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GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI

DIRECTORATE OF EDUCATION

(PRIVATE SCHOOL BRANCH)

OLD SECRETARIAT, DELHI-110054

No. F.DE.15 (242)/PSB/2019/1305-1309

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 in 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

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, **Indraprastha World School, A-2 Block, Balbeer Singh Marg, Paschim Vihar, New Delhi-110063 (School Id: 1617175)** 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, 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 June 25, 2018 and June 29, 2019 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 reply of the School, documents uploaded on the web portal for fee increase and subsequent documents submitted by the School were evaluated thoroughly by the team of Chartered Accountants. The key findings noted are as under:

### **Financial Irregularities**

- I. As per clause 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 fees 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 depreciation reserve fund, equivalent to the depreciation charged in the revenue accounts and the collections under this head along with income generated from the investment made out of this fund will be kept separately maintained development fund account. However, on review of audited financial statements following points have been observed:
  - a. In FY 2014-15, 2015-16 and 2016-17, the School has utilised Development fee amounting to Rs. 1,02,75,355 for purchase of Fixed assets other than Furniture, Fixtures and Equipments in contravention of aforesaid clause 14. Accordingly, School is directed to make necessary adjustments in development fund account. The details of utilisation of Development fund in contravention of clause 14 are as follow:

(Figures in Rs.)

Assets Purchased	2014-15	2015-16	2016-17
Buildings	20,74,109	-	-

Assets Purchased	2014-15	2015-16	2016-17
Cricket Pitch	-	-	4,19,558
Basket Ball Court	-	-	4,807
Building Elevation	-	26,059	27,000
Library Books	2,06,773	2,70,104	1,91,276
Eeco Car	-	4,02,320	-
Development of Prop Store	7,70,265	-	-
Play field court	13,84,190	-	-
Redevelopment of chemistry lab	-	11,37,894	-
School Buses	-	-	33,61,000
<b>Sub-total</b>	<b>44,35,337</b>	<b>18,36,377</b>	<b>40,03,641</b>
<b>Total</b>			<b>1,02,75,355</b>

b. As per aforesaid clause 14, the school is required to create Depreciation reserve fund equivalent to the amount charged in the revenue accounts if it collects development fee. However, it has been observed that the depreciation reserve fund has been created out the development fund account which is not in accordance with the provisions of clause 14 order dated 11.02.2009.

Further, it has also been observed that Fixed assets purchased out of the Development fund are reflected at the written down value (WDV) at the assets side of the balance sheet and at the same time depreciation reserve fund is also reflecting at the liability side of the Balance Sheet. This indicates that the deprecation reserve fund has been charged twice in the financial statements. First, this was charged to Income and Expenditure account and secondly, it was charged from Development fund account. Since, the depreciation reserve fund has been created out of the development fund therefore, it is part of the free reserve.

Accordingly, School is directed to make necessary adjustments in the Development fund account, Depreciation reserve fund account and General Reserve. The details of amount transferred from the Development fund account



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to Depreciation reserve fund account and the corresponding utilisation of Depreciation reserve fund is as follow:

(Figures in Rs.)

Particulars	2014-15	2015-16	2016-17	Total
Amount transferred from Development fund to Depreciation Reserve Fund	12,00,000	40,00,000	75,00,000	1,27,00,000
Interest from Bank	4,496	32,079	27,229	63,804
<b>Sub-Total (A)</b>	<b>12,04,496</b>	<b>40,32,079</b>	<b>75,27,229</b>	<b>1,27,63,804</b>
Amount utilised out of Depreciation Reserve Fund for purchase of Fixed assets	10,62,349	39,08,131	53,48,777	1,03,19,257
Amount utilised out of Depreciation Reserve Fund for designated revenue expenditures	210	43,640	24,07,171	24,51,021
<b>Sub-Total (B)</b>	<b>10,62,559</b>	<b>39,51,771</b>	<b>77,55,948</b>	<b>1,27,70,278</b>
<b>Net Amount (A-B)</b>	<b>1,41,937</b>	<b>80,308</b>	<b>(2,28,719)</b>	<b>(6,474)</b>

- c. As per audited financial statements for FY 2014-15, 2015-16 and 2016-17, it has been noted that the Development fund amounting to Rs. 1,06,64,445 has been utilised for revenue expenditure in contravention to aforesaid clause 14. Accordingly, School is directed to make necessary adjustments in the General reserve fund and Development fund. The details of utilisation of Development fund for revenue expenditure are as follow:

(Figures in Rs.)

