

## **Process:**

The committee carried out proceedings from time to time to determine the fee structure for the years 2009-10, 2010-11 and 2011-12 in the following manner.

1. Obtained list of all affiliated colleges from universities.
2. Called for information from all colleges in prescribed format vide letter dated 28-4-2012
3. Appointed CA Shri. Uday Shah to process and analyze data/Information submitted.
4. Reminded defaulting colleges to submit data/Information
5. The review/Analysis carried out by CA Shri. Uday Shah, who made presentations before the committee from time to time.
6. Personal hearing was granted to all colleges, during August 2013, out of which 80 colleges remained present and submitted their presentations.
7. The findings were discussed in the meeting of committee held on 27-11-2013 and deliberated over the analysis report of chartered accountant.
8. As per analysis report presented before the committee,
  - I. There were total 230 colleges
  - II. Out of 80 colleges, who remained present in personal hearing 58 colleges, had collected fees within reasonable limits, considering their actual collections of fees during 2009-10, 2010-11, and 2011-12, average fee collected and fee proposed by them. 15 % variation was considered moreover, these colleges have consented to approve of fee collected by them even if collected lower than the cost worked out.
  - III. 102 colleges did not remain present during personal hearing, however, 2 colleges were special colleges for which fee was determined by NCTE and need not to be determined by this committee, whereas, remaining 100 colleges, had collected fees during these years, within reasonable limits, considering actual fee collected, cost worked out and 15% variations on either side, though they did not turn up for personal hearing or made any proposal for fee determination, fees collected by them were within reasonable limits and having given them adequate opportunity for hearing, it was found fit to determine their fee for the period of 2009-10, 2010-11 and 2011-12.
  - IV. 43 colleges have submitted incomplete data hence, could not be processed. All these 43 colleges, have been given notices vide letter no. 01315/547/सेडा/२०१३-१४/४३८६-४३३७ dated 22-11-2013 and 7-6-2014.
  - V. While reviewing and analyzing data, irregularities were observed in respect of 27 colleges, as fees collected by them during these years was beyond reasonable limits and required further clarifications.
  - VI. Therefore the same can be decided only after seeking their clarifications and hearing them in person. Thus fee structure in respect of 58+100 colleges, as mentioned in (ii) and (iii) here in above, is hereby determined and fixed as per col. No. 4 in the statement annexed hereto.

## **Final Analysis :**

1. While suggesting the possible fee structure of M.Ed.,B.Ed./B.P.Ed. M.P.Ed. colleges, the committee has adopted similar approach, methodology and guiding principles as are normally adopted from time to time in fixing fee structure of Medical/Para Medical, Technical and Professional courses. The Committee considered the data of basic infrastructure like land, Building, Labs, Staff Profile, Payment of salary etc. submitted by the colleges with respect to norms prescribed by NCTE. However, the committee has relied upon the affiliation of the college to concerned university as compliance of norms prescribed by NCTE.

2. In addition, the Committee has considered the audited accounts of the colleges in order to determine the cost structure of the colleges based on the actual cost/expenses that are directly attributable to teaching education. Expenses not related to education directly or expenses or in the nature of capital expenditure have been either ignored completely or have been treated differently. Accordingly, the Committee has disallowed or reconsidered its treatment in light of correct accounting and costing principles and practices for the following expenses.
  - a. Expenses incurred on running and maintaining the hostel are not considered as relevant costs.
  - b. Expenses incurred on running other courses like M.Ed., PTC etc. not considered.
  - c. Interest paid on loan being in the nature of finance cost.
  - d. Donations made to other institutions not considered as relevant cost.
  - e. Development fund/expense claimed on ad-hoc basis not allowed.
  - f. Rent charged as expense for building and other infrastructure of related parties.
  - g. Unrelated legal expense, penalty, fine etc. not considered as relevant expense.
  - h. Capital expenditure (Amount spent on acquiring capital assets like building, furniture, equipments, books etc. for which depreciation has to be allowed.)
  - i. Depreciation is allowed on major repairs resulting into modification and improvements of enduring nature in infrastructure.
  - j. Fee refund is not an item of expense but reduction in income hence not considered
  - k. Impact of abnormal item expense or onetime expense of substantial amount is spread over 3 years.
3. The Committee also made inter-college comparison of major cost elements and then moderated or readjusted wherever found excessive or unreasonable as compared to other similar colleges.
4. Building and other rent shown as paid to trust and other agencies related to the college is considered as unreal expense being payment not made on arm's length basis. However adequate depreciation on the entire infrastructure is considered. This is based on the average depreciation on entire infrastructure claimed by the colleges during 2009-10, 2010-11 and 2011-12.
5. It is observed that few colleges have collected other fees under various heads over & above prescribed tuition fees. Such other fees include computer fee, library fee, stationary fee, practical fee, university fee, exam fee, form fee, sports fee, kit fee, uniform fee, orientation fee, tour fee, transportation fee, breakage fee etc. Such practices need to be stopped and the college will be asked to collect only fees fixed by the Committee. Wherever such fee is found to be in the nature of reimbursement of the concerned expense, such expense is disallowed in final working of admissible costs.
6. Scholarship paid is not considered as relevant expense as it amounts to cross subsidization and is not an expense directly related to imparting education. In case the scholarship is paid out of scholarship received for specified class of students, the same is also not considered as relevant expense.



