

# **FEE REGULATORY COMMITTEE FOR MEDICAL EDUCATION IN KERALA**

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## **FRC 50/21/MBBS/MES**

MBBS Admission 2021-22- Regulation of tuition fee, Special fee and other fees  
in respect of MES Medical College, Perinthalmanna- Order issued on 19.01.2022

### **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. DNO/Academic/FRC/Fee-Proposal 21/42/20/MESMC dated 17.12.2021 & 05.02.2021 from the Principal, MES Medical College, Perinthalmanna.
3. Lr. No. Nil dated 30.09.2021 from the Principal, MES Medical College, Perinthalmanna.
4. Lr. No. FRC 50/21/MBBS/MES dated 02.12.2021 issued by the FRC
5. Hearing of the representatives of MES Medical College, Perinthalmanna, held by the FRC dated 09.12.2021
6. Lr. No. DNO/Letter/54/2021-22/MESMC Dated 23.12.2021 from the Principal, MES Medical College, Perinthalmanna.

## ORDER

1. The MES Medical College, Perinthalmanna, in short the Medical College, run by the Muslim Educational Society, 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 has to 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. The Principal of the Medical College through communications dated 17.12.2021 & 05.02.2021 have submitted the fee proposal before the Committee for regulation of tuition fee for the academic year 2021-22. The preliminary scrutiny of the submission made by the Medical College and found that the Medical College has proposed an amount of Rs. 10,48,000/- for 85% and 23,69,000/- for 15% seats for the academic year 2021-22. The Medical College has only submitted the audited balance sheet for the financial year 2019-20 for regulating the tuition fee for the academic year 2021-22.
3. At the same time, 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 MES Medical College also from the academic

years 2017-18 to 2019-20 have been challenged before the Hon'ble High Court on 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 also observed that MES Medical College has failed to submit the fee proposal along with the required supporting documents before the Committee in time, as per the Hon'ble High Court direction in **2017 (4) KLT 809** and submitted documents are not relevant to the regulation of tuition fee for the academic year 2021-22. 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, to submit 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 30.09.2021, has submitted documents for regulation of the tuition fee in respect of MBBS Course for the academic year 2021-22.
11. After scrutiny of the documents submitted by the medical college, it is found that the management of the medical college proposed an amount of Rs. 10,48,000/- for 85% seats and Rs. 23,69,000/-for NRI quota seats for the academic year 2021-22. The Committee has also observed that the fee proposed by the Medical College is unreasonably projected one when compared to previous year's fee fixed by Committee. Therefore, the Committee decided to give an opportunity of hearing 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 09.12.2021 through Google Meet.
12. In compliance of the above direction, Sri. Paulson Jose, Administrative Officer (Finance) was present on behalf of the MES Medical College, Perinthalmanna
13. During the hearing, The representative of the Medical College has submitted that the Medical College has proposed an amount of Rs. 10,48,000/- for 85% Management seats and Rs. 23,69,000/- for 15% NRI seats for the academic year 2021-22. The representative of the Medical College has also submitted that audited statement for the financial year 2020-21 is under process and shall present the same at the earliest before the Committee. But, the same has not been produced so far.

14. The Medical College representative has further submitted that considering the present requirements prescribed by the NMC guidelines they are anticipating additional expenditure, hence requested for an increase from the existing tuition fee.
15. The Committee heard the grievances of the Medical College and directed to submit a detailed written statement justifying the expenditure, as expeditiously as possible, regarding the requirement as prescribed by the National Medical Council so as to take a final decision for regulating the tuition fee for the academic year 2021-22 since the committee has to finalise the work within short span of time.
16. In pursuance of the above direction, the Principal of the Medical College has submitted a copy of the new NMC guidelines on 23.12.2021. But, they have not submitted the fee proposal, as directed by the committee, justifying the increase demanded worked out on the basis of new NMC guidelines. The institutions' representative was totally unaware of the amount they have invested additionally so far and what should be the total amount pending to be spent, as per new guidelines.
17. The management of the medical college ought to have come forward with a specific financial program/plan supported by technical report on the additional requirements of NMC before FRC and the same shall be clearly worked out and incorporated in the fee proposal in a verifiable manner. But the management is not sure on the total investment required and so far spent rather it has been resorting to presumptions and speculation .This approach of the management is not supportive to the fee regulation.

