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GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI

DIRECTORATE OF EDUCATION

(PRIVATE SCHOOL BRANCH)

OLD SECRETARIAT, DELHI-110054

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No. F.DE.15 ( 260 )/PSB/2019 /1440-1444

Dated: 29/03/2019

Order

WHEREAS, this Directorate vide its order No. DE.15 (318)/PSB/2016/19786 dated 17.10.2017 issued 'Guidelines for implementation of 7th Central Pay Commission's recommendations in private unaided recognized Schools in Delhi' and directed that the private unaided Schools, which are running on land allotted by DDA/other govt. agencies with the condition in their allotment letter to seek prior approval of Director (Education) before any fee increase, needs to submit their online fee increase proposal for the academic session 2017-18. Accordingly, vide circular no. 19849-19857 dated 23.10.2017, the fee increase proposals were invited from all aforesaid Schools till 30.11.2017 and this date was further extended to 14.12.2017 vide Directorate's order No. DE.15 (318)/PSB/2016/20535 dated 20.11.2017 in compliance of directions of Hon'ble High Court of Delhi vide its order dated 14.11.2017 CM No. 40939/2017 in WPC 10023/2017.

AND WHEREAS, attention is also invited towards order of Hon'ble High Court of Delhi dated 19.01.2016 in writ petition No. 4109/2013 in the matter of Justice for All versus GNCTD and others wherein it has been directed by the Hon'ble Delhi High Court that the Director of Education will ensure the compliance of conditions, if any, in the letter of allotment regarding prior approval of Director of education for the increase of fee by all the recognized unaided Schools which are allotted land by DDA.

AND WHEREAS, the Hon'ble High Court of Delhi while issuing the aforesaid direction has observed that the issue regarding the liability of private unaided Schools situated on the land allotted by DDA at concessional rates has been conclusively decided by the Hon'ble Supreme Court in the judgment dated 27.04.2004 passed in

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Civil Appeal No. 2699 of 2001 titled Modern School V. Union of India and others wherein Hon'ble Supreme Court in Para 27 and 28 has held as under:-

"27....

*(c) It shall be the duty of the Director of Education to ascertain whether terms of allotment of land by the Government to the Schools have been complied with...*

*28. We are directing the Director of Education to look into the letters of allotment issued by the Government and ascertain whether they (terms and conditions of land allotment) have been complied with by the Schools.....*

*.....If in a given case, Director finds non-compliance of above terms, the Director shall take appropriate steps in this regard."*

AND WHEREAS, the Hon'ble Supreme Court in the above said Judgment also held that under section 17(3), 18(4) of Delhi School Education Act, 1973 read with rule 172, 173, 175 and 177 of Delhi School Education Rules 1973, Directorate of Education has the authority to regulate the fee and other charges to prevent commercialization of education.

AND WHEREAS, in pursuance to order dated 23.10.2017 of this Directorate, **Springdays Model School, Ashok Vihar, Delhi (School Id: 1411229)** had submitted the proposal for increase in fee for the academic session 2017-18 including the impact on account of implementation of recommendations of 7<sup>th</sup> CPC.

AND WHEREAS, in order to ensure that the proposals submitted by the Schools for fee increase are justified or not, this Directorate has deployed teams of expert Chartered Accountants at HQ level who have evaluated the fee proposals of the School very carefully in accordance with the provisions of the DSEA, 1973, the DSER, 1973 and other orders/ circulars issued from time to time by this Directorate for fee regulation.



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AND WHEREAS, documents uploaded on the web portal for fee increase and subsequent documents submitted by the school were evaluated by the team of Chartered Accountants.

AND WHEREAS, necessary records and explanations were also called from the School vide email dated March 24, 2018. Further, School was also provided opportunity of being heard on September 06, 2018 to present its justifications/ clarifications on fee increase proposal including audited financial statements and based on the discussions, School was further asked to submit necessary documents and clarifications on various issues noted.

