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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( 210 ) / PSB / 2019 / 1150-1154 Dated: 29/03/2019

## ORDER

WHEREAS, this Directorate vide its order No. DE.15 (318)/PSB/2016/19786 dated 17 Oct 2017 of Directorate of Education, Govt. of NCT of Delhi, has issued 'Guidelines for implementation of 7th Central Pay Commission's recommendations in private unaided recognized schools in Delhi' and required that 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, need to submit its online fee increase proposal for the academic session 2017-2018. Accordingly, vide circular no. 19849-19857 dated 23 Oct 2017 the fee increase proposals were invited from all aforesaid schools till 30 Nov 2017 and this date was further extended to 14 Dec 2017 vide Directorate's order No. DE.15 (318)/PSB/2016/20535 dated 20 Nov 2017 in compliance of directions of Hon'ble High Court of Delhi vide its order dated 14 Nov 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 Jan 2016 in writ petition No. 4109/2013 in the matter of Justice for All versus Govt. of NCT of Delhi and others where it has been directed by the Hon'ble Delhi High Court that the Director of Education has to ensure the compliance of term, if any, in the letter of allotment regarding the increase of the fee by all the recognized unaided schools which are allotted land by DDA.

AND WHEREAS, The Hon'ble High Court 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 Apr 2004 passed in Civil Appeal No. 2699 of 2001 titled Modern School Vs. 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) read along 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 response to this directorate's circular dated 23 Oct 2017 referred to above, **MDC Saraswati Bal Mandir Secondary School (School ID-1618204), B-1, Janakpuri, New Delhi - 110058** submitted its proposal for enhancement of fee for the academic session 2017-2018 in the prescribed format including the impact on account of implementation of recommendations of 7th 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 Chartered Accountants at HQ level who has evaluated the fee increase 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.

AND WHEREAS, necessary records and explanations were also called from the school through email. Further, school was also provided an opportunity of being heard on 13 July 2018 at 4:00 PM to present its justifications/ clarifications on fee increase proposal including audited financial statements and based on the discussion, school was further asked to submit necessary documents and clarification 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 thoroughly evaluated by the team of Chartered Accountants and key findings noted are as under:

**A. Financial Discrepancies**

1. Accounting Standard 15 - 'Employee Benefits' issued by the Institute of Chartered Accountants of India states "*Accounting for defined benefit plans is complex because actuarial assumptions are required to measure the obligation and the expense and there is a possibility of actuarial gains and losses.*" Further, according to para 7.14 of the Accounting Standard 15 – 'Employee Benefits' issued by the Institute of Chartered Accountants of India, "*Plan assets comprise:*

   *(a) assets held by a long-term employee benefit fund; and*
   *(b) qualifying insurance policies.*"

   Further, order no. F.DE-15/Act-I/WPC-4109/Part/13/888 dated 4 September 2017 issued to the school post evaluation of proposal for fee enhancement for the academic session 2017-2018 directed the school to obtain an actuarial valuation of its liability towards retirement benefits (gratuity and leave encashment). Further, the school was directed to make earmarked equivalents investments against provision for retirement benefits and leave encashment with LIC (or any other agency). The school is yet to obtain an actuarial certificate regarding its liability towards retirement benefits of the staff of the school. As per the presentation made by the school in the financial statement for FY 2016-2017, the school had also not reflected value of corresponding investments made towards retirement benefits of the school, which is not as per the requirements of Accounting Standard 15 (AS-15).

