

**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 RELATING TO REVIEW
AND DETERMINATION OF FEE STRUCTURE FOR UG DEGREE COURSES
IN THE PRIVATE UN-AIDED PROFESSIONAL HIGHER EDUCATIONAL
INSTITUTIONS IN THE STATE OF ANDHRA PRADESH FOR THE BLOCK
PERIOD 2020-21 TO 2022-23**

The Andhra Pradesh Higher Education Regulatory and Monitoring Commission (herein after referred as 'APHERMC' or the 'Commission') met on 18.06.2020, 23.06.2020, 29.06.2020 and 16-10-2020 to review and determine the fee structure for **Under Graduate (UG) Degree Courses** in the Private Un-aided 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 the following Members:

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

MINUTES

1. The Andhra Pradesh Higher Education Regulatory and Monitoring Commission Act, 2019 (Act 20 of 2019) (herein after called as the 'Act') came into force w.e.f 19.08.2019. The erstwhile Andhra Pradesh Admission and Fee Regulatory Committee (AFRC) which was

constituted under G.O.Ms.No.6 dated 08.01.2007 was abolished and the said G.O. was withdrawn. The Andhra Pradesh Higher Education Regulatory and Monitoring Commission Rules, 2019 (herein after referred as 'Rules') have been made by the Government for fee regulation, maintenance of standard of education, supervise the admissions and examinations etc. The Andhra Pradesh Higher Education Regulatory and Monitoring Commission Regulations, 2020 (hereinafter referred as 'Regulations') have been made by the Commission and approved by the Government prescribing the detailed guidelines to review the fee proposals of the Higher Educational Institutions.

2. Higher Education pertaining to Under Graduate (UG) degree courses in the State of Andhra Pradesh (AP) is being imparted through University system of education. At present 10 Universities are functioning in AP with Affiliating Colleges providing UG degree programmes in different streams of education Conventional, Restructured and Specialized courses -in Humanities, Arts and Social Sciences, Commerce, Physical, Natural and Bio-Sciences besides Sports and Therapeutic Studies. The Universities under their respective insignia design academic courses, syllabi, impart knowledge, affiliate knowledge imparting institutions, conduct of examinations, award degrees/diplomas and also fee structure. The student population pursuing Under Graduate (UG) degree courses is mammoth in size, and majority of them belong to the socially

backward and economically weaker sections of the society. The academic programmes and regulations concerned, to a large extent, are guided by the University Grants Commission (UGC) under the Ministry of Human Resource Development, Government of India. However, the affiliation and fee regulations are being determined by the concerned Universities. Having considered the inherent lacunae and to bring in standardization and uniformity in Higher Education across the State, the Government of Andhra Pradesh had established the Andhra Pradesh Higher Education Regulatory and Monitoring Commission (herein after referred as 'APHERMC' or 'Commission') under the Act 20 of 2019.

3. The Commission is empowered to regulate and monitor the institutional infrastructure, student admissions, fee structures, quality of teaching, conducting of examinations, award of degrees and diplomas, undertaking of research, extension services, and such related issues of higher education in the State of Andhra Pradesh. Hitherto the Universities have been fixing the course-wise fee structures, which varied across Universities. One of the focal points of the Act 20 of 2019 is to address the fee anomalies and bring in uniformity of fee structures in accordance with the courses, human resources, expenditure and performance of the Institutions in imparting Quality Higher Education. Accordingly, the Commission has taken up a systematic exercise to capture the criterion to determine the expenditure in relation to quantitative factors like income and



expenditure and qualitative parameters such as infrastructure, teacher-student ratio, performance and extension services of educational institutions functioning under private sector. Corollary to this task, the Commission obtained the existing fee structures determined by the State Universities (10) from the respective Registrar's and the information pertaining to quality parameters from the College managements to determine the fee structure.

