

FEE REGULATORY COMMITTEE FOR MEDICAL EDUCATION IN KERALA

HEAD OFFICE:
T.C. 15/1553-4, PRASANTHI BUILDINGS,
M.P. APPAN ROAD,
VAZHUTHACAUD,
THIRUVANANTHAPURAM - 695 014.
PHONE: 0471-2335133
FAX:0471-2335134

CHAIRMAN
JUSTICE R. RAJENDRABABU

MOBILE (OFFICE): +91 8547255133

ERNAKULAM OFFICE:
RAM MOHAN PALACE
OLD HIGH COURT BUILDING
ERNAKULAM - 682 031
PHONE/FAX : 0484 2394311.

E-MAIL: justicerajendrababucommittee@gmail.com

FRC 50/21/MBBS/DRSMCSIMC

MBBS Admission 2021-22- Regulation of tuition fee, Special fee and other fees in respect of Dr. Somervell Memorial CSI Medical College, Karakonam, Thiruvananthapuram- Order issued on 10.01.2022

PRESENT

1. Hon'ble Justice Mr R Rajendra Babu (Retd) ➤ Chairman
2. Dr. Asha Thomas I A S ➤ Member Secretary
[Additional Chief Secretary, H&FWD]
3. Sri. S Suresh Babu ➤ Member
[Chartered Accountant]
4. Sri. P P Gopi ➤ Member
[Subject Expert]

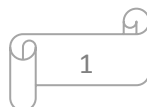
READ

1. Lr. No. FRC 50/21/PG/UG/Medical/Dental/SFMDCK dated 16.09.2021 issued by the FRC
2. Lr. No. 4353/Acd.1/2021/MHK dated 22.09.2021 from the Principal, Dr. Somervell Memorial CSI Medical College, Karakonam
3. Lr. No. FRC 50/21/MBBS/DRSMCSIMC dated 02.12.2021 issued by the FRC
4. Hearing of the representatives of Dr. Somervell Memorial CSI Medical College held by the FRC dated 08.12.2021
5. Lr. No. Nil. Dated 13.12.2021 from the Principal, Dr. Somervell Memorial CSI Medical College, Karakonam

ORDER

1. The Dr. Somervell Memorial CSI Medical College and Hospital, Karakonam, Thiruvananthapuram, in short the Medical College, run by the South

RR



Kerala Medical Mission, is having an intake strength of 150 candidates for the academic year 2021-22.

2. The Hon'ble Supreme Court as well as the High Court in various judgments have pronounced that the Fee Regulatory Committee, herein after referred as the Committee, was empowered to regulate the tuition fee in respect of Self Financing Colleges before the commencement of each academic year for professional courses. The Hon'ble Courts have also directed the Self Financing Colleges to submit their fee proposal along with the supporting documents within the prescribed time, as mentioned by the Hon'ble Court, before the Committee for the regulation of the tuition fee. The Committee shall examine the fee proposal and the documents submitted by the Colleges and eliminate the profiteering and exploitative elements in the proposal and to regulate a reasonable fee for the Colleges.
3. In view of the above directions of the Hon'ble Courts, the Committee regulated the tuition fee from the academic years 2017-18 to 2019-20 in respect of all the Self Financing Medical Colleges, including Dr. Somervell Medical College also. The tuition fees fixed by this Committee in respect of the Medical College from the academic years 2017-18 to 2019-20 have been challenged before the Hon'ble High Court by various writ petitions and through common judgement dated 19.05.2020, the Hon'ble Court set aside the orders passed by the Committee and directed the Committee to regulate the tuition fee specifying certain fresh guidelines.
4. The above Court order was challenged by the State of Kerala before the Hon'ble Supreme Court in SLP (C) No. 9847- 9857/2020 & connected cases. In the petition seeking stay of the implementation of the above order passed by the Hon'ble High Court, the Hon'ble Supreme Court passed the following interim order

“In the meantime, if the Fee Regulatory Committee submits any report after remand, the same shall not be implemented.”