## **Conclusion:**

With the background and approach mentioned in the following paragraphs, the committee has considered the details of infrastructure, staff etc. and cost structure submitted by institutions based on the audited financial statements of 2009-10, 2010-11 and 2011-12 as adjusted on account of specific treatment of certain items of cost of education as mentioned in (a) to (k) of Point no.2 that were excessive, not relevant to the cost of education etc.

**In case of your college, the committee has observed that:**

### **2009-10**

1. Instead of depreciation on college building, the college has claimed rent of Rs. 2.00 lacs payable to trust running the college. Since it is reasonable, it is accepted.

### **2010-11**


1. Instead of depreciation on college building, the college has claimed rent of Rs. 2.00 lacs payable to trust running the college. Since it is reasonable, it is accepted.

### **2011-12**

1. Instead of depreciation on college building, the college has claimed rent of Rs. 2.00 lacs payable to trust running the college. Since it is reasonable, it is accepted.

In this way the committee has reviewed all the documents and information supplied by you, analyzed the accounts and cost statements of your college. In the final analysis based on the cost structure duly adjusted as mentioned above, fees for your college works out as under.

Sr.No.	Name and Address of the College	Affiliating University	Fee Determined by the Committee for the year 2009-10, 2010-11 and 2011-12
1	2	3	4
36	<b><u>Samarth College of Education, Pavi-Jetpur, Vadodara</u></b>	Gujarat University	<b>Rs. 30,000/-</b>

  
**Member Secretary**  
State Fee Reg. Comm. &  
Commissioner Higher Education  
Govt. of Gujarat  
Gandhinagar

16/19<sup>o</sup>/14-15

State level committee for fee structure of private teachers' training institutions  
**(B.Ed., M.Ed., B.P.Ed. & M.P.Ed. courses)**

Order No. ISC.4/BED Fee/2014/2469-2627

Date: 27-6-2014

**Background:**

Consequent upon NCTE (Guidelines for regulations of tuition fees and other fees chargeable by unaided teachers' education institutions) amendment regulations 2010, suggesting a revised composition of the committee to be appointed by the state government for the fee structure of private teachers' training institution, the state government has formulated a state level committee for the fee structure of private teachers' training institutions in the state vide education department resolution no. NCT/2010/3/KH.1 dated 23-2-2011 and resolution of even number dated 9-3-2011 and 4-7-2012.

The composition of this committee is as under.

1	Principal Secretary, Education department	Chairman
2	Secretary, Finance Department or his nominee	Member
3	Secretary, Sports, Youth and cultural activities Department	Member
4	Vice -Chancellor, Indian Institute of Teachers' Education, Gandhinagar	Member
5	Director, Institutional Finance, Finance department	Member
6	Shri Yamal Vyas, Chartered Accountant	Member
7	Director, GCERT	Member
8	Commissioner, Higher Education	Member Secretary

**Approach:**

After the formation, the committee decided the following

1. To obtain latest list of colleges in the state, approved by NCTE.
2. To obtain list of affiliated colleges from all universities letter dated 7-7-11
3. To call for information of fees collected by colleges during the years 2009-10, 2010-11 and how the same was determined
4. To call for information from colleges in the prescribed form.
5. To make administrative arrangement for the functioning of the committee proceedings.
6. Appointed chartered accountant Shri. Uday Shah to process and analyze data/information submitted by the colleges.
7. To grant personal hearing to all colleges.
8. To ask for the latest audited accounts of each and every college to ensure that the actual cost records and proposed fee structure are in tune with each other and that the colleges do not resort to profiteering.