.05.2016.

**15.** Therefore the fee that existed for the academic year 2016-17 for **PG Medical Courses** was as follows:

<b>Details</b>	<b>Category-A (Convenor Quota)</b>	<b>Category-B (Management Quota)</b>
Clinical Degree	Rs.3,19,225/-	Rs.5,78,812/-
Para-Clinical Degree	Rs.88,200/-	Rs.1,87,425/-
Non-Clinical Degree	Rs.33,095/-	Rs.66,150/-

The fee that existed for the academic year 2016-17 for **PG Dental Courses** was as follows:

<b>Category-A (Convenor Quota)</b>	<b>Category-B (Management Quota)</b>
Rs.2,03,962/-	Rs.4,07,925/-

**16.** While so, without awaiting the recommendations of the AFRC with regard to the review and determination of the fee structure, the Government issued G.O.Ms.No.72, HM & FW (C1) Dept., dated 03.05.2017 fixing the fee for the block period 2017-18 to 2019-20 and as per the said G.O. there was an increase of 5% for the year 2018-19 and another 5% increase for the year 2019-20 and the fee that was existed for 2017-18 for **P.G. Medical Courses** were as mentioned below:

<b>Details</b>	<b>Competent Authority Seats</b>	<b>Management Quota Seats (S1)</b>	<b>NRI &amp; Institutional Quota (S2 &amp; S3)</b>
Clinical Degree Clinical Diploma	Rs.6,90,000/-	Rs.24,20,000/-	will not be exceeding three times of S1

Para Clinical Degree Para Clinical Diploma	Rs.6,60,000/-	Rs.6,90,000/-	will not be exceeding three times of S1
Pre-Clinical Degree Pre-Clinical Diploma	Rs.3,60,000/-	Rs.3,60,000/-	will not be exceeding three times of S1

As per the said G.O. there was an increase of 5% for the academic year 2018-19 over the fee of 2017-18 and for 2019-20 another 5% increase over and above the fee of 2018-19. The fee that existed for 2019-20 was as follows:

<b>Details</b>	<b>Category-A (Convenor Quota)</b>	<b>Category-B (Management Quota)</b>
Clinical Degree	Rs.7,60,725/-	Rs.26,68,050/-
Para-Clinical Degree	Rs.7,24,650/-	Rs.7,60,725/-
Non-Clinical Degree	Rs.3,78,000/-	Rs.3,96,900/-

**17.** Similarly as per the Orders of the Government in G.O.Ms.No.77 HM & FW (C1) Dept., dated 06.05.2017, amending G.O.Ms.No.72 dated 03.05.2017, the Tuition fee that existed for the academic 2017-18 for the **PG Dental Courses** was as follows:

<b>Details</b>	<b>Competent Authority Seats</b>	<b>Management Seats (S1)</b>	<b>NRI &amp; Institutional Quota (S2 &amp; S3)</b>
Clinical Degree Clinical Diploma	Rs.5,50,000/-	Rs.10,00,000/-	Rs.15,00,000/-
Para Clinical Degree/Diploma	Rs.5,25,000/-	Rs.7,00,000/-	Rs.8,00,000/-

There was an increase of 5% for the year 2018-19 and another 5% for the academic year 2019-20 over and above the existing fee and thus the fee for **PG Dental Courses** for the academic year 2019-20 was as follows:

<b>Details</b>	<b>Competent Authority Seats</b>	<b>Management Seats (S1)</b>	<b>NRI &amp; Institutional Quota (S2 &amp; S3)</b>
Clinical Degree	Rs.6,06,375/-	Rs.11,02,500/-	Rs.16,53,750/-

Clinical Diploma			
Para Clinical Degree/Diploma	Rs.5,78,813/-	Rs.7,71,750/-	Rs.8,82,000/-

The said G.O.Ms.No.72 HM & FW (C1 Dept.) dated 03.05.2017 has been questioned in W.P.(PIL) Nos.130, 131 & 132 of 2017 and W.P.No.17102 of 2017, in which the Hon'ble High Court of A.P. directed the colleges to collect 50% of the tuition fee fixed in the said G.O. and the Writ Petitions are pending.