4. The Commission issued a notification dated 29.01.2020 to the Private Higher Educational institutions in the State of Andhra Pradesh to furnish information pertaining to UG and PG programmes in vogue, as the Commission is to review and determine the fee structure for the ensuing block period of 2020-21 to 2022-23. The managements were asked to submit the relevant data programme-wise together with their audited financial statements for the year 2017-18 and 2018-19 in the prescribed Schedules No.1 to 21, online before 09.03.2020. On the request of the A.P. UG and PG Degree Colleges Management's Association, the last date was extended from time to time. A provision was facilitated to furnish information through email, wherever the entire information in the prescribed schedules/financial statements could not be uploaded online.
5. The Fee proposals were submitted online and by e-mail by entering the required available data in the 21 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, income & expenditure relating to hostel and transport charges, and depreciation, finance costs, statement of performance indicators, statement of proposed expenditure, 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 and were all taken into consideration to determine the cost per student.

6. 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., M/s. Velugu Reddy & Associates and M/s. Ramanatham & Rao, Chartered Accountants



randomly. 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 staff, administration and welfare expenses, telephone charges, postage & internet, expenditure of equipment 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, miscellaneous expenditure etc. The Chartered Accountants have carried out the necessary exercise by following the standard accounting practices. The Chartered Accountants have reported that majority of the institutions were unable to furnish the necessary data prescribed in the schedules 1 to 21. A report was made based on the available data of these aspects in accordance with the Regulations and Guidelines issued by the Commission which was analyzed by the Members of the Commission.

7. The Commission informed 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 or justification, finance costs etc., have been disallowed. The Act, Rules and Regulations are placed on the website of the Commission. The said college managements were called upon by Lr.No.581/APHERMC/ADMN/2020 dated 15.06.2020 to appear in person or through the representatives of their college's association on 18.06.2020, to submit all the relevant documents and to make their submissions justifying the fee proposals and the particulars furnished in the schedules.

8. The Commission also informed the College Managements to furnish information relating to Quality Parameters as specified by UGC and NAAC. Specific format was furnished pertaining to information on 22 Quality parameters like ownership of the Buildings and other Infrastructure, Institutional Accreditation status, UGC and University Affiliation status, Developmental Assistance received from UGC and Other Agencies, Student Admissions, Faculty Qualifications, Student Faculty ratio, Results and Rankings, Placements, Student Support Programmes, Remedial Coaching, Student Training, Seminars/Conferences/Workshops Organized, Library, Skill Development Programmes, Student Awards and Rewards, Faculty Awards and Rewards, Participation in Community Development Activities, Annual Meets, rural-urban and gender divide and such other relevant



information which improves the quality of education. The data on quality of education imparted was also taken into consideration while arriving at the cost per student.

9. The Commission has provided reasonable opportunity of personal hearing to the said UG and PG Degree Colleges through their Association representatives on 18.06.2020 and subsequently. The College Managements through the Association representatives expressed their inability to furnish the required information relating to income and expenditure in toto. The Quantitative Data provided by the managements of the Institutions was insufficient and incomplete. However, they were able to provide complete information relating to quality parameters. The Commission has determined the cost per student based on the expenditures directly relating to imparting of the education taking into account both quantitative and qualitative costs or education.

10. The Commission has taken note of the fact that until 2019-20 academic year there was no centralized counseling of students by a Government agency for admission to the Degree colleges. The admission fees for the various Degree courses were also being decided by the respective affiliating Universities. However, after coming into force of the Andhra Pradesh Higher Education Regulatory and Monitoring Commission Act, 2019, this Commission has been statutorily mandated to fix the fees as well as regulate the aspects of conduct of entrance test and admissions into the Under-Graduate



Degree courses. The Commission has also taken note of the Government's decision to appoint a Convenor who shall conduct centralised/on-line counselling of students on the basis of their merit and preferences. The Commission recommends Centralised On-line counseling to inculcate competition across colleges and courses which will create an impetus to improve the standards in imparting education.

11. Under Section 5 of the A.P. Act 5 of 1983, the collection of any capitation fee by any educational institution or by any person who is in-charge of or is responsible for management of the institution is prohibited and all moneys received by any educational institutions by way of voluntary donations shall be deposited in the accounts of the institutions and shall be applied and expended for the improvement of the institution and for the development of the educational facilities and no amount can be utilized or diverted for any other purpose. Under Section 7 of the Act 5 of 1983, no educational institution shall collect any fee in excess of the fee notified by the Government under Section 7(1) of the said Act. Therefore, there cannot be any capitation or profiteering by any educational institution.

12. 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 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 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.

The APHERMC Rules, 2019 and the APHERMC 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 and the Regulations and Guidelines of various other State Committees.

