REPORTABLE

IN THE SUPREME COURT OF INDIA CIVIL ORIGINAL JURISDICTION

WRIT PETITION (CIVIL) NO.513 OF 2017

(With I.A. No.74980 of 2017)

Dr. Jagat Narain Subharti Charitable Trust and Anr.Petitioners

Versus

Union of India and Ors.

....Respondents

WITH

WRIT PETITION (CIVIL) NO.681 OF 2017

(With I.A. No.75275 of 2017)

JUDGMENT

A.M. KHANWILKAR, J.

1. The petitioner No.1 Dr. Jagat Narain Subharti Charitable Trust, Dehradun, made an application to the Ministry of Health & Family Welfare, Government of India for establishment of a new medical college at Dehradun in the name and style 'Shridev Suman Subharti Medical College &

Hospital, Dehradun' from the academic session 2016-17 onwards. That application was forwarded to Medical Council of India (for short "MCI") for evaluation and making recommendations to the Ministry under Section 10A of the Indian Medical Council Act, 1956 (for short "1956 Act"). The Executive Committee of MCI considered the proposal pertaining to the aforementioned new medical college in its meeting convened on 27.02.2016. It was noted that the land on which the new college was proposed to be made was not entered in the name of Dr. Jagat Narain Subharti Charitable Trust. Several litigations were pending regarding the title and ownership of the said land. As a result, the Executive Committee of MCI opined that the Trust had failed to fulfill the qualifying criteria regarding the land, as prescribed by the Medical College Regulations, 1999 (for short "1999 Regulations"). Accordingly, MCI submitted its negative recommendation to the Central Government vide letter dated 01.03.2016 relating to issuance of letter of permission for establishment of a new medical college from the academic session 2016-17. The matter then proceeded before the Ministry of Health & Family Welfare, Government of India under Section 10A (4) of the 1956 Act and after affording opportunity of hearing to the college before the Hearing Committee on 06.05.2016, the proposal was sent back to MCI for review. The Executive Committee of MCI, in its meeting held on 13.05.2016, reiterated its earlier decision of disapproval of the scheme for the academic session 2016-17 and submitted negative recommendation to the Central Government recommending disapproval of the scheme under Section 10A of the 1956 Act. Acting upon the said recommendation, the Ministry of Health & Family Welfare, disapproved of India the Government proposal establishment of a new medical college for the academic session 2016-17 vide letter dated 08.06.2016. Notwithstanding the decision of the Ministry, the Oversight Committee (for short "OC"), constituted by this Court, issued directives to obtain fresh compliance from the college vide letter dated 21.06.2016. Pursuant thereto, the MCI, after examining the matter, returned the proposal citing various reasons, consequent to which the Ministry submitted its

response to the OC. The OC vide letter dated 25.09.2016, however, favoured the approval of the scheme for establishment of the proposed medical college at Dehradun with annual intake of 150 seats for the academic session 2016-17, on certain conditions. In view of the approval granted by the OC, the Central Government issued a formal letter of permission on 26.09.2016 in favour of petitioner No.1 for establishment of a new medical college at Dehradun for the academic session 2016-17, with conditions as enumerated by the OC.

2. Thereafter, an assessment with regard to verification of compliance submitted by the college was conducted by the MCI on 26/27.10.2016 and after considering the report, the Executive Committee of MCI, in its meeting held on 13.01.2017, noted certain deficiencies. The MCI, vide letter dated 15.01.2017, submitted its recommendation to the Central Government to revoke the letter of permission. After receipt of the said recommendation, personal hearing was given to the college on 17.01.2017, by Director General of

Health Services (for short "**DGHS**"). The Hearing Committee noted as follows:

"Sl.			Observations of			
No.			hearing			
			committee			
i.	Deficie	епсу с	No satisfactory			
	report		justification for			
ii.	Shorte	ige of	the	deficiencies		
	report					
iii.	OPD a	ıttend	ance is 535 on day of	assessment	against	
	requir	emen				
iυ.	Bed Occupancy is 31.33% at 10 a.m. on day of					
	asses	smen				
		#	Department	Beds		
			2 ep en en en e	Available	Occupi	ed.
		1.	General Medicine	72	30	
		2.	Paediatrics	24	05	
		3.	Tb and Chest	08	00	
		4.	Psychiatry	08	00	
		5.	Skin and VD	08	00	
		6.	General Surgery	90	18	
		7.	Orthopaedics	30	08	
		8.	Ophthalmology	10	11	
		9.	ENT	10	04	
		10.	O.G.	40	18	
			Total	300	94	
υ.	There	was.	ı			
	Section					
vi.	ICUs:	There				
	each i		•			
	asses	smen				

