



Unfair Practices Bill

November, 2011

Technical, Medical Institutions & Universities are covered within the scope of the Bill

- ▶ Collection of capitation fees prohibited
- ▶ Institution must issue a prospectus with detailed disclosures
- ▶ Institutions must collect fees disclosed in prospectus and must issue receipt
- ▶ Institutions must admit students on the basis of admission test / merit
- ▶ Institutions shall not withhold any academic documents deposited by students
- ▶ Institutions must refund fees, as disclosed in prospectus, if a student withdraws from the course prior or after having been admitted
- ▶ Institutions shall not issue false, misleading or untrue advertisements

Stringent monetary penalties and potential for imprisonment has been prescribed

- ▶ Monetary penalties of up-to INR 5 million have been prescribed for:-
 - ▶ Not conforming with disclosures in the prospectus
 - ▶ Charging capitation fees
 - ▶ Issuing untrue, misleading, or false advertisements
- ▶ Where an offence has been committed and no penalty has been prescribed, a sum of 0.5 / 1 million can be imposed
- ▶ In addition to fines, imprisonment can be initiated up-to a period of 3 years

Other requirements

- ▶ All disputes / complaints to Courts need to be routed through a person authorized by Government / statutory authority
- ▶ Bill is in addition to other laws and does not supersede existing laws
- ▶ Bill does not seem to apply to minority institutions



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