

RESEARCH QUESTION

"Can a student in India recover fees from a coaching institute, college, or edtech course that misrepresented its offering or refuses a refund, and what have consumer commissions and the UGC said about fee refunds and non-refundable clauses?"

Can a student in India recover fees from a coaching institute, college, or edtech course that misrepresented its offering or refuses a refund, and what have consumer commissions and the UGC said about fee refunds and non-refundable clauses?

TL;DR

Under Indian law, students can recover fees from educational institutions and edtech platforms that misrepresent offerings or refuse refunds, as one-sided non-refundable clauses and deceptive marketing are treated as unfair trade practices and deficiency of services under consumer protection laws. The High Court of Delhi in *Bhawana Bisht v. Netaji Subhas University of Technology* (2024) affirmed that University Grants Commission (UGC) refund notifications are mandatory and override any contrary prospectus terms, private agreements, or internal college policies. However, outside of specific regulatory timelines, a refund after course commencement generally depends on whether the vacated seat was subsequently filled by another candidate.

VERIFIED CASES	STATUTES	LATEST RULING
10	3	2025
8 High Courts · 2 SC		Madras High Court

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I. Detailed Analysis

KEY PRINCIPLES ESTABLISHED

01 UGC Refund Mandates Override University Prospectus Terms

Institutions cannot rely on internal prospectuses or "non-refundable" clauses to deny refunds, as UGC guidelines possess statutory primacy over private terms and conditions, as demonstrated in *C. Ravibalan v. University Grants Commission* (2024).

02 Prohibition on Collecting Full-Course Advance Fees

Charging advance fees for the entire program or for more than one year or semester is strictly prohibited because it unlawfully restricts student mobility across institutions, as confirmed in *R. Pooja v. The University Grants Commission* (2024).

03 Primacy of UGC Directives Over Other Regulatory Frameworks

The regulatory authority of the UGC is mandatory and overrides guidelines or cut-off dates issued by other advisory bodies such as the AICTE, as established in *Dhairya Omprakash Jhunjhunwala v. Union of India* (2023).

04 Refund Obligations are Conditional Upon Filling Vacated Seats

A student's right to claim a refund after the academic session has commenced is contingent upon the institution being able to fill the vacated seat, thereby protecting self-financing colleges from permanent financial loss, as held in *L.K. Talwar v. Lovely Professional University* (2012).

05 One-Sided Contract Terms Constitute Unfair Trade Practices

Consumer protection forums have the authority to declare oppressive, one-sided non-refundable clauses null and void on the ground that they constitute a deficiency of service and an unfair trade practice, aligning with the principles in *Ireo Grace Realtech Pvt. Ltd. v. Abhishek Khanna* (2021).

HOW THE COURTS HAVE APPLIED THIS

SUPREME COURT POSITION	The Apex Court has clarified that for a trade practice to be deemed "unfair" due to misrepresentation, the statement must be objectively misleading and capable of inducing a reasonable consumer to form a false belief, as articulated in <i>B.B. Patel & Ors. v. DLF Universal Ltd.</i> (2022).
HIGH COURT VARIATIONS	While some High Courts strictly enforce the UGC's tiered refund structures, they also protect educational institutions from arbitrary deductions, ensuring processing charges are limited to statutory limits, as seen in <i>Dr. Jeby Jacob v. State of Tamil Nadu</i> (2018).
RECENT EVOLUTION	In the post-pandemic era, High Courts have strictly enforced the UGC's updated annual fee refund calendars, mandating full refunds with minimal processing deductions of Rs. 1,000 for withdrawals within the designated timelines, as shown in <i>S. Ganeshram v. University Grants Commission</i> (2025).

UNSETTLED AREAS OR CAVEATS

The effect of signed undertakings

Although UGC guidelines are generally binding, colleges often attempt to shield themselves by obtaining signed undertakings from students stating they will not claim refunds, though courts have held such coercion to be arbitrary and illegal, as discussed in *Dr. Major K. Kamalanathan v. University Grants Commission* (2016).

II. Statutory Provisions 3 PROVISIONS

SECTION 2, CONSUMER PROTECTION ACT, 1986 — DEFINITIONS

Defines key terms including appropriate laboratory, complainant, and complaint, outlining the grounds on which a consumer can file a written complaint regarding unfair trade practices.