Year	Amount
FY 2014-15	20,97,019
FY 2015-16	32,31,120
FY 2016-17	53,36,306
<b>Total</b>	<b>1,06,64,445</b>

As per clause 2 of public notice dated May 04, 1997 "School not to charge Building Fund and Development Charges when the building is complete or otherwise, as it is the responsibility of society who has established the School to raise such funds from their own resources or donations from other associations because immovable property of the School becomes the property of the society. Therefore, the students should not be burdened by way of collecting Building Fund or Development Charges".

Further, as per Rule 177 of DSER, 1973 Income derived by an unaided recognised Schools by way of fees shall be utilised at the first instance, for meeting the pay, allowances and other benefits admissible to the employees of the School. Provided that savings, if any from the fees collected by such School may be utilised by its management committee for meeting capital or contingent expenditure of the School, or for one or more of the following educational purposes, namely award of scholarships to students, establishment of any other recognised School, or assisting any other School or educational institution, not being a college, under the management of the same society or trust by which the first mentioned School is run. And, the savings referred to above shall be arrived at after providing for the following:

- a) Pension, gratuity and other specified retirement and other benefits admissible to the employees of the School;
- b) The needed expansion of the School or any expenditure of a developmental nature;
- c) The expansion of the School building or for the expansion or construction of any building or establishment of hostel or expansion of hostel accommodation;
- d) Co-curricular activities of the students;
- e) Reasonable reserve fund, not being less than ten percent, of such savings.

However, on review of audited financial statements for the financial year 2014-15, 2015-16 and 2016-17, it has been noted that the school funds have been utilised for addition to Building in contravention to aforesaid clause 2 of Public Notice dated May 05, 1997 and Rule 177 of DSER, 1973. Therefore, Rs. 74,27,803 has been included in the calculation of fund availability of the school with the direction to the

school to recover this amount from the society. Summary of amount utilised for addition to Building is as under:

(Figures in Rs.)

Particulars	FY 2014-15	FY 2015-16	FY 2016-17	Total
Buildings	13,07,647	17,90,116	43,30,040	74,27,803

- III. As per Para 99 of Guidance note on "Accounting by school" issued by ICAI, relating to restricted fund, "Where the fund is meant for meeting capital expenditure, upon incurrence of the expenditure, the relevant asset account is debited which is depreciated as per the recommendations contained in this Guidance Note. Thereafter, the concerned restricted fund account is treated as deferred income, to the extent of the cost of the asset, and is transferred to the credit of the income and expenditure account in proportion to the depreciation charged every year".

Taking cognisance from the above para, School should have considered the Development fund utilisation account as a deferred income to the extent of cost of assets purchased out of Development fund and should have transferred the amount to the credit of Income & Expenditure account in proportion to the depreciation charged from deferred income account. However, it has been noted that School has not created 'Development Fund Utilization Account' for the assets purchased out of the Development fund. Further, it has also been noted that on purchase of assets out of the development fund, the school transferred equal amount to general fund reserve account resulting into overstatement of General Reserve Fund balance at end of the year. Thus, the School is not complying to aforesaid para 99 of the Guidance Note-21: Accounting by Schools as issued by ICAI. The School is instructed to follow GN – 21.

