

**HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**MONDAY, THE TWENTY SECOND DAY OF JUNE
TWO THOUSAND AND TWENTY SIX**

:PRESENT:

THE HONOURABLE SMT JUSTICE JUVVADI SRIDEVI

I.A.No. 1 OF 2026

IN

WP NO: 18726 OF 2026

Between

1. St Pauls Education Society, Registration No. 2967/ 1991 16-1-486/D/1, Saidabad, Hyderabad - 59 Represented by its Chairman Sri K Sudhir S/o K Kishtaiah.
2. St. Pauls College of Pharmacy, Rep. by its Correspondent Mr K Sudhir S/o K Kishtaiah.

...Petitioners

(Petitioner in WP NO: 18726 OF 2026
on the file of High Court)

AND

1. THE STATE OF TELANGANA, rep. by its Secretary, Higher Education Department, Secretariat Buildings, Hyderabad
2. The Telangana Admission, and Fee Regulatory Committee (TAFRC), rep. by its Member Secretary bid Floor. J.N.A. and ab TaokBrilmind - 500 028.
3. Telangana State Council of Higher Education, (TSCHE), rep. by its Secretary, 1st Floor, J.N.A. and F.A.U. Campus, Opp. Mahaveer Hospital, Mahaveer Marg, Masab Tank, Hyderabad - 500 028.
4. Osmania University (OU),, rep. by its Registrar, Tarnaka, Hyderabad.
5. Convenor,, TGCETS / TGEAPCET. Sankethika Vidya Bhavan, Masab Tank, Hyderabad - 500 028.

...Respondents

(Respondents in-do-)

**Counsel for the Petitioner: Mr. S.Sriram, learned Senior Counsel
representing Mr. Vinay Krishna Kodali**

Counsel for the Respondent: GP FOR HIGHER EDUCATION

Petition under Section 151 of C.P.C praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to permit the Petitioner No.2 Institution to collect the fee of Rs 1,10,000/- for B.Pharmacy course, Rs.1,30,000/- per student per annum for the Pharm.D course and Rs.1,30,000/- per student per annum for the Pharm.D (PB) course as proposed by the Petitioner No 2 Institution, as otherwise the Petitioners would suffer grave and

irreparable loss, pending disposal of WP No 18726 of 2026, on the file of the High Court.

The petition coming on for hearing, upon perusing the Petition and the affidavit filed in support thereof and upon hearing the arguments of the above mentioned counsel,

The court while directing issue of notice to the Respondents herein to show cause as to why this application should not be complied with, made the following order. (The receipt of this order will be deemed to be the receipt of notice in the case);

ORDER:

Heard Mr. S.Sriram, learned Senior Counsel representing Mr. Vinay Krishna Kodali, learned counsel for the petitioners and Mr. G.Chandra Shekar Reddy, learned Standing Counsel for TAFRC.

Learned Senior Counsel appearing for the petitioners submits that the petitioner-institution is PCI-approved and affiliated educational institution in the State of Telangana imparting pharmaceutical education. For the block period 2025-28, the petitioner-institution proposed a fee of Rs.1,10,000/- for B.Pharmacy course, Rs.1,30,000/- for Pharma-D course and Rs.1,30,000/- for Pharma-D PB course. After considering the proposals and conducting personal hearing on 18.03.2025, initially the TAFRC determined/approved higher fee structures of Rs.1,10,000/- for B.Pharmacy course, Rs.1,30,000/- for Pharma-D course and Rs.1,30,000/- for Pharma-D PB course. However, without issuing any further notice or affording an opportunity of personal hearing, the Government issued G.O.Ms.Nos.9 and 10, dated 04.03.2026 substantially reducing the fees to Rs.81,000/- for B.Pharmacy course, Rs.1,08,000/- for Pharma-D course and Rs.1,08,000/- for Pharma-D PB course.

Learned Senior Counsel further submits that contrary to the recommendations, fees was reduced by TAFRC to Rs.81,000/- for B.Pharmacy course, Rs.1,08,000/- for Pharma-D course and Rs.1,08,000/- for Pharma-D PB course, which is arbitrary, illegal and contrary to the statutory scheme. He further submits that the recommendations were made without assigning reasons, without any finding of profiteering or capitation fee and without granting the petitioners any notice or opportunity of hearing, thereby violating the principles of natural justice. He further submits that once the proposals of the petitioner-institution have been scrutinized in accordance with Rule 4 of the Telangana Admission and Fee Regulatory Committee Rules, 2006 (hereinafter referred to as the 'Rules') and after TAFRC satisfied itself that the fees so determined did not involve any element of profiteering or capitation, TAFRC ought to have recommended the said fees to respondent No.1 for the purpose of notification, in terms of Rule 4(v) of the Rules.