This report was forwarded to the OC for guidance, in response to which the OC vide letter dated 14.05.2017 conveyed its opinion to the Ministry as follows:

- "i). Faculty:- Once the faculty on leave are considered, the deficiency comes to 6.15% which is within norms.
- ii). Residents:- Once the residents on leave are considered, there is no deficiency.
- iii) OPD attendance: Explanation of College is valid.
- iv) Bed Occupancy:- Explanation of College is valid.
- *v)* Deliveries:- This deficiency is subjective. No MSR.
- vi) ICUs:- This deficiency is subjective. No MSR.

 LOP confirmation is subject to the status required to be ascertained by MHFW with reference to OC letter No.OC/Sridev Suman Subharti/2017/189 dated 18 April, 2017 addressed to MHFW."
- 3. As the petitioners did not receive any intimation from the competent authority, they were left with no alternative but to move a writ petition before this Court, being Writ Petition (Civil) No.513 of 2017 on 07.07.2017, seeking direction against respondent No.1 to confirm the letter of permission dated 26.09.2016 and to grant permission to the petitioners to admit 150 students in the MBBS course of petitioner No.2 medical college for the academic session 2017-18 and further, to direct respondent No.4 to allot 150 students through Central Counselling for academic session 2017-18 in the MBBS course of petitioner No.2 medical college. The said writ petition was taken up for hearing on 21.07.2017. The court passed the following order:

"Order

Let a copy of this writ petition be served on Mr. Gaurav Sharma, learned counsel who ordinarily appears for Medical Council of India.

Let the matter be listed on 28th July, 2017.

The Registry is directed to reflect the name of Mr. Gaurav Sharma, as learned counsel for respondent No.2 in the cause list.

That apart, let a copy of this writ petition be served on Mr. G.S. Makker, learned counsel who shall remain personally present in the court on the next date of hearing.

Mr. P.S. Narsimha, learned Additional Solicitor General is also requested to assist the Court."

Notwithstanding the knowledge about pendency of the said writ petition, the Ministry of Health and Family Welfare, Government of India hastened to debar the petitioner college from admitting students for two academic sessions i.e. 2017-18 & 2018-19 and also authorised the MCI to encash the Bank Guarantee of Rs.2 crores offered by the petitioners.

4. The aforementioned Writ Petition (Civil) No.513 of 2017 was then heard on 01.08.2017, during which the following order came to be passed:

"Order

Heard Mr. Amarendra Sharan and Mr. Ajit Sinha, learned senior counsel along with Mr. Vivek Singh, learned counsel for the petitioners, Mr. Maninder Singh, learned Additional Solicitor General for the Union of India and Mr. Vikas Singh, learned senior counsel along with Mr. Gaurav Sharma, learned counsel for the Medical Council of India.

It is the admitted position that the controversy in the present matter is covered by the judgment rendered today in Glocal Medical College and Super Speciality Hospital and Research Centre Vs. Union of India [W.P. (c) No.411 of 2017].

The same shall apply in all fours to the case in hand. Be it noted, the date of order passed by the Central Government or communication thereof will not make any difference to the directions which have been passed in the case of <u>Glocal Medical College and Super Speciality Hospital and Research Centre</u> (supra).

List the matter on 24th August, 2017."

As the Ministry hastened to issue the communication dated 25.07.2017, the petitioners were left with no option but to challenge the said decision by filing a separate writ petition being Writ Petition (Civil) No.681 of 2017, filed on 28.07.2017.

5. Be that as it may, pursuant to the aforementioned order dated 01.08.2017 of this Court, the matter was reconsidered by the Hearing Committee. An opportunity of hearing was given to the petitioner college by the Hearing Committee on 08.08.2017. The explanation offered by the petitioners in respect of the deficiencies earlier noticed did not commend to the Hearing Committee. On the basis of the report received from the Hearing Committee, the Under Secretary to the Government of India issued communication-cum-order dated 14.08.2017 reiterating its earlier decision of debarring the college from admitting students for a period of two years i.e.