18. The Committee informed the representative that it has to evaluate the proposals of other medical colleges also, on this count before taking a decision. The Committee also opined to the representatives that the requirements as put forward in the hearing verbally, the actual effect of which will be reflected only in the next years' account and the College will get the benefit of such expenditure in the subsequent year's fees fixation.
19. The endeavour before the Committee 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.
20. The committee also observe that the medical college has not submitted all the required actual audited financial and accounting data of the relevant period for the fee regulation. But the representatives submitted that they will present the same at the earliest.
21. As the MBBS admission procedures for the academic year 2021-22 has already been commenced, the committee cannot wait for more time, but to regulate the tuition fee on the basis of the material and information available before it.
22. Accordingly, committee has decided to proceed and complete the fee regulation based on the tuition fee for the preceding academic year 2020-21



which comes to Rs.6,55,500/- per student per annum , which was fixed by FRC , after considering all the relevant financial, accounting, other economic indicators and explanation given by the management on various occasions.

23. Thus, the committee had fixed the tuition fee for the immediate previous academic year 2020-21 on 19.11.2021 at Rs.6,55,500/-and special fee Rs.7,00,06/- for five years, aggregating to Rs.7,25,506/- per student and also the hostel fee.
24. 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.
25. Since the committee had already regulated and fixed the tuition fee of the previous academic year 2020-21 on 19.11.2021, 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.
26. 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.6,55,500/- per student per annum.
27. 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 the new 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 new provisions by NMC.
- (d) Even though 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 force 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 18 years of establishment.

29. 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. The 6 % increase, thus, allowed by FRC will suffice the demand for increase in fee by the medical

college by ensuring social justice.

30. The fee calculation after allowing 6 % increase is worked out below:

<b>SL NO</b>	<b>PARTICULARS</b>	<b>AMOUNT (RS)</b>
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

31. In view of the above, the Committee here by fix the tuition fee at an amount of Rs. 6,94,830/- in respect of MES Medical College, Perinthalmanna, 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.

<b>MES MEDICAL COLLEGE, PERINTHALMANNA</b>		
<b>MALAPPURAM</b>		
<b>TUITION FEE &amp; OTHER FEES DETAILS FOR THE ACADEMIC YEAR 2021-22</b>		
<b>SL NO</b>	<b>PARTICULARS</b>	<b>AMOUNT (Rs)</b>
1.	TUITION FEE FOR 85% SEATS	6,94,830
2.	TUITION FEE FOR 15% SEATS	20,00,000
3.	SPECIAL FEE FOR THE 1 <sup>ST</sup> YEAR	70,006
4.	SPECIAL FEE FOR THE REMAINING YEARS [2 <sup>ND</sup> , 3 <sup>RD</sup> , 4 <sup>TH</sup> & 5 <sup>TH</sup> ]	36,981
5.	HOSTEL FEE FOR 1 <sup>ST</sup> YEAR	95,520
6.	HOSTEL FEE FOR THE REMAINING YEARS [2 <sup>ND</sup> , 3 <sup>RD</sup> , 4 <sup>TH</sup> & 5 <sup>TH</sup> ]	90,020

32. The Principal of the MES Medical College, Perinthalmanna, is hereby permitted to collect the aforesaid amount only from the MBBS candidates for

the academic year 2021-22.

33. Email this copy of the order to the Government of Kerala and the Principal of the MES Medical College, Perinthalmanna. The Government of Kerala shall notify the fee structure in respect MES Medical College, Perinthalmanna, for the academic year 2021-22, as per the section 9 (2) of Act 15 of 2017.

Dated on this the 19<sup>th</sup> day of January 2022

**Sd/-  
CHAIRMAN**