- 18.** The Commission has taken a note of the fee structure for the State of Tamil Nadu fixed by the fee fixation committee in their proceedings No.CFF/P.G. Medical/Dental Courses/018/2018 dated 03.05.2018, the fee fixed for the P.G. Medical Courses for the academic year 2018-19 and 2019-20 are as follows:

<b>Non Minority Colleges P.G. Medical Courses</b>		
<b>Name of the Course</b>	<b>Government Quota</b>	<b>Management Quota</b>
P.G. Medical Degree (Clinical)	Rs.3,00,000/-	Rs.14,50,000/-
P.G. Medical Degree (Non-Clinical)	Rs.2,50,000/-	Rs.3,85,000/-
P.G. Diploma Medical Courses	Rs.2,50,000/-	Rs.3,85,000/-
<b>Non Minority Colleges of P.G. Dental Courses</b>		
M.D.S (Clinical)	Rs.2,50,000/-	Rs.9,50,000/-
M.D.S (Para Clinical)	Rs.2,50,000/-	Rs.3,50,000/-

The Commission also perused the fee structure recommended by the Telangana State fee fixation committee pursuant to which the State of Telangana notified fee in G.O.Ms.No.20 dated 14.04.2020 which was questioned in the High Court for the State of Telangana in W.P.No.6799 of 2020 and the said Court by order dated 20.05.2020 granted interim direction directing to collect 50% of the enhanced fee

in addition to the fee prescribed for the academic year 2016-17 and to give a bond for the remaining 50% for Category-A (Convenor Quota) and for Category-B (Management Quota) directed to pay 60% of the enhanced fee in addition to the fee prescribed for the academic year 2016-17 and to give a bond for the remaining 40%. Thus, the notification issued by the State of Telangana relating to PG Medical and Dental Colleges is *sub-judice*.

**19.** As per the consensus arrived between the Andhra Pradesh Private Medical and Dental Colleges Management's Association (APPMDCMA) letter No.APPMDCMA/ PG/101/2020, dated 21.05.2020 and the Government of A.P, Health Medical & Family Welfare (C1) Department Lr.No.34776470/C1/2020 dated 22.05.2020, the existing seat sharing in un-aided private non-minority and minority medical and dental colleges for the Competent Authority seats (Convenor Quota), Management Quota seats and NRI/Institutional Quota seats for the block period of 2020-21 to 2022-23 has been agreed as under:

**1. Convenor quota:**

50% of total intake of seats in each speciality shall be made available to the Government PG Admission cell (convenor quota) by APPMDCMA and remaining 50% seats shall remain with the management.

**2. Management Quota:**

The seats of the 50% management quota are sub divided in three categories as follows

Sub Category-1 : 25% (General Merit quota),  
Sub Category-2 : 15% (NRI quota) and  
Sub Category-3 : 10% (Institutional quota).

**20.** Considering all the facts and circumstances of the case and the representations made by the concerned managements of the said PG Medical and Dental colleges during the Course of personal hearing, the representation of the A.P. Junior Doctors Association and evaluation Reports/Worksheets of the Auditors and keeping in view of



the Regulations of the Commission, the Commission has resolved to recommend to the Government the fee structure determined by the Commission, as mentioned in the **ANNEXURE-I** for the PG Medical Courses and as mentioned in the **ANNEXURE-II** for the PG Dental Courses of Private Un-Aided Non-Minority and Minority Institutions. On account of all these circumstances stated above and on the basis of the audited financial statements submitted by the colleges, there is a variation of the fee among the colleges.

**21.** The said fee structure may be considered and notified by the Government U/s. 7 of Act 5 of 1983 for the Academic year 2020-21 to 2022-23 subject to the following directions:

- a. The fee is an all inclusive annual fee including various fees like tuition fee, admission fee, special fee, laboratory/library fee, computer/ internet fee, maintenance and amenities fee, extracurricular activities fee, development fee and other recurring expenditure.
- b. The fee determined under the **ANNEXURES I & II** does not include hostel, transport, mess charges, etc.
- c. The minimum fee structure for the PG Medical and PG Dental courses for all broad specialities fixed in annexure-I & II for the new Courses / Colleges sanctioned during the block period 2020-21 to 2022-23 shall be applicable as necessary expenditure particulars would not be available for evaluating the fee entitlement for each of the new Courses / Colleges.
- d. The institution shall collect the annual fee for every year in two half yearly instalments in advance.
- e. The same fee shall continue for the students admitted during the block period of 2020-21 to 2022-23 till they complete the course.

- f. The institution shall not charge either directly or indirectly any other amount over and above the fee fixed in the Annexures. If any other amount is charged under any other head or guise i.e., donations, the same would amount to charging of capitation fee and are liable to be prosecuted under Section 9 of Act 5 of 1983 apart from imposing appropriate penalty under the APHERMC Rules.
- g. Stipend shall be paid to the PG students on par with the students in the Government PG Medical and Dental Colleges.
- h. In case of any deviation from these directions, the Commission will initiate serious penal consequences as per the Act and Rules made thereunder

**Chairperson**

**Vice Chairperson**

**Member Administration**

**Member Finance**

**Member Academic**

**Member Academic**

**Member Academic**

**Nominee Member from Higher  
Educational Institutions**

**Secretary & CEO**

Dated: 24.05.2020

To  
The Special Chief Secretary  
to the Government,  
Health, Medical & Family  
Welfare Department,  
A.P. Secretariat,  
Velagapudi, Amaravathi.

  
**MEMBER SECRETARY & CEO  
A.P. HIGHER EDUCATION**