

**FEE REGULATORY COMMITTEE(MEDICAL)  
GUJARAT STATE**

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No: FRC/65/2013

Date : 13/09/2013

**AMENDING ORDER OF FEE FIXATION FOR THE YEARS**

**2012-13, 2013-14 AND 2014-15.**

**PRAMUKHSWAMI MEDICAL COLLEGE, KARAMSAD**

**FOR UNDER-GRADUATE AND POST-GRADUATE COURSES.**

Fee Regulatory Committee (Medical) constituted under the Gujarat Professional Medical Educational Colleges or Institutions (Regulations of Admission and Fixation of fees) Act, 2007 (Gujarat 3 of 2008) ('Committee' for short) had called for the proposal together with necessary data from Charutar Arogya Mandal, Karamsad (the institution for short) for determination of the fee structure for Under Graduate Course (MBBS) and Post Graduate Course for the Block Period of 3 years viz. 2012-13, 2013-14 and 2014-15. In response to that the Institution had forwarded proposal together with the necessary record to the Committee to enable it to determine the fee structure for the aforesaid period. The institution had proposed Rs.5 lakh for U.G. Course and Rs.9 lakh for P.G. Course. The Chartered Accountants of the Committee had considered the material provided by the institution and carried out the necessary exercise to arrive at a figure to be considered by the Committee. The Committee in turn had considered the same keeping in view the data provided by the Institution, the relevant factors prescribed under the Act and also after granting proper



opportunity of hearing to the authorized representatives of the institution. The Committee ultimately had determined the fees structure of Rs.4.50 lakhs for U.G. Course and Rs.8.25 lakhs for P.G. Course by passing two separate orders in this respect i.e. Order No.FRC/397-505/2012 date 12.7.2012 and Order No.FRC/533-34/2012 dated 12.7.2012 respectively.

Since the Institution was not satisfied with the fee structure determined by the Committee for Under Graduate Course as well as Post Graduate Course, it approached the Hon'ble High Court of Gujarat by filing petitions, being Special Civil Application No.15554/2012 and 15555/2012 wherein it prayed for quashing the orders of the Committee and for directing the Committee to revise the fee structure of the institution. The Committee resisted the petition and supported its orders by filing Affidavit-in-Reply wherein it raised various contentions including the contentions based on provisions of section-10(3) of the Act and also on the judgment of the Hon'ble Supreme Court rendered in the case of Fee Regulatory Committee, appellant v/s. Kalol Institute of Management, etc. Respondent in Civil Appeal No.8543 of 2011 and its cognate Civil appeals dt.11th October, 2011 interpreting those provisions.

On 6.5.2013 the Hon'ble High Court having regard to the submissions made by the learned senior counsel for the petitioner and learned counsel for the respondent Committee passed order requiring the institution to make representation along with relevant data in support thereof to the Committee requesting the Committee to reconsider the fee structure. The Hon'ble High Court also directed the Committee to afford opportunity of hearing to the



institution and to take decision on merits on the representation of the institution without being influenced in any manner by the fee structure in question. The Hon'ble High Court also directed the institution that till such decision was taken by the Committee it should charge the fees as per the fee structure in question and liberty was given to the institution to take undertaking from the students for the payment of differential amount of fee, if any, on the basis of the decision that may be taken by the Committee. The Hon'ble High Court also gave certain ancillary directions to the parties and also right to the institution to challenge the revised order of the Committee in case it was not satisfied with it. On the basis of this order the Hon'ble High Court disposed of the petition. The Hon'ble High Court, however, thought it fit not to quash the impugned orders of the Committee.

In pursuance of the directions given by the Hon'ble Court, the institution made representation dated 30th May, 2013 and along with that also provided revised data to the Committee. The Authorized representatives of the Committee were summoned and heard by the Committee on 13.8.2013. However, after some discussion, the representatives sought adjournment to enable them to collect some more information. The request was granted. The Committee thereafter received additional representation dated 19th August, 2013. The Committee also granted to the authorized representatives of the institution further hearing on 31.8.2013.

The Committee, also in compliance of the Hon'ble High Court's order carried out the necessary revisional exercise and took into consideration the



representations, revised data and oral submissions made at the hearing. The Committee while doing so kept in view only those costs which are relevant for medical education. For this purpose the Committee treated a part of salary to the doctors as hospital cost. The Committee also excluded other cost incurred by the institution directly for the treatment of the patients such as medicines, diet, consumables provided to them, expenses incurred on maintaining blood bank, x-ray etc. from the institution's financial burden for providing medical education. However, since the hospital is prescribed as pre-requisite for running a medical college, a part of the hospital cost has been treated as medical education cost and has been allocated to U.G, P.G., Physiotherapy and Nursing Courses based on number of students and the time spent by them. The residual deficit in running hospital has been treated as obligation of the management to generate necessary finance from sources other than fees from the students. After analysis of relevant cost of medical education and medicare cost that can reasonably be considered as attributable to the cost of medical education and as per the approach adopted by the committee based on data/provisional accounts, the Committee considered fee of Rs.4.60 lakhs per student per annum for the U.G. Course against proposed fee of Rs.5 lakhs and Rs.8.60 lakhs per student per annum for the P.G. Course against proposed fee of Rs.9 lakhs as fair and reasonable.

In other words the Committee in compliance with the direction given by the Hon'ble High Court of Gujarat has considered revised data of the institution, their representations and oral submissions and has thought it fit to increase existing fee by Rs.10,000/- for U.G. Course and by Rs.35,000/- for P.G. Course



Since the facts and circumstances requiring the Committee to reconsider its earlier orders are same and the factors kept in view and reasoning adopted equally apply in the cases of U.G. and P.G. this common order is passed. Other conditions contained in orders of the Committee dated 12.7.2012 will remain the same.



**Member Secretary**

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