- 13.** It is observed that many Universities have not forwarded the applications of eligible and qualified Colleges to UGC for 2F and 12B approval without which it is not possible to obtain financial assistance or grants from UGC, MHRD and Other Agencies. Therefore, it is recommended that All Universities take necessary steps to encourage Institutions to obtain UGC approvals and assistance and NAAC Accreditation, there by leading to imparting of quality education to the students.

- 14.** The Commission examined the various representations of the colleges and their associations' fee proposals submitted in the 21 schedules,



existing fee structure in the different universities for the different courses and the quality parameters for determining the fee based on the cost of expenditure incurred per student. The Commission has calculated the fee structure keeping in view various factors and parameters to arrive at the fee structure for various UG and PG courses offered by Andhra Pradesh State Universities. The Commission has taken into consideration several parameters to arrive at the proposed fees commensurate with cost and quality of teaching and performance. Both expenditure involved in imparting education as also quality based performance parameters were considered in determining the fee structure. The fee determined is balanced to the average fee structure in vogue, and aimed to bring in uniformity and standardization in relation to course-wise necessary expenditure while appreciating and giving due weightage to performance based quality parameters to bring in equity and quality in education across the State of Andhra Pradesh.

15. The Commission after considering material and information on various aspects received from the Universities and the representatives of the respective institutions resolved to recommend to the Government to consider the fee structure for the UG Degree Courses B.A., B.Com.(General), B.Com.(Computers), B.Sc. (Restructured Courses), B.Sc. (Conventional Courses), B.B.A., B.C.A., B.H.M., B.Sc. Food Technology given in **Annexure-I** in respect of list of Colleges in



Category-I, **Annexure-II** in respect of list of Colleges in Category-II and **Annexure-III** in respect of list of Colleges in Category-III.

16. The said fee structure may be considered and notified by the Government under section 7 of Act 5 of 1983 for the Academic years 2020-21 to 2022-23 subject to the following directions:

- a. The fee is an all-inclusive annual fee including various fee like tuition fee, affiliation fee, cost of identity card, medical fee, inter college/inter university sports, games & cultural meet fee, computer/internet fee, College magazine and student activities, student health care scheme, student welfare fund, study tour, alumni fund, sports and games fee, examination fee including stationery, maintenance and amenities fee, extracurricular activities fee, development fee, Recognition fee, Common Services fee and other recurring expenditure.
- b. The aforesaid fee determined for all the UG Degree courses for the colleges mentioned in **Annexure-I, Annexure-II** and **Annexure-III** does not include hostel, transport, mess charges, Registration fee, admission fee and refundable deposits of library and laboratory fee.
- c. The minimum fee mentioned in **Annexure-I, Annexure-II** and **Annexure-III** shall be applicable for the new Courses/Colleges sanctioned during the block period 2020-21 to 2022-23.
- d. The same fee shall continue for the students admitted during the block period of 2020-21 to 2022-23 till they complete the course.
- e. The institutions whose affiliations are not extended by the Affiliating Universities for the academic year 2020-21 are not entitled to collect any fee.
- f. The institution shall not charge either directly or indirectly any other amount over and above the fee fixed in the **Annexure-I, Annexure-II** and **Annexure-III**. 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 in that case the institution shall be liable to be prosecuted under Section 9 of Act 5 of 1983 apart from imposing appropriate penalty under the APHERMC Act, 2019 and the APHERMC Rules, 2019.

- g. In case of any deviation from these directions, the Commission will initiate serious penal action as per the provisions of the Act and Rules made there under.

Justice V.Eswaraiah
Chairperson

Prof. N. Bhargava Rama Mohan Rao
Vice-Chairperson

Dr. N.Rajasekhar Reddy
Member Secretary &CEO

Shri. Asutosh Mishra IAS.,(Rtd)
Member (Administration)

CA Kaliki Vijayulu Reddy
Member (Finance)

Prof D.Usha Rani
Member(Academic)

Dr.G.Santa Rao
Member(Academic)

Prof. P.VijayaPrakash
Member (Academic)

Shri. A. Sambasiva Reddy
Nominee Member from
Higher Educational Institutions


MEMBER SECRETARY & CEO
A.P. HIGHER EDUCATION
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