

The Fee Regulating Authority of Maharashtra: Procedure, Functioning, and Stakeholder Benefits in Engineering Education

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Abstract

In the last 20 years, private unaided professional education has grown a lot in Maharashtra, especially in the field of Engineering. The Government of Maharashtra has set up the Fee Regulating Authority (FRA) as per the Maharashtra Unaided Private Professional Educational Institutions (Regulation of Admissions and Fees) Act, 2015, to curb the rampant commercialization of education and also to safeguard the students from arbitrary fee hikes. This article discusses the statutory provisions, institutional structure and a step-by-step process of fee fixation undertaken by the FRA in engineering colleges and its implications for students, institutions, government and education in general.

Keywords: Fee Regulating Authority (FRA), Fee Fixation, Engineering Education, Private Unaided Institutions, Fee Regulation, Fee Transparency.

1.INTRODUCTION

Most of the engineering education is imparted in unaided (self-financed) private institutions which are affiliated to universities and approved by AICTE and Directorate of Technical Education (DTE), Maharashtra. These institutions do not have government grants, therefore they would have to rely solely on student fees for infrastructure, salary and operation of the institution. This can lead to two potential dangers if left unchecked: colleges may charge fees in excess of the services they provide and the price cap may lead to colleges that cannot afford to provide adequate services to keep their prices low. To address these two concerns in a transparent and evidence-based fee approval process, the FRA was established.

2. Legal and Institutional Background

The FRA has its powers under the Maharashtra Unaided Private Professional Educational Institutions (Regulation of Admissions and Fees) Act, 2015 (Maharashtra Act No. XXVIII of 2015) that superseded an earlier fee regulation regime in 2010. The Act stipulates that fees and admission of students in the unaided private professional educational institutions shall be regulated and it is made obligatory for the Regulating Authorities to give an annual report of their activities to the State Government which shall be presented before the State Legislature.

Engineering, pharmacy, management, architecture, law, agriculture and health science colleges are included in the institutions covered under the Act. According to the member institutions the FRA is a statutory body constituted by the Government of Maharashtra for regulating and approving fee structures of professional educational institutions. Approval of fees and disclosures are processed via the official MahaFRA portal (mahafra.org), which is used by institutions to submit proposals and allows students to check approved fees.

3. Objectives of the FRA

1. To make sure that fees of unaided professional colleges are commensurate with infrastructure, faculty and facilities rendered.
2. To eliminate the tendencies to profiting and capitation-fee practices in professional education.
3. To offer a clear, rules-based approach to fee changes rather than arbitrary increases.
4. To establish an avenue for grievance for students and institutions.
5. To continue to publish approved fee structures for all courses, institutions and academic years.

4. Composition and Structure

The FRA is a quasi-judicial regulatory body, which varies according to professional streams (technical/engineering, medical, agricultural, etc.), and is usually headed by a retired High Court/District Court judge, and has members from academia, financial bodies and government departments including the Directorate of Technical Education etc. This composition is to provide a combination of legal, technical and financial expertise. A related body, the Maharashtra State Board of Technical Education (MSBTE) portal, under the umbrella of bodies such as Fees Fixation Committee (FFC) gathers the information of the institution (number of Teachers, Infrastructure, Expenditure, etc.) and submits it to the FRA for determining the fees.

5. Step-by-Step Fee Fixation Procedure

The FRA's process for engineering colleges broadly follows these stages:

Step 1: Submission of the Fee Proposal

Each institution submits an **online Fee Approval Proposal** for the upcoming academic year through the MahaFRA portal, under **Section 14(1)(a)** of the 2015 Act. The proposal must be filed for the upcoming academic year along with audited accounts of the preceding financial year. This includes:

- Audited financial statements (income and expenditure)
- Staff and faculty details, salaries, and qualifications

- Infrastructure details (built-up area, laboratories, library, hostel, digital resources)
- Enrolment and course-wise seat data
- Previous year's approved fee and utilization details

Step 2: Scrutiny by the Fees Fixation Committee

Institution data is verified against council/university norms — for example, checking whether the number of appointed staff matches the number required under AICTE or university norms. Discrepancies (understaffing, unspent surplus, excess reserves) are flagged for further clarification.

Step 3: Hearing and Deliberation

The FRA reviews the scrutinized proposal, may seek clarifications or supporting documents from the institution, and can also consult government departments. For controversial or policy-level issues — such as differential fees for management or NRI quota seats — the FRA holds specific meetings and records minutes, which are later published. Such a decision on differential quota fees, for instance, came at an FRA meeting whose minutes were made public only after being finalized, following a recommendation from a meeting chaired by the states higher and technical education minister.

Step 4: Fee Determination

The Authority fixes a course-wise fee for the institution, categorised as either:

- **"No Upward Revision of Fees"** — the previous year's approved fee continues, or
- **"Upward Revision of Fees"** — a revised, higher fee is approved based on justified cost increases.

