

PUNJAB VIDHAN SABHA
BILL NO. 12-PLA-2026
THE PUNJAB REGULATION OF FEE OF UN-AIDED
EDUCATIONAL INSTITUTIONS (AMENDMENT) BILL, 2026

(Bill as passed by the Punjab Vidhan Sabha)

The following Bill was passed by the Punjab Vidhan Sabha:-

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BILL

further to amend the Punjab Regulation of Fee of Un-aided Educational Institutions Act, 2016.

BE it enacted by the Legislature of the State of Punjab in the Seventy-seventh Year of the Republic of India as follows:-

1. (1) This Act may be called the Punjab Regulation of Fee of Un-aided Educational Institutions (Amendment) Act, 2026.

Short title and commencement.

(2) It shall come into force on and with effect from the date of its publication in the Official Gazette.

2. In the Punjab Regulation of Fee of Un-aided Educational Institutions Act, 2016 (hereinafter referred to as the principal Act), in section 2,

Amendment in section 2 of Punjab Act 47 of 2016.

(i) after clause (ff), the following clause shall be inserted, namely:-

“(fff) ‘cumulative fee enhancement’ means the aggregate percentage increase in the total fee charged by an Un-aided Educational Institution over the last thirty-six months from the month of notification of the Punjab Regulation of Fee of Un-aided Educational Institutions (Amendment) Act, 2026 in the Official Gazette, calculated by comparing the fee charged in the earliest of those three academic years with the fee charged in the latest academic year;”

(ii) for clause (g), the following clause shall be substituted, namely:-

“(g) ‘fee’ means the total of all amounts charged by or on behalf of an Un-aided Educational Institution or its associated body (Trust, Society, Company or any such entity) directly or indirectly from a student or parent, by whatever name called, including tuition fee, development fee, annual charges, activity charges, smart class or technology charges, transportation charges (where not separately contracted), laboratory and library charges, examination charges, any other funds, and any other compulsory monetary contribution or indirect collections and amounts collected through affiliated entities, and includes both recurring and non-recurring charges but excludes amounts collected as refundable security deposit, provided such deposit is actually refunded in full on the student’s departure;” and

(iii) after clause (g), so substituted, the following clause shall be inserted, namely:-

“(ga) ‘fee enhancement’ means any increase proposed by an Un-aided Educational Institution or its associated body in the total fee chargeable for a given academic year over the total fee charged in the immediately preceding academic year, expressed as a percentage of such preceding year’s fee;”.

Amendment in section 3 of Punjab Act 47 of 2016.

3. In the principal Act, in section 3, in sub-section (2), for clause (d) and the entries relating thereto, the following shall be substituted, namely:-

“(d) two members, to be Nominated
nominated by the Government Members”
from amongst the educationists
or financial experts or Chartered
Accountants; and

Substitution of section 5 of Punjab Act 47 of 2016.

4. In the principal Act, for section 5, the following section shall be substituted, namely:-

“5. (1) An Un-aided Educational Institution shall be competent to fix its fee and it may also increase the same after taking into account the need to generate funds to run the Un-aided Educational Institution and to provide facilities necessary for the benefits of students:

Provided that while fixing or increasing fee, the factors mentioned in sub-section (1) of section 6, shall be kept in view by the Un-aided Educational Institution.

(2) No Un-aided Educational Institution shall enhance its fee by more than five per cent of the fee charged by it during the immediately preceding academic year.

(3) Any enhancement of fee under section (2) shall be deemed to have been validly effected only if the Un-aided Educational Institution has displayed the revised fee structure at a conspicuous place within the school premises and on its official website not less than ninety days prior to the commencement of the academic year.

(4) The Un-aided Educational Institution shall also ensure that the parents or guardians of the students are duly informed of the revised fee structure through appropriate modes of communication, including email, electronic message including WhatsApp messages, circulars, parent-teacher meetings, or any other mode that may ensure effective notice.

(5) While fixing or increasing fee, an Un-aided Educational

Institution shall not indulge in profiteering and shall not charge capitation fee.

(6) No unaided Educational Institution shall adopt any tactic, device or means, whether direct or indirect, to compel or induce a student or his or her parent or guardian to purchase the school uniform from the Un-aided Educational Institution itself or from any vendor specified, recommended or favoured by it, and every student, parent or guardian shall be at liberty to purchase the uniform, conforming to the colour, design and specifications notified and displayed by the Un-aided Educational Institution under this Act, from any vendor of his or her choice.

(7) Where an Un-aided Educational Institution prescribes any text book, work book or other study material for any class, it shall notify and display, at a conspicuous place in the school premises and on its official website, a list of not less than three publishers or vendors from whom such text book, work book or study material may be purchased, for the convenience of students and parents, and no Un-aided Educational Institution shall compel or induce, directly or indirectly, any student or his or her parent or guardian to purchase such text book, work book or study material from the Un-aided Educational Institution or from any one specific publisher or vendor, and every student, parent or guardian shall be at liberty to purchase the same, conforming to the title and edition so notified, from any publisher or vendor of his or her choice.”

5. In the principal Act, after section 5, so substituted, the following sections shall be inserted, namely:-

“5-A. Where the proposed fee enhancement for an academic year exceeds five per cent of the fee charged in the immediately preceding academic year, the Un-aided Educational Institution shall submit the proposal before the Regulatory Body of the concerned District not later than one hundred and eighty days before the start of the academic year for which the enhancement is sought.

(2) Fee enhancement shall not be effected unless prior written approval is obtained from the Regulatory Body.

(3) The Regulatory Body shall also direct a forensic audit to satisfy itself that the proposed enhancement is justified on the basis of the factors specified in sub-section (1) of section 6 and is not motivated by the desire to profiteer. The forensic audit shall include an audit of the Un-aided Educational Institution or its associated body.