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Based on discussion with the school during personal hearing, the school provides for its liability in accordance with Payment of Gratuity Act, 1972 and towards leave encashment on estimated basis, which is paid to Samarth Shiksha Samiti (Regd.) ("Society"). The Society in turn invests the amount in group gratuity scheme of LIC for all the schools under its management and uses the same for payment of gratuity and leave encashment liability is paid by the Society as and when the same arises in respect of school staff at the time of resignation/ retirement. The school has submitted that the Society has invested in three group gratuity schemes of LIC, the details of which are as under:

| Policy No. | Annual Renewal Date (ARD) | No. of employees covered in policy | Fund Value of Policy as on 1 Sep 2017 (INR) |
|---|---|---|---|
| 312942 | 1st Sept. | 335 | 4,33,27,509 |
| 103003801 | 1st Sept. | 103 | 48,91,962 |
| 103003802 | 1st Sept. | 127 | 55,21,383 |
| **Total** | | **565** | **5,37,40,854** |

Further, during personal hearing, the school explained that the society maintains all records relating to gratuity and leave encashment liability. However, the school was not able to provide total value of the funds transferred towards retirement benefits by it to the Society and the share of the school in the fund value of the group gratuity policies taken by the Society.

In absence of actuarial valuation, no adjustment towards gratuity and leave encashment has been made while deriving the fund position of the school (enclosed in the later part of this order). The school is directed to obtain an actuarial valuation of its liability towards staff retirement benefits from an actuary within 30 days from the date of this order and ensure that the liability and corresponding investments are disclosed appropriately in its financial statements for FY 2018-2019.

The school is also directed to extract value of funds transferred to the Society towards gratuity and leave encashment liability and reconcile with the value of group gratuity scheme. The school should also invest the amount of funds available with the Society towards leave encashment of the staff of the school in the investments that qualify as 'Plan Assets' within 60 days from the date of this order.

**B. Other Discrepancies**

1. Clause 19 of Order No. F.DE./15(56)/Act/2009/778 dated 11 Feb 2009 states "*The tuition fee shall be so determined as to cover the standard cost of establishment including provisions for DA, bonus, etc., and all terminal, benefits as also the expenditure of revenue nature concerning the curricular activities.*"

   Further clause 21 of the aforesaid order states "*No annual charges shall be levied unless they are determined by the Managing Committee to cover all revenue expenditure, not included in* *the tuition fee and 'overheads' and expenses on play-grounds, sports equipment, cultural and other co-curricular activities as distinct from the curricular activities of the school."*

Rule 176 - 'Collections for specific purposes to be spent for that purpose' of the DSER, 1973 states "*Income derived from collections for specific purposes shall be spent only for such purpose.*"

Para no. 22 of Order No. F.DE./15(56)/ Act/2009/778 dated 11 Feb 2009 states "*Earmarked levies will be calculated and collected on 'no-profit no loss' basis and spent only for the purpose for which they are being charged.*"

Sub-rule 3 of Rule 177 of DSER, 1973 states "*Funds collected for specific purposes, like sports, co-curricular activities, subscriptions for excursions or subscriptions for magazines, and annual charges, by whatever name called, shall be spent solely for the exclusive benefit of the students of the concerned school and shall not be included in the savings referred to in sub-rule (2).*" Further, Sub-rule 4 of the said rule states "*The collections referred to in sub-rule (3) shall be administered in the same manner as the monies standing to the credit of the Pupils Fund as administered.*"

Also, earmarked levies collected from students are a form of restricted funds, which, according to Guidance Note on Accounting by Schools issued by the Institute of Chartered Accountants of India, are required to be credited to a separate fund account when the amount is received and reflected separately in the Balance Sheet.

Further, the aforementioned Guidance Note lays down the concept of fund based accounting for restricted funds, whereby upon incurrence of expenditure, the same is charged to the Income and Expenditure Account ('Restricted Funds' column) and a corresponding amount is transferred from the concerned restricted fund account to the credit of the Income and Expenditure Account ('Restricted Funds' column).