Fees may also differentiate by seat category. Maharashtra colleges offering engineering, pharmacy, management, law, teacher training, architecture, and agricultural courses can charge three times the regular fee for management quota seats and five times the regular fee for NRI quota seats, for both undergraduate and postgraduate programs.

Step 5: Publication and Compliance

Once approved, institutions must publicly display the sanctioned fees. Every unaided institution is required to display the course-wise fees approved by the Fees Regulating Authority on its notice board and website in Marathi and English, and in the language of the minority community where the institution is a linguistic minority institution, and this fee is binding on both students and the institution. The approved fee list is also published on the mahafr.org portal, searchable by academic year, institution, and district.

Step 6: Monitoring and Grievance Redressal

The FRA actively monitors compliance after approval. Institutions have been directed not to collect fees higher than the amount approved for the academic year, with the directive applying to unaided institutions offering medical, technical, law, and agriculture courses at both UG and

PG levels, and students can check course-wise approved fees on the mahafra.org portal by selecting the year, institution, sub-type, and district. Students who are overcharged can file grievances with supporting proof; the FRA has set up a dedicated grievance email address for this purpose. Under the parent Act, deliberate violations attract penal consequences. Furnishing false information or evidence to the authorities is treated as an offence punishable on conviction with imprisonment, and any fee found to have been charged in excess of the approved amount during an enquiry must be refunded.

Step 7: Review and Renewal

Approved fee structures are typically valid for a defined period, after which institutions must reapply with updated financial and infrastructural data, restarting the cycle for the next block of years.

6. Benefits to Stakeholders

6.1 Students and Parents

- Protection from arbitrary or sudden fee hikes.
- A single, easily searchable public source (mahafra.org) to verify the legally payable fee for any institution and course before admission.
- A grievance channel for reporting overcharging, backed by statutory refund and penal provisions.
- Greater ability to compare fees across colleges when choosing where to seek admission.

6.2 Engineering Colleges/Institutions

- A structured, criteria-based path to justified fee increases tied to genuine investment in faculty and infrastructure, rather than being frozen at out-dated rates.
- Legal certainty and protection from being singled out or facing ad-hoc government pressure on pricing, since decisions follow a documented process.
- Differential fee categories (management/NRI quota) that allow additional revenue from those quotas without raising the base fee for the general category, as seen in the 2025 policy extending three-times and five-times fee multiples to a wider set of professional courses.
- A single-window disclosure requirement that shields compliant institutions from allegations of overcharging.

6.3 Government and Regulators

- A statutory, tribunal-like body reduces the burden on courts, since it handles fee disputes departmentally rather than through direct litigation, though institutions can still challenge decisions.

- Annual reporting obligations placed before the state legislature give policymakers visibility into the private higher-education sector's finances.
- A consistent framework applied across engineering, pharmacy, management, law, and other professional courses simplifies governance of a large and diverse private education sector.

6.4 The Higher Education Ecosystem

- Encourages colleges to invest in faculty and infrastructure since higher, justified fees are permitted only where standards genuinely improve.
- Improves public trust in private professional education by making fee-setting transparent and rule-based rather than opaque.
- Supports equity by keeping general-category fees regulated while allowing market-linked differential pricing only for optional, non-merit quota categories.

7. Limitations and On-going Challenges

There are some rough edges to the system. In some instances, there is a round of discussions between the government and institutions to settle fee disputes, without being binding to either party. In similar fee-regulation scenarios, over the year's government officials have at times signalled at various stages that a report from a fixation committee could serve as a negotiating benchmark rather than a mandate that is strictly enforceable, thus signalling a general conflict between regulatory intent and administrative practice. Occasionally, institutions have also requested for increment in fee caps like AYUSH colleges that are seeking approval to increase fee for the management quota. In one such instance, the FRA had rejected a recommendation from the state government that AYUSH colleges be allowed to charge more for management quota fees, saying there was no reason to increase the fees for a year whose fees structure has already been approved, and whether the request of the colleges had ulterior motives of concealing overcharging. These examples demonstrate the FRC's resistance to institutional pressure and that there is still disagreement about the "reasonable" fee. Practical challenges include delays in proposal scrutiny, verification of self-reported data and lack of student awareness of the grievance mechanism.

8. Conclusion

The Fee Regulating Authority is a formal attempt to balance the financial independence of unaided engineering colleges and safeguard students against quick rip-off during fee hikes. The process for submission and scrutiny of proposals, deliberation, determination of the fee, its public disclosure, and grievance redressal, ensures accountability and transparency throughout the process of fee determination. Though there are some difficulties in implementation, such as the speed of enforcement and the process of dispute resolution, the FRA has brought about a

huge change in the way college fees are charged in engineering colleges in Maharashtra in Maharashtra, which is good for students because of transparency and protection, is good for the institutions as it has created a legitimate path to them making more money, and is good for the state because it has brought a lot of transparency and oversight to a huge private education sector.

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