FEE REGULATORY COMMITTEE FOR MEDICAL EDUCATION IN KERALA

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FRC 50/21/MBBS/PIMS

MBBS Admission 2021-22- Regulation of Tuition Fee, Special fee and other fees in respect of Pushpagiri Institute of Medical Sciences, Thiruvalla- Order issued on 22.02.2022

PRESENT

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

➤ Chairman

- ≻ Member
- Secretary
- > Member
- > Member

READ

- **1.** Lr.No. FRC-PMS/002/2021-22 dated 17.11.2020 from the Principal, Pushpagiri Institute of Medical Sciences, Thiruvalla, received in this office on 23.11.2020.
- **2.** Lr.No. PIMSRC/Dir.(A&R)/MBBS/1297/MBBS-2021-22/'21 dated 28.07.2021 from the Director of the Pushpagiri Institute of Medical Sciences, Thiruvalla.
- Lr.No. PIMSRC/Dir.-PIMSRC/1296(A-2)/MBBS-2021-22/'21 dated 12.08.2021 from the Director of Pushpagiri Institute of Medical Sciences and Research, Thiruvalla.
- **4.** Communication No. FRC 50/21/PG/UG/MEDICAL/DENTAL/ SFMDCK dated 16.09.2021 issued by the FRC.
- **5.** Lr. No. Nil dated 22.09.2021 from the Director, Pushpagiri Institute of Medical Sciences, Thiruvalla
- 6.
- **7.** Communication No. FRC 50/21/MBBS/PIMS dated 03.11.2021 issued by the FRC.
- 8. Lr.No. PIMSRC/Dir-PIMSRC/1342/Fe-MBBS-2021-22/'21 dated 08.11.2021 from the Director, Pushpagiri Institute of Medical Sciences, Thiruvalla
- 9. Communication No. FRC 50/21/MBBS/PIMS dated 02.12.2021



issued by the FRC.

10. Hearing of the FRC with the representatives of the Pushpagiri Institute of Medical Sciences, Thiruvalla held on 10.12.2021

<u>ORDER</u>

- The Principal, Pushpagiri Institute of Medical Sciences, Thiruvalla, in short the Medical College, through communication dated 17.11.2020, has submitted the audited balance sheets for the financial statements of 2017-18 & 2018-19 along with the calculation of fee structure before the Fee Regulatory Committee for Medical Education in Kerala, herein after referred as the Committee, for regulation of tuition fee for the academic year 2021-22. The Principal of the Medical College has also submitted calculation of fee structure before the Committee, wherein it has proposed an amount of Rs. 12,50,000/- (Rupees Twelve Lakh Fifty Thousand Only) for 85% seats and Rs. 25,00,000/- for 15% NRI quota seats for the academic year 2021-22.
- 2. Simultaneously, 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 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.
- 3. 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."

- 4. 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.
- 5. The priority was 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.
- 6. In view of the above, the committee is constrained to decide to adopt the fee fixed for the academic year 2019-20 as the basis and to give an enhancement of 6.41% on the basis of the CPI, combined inflation rate for July 2020 as announced for the state of Kerala vide Government of India Ministry of Statistics and programme Implementation dated13th august 2020 and to regulate the tuition fee for the academic year 2020-21 on the basis of the interim direction issued by the Hon'ble Apex Court and the consideration of wide spread of COVID-19 pandemic.
- 7. Accordingly, the Committee has passed a common order dated 04.11.2021 for regulating the tuition fee at Rs. 6,55,500/- in respect of the Pushpagiri Institute of Medical Sciences, Thiruvalla for the academic year 2020-21. The Committee has also made it specifically clear that the aforesaid order shall be subject to the final decision of the Hon'ble Supreme court in the pending cases viz. SLP (C) Nos.9659 of 2020 & Connected cases.
- 8. 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 proposals of the Private self-financing 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 selffinancing 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.

9. The Hon'ble Supreme Court has given the guidelines also as to how the fee has to be fixed. The relevant portion of the judgment of the Hon'ble Supreme Court would read

> It need not be reiterated that unaided professional institutions have the autonomy to decide on the fee to be charged, subject to the fee not resulting in profiteering or collection of capitation fee. Regulation of fee is within the domain of the Committee which shall ensure that the fee is non exploitative and reasonable. There is no need to repeat the judgments of this Court, especially P.A. Inamdar & Ors. (supra), which have been copiously referred to by the High Court in the 3 rounds of litigation to indicate the Principles to be followed for fixation of fee in private medical colleges. Suffice it to mention that the Committee shall reconsider the proposals of the managements for fee fixation 2017-18 onwards by taking into account the factors mentioned in Section 11 of the 2017 Act and the law laid down by this Court in Modern Dental College & Research Centre (supra)."

10. In compliance of the above court order, the Committee through communication dated 10.03.2021 has directed the Principal of the Medical College to submit certain specific documents to reconsider the fee proposal for the four academic years before the Committee on or before 19.03.2021 without fail.