From the information provided by the school and taken on record, it has been noted that the school charges earmarked levies in the form of Transport Fees, Computer/Smart Class Fees and Science Fees from students. However, the school has not maintained separate fund accounts for these earmarked levies and the school has been generating surplus from earmarked levies, which has been utilised for meeting other expenses of the school, which was also mentioned in DOE's order No. F. DE-15/ACT-I/WPC-4109/PART/13/888 dated 4 September 2017. Details of calculation of surplus/deficit, based on breakup of expenditure provided by the school for FY 2016-2017 is given below:

| **Earmarked Fee** | **Income (INR)** | **Expenses (INR)** | **Surplus (INR)** |
|---|---|---|---|
| | **A** | **B** | **C=A-B** |
| Transportation Charges^ | 4,17,400 | 2,91,395 | 1,26,041 |
| Computer/ Smart Class fee | 12,22,800 | 2,11,010 | 10,11,790 |
| Science fee | 1,20,100 | 83,728 | 36,372 |

On the basis of aforementioned orders, earmarked levies are to be collected only from the user students availing the service/facility. In other words, if any service/facility has been extended to all the students of the school, a separate charge should not be levied for the service/facility as the same would get covered either under tuition fee (expenses on curricular activities) or annual charges (expenses other than those covered under tuition fee). The school is charging smart class fee from students of all classes. Thus, the fee charged from all students loses its character of earmarked levy, being a non-user based fees. Thus, based on the nature of smart class fee and details provided by the school in relation to expenses incurred against the same, the school should not charge such fee as earmarked fee with immediate effect and should incur the expenses relating to these from tuition fee or annual charges, as applicable collected from the students. The school explained that tuition fee collected from students is not sufficient to meet the establishment cost and annual charges are also not sufficient to meet other revenue expenses of the school. Thus, the surplus generated from earmarked levies has been applied towards meeting establishment cost/revenue expenditure on account of which fund balance of earmarked levies could not be separated from the total funds maintained by the school. Accordingly, total fees (including earmarked fee) have been included in the budgeted income and budgeted expenses (included those for earmarked purposes) have been considered while deriving the fund position of the school (enclosed in the later part of this order).

The school is hereby directed to maintain separate fund account depicting clearly the amount collected, amount utilised and balance amount for all earmarked levies collected from the students. Unintentional surplus/deficit, if any, generated from earmarked levies has to be utilized or adjusted against earmarked fees collected from the users in the subsequent year. Further, the school should evaluate costs incurred against each earmarked levy and propose the revised fee structure for earmarked levies during subsequent proposal for enhancement of fee ensuring that the proposed levies are calculated on no-profit no-loss basis and not to include fee collected from all students as earmarked levies.

2. Para 99 of Guidance Note on Accounting by Schools (2005) issued by the Institute of Chartered Accountants of India states "*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.*"

Basis the presentation made in the audited financial statements for FY 2016-2017 submitted by the school, it was noted that the school had maintained separate set of financial statements for development fund instead of accounting treatment as indicated in the guidance note cited above.

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This being a procedural finding, the school is instructed to make necessary rectification entries relating to development fund to comply with the accounting treatment indicated in the Guidance Note. Further, the school is directed to maintain consolidated financial statements recording all transactions of the school including development fund.

3. Point 14 of this Directorate's Order No. F.DE./15 (56)/ Act/2009/778 dated 11 Feb 2009 states *"Development fee, not exceeding 15% of the total annual tuition fee may be charged for supplementing the resources for purchase, upgradation and replacement of furniture, fixtures and equipment."* However, it was noted that the school had incurred expenditures on repair of library building of INR 179,937, legal & professional services for INR 5,900, and education expense for INR 2,26,618 during FY 2016-2017 and reflected the same as utilisation of development fund in the audited financial statements of Development Fund for FY 2016-2017, which is not in accordance with the direction included in above order.

   The school is directed to follow DOE instruction in this regard and ensure that development fund is utilised only towards purchase of furniture, fixture and equipment.

4. The school has prepared a Fixed Assets Register (FAR) that only captures date, asset name, bill no., quantity and amount. The school should also include details such as manufacturer's serial number, location, other costs incurred, depreciation, asset identification number, etc. to facilitate identification of asset and complete details of assets at one place.

