

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
DIRECTORATE OF EDUCATION
(PRIVATE SCHOOL BRANCH)
OLD SECRETARIAT, DELHI-110054

No. F. DE-15/ACT-I/WPC-4109/PART/13/ 808

Dated: 03/07/2017

ORDER

Whereas, the request of Air Force Bal Bharti School, Lodi Road, New Delhi-110003 for increase in fee for the academic session 2016-17 was rejected by Director (Education) vide order No.F.DE.15/Act-1/WPC-4109/PART/13/281-285 dated 27.12.2016 with the specific direction to rectify the deficiencies as illustrated in the said order and submit compliance report to Dy. Director of Education concerned within in thirty days.

And whereas, the Director (Education) had referred to the representation of Air Force Bal Bharti School against the fee hike rejection order of this Directorate and had decided to give an opportunity to the school to be heard in person.

And whereas, a committee was constituted to hear the case of the school in detail with a view to assist the Director of Education to dispose of the representation.

And whereas, in this connection, an opportunity of being heard was provided to the Manager/HoS of Air Force Bal Bharti School on 16.05.2017 at 02.30PM at Conference Hall, Ludlow Castle School Sports Complex, Civil Lines, Delhi-110054.

And whereas, the submissions of the schools were heard by the above said committee on 16.05.2017 at 02.30PM and during the hearing, the issues raised in the representation of the school were discussed at length. The submissions made by the school are taken on record and analyzed in accordance with the provisions of Delhi School Education Act and Rules, 1973 and directions issued there-under.

Financial discrepancies:-

| S. No. | Detail of discrepancy | Submissions of the school | Remarks |
|--------|---|---|-------------|
| 1. | As per clause 22 of Order No. F.DE./15 (56) /Act /2009 / 778 dated 11/02/2009, user charges should be collected on no profit and no loss basis and should be used only for the purpose for which these are collected. The school charges earmarked levies but for bus charges and diary/ID card | Separate accounts are being maintained for Diary/ I Card, Bus Account, Girls Hostel Account and Computer Account. | Considered. |

| | | | |
|----|--|---------------------------------|---------------------|
| | charges no separate fund is being maintained. | | |
| 2. | As per order No. F.DE./15 (56) /Act /2009 / 778 dated 11/02/2009 issued by DoE, the non-refunded Caution Money belonging to the ex-students should be reflected as income for the next financial year and this income should be taken into account while projecting fee structure for the ensuing Academic year. The school has shown an amount of Rs.14,92,930 as liability as on 31.03.2016. | Noted for Compliance in future. | Accepted by school. |

Other discrepancies:

| S. No. | Detail of discrepancy | Submissions of the school | Remarks |
|--------|--|---|---|
| 1. | The school has not complied with the requirements of Order no. F.DE-15/ACT-I/WPC4109/Part/13/7914-7923 dated 16-04-2016 as the school has started charging increased fees from the students without any approval of DoE for the session 2016-17. | Noted for Compliance in future. | Accepted by school. |
| 2. | As per clause 2 of Order No. 1978 dated 16.04.2010, all schools to explore and exhaust the possibility of utilizing the existing funds/ reserves to meet any shortfall in payment of salary and allowances, as a consequence of increase in the salary and allowances of the employees, the school management could have considered utilizing Rs.1.73 crores (approx.) lying with the school in General Reserves | The reserve fund of 1.73 Crores has been accumulated over a period of 60 years and needs to be maintained for financial crunch, in case of any eventuality. | The school should follow the DoE instructions in this regard. |

And whereas, after going through the representations dated 20.02.2017 and submissions made by the school during the hearing held on 16.05.2017 as well as financial statements/budget of the school available with this Directorate, it emerges that:-

The school is having a surplus fund of Rs 6,86,74,226/- as per the following details:-

| Particulars | Amount(Rs) |
|---|--------------------|
| Cash and Bank balances as on 31.03.16 as per audited Financial Statements | 1,63,18,645 |
| Investment as on 31.03.16 as per audited Financial Statements | 28,93,92,381 |
| Total | 30,57,11,026 |
| Less: Development Fund | 3,64,69,316 |
| Less: Depreciation Reserve Fund | 15,91,17,031 |
| Less: Provision for Gratuity* | 6,25,07,503 |
| Available Funds | 4,76,17,176 |
| Fees for 2015-16 as per financial statement(We have assumed that the amount received in 2015-16 will at least accrue in 2016-17) | 17,90,46,839 |
| Other income for 2015-16 as per financial statement | 43,52,385 |
| Estimated availability of funds for 2016-17 | 23,10,16,400 |
| Less: Budget expenses for the session 2016-17 as submitted by school management | 16,23,42,174 |
| Net Surplus** | 6,86,74,226 |

*The school is hereby directed to make earmarked equivalent investments against provision for Gratuity with LIC (or any other agency) within 90 days of the receipt of this order, so as to protect the statutory liabilities.