- 11. In the meanwhile, the Kerala Christian Professional College Management Federation through communication dated 17.07.2021 has requested the Chairman for an appointment to discuss matters regarding the tuition fee fixation in respect of MBBS Course for the academic years 2017-18 onwards.
- 13. It is also informed that the Fr. Francis Pallikunnath, President of the Association and Mr.Aby George, Finance Manager, Malankara Medical College, will represent the Association. Accordingly, the Chairman has permitted the association to have a discussion through Google Meet on 19.07.2021.
- 14. During the time of discussion, the Association submitted that the Four member Medical colleges of the Federation are willing to accept the Fee fixed by the Committee earlier and no reconsideration is necessary on their fee proposal.
- 15. The Chairman of the Committee has informed them that the matter will be placed before the full quorum Committee, if the member colleges of Association give written request on this behalf, Individually. Accordingly, the Director of the Pushpagiri Institute of Medical Sciences, Thiruvalla, has submitted their written request on 20.07.2021 & 28.07.2021 wherein it is stated that the Medical College is prepared to give up the claim for enhancement of fee from the student during the academic years 2017-18 to 2020-21 in view of the present economic crisis, following the Covid-19 pandemic situation, being faced by the parents of student fraternity and therefore accept what has already been fixed by the Hon'ble Committee.
- 16. Considering the request of the Director of the Medical College, the

committee discussed the matter put forth by the medical college management, elaborately and decided to accept the request of the Medical College to confirm the tuition fee earlier regulated & fixed by the committee in respect of Pushpagiri Institute of Medical Sciences for the academic years from 2017-18 to 2020-21. Accordingly, the Committee issued an order dated 07.10.2021 confirming the tuition fee as already fixed by the Committee for the academic years 2017-18 to 2020-21.

17. In the meanwhile, the Director of the Medical College through communication dated 28.07.2021 has submitted another representation regarding the regulation of tuition fee for the MBBS Course 2021-22, which would read

> "In the light of the present pandemic and the financial difficulties faced by the people at large, we would like to make the following offer

> For admission batch of 2021-22, we will be satisfied if the formula adopted or the last year is adopted this year also. That is, the combined inflation index applicable for the State of Kerala for the relevant month may be considered and corresponding increase may be granted for the 2021-22 batch."

18. On 13.08.2021, the Director of the Medical College has sent another communication stating that, as per the new NMC regulations, new facilities are to be provided in the colleges, which will result in additional expenditure in the form of capital expenditure and increase in recurring expenditure and the proposed increase will not be sufficient to increased expenditure. Hence they requested for hearing them before a final decision is taken.

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- 19. The Committee has also discussed the matter elaborately and decided to consider the same also while regulating the tuition fee for the academic year 2021-22. The Committee has also decided to call for the relevant documents along with the fee proposal to regulate the tuition fee for the academic year 2021-22.
- 20. Accordingly, the Committee through communication dated 16.09.2021 has directed 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.
- 21. In compliance of the above direction, the Director of the Medical College through communication dated 22.09.2021, has submitted the relevant documents as called for by the Committee for regulation of the tuition fee in respect of MBBS Course for the academic year 2021-22.
- 22. After preliminary scrutiny of the documents submitted by the Medical College, the Committee decided to give an opportunity for hearing the Medical College in connection with the regulation of tuition fee for the academic year 2021-22. Accordingly, through communication dated 06.11.2021, the Principal of the Medical College was directed to depute a competent person to attend the hearing held on 10.11.2021 through Google Meet.
- 23. But the Principal of the Medical College through communication dated 08.11.2021 has submitted that they have challenged the power of the Committee to regulate the fees for the academic year 2021-22 at a belated stage, Since a case is pending before the Hon'ble High Court and the same is posted on 23.11.2021 for hearing and also submitted that it is not appropriate for them to attend the hearing before the decision of the



Hon'ble Court in the pending matters. Therefore, the Committee has adjourned the hearing after 23.11.2021.

- 24. Thereafter, the Committee through communication dated 02.12.2021 has requested the principal of the Medical College to attend the hearing on 10.12.2021 through Google Meet in connection with the regulation of tuition fee for MBBS Course for the academic year 2021-22.
- 25. In compliance of the above direction, the following representatives of the Medical College were present on authorisation from the Principal.

SL NO	NAME OF THE REPRESENTATIVE	DESIGNATION
1.	DR. VIKRAM GOWDA	VICE PRINCIPAL
2.	SRI. LIBIN MATHEW	FINANCE MANAGER

- 26. During the hearing, the representatives have submitted that the Medical College has produced their additional recurring and capital expenditure before the Committee through their Association due to the regulated norms prescribed by the National Medical Council for the academic year 2021-22 onwards. Therefore, they have requested the Committee to consider the above expenditure also while considering the regulation of tuition fee and to allow the tuition fee proposed by the Medical College. The representatives of the Medical College have further submitted that the process of the auditing of the financial statement for the financial year 2020-21 is still going on and therefore, they could not submit the same for the time being.
- 27. The Committee informed the representatives of the Medical College that the audited financial statement is an essential document to regulate the tuition fee for the academic year 2021-22. The Committee has also brought



to the notice of the representatives that the Director of the Pushpagiri Institute of the Medical Sciences through communication dated 28.07.2021 submitted a representation before the Committee, where in it is stated that

"In the light of the present pandemic and the financial difficulties faced by the people at large, we would like to make the following offer.