   The school is directed to update the FAR with relevant details mentioned above. The above being a procedural finding, no financial impact is warranted for deriving the fund position of the school.

5. Direction no. 3 of the public notice dated 4 May 1997 published in the Times of India states "*No security/ deposit/ caution money be taken from the students at the time of admission and if at all it is considered necessary, it should be taken once and at the nominal rate of INR 500 per student in any case, and it should be returned to the students at the time of leaving the school along with the interest at the bank rate.*"

   Further, Clause 18 of Order no F.DE/15(56)/Act/2009/778 dated 11 Feb 2009 states "*No caution money/security deposit of more than five hundred rupees per student shall be charged. The caution money, thus collected shall be kept deposited in a scheduled bank in the name of the 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 requests for refund.*"

   Order No. F. DE-15/ ACT-I/ WPC- 4109/ PART/13/888 dated 4 Sep 2017 noted that the school had not refunded caution money to the students at the time of leaving the school. It also noted that school had charged INR 1,000 as caution money instead of INR 500 allowed as per orders of DOE.

Further, it was noted that the school had not maintained separate bank account for deposit of caution money collected from students.

During personal hearing, the school submitted that it has reduced caution money collections for students admitted to school to INR 500 from FY 2016-2017. However, caution money previously collected from students at higher rates will be refunded to the students at the time of their leaving.

The school is directed to refund caution money to the students who have already left the school and adjust the caution money collected in excess of INR 500 from the students against fee due in the FY 2018-2019. The school should recognise the balance un-refunded caution money, if any, as income after 30 days of sending letters to the last known addresses of the students who had already left from the school to collect their caution money.

Accordingly, in view of the above directions, the amount to be refunded to students towards caution money, as per the audited financial statements for FY 2016-2017, has been considered while deriving the fund position of the school (enclosed in the later part of this order).

6. The Directorate of Education, in its Order No. DE.15/Act/Duggal.Com/ 203/99/23033-23980 dated 15 Dec 1999, indicated the heads of fee/ fund that recognised private unaided school can collect from the students/ parents, which include:

- Registration Fee
- Admission Fee
- Caution Money
- Tuition Fee
- Annual Charges
- Earmarked Levies
- Development Fee

Further, clause no. 9 of the aforementioned order states "*No fee, fund or any other charge by whatever name called, shall be levied or realised unless it is determined by the Managing Committee in accordance with the directions contained in this order ......*"

The aforementioned order was also upheld by the Hon'ble Supreme Court in the case of Modern School vs Union of India & Others.

It was noted that the school's fee structure include pupil fund, which is collected from all students and based on the separate financial statements prepared by the school for pupil fund, it was noticed that pupil fund had been utilised on co-curricular expenses, activities, function, prizes, etc. Details of collection and utilization of pupil fund provided by the school for FY 2016-2017 is included hereunder:

| Particulars | Nature | Amount (INR) |
|---|---|---|
| **Income** | | |
| Pupil fund receipts | Income | 1,233,250 |
| Interest on savings account | Income | 9,797 |
| Miscellaneous Income | Income | 35,570 |
| **Expenses** | | |
| Examination expenses | Expense | 20,497 |
| Games & sports expenses | Expense | 40,698 |
| Activities expenses | Expense | 83,728 |
| Function expenses | Expense | 64,284 |
| Prize distribution & rewards | Expense | 26,813 |
| Administrative & general expenses | Expense | 183,529 |
| **Net surplus reflected by school** | | **859,068** |

Based on the fact that the fee head of 'Pupil Fund' has not been defined for recognised private unaided school and the purposes for which the school has utilised the same is covered under 'Annual Charges' collected by the school from students, the school is directed not to collect pupil fund from students with immediate effect. For the purpose of evaluation of the fee hike proposal for FY 2017-2018, the above-mentioned fee has been included in budgeted income while deriving the fund position of the school (enclosed in the later part of this order).