2017-18 and 2018-19 and also authorised the MCI to encash the Bank Guarantee of Rs.2 crores. The relevant portion of the said communication, reads thus:

«

17. Now, in compliance with the above direction of Hon'ble Supreme Court dated 1.8.2017, the Ministry granted hearing to the college on 8.8.2017. The Hearing Committee after considering the record and submission of the college submitted its report to the Ministry. Findings of Hearing Committee are as under:

The Committee notes that the inspection was carried out on 26-27.10.2016 just prior to Diwali. This is bound to reflect in less than average availability against major parameters. The college has tried to explain the deficiency of faculty, Residents, OPD and bed occupancy on this ground.;

The Committee noted that MCI in its recommendation has also held that the college is disqualified on qualifying criteria since the Trust does not own 20 acres land.

The representative of college informed that the land is owned in the name of two Trusts viz. Sri Sri 1008 Narayan Swami Trust and Dr. Jagat Narayan Subharti Trust. As per para 6A of the AmendedTrust Deed registered on 15.09.2011 the name of the Trust was changed from Sri Sri 1008 Narayan Swami Trust to Dr. Jagat Narayan Subharti Trust. In the definition clause of Subharti University State Act 2016, in Section 2(rr) Trust means Subharti Trust covered by both names. All properties registered under the name of Sri Sri 1008 Narayan Swami Trust come under the ownership of Jagat Narayan Subharti Trust.

The College also produced letter dated 01.03.2016 from DM., Dehradun to the college certifying its land ownership.

The college was asked why it not obtained form 5 regarding land ownership as per MCI Regulations. The college informed that the form 5 was prescribed from October 2015 and the college made application for establishment before that.

The trust representative was very categorical that they had applied for permission for establishment only for 2014-15 and the conditional LoP in 2016-17 was issued in continuation

to their earlier application. <u>This is obviously an incorrect statement</u>.

The Committee observes that the full details regarding the land ownership of the college are available with the Ministry. Hence the Ministry may decide appropriately. Prima facie it appears that the college owns 20 acres of land. In view of the deficiencies and findings as above, the Committee agrees with the decision of the Ministry vide letter dated 25.7.2017 to debar the college for two years and also permit MCI to encash bank guarantee.

18. Accepting the recommendations of Hearing Committee, the Ministry reiterates its earlier decision dated 25.7.2017 to debar the college from admitting students for a period of 2 years i.e. 2017-18 & 2018-19 and also to authorize MCI to encash Bank Guarantee of Rs.2 Crores."

(emphasis supplied)

6. After the receipt of the aforementioned decision of the Ministry dated 14.08.2017, the petitioners have filed two separate Interlocutory Applications in the respective writ petitions which were still pending before this Court, concerning the subject matter of debarring the petitioner college from admitting students in the MBBS course for the academic session 2017-18. By these applications, being I.A. No.74980 of 2017 in Writ Petition (Civil) No.513 of 2017 and I.A. No.75275 of 2017 in Writ Petition (Civil) No.681 of 2017, the petitioners have prayed for quashing the communication cum order dated 14.08.2017 issued under the signature of the Under Secretary, Government of India, Ministry of Health

and Family Welfare and to direct respondent No.1 to immediately issue letter of permission to the petitioners for the academic session 2017-18 to enable the petitioners to admit the students for the academic session 2017-18. These applications were filed on 17.08.2017. As a result, these applications along with the main writ petitions proceeded for hearing on 24.08.2017.

