

**GOVERNMENT OF INDIA
HUMAN RESOURCE DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:673

ANSWERED ON:07.08.2013

EXORBITANT FEE CHARGED BY PRIVATE EDUCATIONAL INSTITUTIONS

Gandhi Shri Dilip Kumar Mansukhlal;Naranbhai Shri Kachhadia

Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

- (a) whether a large number of complaints have been received regarding exorbitant fee/tuition fee charged by the private educational institutions from the students in the name of self-financed courses in the country during the last three years and the current year;
- (b) if so, the details thereof, State-wise;
- (c) the action taken by the Government against such erring institutions;
- (d) whether the Government proposes to implement the recommendations of the Committee set up by the University Grants Commission for universal fee structure in all the universities and private colleges across the country;
- (e) if so, the details thereof and the time by which it is likely to be implemented; and
- (f) the measures taken by the Government to make higher education affordable in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (DR. SHASHI THAROOR)

(a) to (c): The Universities are either established by a Central or a State Act or declared by the Central Government as deemed to be universities under Section 3 of the University Grants Commission (UGC) Act, 1956. In cases of Central or State public universities, the fees are fixed and regulated by the appropriate bodies created under the relevant Acts, Statutes and Ordinances. In cases of private universities, the fees are fixed by the university itself subject to the fees fixed by the Fee Fixation Committees appointed by the State Governments in case of technical or professional programmes. The deemed-to-be universities are also governed by the provisions of the UGC (Institutions Deemed-to-be Universities) Regulations 2010. Similarly, private universities are regulated as per the provisions of the UGC (Establishment and Maintenance of Standards in Private Universities), 2003 for the purposes of fee fixation and admissions. Some instances of demands for donations/capitation fees by the above mentioned institutions have come to the notice of the Government. As reported by the University Grants Commission (UGC), in two cases of Sri Ramchandra Medical College and Research Institute, Chennai, and Bharat Institute of Higher Education and Research, Chennai, the complaint of demand of capitation fees by the institution was established. The cases were handed over to the Central Bureau of Investigation (CBI) for inquiry, based on whose report penal action has been initiated.

(d) & (e): Based on the recommendations of the Task Force constituted by the Government, the UGC (Institutions Deemed to be Universities) Regulations 2010, have been notified. Para 6.5 of these Regulations provides that, "The level of the fees charged for the courses offered in deemed to be universities shall have a reasonable relation to the cost of running the course. The fee structure shall be displayed in the prospectus and on the institution's website".

(f): The Government has also introduced the Prohibition of Unfair Practices in Technical Educational Institutions, Medical Educational Institutions and Universities Bill, 2010 in the Lok Sabha which provides for the prohibition of certain unfair practices in technical educational institutions, medical educational institutions and universities including private colleges and universities to protect the interest of the students admitted and to provide for matters connected therewith or incidental thereto. It also provides for criminal liability and civil penalties for charging capitation fee or donations or charging fees over and above what is disclosed in the prospectus.