

Policy on Financial Resource Mobilization

Manipal Academy of Higher Education (MAHE) an Institute of eminence, deemed to be University, being a self-financed not for profit (Trust), with clear financial Policy and Governance by competent committee, distinguishes the financial resources viz., Long Term & Short Term depending on the application (end use). Financial resources are mobilized depending on the application and avoids intermixing viz usage of short-term resources for long term application or vice versa with the key objective of optimal use of the financial resources.

Long Term Resources: Long term resources are planned with duration in excess of 5 years primarily for (application of funds):

- a) New projects
- b) Asset creation
- c) Permanent working capital

Sources:

- **Surplus from operations (break up)**
 - Tuition Fees (including facilitating innovative way of financing students)
 - Consultancy Services
 - Services – Hospital, Diagnostic etc
 - Hostel fees
 - Treasury income
 - Miscellaneous sources
- **Long term Borrowings from Financial Institutions (restricted to domestic borrowings)**
- **Corpus contributions**
- **Donations – Alumni & Philanthropists**

- **Endowments**
- **Research Grants**

Short term Resources: These resources are primarily to meet the working capital requirements in managing the operations of the University including its constituent entities. It is characterised primarily because faster movement / change from one form of current asset to another in shorter tenure.

- a) Receivable management
- b) Inventory cycle
- c) Other current assets

As a policy University ensures that no short-term money gets deployed into long term assets and disrupt the working capital cycle.

Sources:

- Bank borrowings, OD facilities & Non fund based limits (like BG, LC facilities).
- Trade creditors

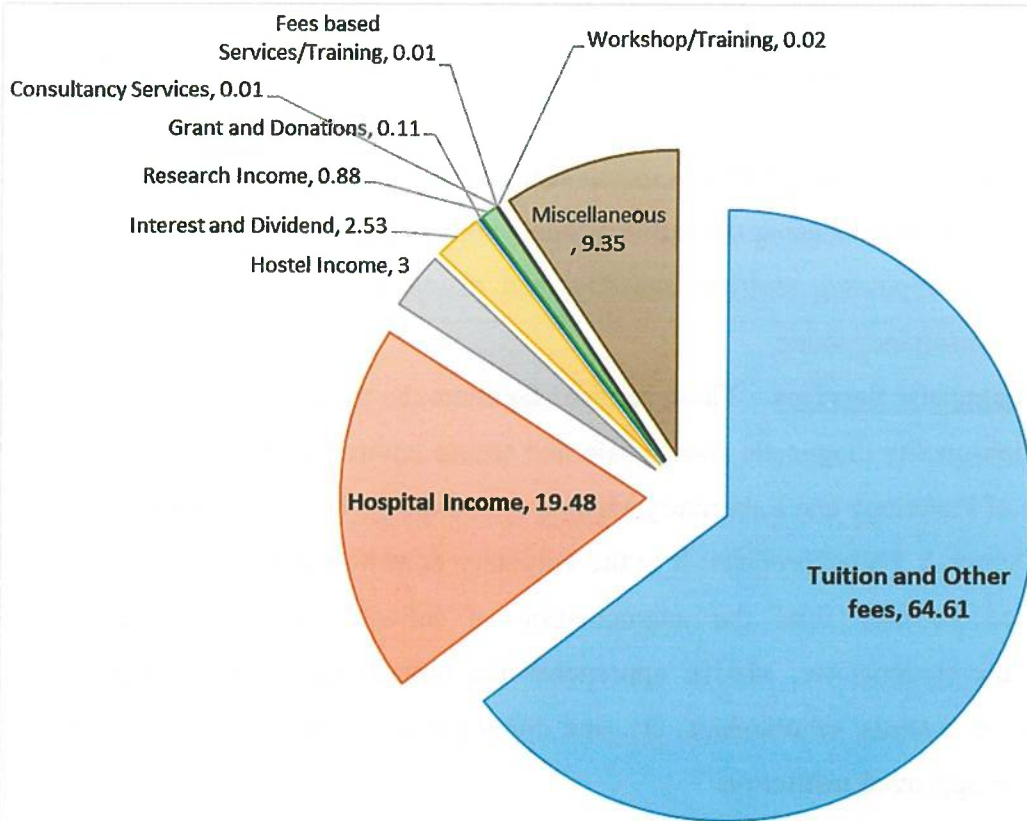
Sources of Revenue

1. **Tuition Fees:** The tuition fee is the main source of income for the University (approx. 65% of total income). An independent fee fixation committee headed by a retired High Court judge with experts in finance and other back ground in the committee, decides the fee structure for a block period of 3 years for domestic & International students. Accordingly, the fee is fixed for each batch of students at the time of their admission and communicated to the students and also displayed in the university website.
2. **Research Grants:** A research grant refers to a sum of money given to a researcher for meeting the expenses involved in the research project (a grant that funds research). MAHE encourages its faculty members to submit proposals for research grants to various funding

agencies both within the country and outside. It also encourages collaborative research activities. MAHE provides incentives to the researchers as per the Research incentive policy of MAHE.

3. **Consultancy Services**: Consulting Services means services of an advisory and/or intellectual nature provided by consultants using their professional skills to study, design, organize, and manage projects encompassing multiple activities and disciplines. MAHE motivates its faculty to render consultancy work.
4. **Hospital and Diagnostic Services** – These services facilitate the provision of timely, cost-effective, and high-quality diagnostic care in safe and secure environments. It includes the clinical services of Pathology and Laboratory Medicine, Radiology, Nuclear Medicine etc.
5. **Donations** – Alumni & Philanthropists: It is the voluntary contributions from alumni and philanthropists to partially fund the augmentation of infrastructure and/or provide scholarships to the students etc. MAHE approaches the philanthropists and alumni for donations / Institute awards, scholarships, etc. and donor gets appropriate tax benefits for contributing to the approved Institution.
6. **Endowments**: Endowment funds received towards the establishment of centers of excellence, chair, grants and awards.
7. **Hostel Fees**: MAHE provided its students with the excellent option of boarding and lodging in its on-campus hostels.
8. **Treasury income**: Interest, Dividend, foreign exchange dealings.
9. **Miscellaneous** sources: MAHE organizes workshops/training, plenaries with industry or corporate sponsorships and delegate fees.