(4) The Regulatory Body shall dispose of the application for approval within ninety days from the date of receipt of all the required

Insertion of sections 5-A and 5-B in Punjab Act 47 of 2016.

documents, and the existing fee structure shall continue during the pendency of the decision by the Regulatory Body.

5-B. Where the cumulative fee enhancement charged by an Un-aided Educational Institution over the last thirty-six months from the month of notification of the Punjab Regulation of Fee of Un-aided Educational Institutions (Amendment) Act, 2026 in the Official Gazette, exceeds fifteen per cent of the fee charged in the earliest of those three academic years, the Un-aided Educational Institution shall refund to every affected student or, as the case may be, to his or her parent or guardian, the amount collected in excess of the said permissible cumulative ceiling within ninety days from the date of such notification:

Provided that where a student has, for any reason whatsoever, not been studying in the Un-aided Educational Institution throughout the said period of thirty-six months, the permissible cumulative ceiling applicable for computing the refund payable to such student shall be five per cent, where such student has studied in the institution for one academic year, and ten per cent, where such student has studied in the institution for two academic years, out of the said thirty-six months, and the amount refundable to such student shall be computed with reference to the ceiling so applicable.”

Substitution of section 8 of Punjab Act 47 of 2016.

6. In the principal Act, for section 8, the following section shall be substituted, namely:-

“8. Notwithstanding anything contained in this Act, the Regulatory Body may, either suo motu or on receipt of information, on being satisfied that an Un-aided Educational Institution has contravened or is contravening any of the provisions of this Act, cause a forensic audit of the Un-aided Educational Institution or its associated body to be conducted and may also call for the relevant record of such Un-aided Educational Institution or its associated body, in order to verify the information.”

Amendment in section 14 of Punjab Act 47 of 2016.

7. In the principal Act, in section 14,-

- (i) in sub-section (1), for the words, “thirty thousand rupees”, “rupees fifty thousand” and “rupees one lac”, the words “rupees fifty thousand”, “rupees one lac” and “rupees two lac” shall, respectively, be substituted;
- (ii) in sub-section (2), for the words, “sixty thousand rupees”, “rupees one lac” and “rupees two lac”, the words “rupees one lac”, “rupees three lac” and “rupees five lac” shall,

respectively, be substituted;

- (iii) after sub-section (3), the following sub-section shall be inserted, namely:-

“(3-A) For the purposes of this section, and for determining first, second and third contraventions, only violations committed within the preceding five years shall be taken into consideration.”;

- (iv) for sub-section (4), the following sub-section shall be substituted, namely:-

“(4) The Regulatory Body shall direct the Un-aided Educational Institution to refund the fee in excess of the fee as displayed by such institution to the affected students or their parents:

Provided that where an Un-aided Educational Institution fails to comply with a refund order within thirty days from the date of such order, the Regulatory Body may, in addition to any penalty imposed under this section, levy a further fine of rupees ten thousand per day:

Provided further that if the Un-aided Educational Institution fails to deposit the abovesaid fine and refund within the specified period, the recognition and/or affiliation granted to the Un-aided Educational Institution may be withdrawn for non-compliance with the order of the Regulatory Body.”; and

- (v) after sub-section (4), the following sub-section shall be added, namely:-

“(5) No order withdrawing recognition and/or affiliation under this section shall be passed unless the concerned Un-aided Educational Institution has been given a reasonable opportunity of being heard.”

8. In the principal Act, for section 15, the following section shall be substituted, namely:-

“15. (1) The Secretary to Government of Punjab, Department of School Education, shall be the Appellate Authority for hearing appeals against any direction or order passed by the Regulatory Body under this Act.

(2) Any person or Unaided Educational Institution aggrieved by any direction or order passed by the Regulatory Body under this Act may, within forty-five days from the date of communication of such direction or order, file an appeal before the Appellate Authority:

Provided that the Appellate Authority may entertain an appeal filed after the expiry of the said period of forty-five days, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

Substitution of section 15 of Punjab Act 47 of 2016.

(3) The Appellate Authority shall, after giving the parties a reasonable opportunity of being heard, dispose of the appeal, as far as possible, within ninety days from the date of filing thereof, and may confirm, modify or set aside the direction or order appealed against, or remand the matter to the Regulatory Body for fresh decision.

(4) The order passed by the Appellate Authority under sub-section (3) shall be final.”

Insertion of
section 15-A in
Punjab Act 47
of 2016.

9. In the principal Act, after section 15, so substituted, the following section shall be inserted, namely:-

“15-A. (1) The Regulatory Body may, either on an application made
Power to by any party affected or suo motu, review any
review. direction or order passed by it under this Act, where,
subsequent to the passing of such direction or order, new and important
facts or evidence have come to its notice, which, after the exercise of
due diligence, were not within the knowledge of, or could not be
produced by, the party affected at the time such direction or order
was passed, or where there is an error apparent on the face of the
record, or for any other sufficient reason:

Provided that no direction or order shall be reviewed under this section after the expiry of forty-five days from the date of issuance of the order.

Provided further that no direction or order shall be reviewed under this section unless the parties affected thereby have been given a reasonable opportunity of being heard.

(2) Any direction or order passed on review under this section shall be appealable under section 15 in like manner as the original direction or order.”

Repeal and
saving.

10. (1) The Punjab Regulation of Fee of Un-aided Educational Institutions (Amendment) Ordinance, 2026 (Punjab Ordinance No. 2 of 2026), is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the Ordinance referred to in sub-section (1), shall be deemed to have been done or taken under the principal Act, as amended by this Act.

CHANDIGARH:
THE 17th AUGUST, 2026

R. L. KHATANA,
SECRETARY.