

**SECRETARIAT**

**Admission and Fee Regulatory Committee**

**(A statutory body established through an Act of Government of Madhya Pradesh)**

**Office: Tagore Hostel No. T-2, Ground Floor-Left Wing, Shyamla Hills,**

**Bhopal – 462002 Phone and Fax No. (0755) – 2660461**

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No. Sectt/OSD/94/2017 /1523

Dated : 11.07.2017

To,

**Secretary/Director,  
Amaltas Institute of Medical Sciences,  
Dewas.**

**Sub- Order passed in appeal No. 94/2017 for M.B.B.S. Course.**

**Ref- This Secretariat Letter No. Sectt/OSD/94/2017/1492 dated 08.07.2017.**

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With reference to above cited subject and order dated 07.07.2017, I am directed by Appellate Authority to send you a copy of the order passed dated 11.07.2017 on your appeal No. 94/2017 by Appellate Authority.

Encl. As Above.



**(Dr. Alok Chaube)**  
Officer on Special Duty

End. No. Sectt/OSD/94/2017

Copy to : Hon'ble Appellate Authority, AFRC, Bhopal  
For kind information.

Dated : 11.07.2017



**(Dr. Alok Chaube)**  
Officer on Special Duty

BEFORE THE APPELLATE AUTHORITY CONSTITUTED UNDER THE MADHYA  
PRADESH NIJI VYAVSAYIK SHIKSHAN SANSTHA (PRAVESH KA VINIYAMAN  
AVAM SHULK KA NIRDHARAN) ADHINIYAM, 2007, AS AMENDED IN 2013.

Appeal No. 94/2017

Amaltas Institute of Medical Sciences,

Dewas

M.P.

Appellant

VERSUS

The Admission and Fee Regulatory  
Committee, Bhopal.

Respondent

ORDER

(Date 11.07.2017)

1. Vide common order dated 07.07.2017 the fee fixation for MBBS course by the Committee vide its chart dated 03.04.2017 was held vitiated for not determining the fees in accordance with the provisions of the Act and the Regulations and was therefore rescinded. Now, I proceed with fixation of appropriate fee as per provisions of the Act and the Regulations on the basis of scrutiny and analysis of accounts of each appellant institution and the fee proposal submitted by the institution. Since each appellate institution has submitted fee proposal for academic session 2017-18 and 2018-19 on the basis of its own financial situation, I proceed to pass fee fixation order for each appellant institution separately.
2. The appellant had submitted to AFRC a proposal for fixation of fee of Rs.10,75,000.00 per year for academic sessions 2017-18 and 2018-19. Appellant pleaded that the fee proposal submitted to AFRC was based on



realistic projection for expenditure and the higher fee was essential to meet the need of appellant institute for revenue as well as capital expenditure.

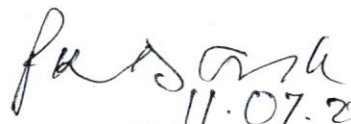
3. Respondent submitted that AFRC in its meeting dated 03.04.2017 had fixed appropriate fee for the appellant institution and there was no merit in appellant's pleading for further hike in fee.
4. The financial status of the appellant institution is briefly analysed hereunder on the basis of the institution's latest audited accounts. Appellant institution has not submitted audited accounts for financial year 2016-17 in spite of opportunity given by Appellate Authority to present the audited accounts for 2016-17 during the appeal stage. Therefore, provisional account for 2016-17 submitted by appellant institution has not been reckoned for the purpose of assessment of merit of fee proposal for academic session 2017-18. Since audited accounts for financial year 2016-17 have not yet been submitted by the appellant institution, appropriate fee for academic session 2017-18 would be fixed on the basis of audited accounts for 2015-16.
5. MBBS college and the Teaching Hospital constitute an integrated unit. Hence, the Income and Expenditure Account and the Balance Sheet for MBBS college and Teaching Hospital have been considered together.
6. The appellant institution is a new medical college and academic session 2016-17 was the first year of admission to MBBS course. Appellant institute has furnished audited accounts for financial year 2015-16, i.e. the year prior to admission of the first batch, according to which MBBS course and Teaching Hospital had incurred a deficit of Rs. 6.47 crores. The Society, having no other activities other than the MBBS college and Teaching Hospital, had the same deficit of Rs. 6.47 crores in 2015-16. The Society had outstanding secured loan of Rs. 19.5 crores and unsecured loan of Rs. 19.83 crores as on 31.03.2016.
7. Appellant had submitted a fee proposal of Rs.10.75 lakhs per year on the basis of estimated expenditure of Rs. 19.14 crores in 2016-17. Since this is a new





college, substantial capital investment as well as revenue expenditure is to be incurred by the institution during the next four years to comply with mandatory MCI requirement. Such expenditure would possibly be met by the institution through corpus fund from the Parent Society and also through secured and unsecured debt. However, since this is a social sector investment by a charitable Trust/Society, the appellant institute cannot target to break even or generate a surplus in the early years of its operation. Therefore, the Society/Appellant institution must arrange to meet the fund requirement without hoping to recover the entire amount through fees at least in the early years. Therefore, the institute's proposal for a very high fee or Rs. 10.75 lakhs per year is not acceptable.

8. After considering the audited accounts for the institution for financial year 2015-16, the factors mentioned in Sec. 9 of the Act and the fee proposal submitted by the appellant, it is reasonable to fix a fee of Rs. **6.0 Lakhs** per year for academic session 2017-18.
9. Upon submission of fee proposal for academic session 2018-19 by the appellant institute along with its audited accounts for financial year 2016-17 and financial year 2017-18 latest by 31.03.2018, the Appellate Authority would pass appropriate orders under the Act.

  
(P.K.Dash) 11.07.20  
Appellate Authority