

- (iii) Regulation of Admission and fees structure in Private Non-Aided Professional Institutions.

The University Grants Commission has recently framed certain Rules and Regulation (at Annexure-A) to streamline the Admission into and fees payable by the students of private non-aided professional Institutions and the same has been enacted and published in the Gazette of India on May,16, 1998.

The Act, provides that the University should follow the provisions laid down in the Act in letter and spirit by constituting Committees to consider for fixation of fees payable by the students seeking admission into such institutions.

The matter was placed before the 59th meeting of the Academic Council and the Council RESOLVED to accept the same.

The matter is placed before the Council for consideration.

SG/3/12/98)

5.1.3(2)
UNIVERSITY GRANTS COMMISSION

Annexure 'A'

Bahadurshah Zafar Marg
New Delhi, the October, 1997

No.F 4-22 93:CPP-2): Whereas the University Grants Commission satisfied that it is necessary to regulate admission and levy of fees in private unaided professional educational institutions: self-financing deemed universities and Joint venture universities in public interest:

Now, therefore, in exercise of powers conferred by clause (1) of sub-section (1) of Section 26, read with sub-section(2) of section 12-A, of the University Grants Commission, with the previous approval of the Central Government and after consultation with the Universities concerned hereby makes the following regulations, namely:-

1. Short title and commencement:-

- (1) These regulations may be called the University Grants Commission (Regulation of Admission and fees in Private Non-aided Professional Institutions) Regulations, 1997
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. Applicability:-

These regulations shall apply to:

- (a) colleges affiliated to the Universities and operating on 'no grant-in-aid' basis:
- (b) institutions deemed to be universities under section 3 of the Act, if such institutions operate on self-financing basis without receiving maintenance grants from the Central Government, any state Government or any statutory body under their control and disbursing grants:
- (c) Universities not receiving grant-in-aid from the Central Government or any State Government or any grant disbursing statutory bodies of such Governments for the maintenance or development expenditure of such universities: and
- (d) Universities established as a Joint venture between a private trust or society and a State Government.

3. Definitions:-

In those regulations, unless the context otherwise require:-

- (a) "Act" means the University Grants Commission Act, 1956(3 of 1956);
- (b) "appropriate authority" means the Central Government, a State, the commission, a University or other authority which under any law for the time being in force, is competent to grant permission to establish or to grant recognition to, a professional educational institution;
- (c) "Commission" means the University Grants Commission established under section 4;
- (d) "Committee" means the Standing Committee of the Commission or the State Level Committee, as the case may be;
- (e) "Competent authority" means the University Grants Commission

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the Central Government a State Government or a University or any other authority, as may be designated by the Commission to determine the fees of scales of fees payable by students and the allotment of students for admission to various professional institutions:

- (f) "fees" in relation to payment seats or free seats means all the institutional fees including tuition fee and development fee;
- (g) "Free Seats" means the seats on which the fee payable by a student seeking admission to, and prosecution of, a course of study at a level corresponding to the fees as specified for the Government colleges and institutions in the concerned State or Union territory in respect of similar courses of study;
- (h) "institution" means a college affiliated to a University or approved or recognised by Government or any competent statutory body, including the All India Council for Technical Education, Dental Council of India, Medical Council of India and National Council for Teacher Education established or incorporated by, or under, a Central Act or a State Act, and includes an institution deemed to be a University declared by the Central Government on the recommendation of the Commission under Section 3 and all institutions recognised by the Commission under clause (f) section 2 and imparting education;
- (i) "NRI" means a Non-Resident Indian and the Expression "non-resident" has the same meaning as assigned to it under the income-tax Act, 1961 (43 of 1961);
- (j) "professional institution" includes any private unaided institution imparting education in Social Work Home Science, Library Science, Education, Computer Science, Commerce, Law and the like and includes such other institution to which these regulations are made applicable by the Commission;
- (k) "Payment Seats" means seats other than Free Seats and for which fee payable by a student seeking admission to, and prosecution of, a course of study shall not exceed the limits specified under these regulations:
 - (1) "section" means a section of the Act; and
- (m) "Student" includes a person seeking admission in a course of study.