Learned Senior Counsel further submits that the TAFRC, without assigning any reasons whatsoever, reduced the furtherance factor that had consistently been applied to the petitioner-institution during the earlier block periods. Several expenditure heads, which are mandatory for maintaining the educational standards prescribed by AICTE, have been disallowed. He further submits that TAFRC is empowered only to identify and eliminate components of a proposed fee structure that reflect profiteering or collection of a capitation fee. It is not authorized to disregard or disallow genuine expenditure that is reasonably incurred and necessary for the administration, maintenance, growth and advancement of the institution.

Learned Senior Counsel further submits that the statement of disallowances contains new heads of expenditure which had never previously been treated as disallowable by TAFRC during earlier block periods. TAFRC also enhanced the disallowances in comparison with the proceedings conducted in February and March, 2025, without issuing any proper notice or assigning valid reasons. He further submits that the student strength considered in the evaluation worksheets includes lateral entry admissions for the block period in a manner contrary to the actual sanctioned intake and actual lateral entry admissions of the institutions, which has a direct and substantial bearing on the fee fixation exercise, as it artificially reduces the per student expenditure by spreading the legitimate expenditure of the institutions over a larger number of students than those actually admitted.

Learned Senior Counsel further submits that the errors are apparent on the face of the record. He further submits that every private unaided educational institution must have the freedom to fix its own fee structure after taking into account the need to generate funds for running the institution and providing facilities necessary for the benefit of the students. In fact, the institutions are also empowered to collect surplus which can be used for the betterment and growth of the institutions.

In support of his contentions, learned Senior Counsel relied on the judgment of the erstwhile High Court of Andhra Pradesh in *Consortium of Engineering Colleges Managements Association (CECMA), Hyderabad and others v. Government of Andhra Pradesh and others* [2011 SCC OnLine AP 924] and drawn attention of this Court to paragraph No.147, wherein, it was held as follows:

"147. In the light of the principles evolving from TMA Pai Foundation's case (supra), to PA Inamdar's case (supra) and to sustain the provisions of Section 7 and Rule 4, we consider it appropriate to read down these provisions; (i) as enabling the AFRC to consider institution-specific fee proposals, course-wise on the bases of the parameters indicated in clauses (a) to (e) and (g) of sub-rule (iv) of Rule 4; (ii) to analyze fee

proposals to verify whether they incorporate or camouflage any profiteering or capitation fee; and (iii) to approve, modify or alter the fee structure proposed by each institution, only for the purpose of excising pro tanto any element of profiteering or capitation fee. If fee proposals of an institution, duly substantiated by relevant date, audited accounts and balance-sheets, do not incorporate elements of profiteering or capitation fee (on analyses of the proposals within the contours of the guidelines in Rule 4), the AFRC must accept the same. The AFRC cannot transgress the law declared in TMA Pai Foundation's case (supra), Islamic Academy of Education's case (supra) and PA Inamdar's case (supra), (that every institution enjoys the operational autonomy to devise its own fee structure) by resorting to a misconceived mission, of formulating a common fee structure for private unaided educational institutions."

Learned Senior Counsel further submits that the action of the TAFRC is contrary and violative to the principles laid down by the Hon'ble Supreme Court in the aforesaid judgments. He further submits that if the fee structure fixed by the TAFRC under G.O.Ms.Nos.9 and 10, dated 04.03.2026 i.e., Rs.81,000/- for B.Pharmacy course, Rs.1,08,000/- for Pharma-D course and Rs.1,08,000/- for Pharma-D PB course, is continued throughout the block period from A.Y. 2025-26 to A.Y. 2027-28, the petitioners would incur a deficit and by the end of the said block period, the petitioners would be in a negative financial position. He further submits that the counselling process has already commenced.

Learned Senior Counsel further submits that in a batch of similar matters challenging the reduction of fees pursuant to the recommendations of TAFRC and the consequential issuance of G.O.Ms.No.6, dated 04.03.2026, this Court had remanded the matters to TAFRC for fresh consideration, after affording an opportunity of hearing to the institutions concerned. However, TAFRC, issued letters, dated 16.06.2026, in a summary manner informing the concerned institutions that the fee structure notified under G.O.Ms.No.6, dated 04.03.2026 holds good within one day of hearing, without duly considering the objections raised by the petitioners. He further submits that even if the present matters are remanded to TAFRC for fresh consideration, no effective relief would ensue as the fee structure is likely to remain unchanged.