"2. Definitions (1) In this Act, unless the context otherwise requires,- (b) "complainant" means- (i) a consumer; or (ii) any voluntary consumer association registered under the Companies Act, 1956, or under any other law for the time being in force; or (iii) the Central Government or any State Government, (iv) one or more consumers, where there are numerous consumers having the same interest; who or which makes a complaint; (c) "complaint" means any allegation in writing made by a complainant" *Cited in: B.B. Patel & Ors. v. DLF Universal Ltd.*

SECTION 2(47), CONSUMER PROTECTION ACT, 2019 — DEFINITION OF UNFAIR TRADE PRACTICE

Defines an unfair trade practice as adopting any unfair or deceptive method, including making false or misleading representations about the standard, quality, sponsorship, or benefits of goods or services.

"(47) "unfair trade practice" means a trade practice which, for the purpose of promoting the sale, use or supply of any goods or for the provision of any service, adopts any unfair method or unfair or deceptive practice including any of the following practices, namely: — (i) making any statement, whether orally or in writing or by visible representation including by means of electronic record, which — (a) falsely represents that the goods are of a particular standard, quality, quantity, grade, composition, style or model; (b) falsely represents that the services are of a particular standard, quality or grade; (d) represents that the goods or services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have; (e) represents that the seller or the supplier has a sponsorship or approval or affiliation which such seller or supplier does not have; (f) makes a false or misleading representation concerning the need for, or the usefulness of, any goods or services;" *Cited in: B.B. Patel & Ors. v. DLF Universal Ltd.*

SECTION 1, CONSUMER PROTECTION ACT, 2019 — SHORT TITLE, EXTENT, COMMENCEMENT AND APPLICATION

Establishes the extent, commencement, and general application of the Consumer Protection Act, 2019 across India to all goods and services.

"1. (1) This Act may be called the Consumer Protection Act, 2019. (2) It extends to the whole of India except the State of Jammu and Kashmir. (3) It shall come into force on such date as the Central Government may, by notification, appoint (4) Save as otherwise expressly provided by the Central Government, by notification, this Act shall apply to all goods and services." *Cited in: B.B. Patel & Ors. v. DLF Universal Ltd.*

III. Cases Discussed 10 CASES · SUMMARY TABLE

#	CASE TITLE	COURT	YEAR	KEY HOLDING
01	<i>Bhawana Bisht v. Netaji Subhas University of Technology</i> DLHC010244172021	HIGH COURT OF DELHI	2024	Mandates compliance with UGC COVID-19 fee refund guidelines over conflicting university policies.
02	<i>R. Pooja v. The University Grants Commission</i> HCMA010137762021	MADRAS HIGH COURT	2024	Prohibits collecting full course fees in advance and mandates proportionate refunds.
03	<i>Dr. Jeby Jacob v. State of Tamil Nadu</i> HCMA011047812018	MADRAS HIGH COURT	2018	Limits processing fee deductions upon student withdrawal to UGC-notified caps.
04	<i>B.B. Patel & Ors. v. DLF Universal Ltd.</i> ESCR010004902022	SUPREME COURT OF INDIA	2022	Defines unfair trade practices as misleading statements that deceive reasonable consumers.
05	<i>L.K. Talwar v. Lovely Professional University</i> PHHC010646722011	HIGH COURT OF PUNJAB AND HARYANA	2012	Denies refund if the vacated seat remains unfilled, causing financial loss.
06	<i>Dhairya Omprakash Jhunjhunwala v. Union of India</i> HBHC010643642022	HIGH COURT FOR STATE OF TELANGANA	2023	Establishes that UGC refund guidelines mandatorily override advisory AICTE regulations.
07	<i>Ireo Grace Realtech Pvt. Ltd. v. Abhishek Khanna</i> ESCR010001392021	SUPREME COURT OF INDIA	2021	Empowers consumer forums to void oppressive, one-sided contractual clauses.
08	<i>C. Ravibalan v. University Grants Commission</i> HCMA011626532017	MADRAS HIGH COURT	2024	Prohibits withholding certificates and forcing full-course fee payments upon withdrawal.
09	<i>S. Ganeshram v. University Grants Commission</i> HCMA010669072025	MADRAS HIGH COURT	2025	Directs fee refund in accordance with the 2022-23 UGC timeline.
10	<i>Dr. Major K. Kamalanathan v. University Grants Commission</i> HCMA011092472016	MADRAS HIGH COURT	2016	Affirms UGC guidelines override private student undertakings and college prospectus terms.

IV. Case Details

10 CASE FILES

01 Bhawana Bisht v. Netaji Subhas University of Technology

HIGH COURT OF DELHI • 2024-11-11 • W.P.(C)/8232/2021

The petitioner sought a refund of fees paid for a BBA programme after canceling her admission due to financial hardship caused by the COVID-19 pandemic. The respondent university rejected the request, citing its internal refund policy cut-off date.