Moreover, the School has purchased fixed assets out of the Depreciation reserve fund account. School is debiting the Depreciation reserve fund account and crediting the General Reserve fund account with the amount utilised for purchase of Fixed assets. This has also resulted into overstatement of General Reserve fund. Accordingly, School is directed to make necessary adjustments in General reserve fund, Development fund and Depreciation Reserve fund. The details of

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Fixed assets purchased out of Development fund and Depreciation reserve fund are as follow:

(Figures in Rs.)

Particulars	2014-15	2015-16	2016-17	Total
Fixed Assets purchased out of Development fund and credited to General Reserve fund	1,15,08,845	98,15,764	1,16,08,639	<b>3,29,33,248</b>
Fixed Assets purchased out of Depreciation reserve fund and credited to General Reserve fund	10,62,349	39,08,131	53,48,777	<b>1,03,19,257</b>

IV. In respect of earmarked levies, School is required to comply with:

- Clause 22 of order dated 11.02.2009, which specifies that earmarked levies shall be charged from user students on 'no profit no loss' basis;
- Rule 176 of DSER, 1973, which provides that 'income derived from collections for specific purpose shall be spent only for such purpose';
- Judgement of Hon'ble Supreme Court of India in the case of Modern School Vs Union of India and Others, which specifies that Schools, being run as non-profit organizations, are supposed to follow fund-based accounting.

However, on review of audited financial statements for FY 2014-15, 2015-16 and 2016-17, it is noted that the School has been charging earmarked levies namely Transport Fee, Swimming Charges, ECS/SS/HH/SEC charges and Computer Fees/Lab Charges from the students but these fees are not charged on 'no profit no loss' basis as the School is either earning surplus or having deficits from these levies. During the period under evaluation, School has earned surplus on account of ECS/SS/HH/SEC charges and has incurred deficit under transport fee, swimming charges and computer fees/lab charges. Moreover, the School has not followed fund-based accounting in respect of earmarked levies charged from the



students. Therefore, school is directed to follow fund based accounting in accordance with Guidance Note -21 Accounting by Schools as issued by ICAI.

Further, as per the Duggal Committee report, there are four categories of fee that can be charged by a School. The first category of fee comprised of "registration fee and all One Time Charges" levied at the time of admission such as admission and caution money. The second category of fee comprise of "Tuition Fee" which is to be fixed to cover the standard cost of the establishment and also to cover expenditure of revenue nature for the improvement of curricular facilities like library, laboratories, science and computer fee up to class X and examination fee. The third category of the fee should consist of "Annual Charges" to cover all expenditure not included in the second category and the forth category should consist of all "Earmarked Levies" for the services rendered by the School and to be recovered only from the 'User' students. These charges are transport fee, swimming pool charges, Horse riding, tennis, midday meals etc. This recommendation has been considered by the Directorate while issuing order No. DE.15/Act/Duggal.com/203/99/23033-23980 dated 15.12.1999 and order No. F.DE. /15(56)/Act/2009/778 dated 11.02.2009.

Considering the aforesaid provisions, the earmarked levies should be collected from the user students only availing the services/ facilities and if such service/facilities have been extended to all the students of the School then separate charges should not be collected because it would get covered either from the Tuition Fee or from the Annual Charges. Therefore, the School should consider the matter and stop the collection of separate earmarked levies in the name of pupil fund and ESC/HH/SS/Sec. from the students.

### **Other Irregularities**

- I. As per Rule 165 of DSER, 1973, all fees and contributions payable to a School by a student shall be payable by the 10<sup>th</sup> day of the month in which they are due. Further, as per Circular No. DE.15/Act-I/Misc./2013/8643 dated 30.04.2013 read with judgment of Hon'ble Delhi High Court vide Order dated April 10, 2013 in WP (C) No. 1128/2010 titled Mr. Rahul Chadda and Ors. Vs. Summer Field School &

Ors, the private unaided recognised Schools can only collect fee contributions on monthly basis.

However, on review of fee structure submitted by the School along with Return filed under Rule 180 of DSER, 1973 for FY 2014-15, 2015-16 and 2016-17 it is noted that the fees are to be collected on quarterly basis which is in contravention to Rule 165 of DSER, 1973, aforesaid circular and the Judgement of Hon'ble Delhi High Court. School is instructed to collect fee on monthly basis only.