Following pie chart shows the financial resource mobilization under each heading in a financial year:



Approximate percentage income under each heading in a financial year:

- | | | | |
|------------------------|-----------------|----------------------|------------------------------|
| Tuition and Other fees | Hospital Income | Hostel Income | Interest and Dividend |
| Grant and Donations | Research Income | Consultancy Services | Fees based Services/Training |
| Workshop/Training | Miscellaneous | | |

Allocation of funds

The Head of the department in consultation with faculty members proposes annual capital and operation budget. The proposed budget is discussed with the Head of the Institution. The Head of the institution compiles the budget requirements of all the departments and prepares a consolidated Annual budget for the institution based on the priority of the capital and operation budget items. At the university level, director finance consolidates the budget requirements of all the constituent institutes and draws cash flow budgeting. Based on cash flow budget Top management along with heads of institutions deliberates on the proposal and the budget allocation is made based on the available resources and project priority.

Subhavit

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Note on Fee Fixation & Fee Fixation Committee

Objective: To determine the Fee Structure for the courses in the Constituent Units of the Manipal Academy of Higher Education in accordance with MOA (Clause 8)

Manipal Academy of Higher Education (MAHE) is a Deemed to be University, declared in exercise of the powers conferred by Sec 3 of the UGC Act 1956.

That the Central Government in exercise of the powers conferred by Sec 3 of the UGC Act 1956, declared MAHE as an ***Institution of Eminence Deemed to be University***, vide Gazette Notification dated November 21st, 2020. Pursuant to the aforesaid Notification, MAHE is governed by the provisions of UGC (Institutions of Eminence Deemed to be Universities) Regulations 2017 and as per below detailed provisions of the aforesaid Regulations, the fee of the Institution to be levied.


11.1.2:- The Institution of Eminence Deemed to be University would be free to fix fees, for both domestic and foreign students as per its internal policies and would be exempted from any fee regulations which may be there in force. However, fee should be fixed in a transparent and upfront manner without any hidden charges to be taken from students. In addition, charging of capitation fee is prohibited and any incident of such charging shall be treated as a serious violation necessitating provisions of penalty as per the law.

11.1.3:- While fees can be charged from foreign students without restriction, the freedom to determine the domestic student fees shall be subject to the condition that no student who gains admission on merit should be turned away for lack of financing, for which the Institution of Eminence Deemed to be University shall create a credible and robust programme of financial assistance in the form of scholarships and loans to ensure that such students can pursue higher studies without any financial difficulty.

11.1.4:- Since no existing fee regulation guidelines are to be applicable to such Institutions of Eminence Deemed to be Universities, they will have to set up the institution of Ombudsman to cater to student grievances and allegations of unfair practice, if any. The contact details of the Ombudsman shall be prominently displayed by the Institution of Eminence Deemed to be University on its website, prospectus and at the premises.

In the interest of transparency, the MAHE has been determining the fee structure for all the institutions of MAHE by constituting a high-level committee presided by a retired Hon. Judge of a High Court. Committee comprises :

1. Chairman: Hon. Judge of a High Court
2. Audit member: Senior partner from Reputed Audit firm
3. Convenor: Legal person
4. Other independent members (2 or 3) from the field of Academic, admin & financial background.


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Terms of reference

1. The committee shall consider the fees structure prepared by the University and if it is satisfied that the proposed fees is as per the provisions of UGC (Institutions of Eminence Deemed to be Universities) Regulations 2017.
2. The Committee shall recommend Tuition Fees payable by students for all the courses of studies being conducted in the Institutions of MAHE. The Fees payable by NRI students may be specified, separately, for all the courses.
3. In making its recommendations, the Committee shall consider all relevant inputs such as cost of education, recurring and nonrecurring expenditure, a reasonable return on the capital investment, requirements for modernization and upgradation of standards in the Institutions as also for promotion of Research and Development etc.
4. No Capitation Fees is to be charged in any form for any of the courses for admission of students.
5. The recommendation of the Committee will be valid for a period of 3 years, from the academic year
6. The Vice Chancellor and the Director Finance shall work out the unit cost of education under each of the disciplines in the University, taking into account the various inputs, non-recurring and recurring, maintenance of Hospitals in respect of medical courses, and to ensure the highest possible standards of instruction in different courses / disciplines / institutions.
7. The Director Finance, MAHE shall also furnish the necessary supporting statements such as audited statement of expenditure and receipts and also certificate of correctness from the Statutory Auditors in respect of un-audited figures.
8. The recommendation of the Fee Fixation Committee shall be considered by the Board of Management and the Board of Management shall prescribe the Tuition Fees not more than the fee recommended by the Committee and other charges to be collected for courses of studies from various categories of students admitted to the various Programmes under the University.
9. The Committee shall hold its meetings at a place and time convenient to them either physically or thorough virtual mode. However, at least one meeting shall be held at Manipal and other campuses but considering the travel restrictions (if any), the Committee may take a final call on the visit and physical meetings.
10. The Committee shall submit its report at the earliest.
11. Legal Consultant, will act as the convener of this Committee.
12. The remuneration / sitting fees and other facilities to be provided for all the Members and Convener by MAHE.