5. In the meanwhile Lock-down was declared due to the COVID spread all over the country and the process of admission for the academic year 2020-21 was extended to January 2021 due to the pandemic situation and the priority was given to regulate the tuition fee for the academic year 2020-21, as the MBBS admission procedure was started at the end of the year. Hence, the committee primarily considered the regulation of tuition fee for the academic year 2020-21. Accordingly, the Committee through a common order dated 04.11.2021 has regulated the tuition fee in respect of all Self-financing medical colleges for the academic year 2020-21.
6. Thereafter, the Hon'ble Supreme Court by judgment dated 25.02.2021 in Civil Appeal No. 617 of 2021 has directed the Committee to expeditiously reconsider the fee proposals of the Private self-financing Medical colleges for fee fixation from 2017-18 onwards. The Hon'ble Court has also directed the managements to furnish any information that is required for the purpose of arriving at a decision that the fee proposed by the managements is neither excessive nor exploitative nature. The Hon'ble Court further directed the committee that a reasonable opportunity should be given to the managements of private self-financing colleges to substantiate their proposal for fee fixation and the entire exercise shall be completed within a period of three months from the date of the order.
7. In pursuance to the above direction, the Committee has reconsidered the fee proposal submitted by all the Medical Colleges in Kerala and the entire

process was completed by the Committee on 22.11.2021, within the extended time allowed by the Hon'ble Apex Court.

8. While the Committee has been working on the reconsideration of fee proposal from the academic years 2017-18 to 2020-21, the fee regulation for the academic year 2021-22 was also due. The Committee held a meeting on 08.09.2021 and has decided to commence the process of fee regulation for the academic year 2021-22, also. The Committee has observed that CSI Medical College has failed to submit the fee proposal along with the required supporting documents before the Committee, as per the Hon'ble High Court direction in **2017 (4) KLT 809**. Therefore, the Committee decided to call for the relevant documents along with the fee proposal from the Self Financing Medical Colleges to regulate the tuition fee for the academic year 2021-22.
9. Accordingly, the Committee through communication dated 16.09.2021 has directed the Medical College to submit two copies of the relevant documents, as mentioned in the communication, before the Committee along with the fee proposal on or before 22.09.2021 for regulating the tuition fee for the academic year 2021-22.
10. In compliance of the above direction, the Principal of the Medical College through communication dated 22.09.2021, has submitted documents for regulation of the tuition fee in respect of MBBS Course for the academic year 2021-22.
11. On a preliminary verification of the documents submitted by the Medical College, it was found that documents submitted were not sufficient for the fee regulation and, hence the Committee decided to give an opportunity to hear the medical college in connection with the regulation of tuition fee for

the academic year 2021-22. Accordingly, through communication dated 02.12.2021, the Principal of the Medical College was requested to depute a competent person to attend the hearing held on 08.12.2021 through Google Meet.

12. In compliance of the above direction, the following representatives of the Medical College were present in the hearing.

SL NO	NAME OF THE REPRESENTATIVE	DESIGNATION
1.	DR. ANUSHA MERLINE	PRINCIPAL
2.	DR. BENNET ABRAHAM	DIRECTOR
3.	SRI. C.A DANIEL MOBESH	AUDITOR

13. The representatives, who attended the hearing, have submitted that the Medical College has proposed Rs.12 lakhs for 85 % seats and Rs. 25 Lakhs for NRI seats. They have also submitted that the average cost per student comes to Rs.8,03,000/- which they have arrived by applying the inflation rate above the audited figures of 2019-2020 .
14. The Committee observe that the Medical College has demanded about 100% hike from the present fee structure, which is unreasonably projected. Therefore, the Committee directed the representatives to submit the detailed statement of fee calculation with justification for the unreasonable hike in tuition fee demanded. The representatives have agreed to submit the same within in two days.
15. In pursuance of the above submission by the representatives, the Principal of the Medical College has submitted a representation before the Committee on 13.12.2021, in which they have stated the modus operandi adopted by