7. Directorate of Education vide order no. DE-15/ ACT-I/WPC-4109/PART/13/888 dated 4 September 2017 noted that the school has capitalised building amounting to INR 25.03 lakhs by crediting society's ledger in its books of account. Thus, the school included a fixed asset and created a corresponding liability in the name of the Society (Samarth Sikhsha Samiti (Regd.)) during FY 2014-2015. Directorate, through the aforementioned order, directed to school that the responsibility of construction of building lies with the society only and cannot be transferred to the school. Accordingly, transferring building to school by crediting society account is unacceptable. Further, the order also directed that the school is not allowed to charge depreciation on the building.

   From the audited financial statements for FY 2016-2017, it was noted that the school had not charged any depreciation on building during the year, but the school has not removed building and corresponding liability towards society from its books of account.

   During the personal hearing, it was mentioned that necessary rectification entry would be posted in the books of account during FY 2017-2018. Accordingly, the compliance to the direction could be validated at the time of evaluation of subsequent fee increase proposal. The above being a presentation issue in the financial statements, no adjustment is warranted in the fund position of the school.

Further, on review of the budgeted Receipt and Payment Account for FY 2017-2018, it was noted that the school has proposed an expenditure of INR 40 lakhs towards construction of building during FY 2017-2018, which based on the aforementioned directions has not been considered while deriving the fund position of the school for the FY 2017-2018) enclosed in the later part of this order.

**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 year 2017-18 amounting to INR 1,62,05,325 out of which cash outflow in the year 2017-18 is estimated to be INR 1,65,70,083. This results in deficit of INR 3,64,758. The details are as follows:

| Particulars | Amount (INR) |
|---|---|
| Cash and Bank Balance as on 31 March 2017 (as per audited financial statements of FY 2016-2017) | 47,80,133 |
| Investment as on 31 March 2017 (as per audited financial statements of FY 2016-2017) | 7,47,889 |
| **Total Liquid Funds Available with the School as on 31 Mar 2017** | **5,528,022** |
| Add: Fee and other income for 2017-2018 as per projected financial Statements [Refer Note 1] | 1,22,02,653 |
| **Gross Estimated Available Funds for FY 2017-2018** | **1,77,30,675** |
| Less: Development Fund [Refer Note 2] | 11,52,350 |
| Less: Depreciation Reserve Fund [Refer Note 3] | - |
| Less: Retirement Benefits [Refer Financial Finding No. 1] | - |
| Less: Caution Money Fund [Refer Other Finding No. 5] | 3,73,000 |
| **Net Estimated Available Funds for FY 2017-2018** | **1,62,05,325** |
| Less: Budgeted Expenses for FY 2017-2018 [Refer Note 4] | 1,52,85,226 |
| Less: Salary Arrears from January 2016 to March 2017 as per 7th CPC (as per the computation submitted by the school) | 12,84,857 |
| **Estimated Deficit** | **3,64,758** |

Notes:

1. Fee and income as per audited financial statements of FY 2016-2017 has been considered with the assumption that the amount of income during FY 2016-2017 will at least accrue during FY 2017-2018.
2. The Supreme Court in the matter of Modern School held that development fees for supplementing the resources for purchase, upgradation and replacements of furniture and fixtures and equipment can by charged from students by the recognized unaided schools not exceeding 15% of the total annual tuition fee. Further, the Directorate's circular no. 1978 dated 16 Apr 2010 states "*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 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.*" Over a number of years, the school has accumulated development fund and has reflected the closing balance of INR 20,51,388 in its audited financial statements of FY 2016-2017. Accordingly, the accumulated reserve of development fund created by the school by collecting development fee more than its requirement for purchase, upgradation and replacements of furniture and fixtures and equipment has been considered as free reserve available with the school for meeting the financial implication of 7th CPC to be implemented by the school. However, development fund equivalent to amount collected in one year (FY 2016-2017) from students has been considered for deriving the fund position of the school, which is considered sufficient basis the spending pattern of the school in past.