- II. As per Rule 166 of DSER, 1973, a fine of late payment of the fees or contributions due to a School shall be charged from the student at the rate of five paise for every day, after the 10<sup>th</sup>, for which the default continues. However, on review of fee structure submitted by the School along with return filed under Rule 180 of DSER, 1973 for FY 2014-15, 2015-16 and 2016-17 it has been noted that the school is collecting late fine at the rate of Rs. 15 per day, after the due date from the students which is contravention of aforesaid rule. Therefore, school is instructed to charge late fee in accordance with Rule 166 of DSER, 1973.
- III. As per Clause 18 of Order No. F.DE. /15 (56) /Act /2009 / 778 dated 11.02.2009, no caution money/ security deposit of more than Rs. 500 per student shall be charged. The caution money, thus collected shall be kept deposited in a schedule bank in the name of concerned School and shall be returned to the student at the time of his/her leaving the School along with the bank interest thereon irrespective of whether or not he /she request for a refund. However, as per explanation given by the School, interest earned on caution money has not been refunded to the students at the time of leaving the School. School is directed to follow aforesaid clause.

**After detailed examination of all the material on record and considering the clarification submitted by the School, it was finally evaluated/ concluded that:**

- i. The total funds available for the FY 2017-18 amounting to **Rs. 22,51,11,761** out of which cash outflow in the FY 2017-18 is estimated to be **Rs. 23,16,15,063**. This results in deficit of **Rs. 65,03,301**. The details are as follows:

(Figures in Rs.)

Particulars	Amount	Remarks
Cash and Bank balances as on 31.03.17 as per audited Financial Statements	7,15,357	
Investments as on 31.03.17 as per audited Financial Statements	1,53,86,502	
Add: Recoverable from society on account of Addition made to building	74,27,803	Refer observation no II in Financial irregularities
Less: Caution Money as on 31.03.2017	2,44,500	
Less: Development fund as on 31.03.2017	18,011	
Less: Investment in name of Director of Education & Manager of the school	2,09,927	
Less: Investment in name of Secretary, CBSE & Manager of the school	4,02,569	
<b>Total</b>	<b>2,39,87,523</b>	
Fees for 2016-17 as per audited Financial Statements (we have assumed that the amount received in 2016-17 will at least accrue in 2017-18)	20,16,81,023	
Other income for 2016-17 as per audited Financial Statements	7,76,083	
<b>Estimated availability of funds for 2017-18</b>	<b>22,51,11,761</b>	
Less: Budgeted expenses for the session 2017-18 (after making adjustment)	23,16,15,063	Refer Note 1, 2, 3 and 4
<b>Estimated Deficit</b>	<b>65,03,301</b>	

**Adjustments:**

**Note 1:** The amount proposed by the school for Rs 1,53,96,034 and Rs. 40,88,819 towards gratuity and leave encashment respectively has not been considered in the evaluation of fee increase proposal of the school because it was not proposed based on the actuarial valuation report as required by the AS-15 issued by ICAI.

Further, School has budgeted Rs. 1,42,91,280 towards housekeeping expenses. However, on review of the sample copy of invoices submitted by the school it has been noted that this expenditure was s being incurred without quoting the GST no. on the invoices which indicates doubt on the genuineness of the expenditure proposed by the school. Therefore, the amount proposed for housekeeping has not been considered in the evaluation of fee increase proposal.

The school has budgeted the salary expenditure including the impact of recommendations of 7<sup>th</sup> CPC which comes to 87% of the actual salary expenditure incurred by the school in FY 2016-17 for which the school have not provided any satisfactory reason for such higher increase. Thus, the normal increase in annual salary has been considered upto 10% and increase in salary arrears has been considered upto 30% of the actual salary paid in the FY 2016-17. The balance amount has been disallowed the summary of which is as under:

(Figures in Rs.)

