



FEE REGULATORY COMMITTEE (TECHNICAL)

Constituted under Section 9(1) of the Gujarat Professional Technical Educational Colleges or Institutions (Regulation of Admission and Fixation of Fees) Act, 2007 (Gujarat Act No. 2 of 2003)

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Approach towards determination of the Fees for the period of three years from 2017-18.

1. In determination of the fee, the FRC will largely rely on the cost statements prescribed in the format. FRC will consider only those costs that are directly related to imparting education to the students. As such cost for hostel accommodation, transport, advertisement and publicity, litigation, scholarship etc will not be considered.
2. The fee for the year 2017-18 will be decided based on the projected cost for the year 2017-18 in the back ground of the actual cost for the year 2015-16 and the estimated cost for the year 2016-17. FRC will accept these statements in ordinary course. However if the increase in cost of education per student for the year 2017-18 is more than 12% without justifiable reasons (for example pay revision under 7th Pay Commission recommendations), the FRC will restrict the rise to 12% for the inflation to arrive at the cost of 2017-18.
3. The major cost to be considered includes the following.
 - a. Manpower cost for faculty and the staff including visiting faculty. In case the institute has decided to implement recommendations of the 7th Pay Commission, the same will be considered in the projections for the year 2017-18 and onwards. Manpower cost includes provision for gratuity and leave liability.
 - b. Cost of Administration, Energy, Infrastructure Maintenance, Communication and Technology, Books and Periodicals etc.
 - c. Depreciation on Buildings (even if owned by the Trust / Sponsoring Body), Equipment, Furniture, Vehicles and assets used for imparting education at the rates prescribed in the Information Memorandum. This depreciation is based on the life of the asset and hence is more relevant in determination of cost of service.
 - d. Allowance for growth and development in the range of 6% to 10% based on the investment made in Infrastructure in past 3 years for institutions existing in 2014 and based on projections for 2017-18 through 2019-20 for newer institutions.

4. Once the total cost is arrived at, cost per student will be worked out based on the 90% of the sanctioned /approved intake for the concerned program. This is done because the infrastructure is created for the maximum number of students in each year based on the sanctioned / approved intake. This will also ensure that the students are not unduly burdened on account of lower admission.
5. However in circumstances where the actual number of students on roll is lower by more than 60%, the cost per student will be based on such percentage of the sanctioned / approved intake as the Committee may deem fair both from the perspective of the students as well as the management.
6. The cost per student arrived as above will be compared with the average of the comparable group / program to ensure it is reasonable and relevant.
7. Since the major cost of imparting quality education is towards manpower, the FRC will give appropriate weightage to salary cost. This means if the employee cost is lower than the other costs, FRC may discount other cost appropriately.
8. Committee will also ensure that the revised fee is not in excess of the cost per student arrived as above for the year 2017-18.
9. While the FRC will approve the fee rise as proposed by the college if the same is within the cost per student for the year 2017-18 as worked out by FRC, the same may be moderated if the fee proposed for the year 2017-18 is substantially high compared to the existing fee for the year 2016-17 unless justified by the management during the hearing.
10. Once the fee for the year 2017-18 is ascertained as above, the Fee for the year 2018-19 and 2019-20 will be fixed providing for appropriate escalation to take care of the inflation in case of the established institution where one batch has already graduated. For newer institutions, the fee fixation will be based on the cost structure so worked out as above for the years 2018-19 and 2019-20.
11. The Fee structure determined by the committee for the Government Seats, will be equally applicable to the Management Seats.
12. Non-financial Considerations:
 - a. Further in addition to the financial data, the FRC will consider the non-financial strengths of the institution. For this purpose, the team of experts and senior faculty members from Government colleges will visit the institutions and rate them on a score of 500 based on infrastructure, faculty and support staff, co curricula

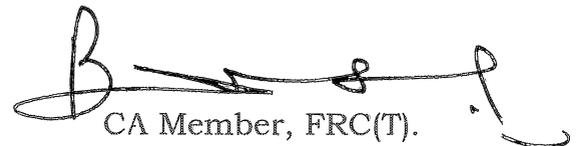
activities, admission preference, placement, students' welfare, governance & compliance, academic excellence etc. as under:

Factor	Weightage
Building & Infrastructure	125
Performance & Academic Excellence	100
Accreditation	20
Placement Records	20
Staff Cadre, Qualification And Academic Contribution	150
Financial Aid Program For Students	15
Students Performance	50
Compliance / Services	20
Total	500

- b. Their findings will recorded online by the team objectively and unbiased and will be later converted into numerical score in an auto-mode.
- c. The ranking of the institutions and financial data will be mapped to remove anomalies/ inconsistencies, if any.

13. FRC has plans to provide incentive in determination of fees for the institutions with higher score.

Date:- 4th April, 2017.


CA Member, FRC(T).