the medical college for submitting the fee proposal for the academic year 2021-22. As per this, the medical college has arrived at and submitted a tuition fee based on the audited accounts of 2019-20, the said accounts ought to have been submitted by the medical college before the committee and considered by the committee for the tuition fee regulation of the academic year 2020-21 as per the directions of the Hon'ble Supreme Court. It is pertinent to note that the Hon'ble apex court in its judgment dated 25.02.2021 directed all the colleges to extend cooperation in the fee regulation by providing all relevant documents as called for by the committee for the purpose, in the due time. But irrespective of the repeated request by communication from the committee and even during hearing, the medical college had not submitted any of such audited documents for the reconsideration of tuition fee for the academic years 2017-18 onwards, which were completed and orders issued by FRC, only recently, on 22-11-2021.

16. The committee had already regulated and fixed the tuition fee for the academic years up to 2020-21 after considering all the relevant financial, accounting, other economic indicators and explanation given by the management on various occasions.
17. Thus, the committee had fixed the tuition fee for the immediate previous academic year 2020-21 on 11.11.2021 at Rs.6,55,000/-and special fee Rs.1,04,561/- for five years, aggregating to Rs.7,59,561/- per annum per student.
18. While fixing the above fee, the committee had already given emphasis to all the financial and accounting factors, economic indicators and all such other relevant arguments of the medical college on the basis of records , the various factors to be considered as per the Sec 11 of Act 15 of 2017 and the directions and guidelines issued by Hon'ble Apex Court through various

judgments, and also on the basis of the documents related to the period up to 31-03-2020 submitted by the medical college before the Committee.

19. Now the endeavour before FRC is to regulate & fix the tuition fee of the academic year 2021-22, on the basis of the audited accounts of 2020-21 by deleting the profiteering, unreasonable, exploitative items and capitation fee and to fix a reasonable fee structure with the aid of necessary supporting documents/evidences. Therefore, the medical college is duty bound to submit the audited financial statement with proper classification and presentation of income, expenditure, assets& liabilities by disclosing its nature , identity and absolute expenditure /investment incurred for arriving at a reasonable fee structure , but the same was not submitted by the medical college within a reasonable time enabling the committee to regulate the tuition fee. Even the medical college has not submitted a provisional financial statements in lieu of audited statements which reflects the true and fair financial position as on 31-03-2021 as near to as the actuals with reasonableness.
20. Since the committee had already regulated and fixed the tuition fee of the previous academic year 2020-21 on 11.11.2021, what is before the committee is to examine and consider how much increase that can be given from the existing level of tuition fee, after considering the various financial, accounting and other aspects submitted by the medical college.
21. During the course of hearing, the college representatives, stated, orally that the management has been anticipating additional expenditure on account of capital expenditure and operating expenditure as contemplated by the amended regulations of the National Medical Council, but the medical college has not submitted any financial /accounting information about the total additional financial outlay due to it and how much expenditure the

medical college have incurred so far for this purpose.

22. The Committee is of the view that such expenditures can be considered only when the same is reflected in the books of accounts. Moreover, the management have not submitted the financial plan for the additional investment in the form of a detailed financial report in support of the amended norms of NMC stating the year-wise anticipated investment and actual investment done so far in support of approved plans and projects. The tuition fee proposal submitted by the medical college, therefore, lacks material clarity and reliability. Hence the same is found to be exaggerated.
23. The committee also, observe that the medical college has not submitted all the required actual financial and accounting data of the relevant period for the fee regulation. Though in the letter to FRC dated 22.09.2021, the medical college has stated that audit report of 2020-21, is under process and is expected to be completed within a week and the same will be submitted soon, the medical college has not produced the same even after three months have lapsed.
24. As the MBBS admission procedures for the academic year 2021-22 has already been commenced, the committee cannot wait for more time, other than to regulate the tuition fee on the basis of the material and information available before it.
25. Accordingly, committee has decided to proceed and complete the fee regulation basing on the tuition fee for the preceding academic year 2020-21 which comes to Rs.6,55,000/- per student per annum.
26. The consideration before the committee was how much increase in tuition fee can be allowed to the medical college for the academic year -2021-22. The committee has considered the following factors for allowing a

reasonable increase, in the absence of actual audited figures, specific plans & evidences on additional actual expenditure incurred, so far, to the medical college, due to amended regulations of NMC.