Particular	FY 2016-17	FY 2017-18
Salary	7,13,30,471	8,94,28,750
Salary arrear due to 7th CPC		
Additional Salary payable to implement 7th CPC (01.12.17 to 31.03.18)		1,01,36,522
Salary Arrear (01.01.2016 to 31.03.2016)	-	32,95,895
Salary Arrear (01.04.2016 to 31.03.2017)	-	1,38,15,327
Salary Arrear (01.04.2017 to 30.06.2017)	-	41,17,395
Salary Arrear (01.07.2017 to 30.11.2017)	-	1,22,39,136
Total	7,13,30,471	13,30,33,025
Increase in salaries		6,17,02,554
Percentage increase in salaries		87%
Expenditure allowed (40% increase allowed)		2,85,32,188
<b>Expenditure disallowed</b>		<b>3,31,70,366</b>



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**Note 2:** On review of the budgeted expenditure it has been observed that under the following the school has either proposed higher expenditure as compared to the previous year and for which the school has not provide any satisfactory explanation or justification. Therefore, the following expenditure has been restricted to 110% of the actual expenditure incurred by the school in FY 2016-17 considering. The summary of these expenditures are as follow:

(Figures in Rs.)

Particular	2016-17 (Actual)	Budgeted (2017-18)	Percentage increase	Expenditure allowed	Expenditure disallowed
Musical Equipment	4,423	1,70,000	3744%	4,865	1,65,135
Furniture & Other Painting Expenses	40,500	6,00,000	1381%	44,550	5,55,450
Newspapers and Periodicals	58,778	4,50,000	666%	64,656	3,85,344
Board Exam Expenses	1,95,170	10,74,150	450%	2,14,687	8,59,463
Sports & Culture Expenses	58,691	2,32,590	296%	64,560	1,68,030
Script/Choreographer r Expenses	70,100	2,50,000	257%	77,110	1,72,890
Seminars & Workshop	1,13,698	3,81,000	235%	1,25,068	2,55,932
Flex Board & Other Indication	30,789	96,250	213%	33,868	62,382
Electrical Appliances Repairs & Maintenance	85,071	2,00,000	135%	93,578	1,06,422
Teachers Day	2,07,730	4,79,250	131%	2,28,503	2,50,747
Smart Class Expenses	18,41,156	40,83,236	122%	20,25,272	20,57,964
Membership & Subscription	48,500	1,00,000	106%	53,350	46,650
Dry Clean	63,050	1,27,000	101%	69,355	57,645

Particular	2016-17 (Actual)	Budgeted (2017-18)	Percentage increase	Expenditure allowed	Expenditure disallowed
Founders Day Celebration	1,62,951	3,04,125	87%	1,79,246	1,24,879
Activity Charges (Swimming) For EWS students	4,74,720	7,40,820	56%	5,22,192	2,18,628
Safety & Security	21,83,925	33,30,000	52%	24,02,318	9,27,683
Advertisement Expenses	12,53,210	19,10,000	52%	13,78,531	5,31,469
Telephone and Internet Expenses	3,41,194	5,04,000	48%	3,75,313	1,28,687
Invitation, Brochure etc	3,84,063	5,51,225	44%	4,22,469	1,28,756
Horticulture & Plantation	4,92,288	6,32,600	29%	5,41,517	91,083
Function & Festival Expenses	21,80,134	25,47,500	17%	23,98,147	1,49,353
<b>Total</b>					<b>74,44,591</b>

**Note 3:** On review of budgeted expenditure it has also been observed that the school has introduced new heads of expenditures for the first time which was not there in the previous year. However, School could not able to substantiate the need of these additional expenditures and basis on which the same has been proposed. Because, the FY 2017-18 is the year of implementation of 7<sup>th</sup> CPC where parents/ children are already overburdened therefore, the proposed expenditure under new heads have not been considered in the evaluation of fee increase proposal. The summary of this expenditure are as under:

(Figures in Rs.)