HELD The High Court of Delhi held that the university was mandatorily bound by the UGC guidelines issued in December 2020. The court rejected the university's reliance on its internal policy cut-off date and ordered it to refund the fees in accordance with the UGC guidelines, emphasizing that the guidelines were designed as a special measure to mitigate financial hardship.

"To be crystal clear, the entire fees including all charges be refunded in totality (Zero Cancellation charges) on account of cancellation/migration upto 30.11.2020. Thereafter, on cancellation/withdrawal of admissions up to 31.12.2020, the entire fee collected from a student be refunded in full after deduction of not more than Rs.1000/- as processing fee."

HIGH COURT OF DELHI • 2024

SOURCE DLHC010244172021

02 R. Pooja v. The University Grants Commission

MADRAS HIGH COURT • 2024-06-05 • WP/2510/2021

The petitioner sought a refund of tuition fees and a bond breakage fee paid to the respondent college after she discontinued her BDS course to join an MBBS program. The respondent college withheld the fees based on its internal prospectus, which allowed for the collection of full course fees if a student withdrew after the admission cutoff date.

HELD The High Court ruled in favor of the petitioner, emphasizing that the college, as a higher educational institution, is bound by the UGC's notifications. The court held that collecting fees for the entire duration of a course in advance is strictly prohibited, and the college must comply with the UGC's mandated refund policy.

"HEIs shall charge fees in advance only for the Semester/year in which a student is to engage in Academic activities. Collecting Advance Fees for entire programme of study or for more than one semester/year in which a student is enroll is strictly prohibited, as it restricts the student from exercising other options of enrollment elsewhere."

MADRAS HIGH COURT • 2024

SOURCE HCMA010137762021

03

Dr. Jeby Jacob v. State of Tamil Nadu

MADRAS HIGH COURT • 2018-09-26 • WP/17042/2018

The petitioner, a medical student, was provisionally allotted a seat in the fourth respondent's medical college during the first round of NEET super-specialty counseling. After securing a seat in another college during the second round of counseling, the petitioner withdrew from the fourth respondent college. The college refunded the tuition fees after deducting Rs. 2,00,000 as a processing fee.

HELD The Madras High Court held that the medical college's deduction of Rs. 2,00,000 violated UGC regulations, which limit such deductions to a maximum of Rs. 10,000. Rejecting the college's reliance on non-statutory or conflicting prospectus guidelines, the court directed the college to refund the excess amount of Rs. 1,90,000.

"The entire fee collected from the student, after a deduction of the processing fee or not more than Rs.1000/- (one thousand only) shall be refunded and returned by the Institution/university to the student/candidate withdrawing from the programme. Should a student leave after joining the course and if the seat consequently falling vacant 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 proportionate hostel rent, where applicable."

MADRAS HIGH COURT • 2018

SOURCE HCMA011047812018

04 B.B. Patel & Ors. v. DLF Universal Ltd.

SUPREME COURT OF INDIA • 2022-01-25 • 2022 INSC 91

The appellants sought compensation and possession of apartments, alleging that the respondent engaged in unfair trade practices under the Monopolies and Restrictive Trade Practices Act, 1969, due to construction delays and the demand for additional costs.

HELD The Supreme Court held that to establish an "unfair trade practice" based on misrepresentation, the representation must contain a false statement that is misleading and affects a reasonable buyer. In this case, the court found no evidence of misrepresentation or unfair trade practices.

"When a problem arises as to whether a particular act can be condemned as an unfair trade practice or not, the key to the solution would be to examine whether it contains a false statement and is misleading and further what is the effect of such a representation made by the manufacturer on the common man? Does it lead a reasonable person in the position of a buyer to a wrong conclusion?"

SUPREME COURT OF INDIA • 2022

SOURCE ESCR010004902022

05 L.K. Talwar v. Lovely Professional University

HIGH COURT OF PUNJAB AND HARYANA • 2012-05-09 • CWP/1133/2011

The petitioners sought a refund of tuition and hostel fees after a student withdrew from an M.B.A. program due to ill health. The respondent-University refused the refund, contending that the student's seat remained vacant for the remainder of the academic session, resulting in a financial loss to the institution, consistent with University Grants Commission (UGC) guidelines.

HELD The High Court held that under UGC norms, a refund of fees is a matter of right only if the vacated seat is filled by another candidate. Since the seat remained vacant throughout the session, the university was not obligated to refund the fees.

