

**GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA**

STARRED QUESTION NO:130
ANSWERED ON:14.07.2004
FEE IN PRIVATE MEDICAL COLLEGES
Prasad Shri Hari Kewal;Vasava Shri Mansukhbhai D.

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) whether the maximum limit of fee in private medical colleges is being fixed;
- (b) if so, the steps taken so far in this regard;
- (c) the provision being made by the Government to ensure admission of poor students in medical colleges; and
- (d) the details thereof?

Answer

THE MINISTER OF HEALTH AND FAMILY WELFARE (DR. ANBUMANI RAMADOSS)

(a)to(d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 130 FOR 14TH JULY, 2004

The upper limit of fee chargeable from the students in the private Unaided Medical Colleges admitted against the "free" and "payment" category of seats was being determined by the Central Government as per the scheme evolved by the Hon'ble Supreme Court of India in the Unnikrishnan's case. A Constitution Bench of eleven judges of the Hon'ble Supreme Court, in its judgement delivered on 31st October, 2002, in the T.M.A. Pai Foundation & Ors. Vs. State of Karnataka & Ors. has held that its decision in Unni Krishnan's case, in so far as framing of a scheme relating to the grant of admission and fee fixation are concerned was not correct, and to that extent, the said decision and the consequent directions given to the UGC, AICTE and Medical Council of India, Central and State Governments etc. would stand overruled. According to the judgement dated 31st October, 2002, the unaided private institutions should adopt a rational fee structure. They would not be entitled to charge capitation fee or indulge in profiteering. There can, however, be a reasonable revenue surplus, which can be used by the educational institutions for the purpose of development of education and expansion of the institution.

The above judgment of the Supreme Court was interpreted by different parties concerned in different manners. The matter, therefore, went again before the Supreme Court for interpretation. The five judge Constitution Bench which delivered its judgement on 14th August, 2003, has clarified, inter-alia, that each institute shall have the freedom to fix its own fee structure. However, each State Government is required to set up a Committee under the Chairmanship of a retired High Court Judge to decide whether the fee proposed by the institute is justified and does not amount to profiteering or charging of capitation fee. The said Committee may approve the fee structure proposed by the institute or may propose some other fee which shall be binding on the institute for a period of three years.

As per the judgement in the T.M.A. Pai Foundation and Ors., the private unaided institutions may also have to comply with conditions, if any, requiring admission of a small percentage of students belonging to weaker sections of the society by granting them freeships or scholarships, if not granted by the Government.