4. Admission:-

- (1) No student other than a student who fulfils the requirements of the University Grants Commission (the minimum standards of institutions for the grant of first degree through form education in the faculties of Arts, Humanities, Fine Arts, Music, Social Sciences, Commerce and Sciences) Regulations, 1985, shall be eligible for admission to a first degree course or to a post-graduate level professional course of study.
- (2) Without the previous permission of the appropriate authority no institution shall start a new or higher professional course of study.
- (3) The competent authority shall call for applications for admission to the seats available in any academic year in the institution.
- (4) The competent authority shall advertise in at least three leading newspapers out of which one shall be in a local vernacular language, the number of seats available for admission institution-wise, the fees to be charged for the duration of the course, separately for both Free seats and payment seats, and the procedure and schedule for admission.

- (5) At the time of inviting applications for admission in any course of study the competent authority shall fix a last date for the allotment of Free seats.
- (6) The competent authority shall issue a brochure containing the application form for admission, full particulars of the course, number of seats available, names of the professional institutions and their location, the fees chargeable by each professional institution, the minimum eligibility conditions for admission and such other particulars as may be deemed necessary by the competent authority.
- (7) The application form for admission issued by the competent authority shall contain a column wherein an applicant shall indicate the order of preferences, whether he wishes to be admitted against a Free Seat or a Payment Seat, or both as well as the preference of institutions, in case of more than one institution is offering the same course.
- (8) In case the admission to a course of study is given on the basis of results of a common entrance examination, the competent authority shall prepare a merit list of candidates from amongst the successful candidates based on their merit position.
- (9) Where the admission to a course of study is not based on a common entrance examination, admission shall be given to the course of study on the basis of such other criteria as may be determined by the competent authority:
 Provided that no such criterion as has not been notified by the competent authority shall be applied by him.
- (10) The result of the entrance examination, if any, held shall be published in at least three leading newspapers, one of which shall be in local vernacular language and shall also be displayed on the notice boards of the concerned institution(s)
- (11) (i) At least 50 per cent of the seats in every professional institution shall be Free Seats and the remaining 50 per cent by payment seats.
 (ii) The criteria of eligibility and other conditions shall be the same in respect of both Free Seats and payment Seats except that the higher fee is to be paid for payment Seats.
 (iii) The management of a professional institution shall not be entitled to impose any additional eligibility criteria or conditions for admission either to Free Seats or Payment Seats.

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5.1.3(5)

(12) After the Free Seats are filled within the specified time, a further date shall be fixed by the competent authority giving time to the candidates who opt to be admitted against the payment Seats.

(13) (i) The competent authority shall also prepare and publish a waiting list of candidates alongwith the marks obtained by them in the entrance examination.

(ii) After the allotment of the last seat is made, the waiting list shall be operated for filling any casual vacancies or drop-out vacancies. These vacancies, shall be filled until such date, as may be notified by the competent authority.

(iii) The competent authority shall decide a cut-off date beyond which no one shall be admitted so as to ensure that a student does not miss a good part of the syllabus of the semester of term.

5. Constitution of Committees for fixation of fees payable:

(1) The fees for;

- (a) professional institutions affiliated to Central Universities;
- (b) any professional institutions which are deemed to be Universities
- (c) Universities not receiving grant-in-aid from the Central Government or any grant disbursing statutory bodies of such Governments for the maintenance or development expenditure of such Universities; and
- (d) Universities established as a joint venture between a private trust or society and a State Government.

(2) The Standing Committee referred to in sub-regulation

(1) Shall consist of;

- (a) A Member of the Commission Chara person;
- (b) (i) One Vice-Chancellor to be nominated by the Commission-Member;
- (ii) Three experts, one each in Economics, Cost Accountancy and Institutional Finance, to be nominated by the Commission-Members;
- (iii) One Expert in the subject area-Member.
- (iv) In case a deemed University conducts courses of study such as technical education, medical education and teacher education of which there is a statutory council, for example, the All India Council of Technical Education Medical Council of India Dental Council of India and the National Council for Teacher Education, a nominee of such Council-Member;
- (v) Secretary in charge of Higher, Technical or Medical education (depending on the field of specialization of the institution) of the concerned state Government or his nominee who is not below the rank of Deputy Secretary to the Government of India may be co-opted as a member for the purposes only of determining the fee structure for deemed universities in the State concerned;
- (vi) An officer of the Commission not below the rank of Additional Secretary-Member, Secretary.