For the admission batch of 2021-22, we will be satisfied if the formula adopted for the last year is adopted this year also. That is, on the basis of the Consumer Price Index (CPI), the combined inflation index applicable for the State of Kerala for the relevant month may be considered and corresponding increase may be granted for the 2021-22 batch."

- 28. The representatives of the Medical College have submitted that they are not aware of the representation made by the Director of the Medical College and the director could not attend the hearing due to some unavoidable circumstances.
- 29. After hearing the representatives, the Committee decided to proceed with the regulation of the tuition fee for the academic year 2021-22. On scrutiny of the documents submitted by the Medical College, it is found that the statement of accounts produced by the Medical College did not disclose any additional expenditure as contemplated by the amended regulations of the National Medical Council claimed by the management before the Committee during the hearing.
- 30. But the Kerala Christian Professional College Management Federation has filed the common additional statements as per the letter dated 17.11.2021 for their member colleges to consider the fee regulation, Pushpagiri Medical College, is one the member colleges in the Federation, which would read as

As the Regulations now stand, every Medical College, from this year onwards, have to engage additional faculty and provide extra infrastructural facilities.

That involves lot of money, both in the form of Capital cost and recurring expenses.

- 31. Though the Association has given the details of the proposed expenditure before the Committee, the committee observe that the above expenditures will be reflecting only in the books of accounts for the financial year 2021-22 and subsequent years. Hence, the return of investments on the above expenditure can be factored only from the next academic year i.e. 2022-23 onwards. Moreover, the whole expenditure following the NMC guidelines cannot be factored on a single batch of students.
- 32. However, the Committee consider the vehement argument of management that they have already incurred certain recurring expenditure following NMC guidelines, but the details of actual expenditure so far incurred by the Medical College is yet to be submitted by the Management before FRC.
- ^{33.} Considering the facts that the Medical College might have met recurring expenditure in pursuance of the guidelines to an extent as per the amended NMC regulation, the Committee decided to give an enhancement of the tuition fee @ 6% on the tuition fee fixed for the academic year 2020-21, which includes the Consumer Price Index 3.86 % as applicable.
- 34. In this context it would be relevant to consider the communication of the three members of Medical Colleges come under federation, where in Pushpagiri Institute of Medical Sciences also a member, dated 01.11.2021 wherein it was claimed

"in these circumstances, we request the Committee to enhance the



Special fee of Rs. 75,000/- (Rupees Seventy Five Thousand Only) per student per year. We would also like to submit that unless we get a consolidated amount of at least Rs. 7,50,000/- (Rupees Seven Lakh and Fifty thousand only) per student as tuition fee and special fee, per year, we will not be in a position to run the college effectively. Even if we get that, the college will suffer a loss of about Rs. 4 Lakhs, per year, per student. We have decided to suffer the same, taking into consideration the financial difficulties of the people at large, because of the Covid Pandemic."

35. The 6 % increase allowed by the FRC will suffice the above demand made by the Medical College as worked out below

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

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

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TUITION FEE & OTHER FEES DETAILS FOR THE ACADEMI				
TUITION FEE & OTHER FEES DETAILS FOR THE ACADEMIC YEAR 2021-2				
SL PARTICULARS	AMOUNT			
NO				
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	72,618
	SPECIAL FEE FOR THE REMAINING YEARS [2ND, 3RD, 4TH &	11,606
	5 th]	
4.	HOSTEL FEE FOR SINGLE ROOM FOR THE 1 ST YEAR	86,600
5.	HOSTEL FEE FOR SINGLE ROOM FOR THE REMAINING	81,600
	YEARS [2 ND , 3 RD , 4 TH & 5 TH]	
6.	HOSTEL FEE FOR DOUBLE ROOM FOR THE 1 ST YEAR	77,600
7.	HOSTEL FEE FOR DOUBLE ROOM FOR THE REMAINING	72,600
	YEARS [2 ND , 3 RD , 4 TH & 5 TH]	

- 37. The Principal of the Pushpagiri Institute of Medical Sciences, Thiruvalla, is hereby permitted to collect the aforesaid amount only from the MBBS candidates for the academic year 2021-22.
- 38. Email this copy of the order to the Government of Kerala and the Principal of the Pushpagiri Institute of Medical Sciences, Thiruvalla. The Government of Kerala shall notify the fee structure in respect of Pushpagiri Institute of Medical Sciences, Thiruvalla for the academic year, as per the section 9 (2) of Act 15 of 2017.

Dated on this the 22nd day of February 2022

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Sd/-CHAIRMAN