AND WHEREAS, the School has not submitted any documents and clarifications/ justifications as required during the course of discussion. It seems that the School do not want its fee proposal to get evaluated and thus, has not submitted the required clarifications/ justifications. However, documents uploaded on the web portal for fee increase and subsequent documents submitted by the school, if any, were evaluated by the team of Chartered Accountants. Thus, based on the available records, it has been noted that:

1. During discussion, the school was asked to submit the justification for the various issues noted but the School had failed to submit the same. The list of the clarifications/ documents asked from the School are as under:
  - a) Basis for creation of depreciation reserve fund and its with compliance of clause 14 of the order dated 11.02.2009.
  - b) Clarification regarding not routing depreciation through Income & Expenditure account for the FY 2014-15 to 2016-17.
  - c) Copy of FDR Receipts for FY 2016-17.
  - d) Reconciliation Statement of Fee as per Financial Statements with Fee Structure & Student Strength along with justification for the differences if any for the FY 2014-15 to 2016-17
  - e) Statement of surplus or deficit in respect of each earmarked levies.
  - f) Calculation of arrears salary as per the recommendation of 7th CPC (both in hard & soft copy) and its impact on the financial statements.

- g) Copy of Fixed Assets register for FY 2014-15 to FY 2016-17.
  - h) Detailed note regarding addition in Building during FY 2014-15 to FY 2016-17 and its source of financing.
  - i) Details of transport routes along with transport fee charged by school in FY 2014-15 to 2016-17 and details of vehicles owned by the school.
  - j) Copy of agreement for outsource staff along with invoice copy for the month of March 2016 and March 2017.
  - k) Copy of contract for smart class along with copy of invoice for Mar 2016 and Mar 2017.
- II. During discussion, School was asked to provide clarifications/ justifications for budgeted expenditure but it failed to submit any information/ detail and thus, funds position of the School cannot be ascertained.

Based on above, evaluation of fee proposal of the School cannot be carried out as School has not submitted the complete set of documents and has not clarified various issues noted during discussion and has not submitted the justification for its budget. It seems that the School do not want its fee proposal to get evaluated and thus, has not submitted the required clarifications/ justifications and the School is not willing to cooperate with the Directorate.

AND WHEREAS, in the light of provisions of DSEA, 1973, DSER, 1973, guidelines, orders and circulars issued from time to time by this Directorate, it was recommended by the team of expert Chartered Accountants that since the evaluation of fee proposal of the School could not be carried out as School has not submitted the complete set of documents, and has not clarified various issues noted and discussed during hearing and has not submitted the justification for its budget, the fee increase proposal of the school may not be accepted.

AND WHEREAS, recommendations of the team of expert Chartered Accountants along with relevant material were put before the Director of Education for consideration and who after considering all the material on the record and that the School has not submitted relevant documents, clarification on issues discussed and justification for budgeted expenditure proposed for the academic session 2017-18, has

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rejected the proposal of fee increase submitted by the said school with the direction to DDE (District) to process necessary action against the School as per the provisions of DSEA & R, 1973 as well as per the directions of Hon'ble Court.

Accordingly, it is hereby conveyed that the proposal of fee increase of **Springdays Model School, Ashok Vihar, Delhi (School Id: 1411229)** is 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 any fee in pursuance to the proposal submitted by school for the academic session 2017-18 and if, the fee is already increased and charged for the academic session 2017-18, the same shall be refunded to the parents or adjusted in the fee of subsequent months.
2. To communicate the parents through its website, notice board and circular about rejection of fee increase proposal of the school by the Directorate of Education.
3. To ensure that the salaries and allowances shall come out from the fees whereas capital expenditure will be a charge on the savings in accordance with the principles laid down by Hon'ble Supreme Court of Delhi in its Judgment of Modern School vs Union of India. Therefore, school not to include capital expenditure as a component of fee structure to be submitted by the school under section 17(3) of DSEA, 1973.
4. To utilise the fee collected from students in accordance with the provisions of Rule 177 of the DSER, 1973 and orders and directions issued by this Directorate from time to time.
5. In case of submission of any proposal for increase in fee for the next academic session, the compliance of the above directions will also be attached.

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Non-compliance of this order or any direction herein shall be viewed seriously and will be dealt with the provision of section 24(4) of DSEA, 1973 and DSER, 1973.

This is issued with the prior approval of the Competent Authority.

  
(Yogesh Pratap)

Deputy Director of Education  
(Private School Branch)

Directorate of Education, GNCT of Delhi

To

The Manager/ HoS

Springdays Model School,

Ashok Vihar, Delhi (School Id: 1411229)

No. F.DE.15 (260 )/PSB/2019 /1440 -1444

Dated: 29/03/2019

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  
(Private School Branch)

Directorate of Education, GNCT of Delhi