## PRS LEGISLATIVE RESEARCH



## **Standing Committee Report Summary**

## The Prohibition of Unfair Practices in Technical Educational Institutions, Medical Educational Institutions and Universities Bill, 2010

- The Standing Committee on Human Resource Development submitted its 236<sup>th</sup> Report on 'The Prohibition of Unfair Practices in Technical Educational Institutions, Medical Educational Institutions and Universities Bill, 2010' on August 1, 2011. The Chairperson was Shri Oscar Fernandes. There are four dissent notes to the report.
- The Bill seeks to prohibit specified unfair practices in technical and medical institutions and universities to protect the interest of students. The Committee recommended that the Bill be passed after incorporating its suggestions. It also wanted a note from the Ministry with reasons for not including any of the Committee's recommendation.
- The Committee recommended that the detailed definition of institutions given in the Educational Tribunals Bill, 2010 be the benchmark for this law.
- In light of the unfair practices committed by private institutions against teachers and employees, the Committee suggested that specific provisions should be made in the Bill to address such issues.
- The Committee pointed out that there are many unfair practices which have not been covered in the Bill. In addition, the state educational tribunals are empowered to adjudicate on matters which have been specifically prohibited in any law. Therefore, it recommended that an enabling clause taking care of unspecified unfair practices be included in the Bill.
- The Committee recommended that every detail given in the prospectus of an institution have a reference to its corresponding statutory norm. It also felt that a grievance redressal mechanism was required for students before they approach the state educational tribunals.
- The Committee advised that either a workable mechanism for deciding the fee structure for various courses should be put in place or the minimum and maximum limit for fees for different courses should be worked out. It also recommended that more medical colleges be opened to overcome regional imbalance and seat shortage.
- The Committee is of the view that the definition of "capitation fee" should be made more specific to curb the

- practice. It stated that "other charges" to the extent possible should be specified in the Act itself. It advised that 10% excess of tuition fee should be termed as capitation fee.
- The Committee stated that effective regulation of entrance tests was required to make the system more credible without infringing on autonomy of the institution. Also, tests may be held by a nodal institution or a general authority, instead of individual institutions. There needs to be clarity on who will be penalised in case of malpractice.
- The Committee recommended that not only institutions but any person responsible for the management be penalised if there is demand for capitation fees.
- The Bill holds governors and chancellors of institutions liable in case an offence is committed by the institution.
  The Committee recommended that this be removed because such posts may be held by governors of states or the Vice President of India or High Court judges who could then be criminally charged.
- Stating that having a uniform penalty for different offences is against natural justice, the Committee advised that the quantum of penalties be worked out based on the merit of each violation. The Committee also suggested that the penalty for charging capitation fee be increased from Rs 50 lakh to Rs 1 crore and a minimum penalty should be prescribed for each offence.
- The Committee recommended that along with an effective grievance redressal mechanism, there should be a time-limit prescribed for disposal of cases by educational tribunals.
- In addition to penalties for specific offences, the Bill provides for penalising a person in case he contravenes any provisions of the law "without prejudice to any award of penalty by the State Educational Tribunal or National Educational Tribunal". The Committee recommended the deletion of this provision. It also advised against the provision that allows only a person authorised by the central or state government to file a case in court.
- The Committee suggested that minority institutions be brought within the ambit of the legislation.

Kaushiki Sanyal September 27, 2011

kaushiki@prsindia.org

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