3. (I) The fees in professional institutions affiliated to State Government Universities shall be determined by a Committee called the State Level Committee:

(ii) The state level Committee which may be constituted in every state by the Commission shall conduct of:

- (a) Vice-Chancellor of one of the Universities in the State nominated by the State Government concerned—Chairperson;
- (b) Secretary in charge of Higher Education of the State Government concerned—Member;
- (c) Secretary of the Finance Departments of the State Government concerned—Member;
- (d) Three experts, one each in Institutional Finance Cost Accountancy and Economics to be nominated by the Commission—Member;
- (e) A Finance Officer of one of the Universities to be nominated by the State Government—Member; and
- (f) Director in charge of Higher or Collegiate Education of the State Government concerned Member—Secretary.

6. Procedure to be adopted by the Committees;

- (1) Secretarial assistance to the Standing Committee of the Commission shall be given by the Secretariat of the Commission.
- (2) Secretarial assistance to the State Level Committee shall be given by the Directorate of Higher Education of the State Government concerned.
- (3) The term of office of the Members of the Standing Committee constituted under sub-rule (1) and the State Level Committee constituted under sub-rule (2) of rule 5, other than the ex-officio Members shall be three years.
- (4) The Standing Committee and the State Level Committee shall review the fee structure at an interval of three academic years.
- (5) (i) Subject to provisions of these regulations, the Committees are free to advise their own procedure. The procedure shall, however, compulsorily include giving opportunity to the institutions concerned to furnish such material as they may consider relevant.
- (ii) The Committees shall also have power to call for such information and details as they may consider relevant for fixation of fees.
- (iii) For the purpose of carrying out its functions effectively the Committees shall lay down a time bound 'action-calendar' and 'dead-lines' for compliance by the institutions concerned and for completing tasks of the Committees.
- (6) The Committees may determine different rates or scales of fees for different classes of institutions, if a classification is justified on intelligible and objective criteria. In particular the Committees shall be free to fix different rates for institutions located in rural areas and urban areas.

- (7) The Commission may at any time call for information and clarification from the Committees and the Committees shall be bound to furnish such information or clarification.
- (8) While determining the fee chargeable, it shall be the duty of the committees to ensure that the fee does not become a source of profit or commercialisation for the institutions concerned.

6. Procedure for determining fees:-

- (1) (i) Fees of the scales of fees once prescribed under these regulations shall be valid for a period of three years.
- (ii) The fees when revised shall be applicable only to new entrants.
- (2) (i) A professional institution shall submit to the Commission at least six months before the advertisement for admission, authentic data on the basis of which the tuition and other fees are to be determined.
- (ii) The concerned Committee may seek any data or clarification from the concerned professional institutions and may also allow the institution to supplement or modify the data submitted by it originally.
- (iii) While deciding the fee structure for Free Seats, Payment Seats and NRI Foreign students, the concerned Committee shall take into consideration, the parameters which affect the cost, the total expenditure of the institution for running the professional course as computed on the basis of audited statements of the previous two years and reasonable projected estimation for the next three years.
- (iv) The fees to be charged shall have two broad categories, namely, tuition fee and development fee.
- (v) The management of the institution may realise the actual cost of board and lodging from the students subject to the relevant committee being satisfied about the reasonableness of such costs.
- (vi) The tuition fee shall be to meet the actual cost of imparting education.
- (vii) While assessing a fair tuition fee, the Committee shall take into account the following, namely:
- (a) Salary and allowances including bonus, if admissible, payable to teaching and non-teaching employees;
- (b) expenditure on administrative services;
- (c) cost of maintenance of laboratories including consumables;
- (d) contingent expenditure including statutory requirements like audit fee, and the like;
- (e) cost of acquisition of books and journals for libraries;
- (f) maintenance of buildings and other assets including rents and tariffs; and
- any other recurring expenditure to be determined by the competent authority from time to time.
- (viii) Having due regard to the parameters mentioned in this sub-regulation, suitable rates may be fixed for holder of Free Seats, Payment Seats NRI Foreign students.
- (3) (i) The Commission shall specify: norms relating to staffing and scales of expenditure for other items wherever such norms have not been laid down till the date of commencement of these regulations.

