

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

CHAIRMAN
JUSTICE R. RAJENDRABABU

MOBILE (OFFICE): +91 8547255133

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

FAX:0471-2335134

E-MAIL:justicerajendrababucommittee@gmail.com

FRC 50/21/MBBS/SUT

MBBS Admission 2021-22- Regulation of tuition fee, Special fee and other fees in respect of SUT Academy of Medical Sciences and Research, Thiruvananthapuram- Order issued on 13.01.2022

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. 204/Sutams/Academy/MBBS/Fees/2021-22 dated 04.10.2021 from the Principal, Sree Uthradom Thirunal Academy of Medical Sciences, Thiruvananthapuram.
3. Lr. No. FRC 50/21/MBBS/SUT dated 03.12.2021 issued by the FRC
4. Hearing of the representatives of Sree Uthradom Thirunal Academy of Medical Sciences, Thiruvananthapuram, held by the FRC dated 16.12.2021
5. Lr. No. 270/SUTAMS/ACADY/FEES/2021 Dated 18.12.2021 from the Principal, Sree Uthradom Thirunal Academy of Medical Sciences, Thiruvananthapuram

ORDER

1. The SUT Academy of Medical Sciences, Thiruvananthapuram, in short the Medical College, run by the Sri Moogambikai Charitable and Educational

RR

Trust, is having an intake strength of 100 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. 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 SUT Academy of Medical Sciences 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 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. After completing the entire process of work relating to the reconsideration of fee proposal from the academic years 2017-18 to 2020-21, the Committee held a meeting on 08.09.2021 and decided to commence the process of fee regulation for the academic year 2021-22. The Committee has also observed that Medical College has failed to submit the fee proposal along with the 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, 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 29.09.2021, has submitted the documents for regulation of the tuition fee in respect of MBBS Course for the academic year 2021-22.
11. After preliminary verification of the documents submitted by the Medical College, it is found that the Medical College has not submitted any fee proposals and necessary supporting documents as directed by the 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 03.12.2021, the Principal of the Medical College was requested to depute a competent person to attend the hearing held on 16.12.2021 through Google Meet.

12. In compliance of the above direction, Smt. Padmini, Special Officer, was present on behalf of the Medical College.
13. During the hearing, the Committee pointed out to the representative of the Medical College that it has not submitted the fee proposal for the academic year 2021-22 before the Committee. It was also mentioned to the representative that the medical college has not submitted the relevant audited financial statements for verification and regulation of fee for the academic year under consideration. The representative of the Medical College submitted before the committee the managements' grievance about the present financial difficulties and further stated that they have filed a statement of facts before FRC as per communication dated 20.09.2021.
14. Committee perused the statement filed on behalf of the management in which they have stated the following facts:
- (i) There was change in management from august 2020.
 - (ii) The transferor management is not handing over the original documents prior to the date of transfer.
 - (iii) The Chartered accountant of previous management is refusing to give the audited balance sheet,
 - (iv) The present management has submitted whatever documents available
 - (v) The present management is in the process of renovating the college & wards.
 - (vi) Considering the pathetic situation of the college, the committee may fix the fee for the academic year 2021-22 in an appropriate way.
15. The representative who attended the hearing submitted that they find it extremely difficult to meet the expenditure with the existing fee, therefore a reasonable increase may be allowed in this academic year.

16. The Committee has directed the representatives to submit the written statement regarding the fee proposal before the Committee expeditiously as possible so as to take a final decision for regulating the tuition fee for the academic year 2021-22 since the admission process has already started and the committee has to finalise the regulatory work within a short span of time.
17. In pursuance of the above direction, the Principal of the Medical College has field a written submission on the proposed tuition fee, special fee, hostel fee & mess fees on 18.12.2021.
18. The committee have examined the above submission. As regards the tuition fee is concerned, medical college has claimed that it has to invest about 6.9 Crores for the infrastructure and additional staff requirements in a phased manner as per the amended regulations of NMC. They further claimed that they had incurred substantial expenditure for the same, hence the tuition fee may be enhanced by at least 30%. Whereas as per the original submission dated 29.09.2021 the increase demanded was only 10%.
19. However, committee observed that the medical college has not submitted any reliable financial documents before FRC for verification of the above claims of the medical college.
20. 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. 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. The claim of difficulties of management in getting the audited financial documents cannot be taken as an excuse for non-submission of relevant documents for the fee regulation. The committee observe a wilful laxity from the side of the present management for collecting all the relevant financial documents from the previous management which shows that proper due diligence was not carried out in the takeover by the present management. In any takeover, as part of due diligence the transferee management is under obligation to obtain all the relevant financial and other statutory documents and title from the transferor in advance and verify the same and keep it in safe custody.

21. The committee also, observe that the medical college has not submitted all the required actual financial and accounting data of the relevant period, 2020-21 for the fee regulation.
22. 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.
23. 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.6,22,800/- 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.
24. Thus, the committee had fixed the tuition fee for the immediate previous academic year 2020-21 on 08.11.2021 at Rs.6,22,800/-and special fee Rs.66,366/- for five years, aggregating to Rs.6,89,166/- per student.

25. Since the committee had already regulated and fixed the tuition fee of the previous academic year 2020-21 on 08.11.2021, 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.6,22,800/- 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 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 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 16 years of establishment.

28. 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, as per the calculation below:

SL NO	PARTICULARS	AMOUNT (RS)
01	TUITION FEE FOR THE ACADEMIC YEAR 2020-21	6,22,800
02	ADD 6% INCREASE AS DISCUSSED ABOVE	37,368
03	TOTAL TUITION FEE FOR THE ACADEMIC YEAR 2021-22	6,61,168

29. In view of the above, the Committee here by fix the tuition fee at an amount of Rs. 6,61,168/- (Rupees Six Lakh Sixty One Thousand and One hundred Sixty Eight Only) in respect of SUT Academy of Medical Sciences, 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.

**SREE UTHRADOM THIRUNAL ACADEMY OF SCIENCES
THIRUVANANTHAPURAM**

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

SL NO	PARTICULARS	AMOUNT (RS)
1.	TUITION FEE FOR 85% SEATS	6,61,168
2.	TUITION FEE FOR 15% SEATS	20,00,000
3.	SPECIAL FEE FOR THE 1 ST YEAR	66,366
4.	SPECIAL FEE FOR THE REMAINING YEARS [2 ND , 3 RD , 4 TH & 5 TH]	48,007
5.	HOSTEL FEE FOR 1 ST YEAR	1,14,200
6.	HOSTEL FEE FOR THE REMAINING YEARS [2 ND , 3 RD , 4 TH & 5 TH]	1,08,700

30. The Principal of the SUT Academy of Medical Sciences, 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 SUT Academy of Medical Sciences, Thiruvananthapuram. The Government of Kerala shall notify the fee structure in respect of SUT Academy of Medical Sciences, Thiruvananthapuram for the academic year 2021-22, as per the section 9 (2) of Act 15 of 2017.

Dated on this the 13th day of January 2022

Sd/-

CHAIRMAN