The principal grievance of the petitioners is that the 7. Hearing Committee had once again committed manifest error submitting negative recommendations in against the petitioners and that the Ministry mechanically acted upon those recommendations without considering the relevant material placed on record by the petitioners with regard to the deficiencies noted in paragraph 17 of the impugned decision. It is contended by the petitioners that even on a liberal reading of paragraph 17, the deficiencies which had weighed with the competent authority in passing adverse order against the petitioners were in respect of faculty, residents, OPD and Bed Occupancy, which were already considered on the earlier occasion and the explanation given by the petitioners had found favour with the OC. In the impugned communication, there is no opinion much less any positive finding given by the Hearing Committee or the competent authority that the explanation offered by the petitioners for the deficiencies noticed during the inspection on 26/27.10.2016 was not plausible as it was done just prior to Diwali. It is submitted that the central issue held out against the petitioners was about not fulfilling the qualifying criteria regarding ownership of 20 acres of land. On this matter, however, the Hearing Committee was prima facie convinced but left it to the wisdom of the Ministry to decide appropriately. The Ministry, in turn, has not expressed any positive opinion in that behalf, even though the petitioners had produced official records which clearly indicated that the litigation before the Revenue Authority has concluded in favour of the petitioners and that the petitioners have been declared as owners of 20 acres of land. This aspect has been completely glossed over by the competent authority of the Government of India, for which reason the conclusion

reached by the said authority suffers from non-application of mind and non-consideration of the relevant material placed before it. It is submitted that the other concern expressed by the Hearing Committee was about non-submission of information in Form-5 regarding land ownership. Even this concern of the Hearing Committee and the competent authority, contend the petitioners, is misplaced considering the fact that the requirement to submit information in Form-5 came into force w.e.f. 16.10.2015 consequent to the amendment notification issued by the MCI in that behalf. Whereas, the petitioners had submitted application for grant of permission to establish the medical college initially in 2013, then on 30.08.2014 and again on 31.08.2015. The application filed on 31.08.2015 was the basis for grant of conditional letter of permission, to start the medical course for the academic session 2016-17. The Hearing Committee as well as the competent authority has merely observed that the stand taken by the petitioners in this behalf was incorrect, without explaining anything further. therefore, submitted that the impugned communication

dated 14.08.2017 issued by the Ministry is illegal and deserves to be quashed and directions be issued to the respondents to allow the petitioners to admit students in the MBBS course for the academic session 2017-18. The petitioners also undertake to remove any other deficiency that may be brought to its notice in the future with promptitude.

8. The respondents, on the other hand, have justified their action on the basis of the material considered by the Hearing Committee and the competent authority of the Central Government. It is submitted that the qualifying criteria regarding ownership of 20 acres of land is inviolable. The petitioners having failed to fulfill the same, no fault can be found with the respondents for having issued the impugned communication dated 14.08.2017. According to them, it is a well considered decision. It is submitted that considering the nature of deficiencies noticed by the assessors during inspection and the explanation offered by the petitioners being insufficient, the proper course was to revoke the letter

of permission as it was granted to the petitioners conditionally. It is submitted that the fact that the petitioners had filed an application before October 2015 extricate the petitioners from furnishing would not information as required in Form-5. In substance, the submission of the respondents is that the entire matter has been reconsidered by the Hearing Committee as also the competent authority and the reasons recorded by the competent authority are germane for revoking the letter of permission and debarring the college for two academic sessions and for encashing the Bank Guarantee of Rs.2 crores furnished by the petitioners.

9. Having considered the rival submissions and after perusing the records, we are more than convinced that the impugned communication dated 14.08.2017 cannot stand the test of judicial scrutiny. As can be discerned from paragraph 17, essentially, three factors have weighed with the Hearing Committee and the competent authority of the Central Government while debarring the petitioner college for

two academic sessions. The first is about the deficiencies of faculty, residents, OPD and Bed Occupancy. The petitioners had offered explanation in relation to each of these deficiencies. The OC, after considering the explanation, had opined that the petitioners had shown sufficient cause and that the deficiencies, if any, were within the permissible norms. This is evident from the communication of the OC dated 14.05.2017. Neither the Hearing Committee nor the competent authority of the Central Government has dwelt upon the stated explanation given by the petitioners and which had found favour with the OC, as noted in its communication dated 14.05.2017. No finding has been recorded by the Hearing Committee or the competent authority of the Central Government that the said view expressed by the OC is inappropriate or incorrect. Notably, in paragraph 17 of the impugned communication, the competent authority of the Central Government has recorded the observation of the Hearing Committee that inspection carried out on 26/27.10.2016 was just prior to Diwali and was bound to reflect on the attendance of the Faculty,