(ii) In case the Commission finds it difficult to lay down specific quantified norms, the relevant Committee shall satisfy themselves about adequacy and the reasonableness of the expenditure invol.

(iii) While specifying the norms the Commission shall ensure that the projected expenditure does not become a source of profit to the management of the professional institutions.

7. Note.

As the scheme laid down by the Supreme Court of India in Unnikrishnan J.P. Versus State of Andhra Pradesh (A.I.R. 1993 S.C. 2178) prohibits Commercialization of education and profit making, it shall not be open to the institutions concerned to claim any return on investments. This may however, not come in the way of the institutions immobilizing resources for the replacement and upgradation of assets. Further, while earning returns on the investment would not be permissible as per the judgement and order of the Supreme Court of India in Unnikrishnan J.P. Versus state of Andhra Pradesh (A.I.R, 1993 SC 2178) the court had, left the question of recovering investment on the Central Government and the Statutory bodies. It is therefore, considered desirable that the development fee could provide for an element of partial capital cost recovery to the Management (but not a return on investment) and to serve as a recourse for upkeep and replacement.

- (4) (i) The Commission shall at an interval of three years determine the development fee and different rates of development fee and different rates of development fee may be specified for students of Free Seats, Payment Seats and Foreign NRI seats.
- (ii) The development fee may be at flat rates.
- (iii) Based on intelligible and objective criteria the Commission may classify the institutions into different categories for the purpose of prescribing different slabs or rates of development fees.
- (iv) While determining the rates of development fees, the Commission shall take into account the views and suggestions of the private professional institutions, the State Government and interested members of the general public.
- (5) No management of a professional institution shall, in the first ten years of its establishment, appropriate more than fifty per cent of the proceeds of the development fee levied or the actual capital cost, whichever is lower, for the recovery of the capital cost. The remaining amount shall be utilized for upgradation and replacements in the said first ten years and, therefore, the entire proceeds may be utilized for upgradation and replacement purposes.

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Part III. Sec.4

(6) The Commission shall communicate the approved rates of development fee chargeable by the professional institutions to the Committees well in advance so as to enable them to suitably incorporate such rates in their notification.

7. Admission of students.

(1) Admission in institutions under the management of minority shall be regulated as under:-

(a) 50 percent of the seats in professional institutions established and administered by a minority shall be filled on the basis of merit list prepared by the competent authority. Out of these 50 per cent seats, half shall be Free Seats and the other half shall be Payment Seats.

(b) The remaining 50 percent of seats shall be filled by the management of the institution from amongst the candidates belonging to the concerned minority community out of which half shall be Free Seats and other half shall be Payment Seats.

Explanation - For the purposes of this clause, Payment Seats shall include seats for Foreign, NRI students.

(c) After completing the admission, each minority professional institution shall submit to the competent authority, the concerned University and the concerned State Government, a statement containing full particulars of the students admitted against 50 per cent seats filled up by the management from amongst the candidates belonging to the concerned minority.

(2) Private Professional institutions shall be permitted to admit the NRI foreign students upto a maximum of 5 per cent of the total sanctioned intake capacity to be determined from time to time by the competent authority for each academic year. This percentage shall be out of Payment Seats. The NRI Foreign students shall be admitted on the basis of merit. But, in view of the difference in their backgrounds the competent authority of the professional institution concerned may judge the merit of these candidates, having regard to all the relevant factors.

(3) (i) There shall be no quota of seats for the management or for any family, caste or community which had established the professional institution.

(ii) The competent authority may, at its discretion, fill any seat which may remain unfilled in five per cent. NRI quota in any academic year.

(iii) The fees chargeable from the students admitted under this sub-regulation shall be the same as chargeable for the students admitted against Payment Seats and not against the NRI seats.

