

TELANGANA ADMISSION AND FEE REGULATORY COMMITTEE (TAFRC)

GUIDELINES

For Furnishing fee proposals by Private Un-aided Minority and Non-Minority Medical and Dental Colleges viz., SUPER SPECIALITY MEDICAL COURSES, UG AND PG MEDICAL COURSES, UG AND PG DENTAL COURSES, M.Sc(NURSING), BAMS, BHMS, Homeopathy(PG), BNYS, GNMC, MPHWF), DMLT and Other PARAMEDICAL / Allied COURSES, B.Sc(Nursing), P.B.B.Sc(Nursing-2Years), B.Sc(MLT), BPT, MPT COURSES in the State of Telangana for the Block Period 2023-2024 to 2025-2026.

- As per the provisions of Prohibition of Capitation Fee Act, the collection of capitation fee by Private Unaided Professional Institutions in any form is illegal and punishable.
- Accordingly any fee proposals in respect of Private Unaided Professional Institutions have to be evaluated keeping in view the above cardinal principles.
- It is therefore necessary that the fee proposals furnished by the Private Unaided Professional Institutions have to be evaluated based on the income and expenditure of the institution as well as the Societies/Trusts under which umbrella the said institutions are established.
- Further in order to evaluate the fee proposals the following principles will be considered for adoption keeping in view the interest of both the institution as well as the student community.
 - a) All the required financial information should be submitted as per Mercantile (Accrual) System of Accounting. Financial information submitted in any other system of accounting will not be treated as information provided by the institution and the same will not be considered for the purpose of evaluation in fixing the fees.
 - b) If an institution previously followed any other system of accounting and for the purpose of fee fixation has migrated to Mercantile (Accrual) System of Accounting, all the expenditure which pertains to previous financial years shall be excluded while preparing the financial statements/ information to be submitted to TAFRC.
 - c) The fee shall be fixed based on the revenue expenditure including depreciation allowed as per Income Tax Act,1961.

- In order to evaluate the total income of the institution, the following heads are to be taken into consideration.
 - a) Fee Receipts from the Courses – (Refer Schedule-1)
 - b) Fee receipts from other Courses run by the institution (Refer Schedule-1).
 - c) Collections/Fee from patients both in and out patients, investigation charges, Aarogyasri receipts etc., by the parent hospitals owned/administered by the society. (Refer Schedule -2)
 - d) Other receipts like interest on investments, rents received etc (Refer Schedule-3)
 - e) Grants received from Government and other sources if any (Refer Schedul-10)
- With regard to the expenditure, it is broadly categorized as follows:
 - A) *Salary Expenditure:* (Refer Schedules- 4, 5 & 6)
 - a) The retirement age for the employees shall be as per the norms specified by the State Government/UGC/MCI/DCI.
 - b) Arrears of previous years salary should not be included in the gross salary and should be shown separately.
 - c) In order to consider the expenditure on teaching and non-teaching staff, the cadre strength fixed by NMC have to be adopted. Persons who are appointed over and above this strength shall be shown in the other related proformae.
 - d) Faculty norms for teaching faculty and for non-teaching staff are enclosed and in case of any ambiguity, notifications issued by respective competent authorities shall be followed.
 - e) In case services of any of the employee is utilized for more than one course, such names shall be shown, together with their salary/remuneration in one course only.
 - f) Salary Expenditure on Teaching /non-teaching Faculty should be given department wise/course wise separately in the respective schedules (Schedule 4,5 &6).
 - g) **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.**

- h) 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.
- i) Payment of **salaries through cheque / bank will only be considered** for expenditure purpose in respect of teaching faculty.
- j) In case of non-teaching staff, the monthly honorarium / salary / remuneration, as the case may be, is more than Rs.25,000/- shall be made through cheque / bank. Cash payments shall be subject to production of evidence and scrutiny.
- k) Audit report shall contain the signature of the Auditor, his name, ICAI membership number, UDIN along with the following information: -
 - i) PAN Number of the Auditor.
 - ii) E-mail id of the Auditor.
 - iii) Cell No. of the Auditor.
- L) 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 reports will not be considered and the fee proposal will be summarily rejected.**
- h) **(b) The TAFRC 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) *Administrative and other expenditure* (Refer Schedule-7)

C) *Finance Cost* (Refer Schedule-8)

D) *Depreciation* (Refer Schedule-9)

E) *Utilization of Revenue Grants.* (Refer Schedule-10)

F) *Capital Expenditure incurred up to 31st March, 2023.* (Refer Schedule-18, 19 & 20) along with details of land purchased and construction particulars, details of equipment purchased, Furniture acquired, Vehicles purchased should be given. The original cost to be give and date of acquisition/purchase/ construction along with place of installation to be given separately along with the book value as on 31-03-2023 which should be tallied with the Balance Sheet for the FY 2022-2023.

G) *Additions to Capital Expenditure incurred during the FY 2022-2023* (Refer Schedule-18,19 & 20) along with place of installation to be given.

- In case any institution runs more than one course and incurs common expenditure such items are to be reflected in Administrative expenses (Refer Schedule-7). In case the expenditure item can directly be identifiable to a particular course, entries are to be made in the schedule course-wise. In case such segregation of expenditure is not possible such items are to be reflected in the schedule against relevant head and a formula will be evolved to such expenditure course-wise.
- In case any institution runs more than one programme all the expenditure can be bifurcated and reflected in respective Schedules and the bifurcated expenditure shall be certified by Chartered Accountant. If clear bifurcation is not given the proposal shall be rejected.
- 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 proformae. For this purpose the following sets of proformae are evolved.