Residents and OPD as well as Bed Occupancy. The competent authority has stopped at that. It has not rejected the said explanation as incorrect or bogus. On the other hand, the impression gathered from the contents of paragraph 17 of the impugned communication is that the Hearing Committee as well as the competent authority of the Central Government has not rejected the explanation offered by the petitioners' college. If that is so, deficiency in respect of Faculty, Residents, OPD and Bed Occupancy cannot be held against the petitioners moreso when the OC, on the basis of the same material, had opined that the deficiency regarding faculty at the relevant time was only 6.15%, which was within the norms. Even the deficiency of residents was answered in favour of the petitioners by observing that there was no deficiency. The explanation of the college with regard to OPD attendance and Bed Occupancy was found to be reasonable, sufficient and valid by the OC. Accordingly, the first aspect highlighted in paragraph 17 in relation to the deficiency of Faculty, Residents, OPD and Bed Occupancy, cannot be held against the petitioners.

10. Reverting to the main issue, which presumably weighed with the Hearing Committee and the competent authority of the Central Government, about the non fulfillment of qualifying criteria regarding ownership of 20 acres land, even this is a non-existent issue. Going by the observations in paragraph 17, it is obvious that the Hearing Committee has recorded a prima facie opinion that the college owns 20 acres of land but it wanted the competent authority of the Central Government to ponder over the said aspect in depth as full details regarding land were available with the Ministry. The competent authority of the Central Government, however, has not analysed any aspect regarding the land record depicting the ownership of 20 acres of land. Significantly, the petitioners relied on the recent decision of the Revenue Authority which clinches the issue regarding ownership and area of the land. In that, the Court Assistant Collector, First Class, Vikas Nagar, Dehradun has passed a detailed judgment on 25.07.2017 to answer the dispute brought before it under Section 143 of the Zamindari Abolition and

Land Reforms Act and has held that the lands referred to in the said decision are non-agricultural lands and entered in the name of the petitioners as owners in the revenue record. We are not called upon to examine the correctness of this decision nor we may be understood to have concluded that issue. The fact remains that this judgment was placed before the competent authority. The said decision has been marked as annexure P-29 in Writ Petition (Civil) No.681 of 2017. From the said decision, it is indisputable that the petitioners have been declared as owners of the land referred to in the said case Nos.100 and 101 of 2016-17. As stated earlier, even the Hearing Committee has not expressed any adverse opinion on this account. Rather, the Hearing Committee has prima facie noted that the college owns 20 acres of land. The competent authority has palpably failed to analyse the relevant record regarding land ownership of the college, as is evident from the observation contained in paragraph 17 of the impugned decision.

11. The third aspect noted in the impugned decision in paragraph 17 is about the non-furnishing of information regarding land ownership in Form-5. We are at a loss to appreciate as to on what basis the Hearing Committee and the competent authority of the Central Government have found the stand taken by the petitioners in that behalf as an incorrect submission. We find that the petitioners had submitted applications for permission to establish the medical college initially in 2013 followed by another application on 30.08.2014 and lastly on 31.08.2015. On the last application dated 31.08.2015, the basis of the petitioners were granted permission to start the medical college from the academic session 2016-17 on conditions specified in the permission. At best, it can be said that the said application dated 31.08.2015 was not for establishment of college for the academic session 2014-15. But it is indisputable that the letter of permission was granted to the petitioners for the academic session 2016-17 on the basis of their application dated 31.08.2015. Having said this, it must follow that the application preferred by the petitioners under

consideration was made before 16.10.2015. The requirement to submit information regarding ownership of land in Form-5 came into force after the amendment notification dated bearing No.MCI-34/41/15-Med./142035. 16.10.2015 addition, the petitioners have rightly pointed out that the information regarding ownership of land as was furnished by them was dependent on the communication issued by the D.M. being annexure P-5 in Writ Petition (Civil) No.513 of 2017, which contains all the requisite details as were required for the purpose of Form-5. Thus, there has been substantial compliance of the said requirement by the petitioners. Assuming that the notification dated 16.10.2015 applied even to the proposal of the petitioners, suffice it to observe that failure to furnish information in the prescribed Form-5 cannot be held against the petitioners. In any case, that is not a deficiency relating to infrastructure or academic matters as such, which may require a different approach. Accordingly, even this aspect does not detain us from concluding that the impugned decision of the competent

authority suffers from the vice of non- application of mind, if not perverse.