3. The school has charged depreciation on fixed assets and has transferred the same to depreciation reserve on liabilities side of the Balance Sheet of the school. While development fund has been adjusted for deriving the fund position of the school as per Note 2 above, depreciation reserve is more of an accounting head for appropriate treatment of depreciation in the books of account of the school in accordance with Guidance Note 21 issued by the Institute of Chartered Accountants of India. Thus, there is no financial impact of depreciation reserve on the fund position of the school. Accordingly, it is not considered in table above.

4. Per the Budgeted Receipt and Payment Account for FY 2017-2018 submitted by the school along with proposal for fee increase, the school had estimated the total expenditure during FY 2017-2018 of INR 1,76,14,946 (excluding arrears of salary amounting to INR 12,84,857 as per 7th CPC) which in some instances was found to be unreasonable/ excessive. Based on the explanations and details provided by the school during personal hearing, most of the expense heads as budgeted were considered even though certain expenditures were increased substantially by the school as compared to FY 2016-2017. However, during review of budgeted expenses, discrepancies were noted in some of the expense heads, which were adjusted from the budgeted expenses. The same were discussed during personal hearing with the school. Therefore, the following expenses have not been adjusted while considering in the budgeted expenses for FY 2017-2018:

| Particulars | FY 2016-2017 | FY 2017-2018 | Amount Allowed | Net Adjustment | Remarks |
|---|---|---|---|---|---|
| Establishment Expenses | 61,18,621 | 90,79,029 | 1,07,49,309 | (16,70,280) | Salary is considered as per the 7th CPC computation provided by the school. |
| Building Renovation | - | 40,00,000 | - | 40,00,000 | This relates to construction/ renovation, which is not allowed from development fund, but from savings derived under Rule 177 compliance of which has not been ensured by the school. Thus, this expense has |

| Particulars | FY 2016-2017 | FY 2017-2018 | Amount Allowed | Net Adjustment | Remarks |
|---|---|---|---|---|---|
| | | | | | not been considered. |
| Total | 61,18,621 | 1,30,79,029 | 1,07,49,309 | 23,29,720 | |

ii. It seems that the school may not be able to meet its budgeted expenses from the existing fee structure and accordingly, it should utilise its existing funds/reserves and other resources. In this regard, Directorate of Education has already issued directions to the schools vide circular no. 1978 dated 16 Apr 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 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 findings noted (appropriate instructions 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 materials were put before Director of Education for consideration and who after considering all material on record has found it appropriate to allow increase in tuition fee by 12.5% with effect from April 2019.

Accordingly, it is hereby conveyed that the proposal of enhancement of fee of **MHDC Saraswati Bal Mandir Secondary School (School ID-1618204), Janakpuri, Delhi -110058** has been accepted by the Director of Education with effect from April 2019 and the school is hereby allowed to increase tuition fee by 12.5%. Further, the management of said school is hereby directed under section 24(3) of DSEA, 1973 to comply with the following directions:

1. To increase the tuition fees only by the prescribed percentage from the specified date.
2. To rectify the financial and other irregularities as listed above and submit the compliance report within 30 days from the date of this order to D.D.E.(PSB).
3. To ensure implementation of recommendations of 7th CPC in accordance with Directorate's order dated 25 Aug 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.

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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 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.

Non-compliance of this order or any direction herein shall be viewed seriously and will be dealt with in accordance with the provisions of Section 24(4) of Delhi School Education Act, 1973 and Delhi School Education Rules, 1973.

This order 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
MHDC Saraswati Bal Mandir Secondary School
School ID 1618204
Janakpuri, Delhi-110058

No. F.DE.15( 210) / PSB / 2019 / 1150 - 1154 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 Spl. 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