- (a) The economic crisis being faced by the medical college management in the circumstances of adverse impact of Covid 19 pandemic.
- (b) The uncertainty and anticipated price variations prevailing in the current economy, generally.
- (c) The argument of the medical college that it has been incurring additional expenditure on capital and revenue due to the amended provisions by NMC.
- (d) Even if the medical college have not submitted any actual figures of investment in capital expenditure and operating expenditure, due to NMC amendments, the committee reached to a conclusion that the management of the medical college might have incurred certain amount of operating expenditure for the academic year 2021-22, as the amendments have come in to existence from the academic year 2021-22.
- (e) Adverse impact of Covid19 in the economy prevailing in the society, at large which has been affecting the students & parents.
- (f) The fact that the college has been allowed to collect the special fee and hostel fee, separately which is also taken into consideration as part of fee.
- (g) The latest available specific combined inflation rate as applicable to the state of Kerala which is 3.86%.

(h) The medical college has already attained saturation over a period of 21 years of establishment.

27. After considering all the above factors, the Committee have unanimously decided to give an overall enhancement of the tuition fee @ 6% on the tuition fee fixed for the academic year 2020-21.

28. The 6 % increase, thus, allowed by FRC will suffice the demand for increase in fee by the medical college by ensuring social justice

On the basis of the rate of increase allowed, tuition fee has been calculated as follows:

SL NO	PARTICULARS	AMOUNT (RS)
01	TUITION FEE FOR THE ACADEMIC YEAR 2020-21	6,55,500
02	ADD 6% INCREASE AS DISCUSSED ABOVE	39,330
03	TOTAL TUITION FEE FOR THE ACADEMIC YEAR 2021-22	6,94,830

29. In view of the above, the Committee here by fix the tuition fee at an amount of Rs. 6,94,830/- in respect of Dr. Somervell Memorial CSI Medical College, Karakonam, Thiruvananthapuram, for the 85% seats during the academic year 2021-22. The Committee also decide that no increase of special fee, hostel fee and NRI fee need be allowed during this academic year 2021-22. The details of tuition fee and other fees are given hereunder.

**DR. SOMERVELL MEMORIAL CSI MEDICAL COLLEGE,
KARAKONAM, THIRUVANANTHAPURAM**

TUITION FEE & OTHER FEES DETAILS FOR THE ACADEMIC YEAR 2021-22

SL NO	PARTICULARS	AMOUNT (Rs)
1.	TUITION FEE FOR 85% SEATS	6,94,830
2.	TUITION FEE FOR 15 % NRI SEATS	20,00,000
3.	SPECIAL FEE FOR THE 1 ST YEAR	60,141
4.	SPECIAL FEE FOR THE REMAINING YEARS [2 ND , 3 RD , 4 TH & 5 TH]	44,420
5.	HOSTEL FEE FOR 1 ST YEAR	65,300
6.	HOSTEL FEE FOR THE REMAINING YEARS [2 ND , 3 RD , 4 TH & 5 TH]	59,800

30. The Principal of the Dr. Somervell Memorial CSI Medical College, Karakonam, Thiruvananthapuram, is hereby permitted to collect the aforesaid amount only from the MBBS candidates for the academic year 2021-22.

31. Email this copy of the order to the Government of Kerala and the Principal of the Dr. Somervell Memorial CSI Medical College, Karakonam, Thiruvananthapuram. The Government of Kerala shall notify the fee structure in respect of Dr. Somervell Memorial CSI Medical College, Karakonam, Thiruvananthapuram for the academic year 2021-22, as per the section 9 (2) of Act 15 of 2017.

Dated on this the 10th day of January 2022

**Sd/-
CHAIRMAN**