"In terms of the UGC letter dated 23.4.2007, the case for refund would be justified if the seat consumed and then vacated is filled by another candidate by or before the cut off date, only then refund may become a matter of right."

HIGH COURT OF PUNJAB AND HARYANA • 2012

SOURCE PHHC010646722011

06 Dhairya Omprakash Jhunjhunwala v. Union of India

HIGH COURT FOR STATE OF TELANGANA • 2023-04-13 • WP/42807/2022

The petitioners sought a refund of fees paid to the International Institute of Information Technology, Hyderabad, following the withdrawal of the student from a B.Tech program. The Institute argued that it was governed by AICTE guidelines, which set a cut-off date for refunds, rather than the UGC guidelines.

HELD The Telangana High Court held that UGC refund guidelines are mandatory for deemed universities and override conflicting AICTE guidelines. The court ordered the university to refund the fees in accordance with the UGC directives.

"AICTE is only an Advisory Body and it has no power to frame Regulations, implementation."

HIGH COURT FOR STATE OF TELANGANA • 2023

SOURCE HBHC010643642022

07 Ireo Grace Realtech Pvt. Ltd. v. Abhishek Khanna

SUPREME COURT OF INDIA • 2021-01-11 • 2021 INSC 13

This case addressed whether a developer could bind apartment buyers to one-sided, oppressive contract terms and whether the Consumer Protection Act remains an available remedy alongside the Real Estate (Regulation and Development) Act (RERA).

HELD The Supreme Court held that the inclusion of unreasonable and one-sided clauses in a consumer agreement constitutes an unfair trade practice. The court affirmed that consumer forums have the power to declare such oppressive terms null and void.

“The provisions of the Act thus have to be construed in favour of the consumer to achieve the purpose of enactment as it is a social benefit oriented legislation.”

SUPREME COURT OF INDIA • 2021

SOURCE ESCR010001392021

08 C. Ravibalan v. University Grants Commission

MADRAS HIGH COURT • 2024-06-03 • WP/8452/2017

The petitioners sought a refund of tuition fees paid to Annamalai University for their wards' BDS course admission in 2016-2017. After the students secured admission to MBBS courses elsewhere, they withdrew from the dental program. The University, citing its prospectus, refused to refund the fees and coerced the students into paying fees for the entire duration of the BDS course before releasing their original certificates.

HELD The High Court held that the university's refusal to refund the fees and its coercion of the students to pay the full course fees violated the mandatory UGC guidelines. The court directed the university to refund the fees collected.

“Collecting Advance Fees for entire programme of study or for more than one semester/year in which a student is enroll is strictly prohibited, as it restricts the student from exercising other options of enrollment elsewhere.”

MADRAS HIGH COURT • 2024

SOURCE HCMA011626532017

09 S. Ganeshram v. University Grants Commission

MADRAS HIGH COURT • 2025-08-07 • WP/11204/2025

The petitioner sought a refund of fees paid to the third respondent college after withdrawing his admission in December 2022. Relying on the UGC Fee Refund Policy for the 2022-2023 academic session, the petitioner contended that he was entitled to a refund for withdrawals made before December 31, 2022.

HELD The High Court applied the UGC Fee Refund Policy for 2022-2023 and ordered the college to refund the tuition fees paid by the student, subject only to a maximum deduction of Rs. 1,000 as a processing fee.

“According to the UGC Fee Policy 2022-2023, for cancellation of admission upto October 31, 2022, students are entitled to a full refund. If the cancellation takes place after October 31, 2022 and on or before December 31, 2022, students are still entitled to a full refund, after deducting not more than Rs.1000/- as a processing fee.”

MADRAS HIGH COURT • 2025

SOURCE HCMA010669072025

10 Dr. Major K. Kamalanathan v. University Grants Commission

MADRAS HIGH COURT • 2016-07-18 • WP/5559/2016

The petitioner sought a refund of tuition and hostel fees paid to Saveetha University after his son withdrew from an MBBS course to join another institution. The university refused the refund, citing its own policy and a signed undertaking from the petitioner stating no dues were owed.

HELD The High Court held that the mandatory guidelines issued by the UGC override the terms specified in a university prospectus or any private undertakings signed by a student. Since the vacated seat was subsequently filled, the university was ordered to refund the fees.

“It had been categorically held that the instructions in the notification of the University Grant Commission would prevail over the terms and conditions notified in the prospectus of the deemed University.”

MADRAS HIGH COURT • 2016

SOURCE HCMA011092472016

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