- 12. This leaves us with no other option but to conclude that the reconsideration of the matter by the Central Government was a mere formality in this case. No sincere effort has been made by the competent authority of the Central Government to analyse the material placed on record. This is nothing short of abdication of statutory duty. That cannot be countenanced especially when the matter was sent back to the competent authority by this Court vide order dated 01.08.2017 for recording reasons.
- 13. As no other deficiency has been noted by the competent authority of the Central Government in the impugned decision dated 14th August, 2017, and that the three factors which weighed with the competent authority having been found to be palpably untenable and, more particularly, in spite of this Court having called upon the competent authority to reconsider the matter with a hope that all the grievances of the petitioners would be properly dealt with, it

opted to pass a cryptic and mechanical order which suffers from the vice of non application of mind, if not perverse. The only course open for us is to allow these writ petitions by not only setting aside the impugned decision dated 14th August, 2017, but also directing the respondents to permit the petitioner-college to admit up to 150 students for the academic session 2017-18, as was permitted for the academic session 2016-17. We are conscious of the regulation providing for the cut-off date to accord permission for establishment of a new college or for renewal of the permission to impart MBBS course, including the decision of this Court mandating adherence to the said cut-off date. Notwithstanding such stipulation, we are persuaded to direct the concerned authorities to allow the petitioner-college to admit up to 150 students until 05.09.2017, in the peculiar facts of the present case and in exercise of our plenary power under Article 142 of the Constitution of India to do complete justice. In other words, we are inclined to relax the cut-off date qua the petitioners and issue directions to the concerned authority, being convinced that none of the three

factors which weighed with the competent authority is sustainable and that the petitioner-college has already admitted students to the first year MBBS course for the academic session 2016-17 after the recommendation of the OC in that behalf and has complied with the conditions for grant of such permission by the competent authority.

14. This decision, however, will not be an impediment for the MCI and the competent authority to inspect the college as and when deemed fit and, if any deficiency is found after giving opportunity to the petitioner-college, to proceed with the college in accordance law. That against arrangement will subserve the ends of justice and also ensure larger public interest. For, the compliant medical college, having capacity to admit up to 150 students for the MBBS course in the academic session 2017-18, will not have to face the situation of its 150 seats remaining unutilized entailing in denial of opportunity to 150 aspiring students who are desirous of pursuing medical course but are unable to take admission in other medical colleges in order of their merit.

- 15. In a recent decision of this Court in *IQ City*Foundation & Anr. Vs. Union of India & Ors. ¹, (Writ Petition (Civil) No. 502 of 2017, decided on 1st August, 2017), it has been observed thus:-
 - "31. Before parting with the case for the present, it is warrantable to state that "health", a six letter word when appositely spelt and pronounced, makes the body and mind holistic and an individual feels victorious. Apart from habit and nature, some external aid is necessary. And that is why, it is essential to have institution which are worthy to impart medical education. A lapse has the potentiality to invite a calamity. Not for nothing, Hippocrates had said, "A wise man ought to realize that health is his most valuable possession." Therefore, the emphasis is on the compliant institution."
- 16. Considering the fact that the admission process for the academic session 2017-18 is still in progress and the last date fixed for counseling is 31st August, 2017, we are inclined to issue directions to all concerned to permit the petitioner-college to admit up to 150 students until 05.09.2017 to the MBBS course for the academic session 2017-18, with liberty to MCI and the competent authority to inspect the petitioner-college and if any deficiency is noticed,

^{2017 (8)} SCALE 369

to proceed against the petitioner-college in accordance with

law.

17. Accordingly, we allow these writ petitions and

interlocutory applications. The impugned decision of the

competent authority of the Central Government dated 14th

August, 2017, is quashed and set aside. Further,

respondents are directed to permit the petitioner-college to

admit up to 150 students until 05.09.2017 for the academic

session 2017-18 and allot students through the central

counselling in order of their merit for the academic session

2017-18 in the MBBS course.

18. No order as to costs.

		 CJI
(Dipak	Misra)	

.....J. (Amitava Roy)

(A.M. Khanwilkar)

New Delhi,

Dated: August 30, 2017.