Appendix – I <i>(To be furnished by the institutions running MBBS and other programmes, if any)</i>	MBBS (UG and PG) Super Speciality
Appendix – II <i>(To be furnished by the institutions running BDS, MDS and other programmes, if any)</i>	BDS & MDS
Appendix – III <i>(To be furnished by the institutions running Unani and other programmes, if any)</i>	BHMS, BNYS and BAMS
Appendix – IV <i>(To be furnished by the institutions running Nursing and other programmes, if any)</i>	B.Sc, M.Sc, P.B.B.Sc & GNMC
Appendix – V	BPT & MPT

<i>(To be furnished by the institutions running BPT & MPT and other programmes, if any)</i>	
Appendix – VI <i>(To be furnished by the institutions running MLT and other programmes)</i>	B.Sc MLT, DMLT and MPHW

Note:

- a) If an institution runs only one programme for example B.Sc Nursing and does not run other programmes, the data has to be furnished in the Appendix–IV.
- The institute has to submit a **hardcopy** of the proposal along with a soft copy of the proposal in excel format after duly filed in all the particulars mentioned therein duly signed by the Secretary/ Correspondent/ Director/ Principal along with the processing charges to be deposited (on or before 30.04.2023 positively). The prescribed programme wise processing charges to be paid is as follows:

S. No	Name of the Course	Proposed Processing Fee
Modern Medical Programmes		
1	UG – MBBS course	2,00,000/-
2	P G Courses (PG Degree & Diploma)	2,00,000/-
3	Super Speciality Courses	2,00,000/-
NURSING COURSES		
4	M.Sc (Nursing) –PG	50,000/-
5	B.SC (Nursing) – UG	50,000/-
6	P.B.B.Sc (Nursing-2 years)	50,000/-
7	B.Sc (MLT) - UG	50,000/-
Dental Programmes		
8	BDS	1,50,000/-
9	P G Courses (MDS)	1,50,000/-
AYUSH Programmes		
10	BAMS	50,000/-
11	BHMS	50,000/-
12	BNYS	50,000/-
13	Homoeopathy (PG)	1,00,000/-
14	MPH	50,000/-
Para Medical Programmes		
15	MPHW(F) & MPHW(M)	20,000/-
16	DMLT and other if any	20,000/-
17	BPT	50,000/-
18	MPT	50,000/-
19	GNMC	20,000/-

The prescribed Processing Charges for each programme should be paid through **Online Payment Gateway**:- Link available in <http://tafrconline.telangana.gov.in>. Please note your Reference number for further correspondence.

Other Directions:

- i) Schedules for salary payment for staff will be included for,
 - (a) Teaching Staff Salaries.
 - (b) Non-Teaching Staff Salaries.
- ii) Interest on the loan given by the societies to the institutions in respect of internal funds will not be taken into consideration.
- iii) 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.
- iv) Any expenditure with corresponding income shall be disallowed if corresponding income is not shown and any expenditure that does not directly relate to the student's education shall not be considered.
- v) Upload the proof and purpose of the borrowings from Financial Institutions/Banks duly specifying the source of borrowings.
- vi) All the Colleges should maintain Websites with up-to-date information. The data submitted to the TAFRC shall also be hosted on the College Website. Further the Colleges to host a link (URL) of the TAFRC on its website, by clicking which the data submitted to the TAFRC will be displayed on the TAFRC Website.
- vii) Annual TDS Returns filed in Form 24Q and 26Q under Income Tax Act,1961 shall be submitted along with the proposal.
- viii) Financial details shall be furnished in Rupees only.
- ix) If the institution furnishes incomplete data or fails to remit the processing charges as prescribed, such proposals will not be considered and ignored.

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

1. Formats duly filled in and signed by the Secretary/ Correspondent/ Director/ Principal;
2. Proof of depositing the processing charges;
3. Audited financial statement of the organization / society/ trust for the FY 2022-2023. Also, audited financial statement of the college/institution to be given separately for FY 2022-23. (for the financial year 01.04.2022 to 31.12.2022 shall be signed by the Auditor and for 01.01.2023 to 31.03.2023 shall be signed by the Secretary of the Society as it is understood that the Audit Report for the entire financial year will not be ready from 01.04.2023).
4. Audited financial statement of the organization / society/ trust for the FY 2020-21 & FY 2021-2022. Also, audited financial statement of the college/institution to be given separately for FY 2020-21 and FY 2021-22.
5. Income Tax returns filed acknowledgement with computation of income and audit report in prescribed form 10B/10BB as applicable for FY 2020-21, 2021-22 and assessment orders if any.
6. Essentiality certificate given by State Government / NMC/DCI for proof of intake of students in each course for the academic year 2020-2021, 2021-2022, 2022-2023 and 2023-2024 ;
7. Details of sanctioned intake by the Competent Authority and affiliating university for each course-wise is to be submitted for the academic year 2020-2021, 2021-2022, 2022-2023 and 2023-2024.
8. 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.
9. Form 24Q and 26Q of Income Tax Act, 1961 for both the Financial Years 2021-22 and 2022-23.
10. Other information/documents, if any (specify).
11. 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....”

12. 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 2023-24 to 2025-26 in terms of the judgement of Hon'ble High Court of Andhra Pradesh reported in 2012 (3ALT686).

Note:MBBS fee will be evaluated for 4 ½ years and shall be collected in 5 equal instalments.

-o0o-