

# AICTE fee hike irks pvt institutions

**AMBIKA SHARMA**

**T**HE Union Government's target to enhance the Gross Enrolment Ratio (GER) for higher education from the existing 11 to 15 per cent by the end of the XI Five-Year Plan appears to be a tall order. According to the recommendations of the National Knowledge Commission, this would require opening of 1,500 odd-universities having a cluster of colleges under them to achieve this target.

Though maintenance of quality is an important issue, the central regulatory authority All-India Council for Technical Education's (AICTE) recent move to enhance the processing fee of various technical institutes by 200 to 500 per cent for new professional colleges would deter opening new institutes.

In accordance with the new fee structure, an engineering college would have to deposit a Fixed Deposit Receipt (FDR) of Rs 90 lakh as against the earlier amount of Rs 35 lakh. Similarly, for MBA, pharma and other colleges, the FDR has been enhanced from Rs 15 lakh to Rs 35 lakh. This hike, ranging from 200 to 500 per cent, would put a spanner in the expansion process of a large number of private institutions and the move aims to be deterring private institutes from opening new colleges.

An MD of an education group at Solan opined, "This step will halt the process of expansion because it is an indirect way of deterring expansion activities. No doubt it will ensure that the existing colleges

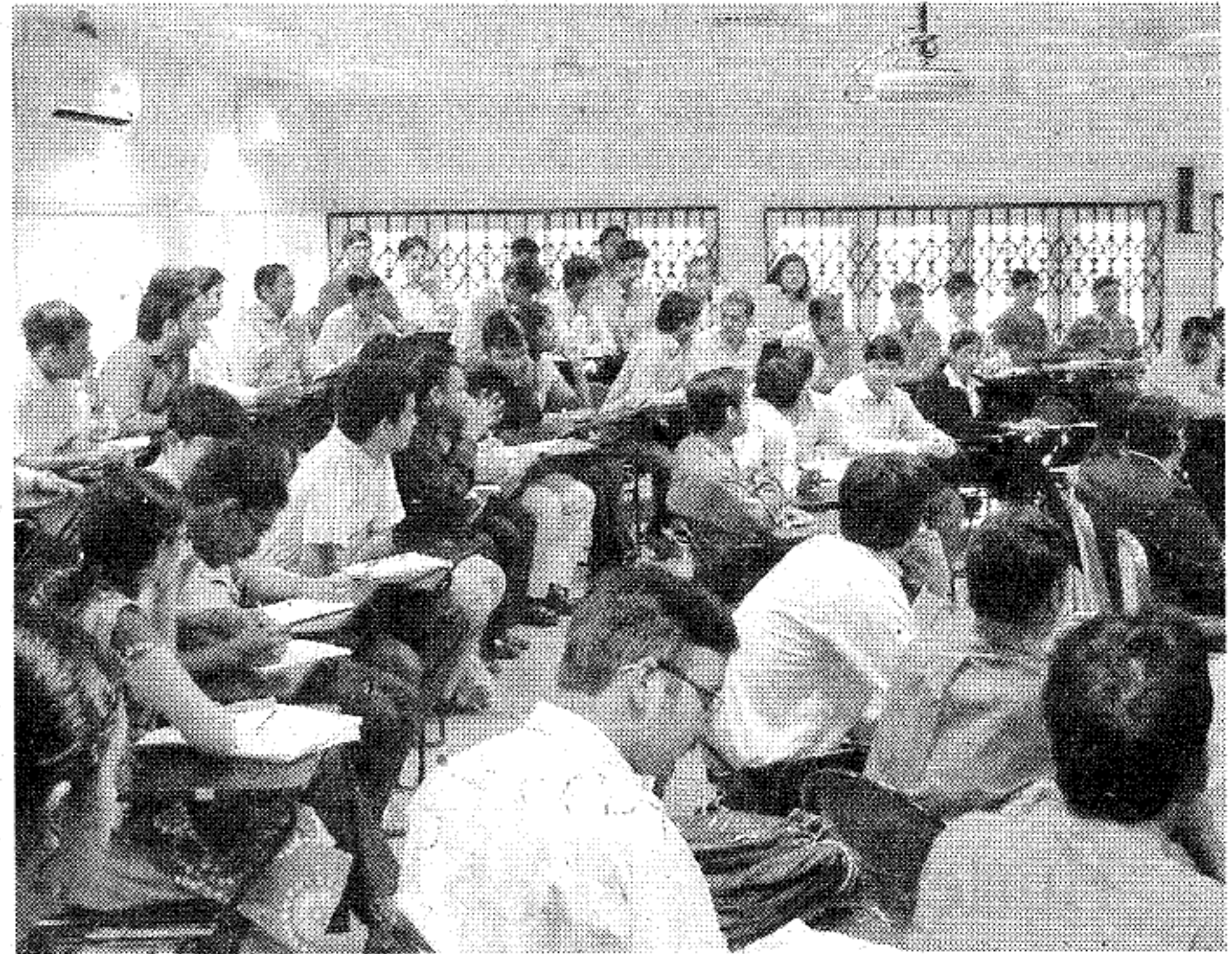
benefit, but instead of this indirect curb, the AICTE should dwell on improving quality."

He added that the notification had been forwarded to the state government, so that they could revise fee structure of these professional courses.

This move has drawn flak from the managements of educational institutions who feel that the cost recovery from students is already in the range of 40 to 50 per cent and hence, generating additional resources from fee would be difficult. Moreover, they would have to convince state governments to effect an abnormal fee hike which would put a strain on students. The AICTE's move is also contradictory to the government policy of expanding higher education in rural and backward areas.

Dr Anshu Kataria, chairman, Aryans Group of Colleges, Chandigarh, while resenting this fee hike, said this would put a halt on all expansion activities in the private sector that wish to expand in other disciplines. With the processing fees to be paid by an institution to start a new project also being increased to Rs 7,50,000 from the earlier amount of Rs 1,00,000, new institutes would have to rethink expansion, Dr Kataria added.

Interestingly, at a recent national conference of Vice-Chancellors held by the University Grants Commission on "Development of Higher Education: Expansion, Inclusion and Excellence", the Vice-Chancellors had opined that the GER of 20 per cent should be achieved at the end of the 11th Five-Year Plan instead of 15 per



**The proposed fee hike, ranging from 200 to 500 per cent, would put a strain on students**

cent as proposed by the government. They had also laid stress on the need for setting up new institutions and enhancing the capacity of the existing ones to achieve the objective.

The Vice-Chancellors had also unanimously stated that the new universities should be set up away from metropolitan cities and state capitals in backward and rural areas where the GER is lower than the national average. This objective would, however, fail to be achieved with the AICTE enforcing such norms, as it would deter new professional colleges.

This move is also contrary to the recommendations of the National Knowledge Commission, which had

proposed that most of the new universities would need significant initial financial support from the government. Instead, the move would put a severe burden on institutes to spare funds in the form of FDRs of one crore as against the earlier amount of Rs 35 lakh for opening an engineering college.

Lack of institutes of higher education is also leading to a higher dropout rate in the country and the lone way to check this is to ensure opening of more institutes in the rural and backward areas. However, this could only be achieved by relaxing stringent norms and facilitating new professional institutes.