Part III. Sec. 4

- (4) It shall be open to the private professional institutions to provide for reservation in seats for constitutionally permissible classes of candidates such as the scheduled castes, the scheduled tribes, other backward classes and others under intimation to the affiliating Universities. Such reservations, if any made, shall be notified to the competent authority and the appropriate authority at least one month per year to the issuance of the notification calling for applications for admission to such category of professional institutions. In such cases, the competent authority shall not allot students, keeping in view the reservations provide by a professional institutions. The rules of merit shall be followed even in such reserved categories.

8. Interpretation.

- (1) If any question arises as to the interpretation of these regulations, shall be decided by the Commission.
- (2) The Commission shall have the power to issue clarifications to remove any doubt which may arise in regard to the implementation of these regulations.

9. Maintenance of account of fees -

- (1) Every institution shall maintain two separate accounts, namely, the Maintenance Accounts and the Development Accounts,
- (2) (i) The proceeds of tuition fee and cost recoveries of board and lodging charges and other miscellaneous fees shall be credited to the maintenance accounts.
- (ii) The maintenance accounts shall be kept in two parts, namely, (a) the pay and allowance, and (b) the other expenditure.
- (iii) All recurring expenditure shall be met from the maintenance account and brought to account in the part relating to pay and allowances, or as the case may be, under the other expenditure.
- (c) At least half of the proceeds of development fee shall be credited to the development account in the first ten years of establishment of the institution, after which this account (Development Account) will receive the entire proceeds of this fee. Miscellaneous receipts of the institution would also be credited to the same account. The proceeds of this fee would be utilized for the procurement of equipment, books and journals and the acquisition of assets. The management may debit expenditure on improvement of faculty to this account.
- (d) The accounts of the professional institutions shall be audited every year to ensure that the financial management conforms to the broad framework of these regulations and the guidelines issued by the commission from time to time.

10. Other procedural matters Connected with levy of fees.

(1) (i) Fees once fixed shall be valid for a period of three years.

(ii) Fee may be payable in advance for a semester.

(iii) Each Committee shall notify in the month of December every year, for general information, the total fee payable per semester for the next year, in three newspapers having circulation in the State concerned. Every year, the committee shall fix the fees applicable for the third year.

(2) While fixing the fees every year, the committee shall take into account the unspent balance, if any, in the maintenance and development accounts of the concerned professional institutions.

(3) No professional institution shall:

(i) levy any fee exceeding the fee notified under these regulations.

(ii) Fail to maintain accounts required to be maintained as per the provisions of these regulations or the guidelines issued by the Commission.

Sd/-

G.D.Sharma

Secretary

University Grants Commission.

(ii) On the procedure for admission to the Ph.D. Programmes.

EC:99:98:5:1: (ii): The Council considered the procedure of admission to the Ph.D. Programmes and RESOLVED that the second sentence of Clause 1(1) of Ordinance OC-4 be amended as to read as "The candidates with at least 55% marks in their Master's Degree in the subject concerned / allied subject / cognate subject will be required to appear in a written test or interview to be conducted by the Department", and that all past cases which have not followed the correct procedure be regularised while the cases in process be required to follow the above.

(iii) Regulation of Admission and fees structure in Private Non-aided Professional Institutions.

EC:99:98:5:1: (iii): The Council considered the regulation of admission and fee structure in Private Non-aided Institutions as recommended by the University Grants Commission and RESOLVED to accept the same.

(iv) Report of the Committee appointed by the Executive Council to examine the jurisdiction of the EC/AC vis-a-vis academic matters.

EC:99:98:5:1: (iv): The Council considered the Report of the Committee appointed by the Executive Council to examine the jurisdiction of the Executive Council/ Academic Council vis-a-vis academic matters and RESOLVED to accept the same and necessary amendments may be made in the Ordinances. The Council, further RESOLVED that the same Committee be asked to frame suitable Ordinance accordingly.

(v) Modification / Additions to the existing admission rules Vis-a-vis V. C's quota.

EC:99:98:5:1: (v): The Council considered the amendment of the existing admission rules and RESOLVED to approve the same as per Annexure - B.

(vi) Amendment of Ordinance OE-8 on the qualification for the post of Finance Officer.

EC:99:98:5:1: (vi): The Council considered the amendment of Ordinance OE 8 on the qualification for the post of Finance Officer and RESOLVED to approve the same, however, members of the IRS, IDAS or any organised Central Finance / Revenue Service be included.