Hence, learned Senior Counsel prayed this Court to permit the petitioners-institutions to collect the fee fixed for the previous block period i.e., A.Y. 2022-23 to 2024-25 i.e., Rs.75,000/- for B.Pharmacy course, Rs.1,00,000/- for Pharma-D course and Rs.1,00,000/- for Pharma-D PB course, for the A.Y. 2026-27, pending disposal of the present writ petition and further requested this Court to direct the Convener, TGEAPCET, to display in the official website that the fees may be increased to Rs.1,10,000/- for B.Pharmacy course, Rs.1,30,000/- for Pharma-D course and Rs.1,30,000/- for Pharma-D PB course, which was tentatively arrived at by the TAFRC at the time of personal hearing

conducted on 18.03.2025, subject to the result of the present writ petition and communicate the same to prospective students seeking admission into the petitioners-institutions, clearly indicating that the fees may be increased to Rs.1,10,000/- for B.Pharmacy course, Rs.1,30,000/- for Pharma-D course and Rs.1,30,000/- for Pharma-D PB course, which was tentatively arrived at by the TAFRC at the time of personal hearing conducted on 18.03.2025, subject to the result of the present writ petition.

On the other hand, learned Standing Counsel for TAFRC opposed for the grant of any interim relief to the petitioner-institution.

Having regard to the submissions made by the learned Senior Counsel appearing for the petitioners, in view of the law laid down by the erstwhile High Court of Andhra Pradesh in the aforesaid judgment and considering the fact that the counselling process has already commenced and even if the matters are remanded to TAFRC for fresh consideration, no effective relief would ensue as the fee structure is likely to remain unchanged, therefore, as an interim measure, this Court is inclined to issue the following directions:

(i) The petitioners-institutions are permitted to collect the fee fixed for the previous block period A.Y. 2022-23 to 2024-25 i.e., Rs.75,000/- for B.Pharmacy course, Rs.1,00,000/- for Pharma-D course and Rs.1,00,000/- for Pharma-D PB course, for the A.Y. 2026-27, pending disposal of the present writ petition.

(ii) The Convener, TGEAPCET, is directed to display in the official website that the fees may be increased to Rs.1,10,000/- for B.Pharmacy course, Rs.1,30,000/- for Pharma-D course and Rs.1,30,000/- for Pharma-D PB course, which was tentatively arrived at by the TAFRC at the time of personal hearing conducted on 18.03.2025, subject to the result of the present writ petition.

(iii) The Convener, TGEAPCET, shall communicate the present interim order to the prospective students seeking admission for the A.Y. 2026-27 into the petitioners-institutions, clearly indicating that the fees payable by the students may be increased to Rs.1,10,000/- for B.Pharmacy course, Rs.1,30,000/- for Pharma-D course and Rs.1,30,000/- for Pharma-D PB course, which was tentatively arrived at by the TAFRC at the time of personal hearing conducted on 18.03.2025, subject to the result of the present writ petition.

//TRUE COPY//

Sd/- T.SRINIVASA REDDY
ASSISTANT REGISTRAR


SECTION OFFICER

To,

1. THE Secretary, Higher Education Department, Secretariat Buildings, STATE OF TELANGANA, Hyderabad
2. The Member Secretary, Telangana Admission, and Fee Regulatory Committee (TAFRC), bid Floor. J.N.A. and ab TaokBrilmind - 500 028.
3. The Secretary, Telangana State Council of Higher Education, (TSCHE), 1st Floor, J.N.A. and F.A.U. Campus, Opp. Mahaveer Hospital, Mahaveer Marg, Masab Tank, Hyderabad - 500 028.
4. The Registrar, Osmania University (OU),, Tarnaka, Hyderabad.
5. Convenor,, TGCETS / TGEAPCET. Sankethika Vidya Bhavan, Masab Tank, Hyderabad - 500 028.

[Addresses 1 to 5 by SPAD]

6. One CC to Sri. VINAY KRISHNA KODALI Advocate [OPUC]
7. Two CCs to GP FOR HIGHER EDUCATION, High Court for the State of Telangana, at Hyderabad [OUT]
8. One spare copy

HIGH COURT

JS, J

DATED: 22-06-2026

**ORDER
I.A.No. 1 OF 2026
IN
WP NO: 18726 OF 2026**

DIRECTION