Particular	FY 2017-18
Student Welfare	13,43,500
Audi Panelling and roof ceiling	15,00,000

Particular	FY 2017-18
Redevelopment of Labs Repairs & Maintenance	10,00,000
EWS Books & Uniforms	14,00,000
Repairs & Maintenance of Computer-Job work only	11,49,966
Day Picnic & Excursion Expenses	16,57,500
Inter School Participation	20,50,000
<b>Total</b>	<b>1,01,00,966</b>

**Note 4:** On review of the budgeted expenditure of the school it has been observed that the following proposed expenditure are in nature of construction of building, repayment of loan and other infrastructure development in the School. Since as per Rule 177 of DSER, 1973 capital expenditure cannot be form part of fee structure of the School. Therefore these expenditures have not been considered in the evaluation of fee increase proposal of the school. The details of such expenditures are as under:

(Figures in Rs.)

Particulars	Amount
Basket Ball Court	23,00,000
Building Elevation	4,00,000
Infrastructure Upgradation Expenses	18,00,000
Sanitary Fittings	6,00,000
Costumes	32,15,500
Repayment of HDFC Loan	4,00,000
Repayment of Axis Bank Loan-II	11,62,800
Miscellaneous Assets	1,00,000
<b>Total</b>	<b>99,78,300</b>

- ii. It seems that the School may not be able to meet its budgeted expenses from the existing fees structure and accordingly, it should utilise its existing funds/ reserves. In this regard, Directorate of Education has already issued directions to the Schools vide circular no. 1978 dated 16/04/2010 that,

"All Schools must, first of all, explore and exhaust the possibility of utilising the existing funds/ reserves to meet any shortfall in payment of salary and

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allowances, as a consequence of increase in the salary and allowance of the employees. A part of the reserve fund which has not been utilised for years together may also be used to meet the shortfall before proposing a fee increase."

AND WHEREAS, in the light of above evaluation which is based on the 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 Chartered Accountants that though certain financial irregularities exist (appropriate financial impact of which has been taken on the fund position of the School) and certain procedural finding noted (appropriate instruction against which have been given in this order), the fee increase proposal of the School may be accepted.

AND WHEREAS, recommendations of the team of 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, found it appropriate to allow the increase in tuition fee by 7.5% from 01 April, 2019.

AND WHEREAS, it is also noticed that the school funds have been utilized for construction of building in contravention of provisions of DSER, 1973 and other orders issued by the departments from time to time. Total amount to be recovered by the school from society is Rs. 74,27,803. The amount of receipts along with copy of bank statements showing receipt of above-mentioned amount should be submitted with DoE, in compliance of the same, within sixty days from the date of issuance of this order. Non-compliance of this shall be taken up as per DSEA&R, 1973.

Accordingly, it is hereby conveyed that the proposal of fee increase for academic session 2017-18 of **Indraprastha World School, A-2 Block, Balbeer Singh Marg, Paschim Vihar, New Delhi-110063 (School Id: 1617175)** has been accepted by the Director of Education with effect from April 01, 2019 and the School is hereby allowed to increase the tuition fee by 7.5%.

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

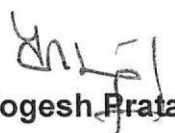
1. To increase the tuition fee only by the prescribed percentage from the specified date.



2. To rectify all the financial and other irregularities as listed above and submit the compliance report within 30 days from the date of this order to the D.D.E (PSB).
3. To ensure implementation of recommendations of 7<sup>th</sup> CPC in accordance with Directorate order dated 25.08.2017.
4. 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 and others. 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.
5. To utilize 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.

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

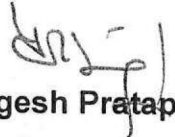
Indraprastha World School, A-2 Block, Balbeer Singh Marg, Paschim Vihar, New Delhi-110063 (School Id: 1617175)

No. F.DE.15 (242 )/PSB/2019/1305-1309

1054  
Dated: 29/03/19

**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**