

CAVEAT EMPTOR

A costly affair

ISSUE Students must know they are entitled to a fee refund from an educational institution if they withdraw before the commencement of the course

Two or three months following the Higher Secondary examination results is a nightmare to both students and parents. Choosing a college is not easy. There are several factors to weigh in — from if the student is interested in pursuing a particular course and whether the parents are okay with it, to if the student is likely to get admission in the college he/she prefers and so on.

It is not uncommon these days to see a student applying to many colleges. Because, with increasing competition and demand, one is very uncertain about where he/she will be studying further, irrespective of how well he has done in his tests. As a result, many students pay fees in another college as a back up option.

College managements capitalise on this, insisting that students pay the fees for the entire duration of the course. And, they refuse to part with the money upon the withdrawal of students later, though before the commencement of the course. Thus, without offering service of any kind, colleges make a healthy profit.

In a case that came up before the NCDRC (National Consumer Disputes Redressal Commission), a student had sought admission in a college by paying the fees for one academic year. He had also deposited his original certificates with the college.

Later, he was offered admission in the institute of his choice, and naturally, he decided to switch over to the latter.

He approached the college immediately, requesting them to release his original certificates and refund his fees. However, the college asked for payment of second year's fees as well, for returning the original certificates. Under pressure and left with little option, the student paid the fees and got his certificates back.

Presently, he filed a complaint with the District Forum praying for total refund. The college contended that as per their rules and regulations, the student was liable to pay the prescribed fees for two years.

However, the District Forum ruled in favour of the complainant, and asked the college to refund the entire amount and a compensation of Rs. 20,000.

The college preferred an appeal, and the State Commission upheld the decision of the District Forum, and reduced the compensation by 50 per cent. The case went to the NCDRC.

Having noticed this trend in colleges, the Ministry of Human Resource Development and University Grants Commission have issued a notice stating that institutions and universities, in the public interest, shall maintain a waiting list of students

in the event of a candidate withdrawing before the starting of the course. The wait-listed candidate should be given admission against the vacant seat.

The entire fee collected from the student, after a deduction of the processing fee of not more than Rs. 1,000 shall be refunded and returned to the student withdrawing from the course.

Should the student leave after joining the course and if the seat has been filled by another candidate by the last date of admission, the institution must return the fee collected with proportionate deductions of monthly fee and hostel rent, where applicable.

Quoting these guidelines, the NCDRC observed that this would have an overriding effect over the institution's regulations, and therefore, the college was ordered to refund the fees in entirety after a deduction of Rs. 1,000.

It is amply clear that students have a right to have their fees refunded.

However, it is important that parents and students make sure an application for refund of fees is made without delay.

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