**As sufficient funds are available with the school, it is hereby directed that the School shall create 3 months' salary provision in accordance with the provisions of Right to Education Act, 2009 and to submit FDRs in joint name of Dy. Director (Education) and Manager of the School with DOE within 30 days of receipt of this order.

And whereas, in view of the above examination, it is evident that the school is having sufficient surplus funds even after meeting all the budgeted expenditure for the financial year 2016-17.

And whereas, as per clause 22 of Order No. F.DE./15 (56) /Act /2009 / 778 dated 11/02/2009, user charges should be collected on no profit and no loss basis and should be used only for the purpose for which these are collected. Accordingly, the school is advised to maintain separate fund in respect of each earmarked levies charged from students in accordance with the DSEA & R, 1973 and orders, circulars, etc., issued there under. If there is any surplus under any earmarked levy collected from the students, the same shall be considered or adjusted for determining the earmarked levy to be charged in the next academic session.

And whereas, as per clause No. 14 of Order No. F.DE./ 15(56)/ACT/2009/778 dated 11.02.2009, 'Development Fee, not exceeding 15% of the total annual tuition fee may be charged for supplementing the resources for purchase, up-gradation and replacement of furniture, fixture and equipment. Development Fee, if required to be charged, shall be treated as capital receipt and shall be collected only if the school is maintaining a depreciation reserved fund, equivalent to the deprecation charged in the revenue accounts and the collection under this head along with and income generated from the investment made out of this fund, will be kept in a separately maintained development fund account.' Accordingly, school is advised to maintain separate development fund and utilized the same strictly in accordance with the DSEA & R, 1973 and orders, circulars, etc., issued there under.

And whereas, the school is also advised to create appropriate provisions for gratuity based on actuarial valuation.

And whereas, these recommendations alongwith relevant materials were put before Director of Education for consideration and who after considering all the material on the record has found that the school is having sufficient surplus funds to meet the financial implications for the financial year 2016-17 and the representation dated 20.02.2017 and subsequent submissions made thereafter in this regard find no merit in respect of sanction for increase in fee and hereby rejected on the basis of above mentioned observations.

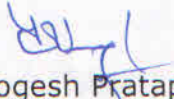
Accordingly, it is hereby conveyed that the representations for fee hike of Air Force Bal Bharti School, Lodi Road, New Delhi-110003, has been rejected by the Director of Education.

Further, the management of said school is hereby directed under section 24(3) of DSEAR 1973 to comply with the following directions:

1. Not to increase fee for the session 2016-17. If, in case, increased fee has already been charged from the parents, the same shall be refunded/adjusted.
2. Compliance of all the instructions as mentioned in the order dated 27.12.16 will be seen/examined during the scrutiny of fee hike proposal for session 2017-18, if any.
3. The fee should be utilised as per letter and spirit of Rule 177 of the DSEA & R, 1973 and the judgement of the Hon'ble Supreme Court in the case of Modern School Vs Union of India (2004).

This issues with the prior approval of the Competent Authority.

Non compliance of the order shall be viewed seriously.


(Yogesh Pratap)
Deputy Director of Education
Private School Branch
Directorate of Education

To


The Manager/HoS
Air Force Bal Bharti School,
Lodi Road, New Delhi-110003.

No. F. DE-15/ACT-I/WPC-4109/PART/13/ 808

Dated: 03/07/2017

Copy to:-

1. P.S. to Secretary (Education), Directorate of Education, GNCT of Delhi.
2. P.S. to Director (Education), Directorate of Education, GNCT of Delhi.
3. P.A. to Addl. Director of Education (Private School Branch), Directorate of Education, GNCT of Delhi.
4. DDE concerned
5. Guard file.


(Yogesh Pratap)
Deputy Director of Education-1
Private School Branch
Directorate of Education