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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 (124)/PSB/2019/ 1255 - 1259 Dated: 29.3.2019.

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, **Ambience Public School, A-1, Safdarjung Enclave, New Delhi (School Id 1719113)** had submitted the proposal for increase in fee for the academic session 2017-18 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 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.

AND WHEREAS necessary records and explanations were also called from the school vide email dated April 02, 2018. Further, school was also provided opportunity of being heard on May 02, 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 reply of the school, documents uploaded on the web portal for fee increase and subsequent documents submitted by the school were evaluated 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, upgradation 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 the audited financial statements, the following has been observed.

a. In FY 2015-16, the development fund of Rs. 62,00,000 was utilised for payment of salary in contravention of clause 14 of the order dated 11.02.2009. Therefore, amounts which were not utilised in accordance with the aforesaid clause needs to added back to the development fund account and thus, School is directed to make necessary adjustments in reserve fund account and development fund account.

b. In FY 2015-16, the development fund of Rs. 11,42,031 was utilised for expansion/ addition to the building in contravention of clause 14 of the order dated 11.02.2009. Therefore, amounts which were not utilised in accordance with the aforesaid clause needs to added back to the development fund account and thus, School is directed to make necessary adjustments in development fund account.

Further, clause 2 of public notice dated May 4th, 1997 states that "School shall not 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 sole property of the Society". Further, as per Judgement of Hon'ble Supreme Court in the case of Modern School Vs Union of India and Others, the capital expenditure cannot form part of financial fee structure of the School.

Also, as per Rule 177 of DSER, income derived by an unaided recognised schools by way of fees shall be utilised in 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.

Based on the abovementioned provisions, the cost relating to construction of the building has to be borne by the society and not out of the fees collected from the students. Thus, amount of Rs. 11,42,031 incurred by the school for construction of Building out of the development fund has been included in the calculation of fund availability of the school with direction to the school to recover this amount from the society.

II. As per Clause 2 of Public Notice dated May 4, 1997 states that "It is the responsibility of the society who has established the school to raise such funds from their own sources or donations from the other associations because the immovable property of the school becomes the sole property of the society".

Additionally, Hon'ble High Court of Delhi in its Judgement dated 30 October 1998 in case of Delhi Abibhavak Mahasangh concluded that "Tuition Fee cannot be fixed to recover capital expenditure to be incurred on the properties of the Society". Also, clause (vii) of order No. F.DE/15/Act/2k/243/KKK/883-1982 dated 10.02.2005 issued by this Directorate states that "Capital expenditure cannot constitute a component of financial fee structure".

Moreover, as per Rule 177 of DSER, income derived by an unaided private recognised schools by way of fees shall be utilised in 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.

Based on the aforesaid Public Notice and Judgement of the Hon'ble High Court, the cost relating to construction of Building has to be met by the Society, being the property of the society and not out of the fund of the school. Further, Rule 177 states that the school is not allowed to make addition to the building if it does not have savings. However, as per explanation provided by the school, the school building was constructed by the society in 1981 and by 2009, the building had become quite old and in dilapidated condition. Thus, in order to ensure safety of the students and compliance with revised and updated safety rules, the school management had to engage a qualified structural consultant in order to carry out structure safety audit of the school building in 2009 and subsequently based on recommendations of the consultant, the society decided to demolish old building and reconstruct new school building. The society also decided to raise the loans and donations to meet the cost of construction of the new building. Accordingly, the society procured loan of Rs. 45 crores as secured loan from Punjab & Sindh Bank against security of the school building and arranged funds from private lenders viz. M.N. commercial and Apex Homes. Construction of new school building was completed in FY 2012-13 and recorded in books of the school account at Rs. 55,92,86,232 (gross value) together with corresponding loan liability. The details of the loan movement from FY 2014-15 to 2016-17 is as under.

(Figures in Rs.)

Particulars	**FY 2014-15**	**FY 2015-16**	**FY 2016-17**	**Total**
Fixed Asset Purchased during the period	1,33,09,063	30,86,578	51,12,941	**2,15,08,582**
Repayment of loan	**15,76,526**	**21,80,86,078**	**23,73,85,326**	**45,70,47,930**
Interest paid on loan	**5,92,50,790**	**5,59,79,687**	**6,98,68,068**	**18,50,98,545**
Total out flow for capital expenditure and loan cost (a)	7,41,36,379	27,71,52,343	31,23,66,335	66,36,55,057

Particulars	FY 2014-15	FY 2015-16	FY 2016-17	Total
Fresh Loan Received	5,00,00,000	27,00,60,753	30,11,00,000	**62,11,60,753**
Development fund (to the extent of Development fee received	62,19,209	6,16,818	23,88,009	**92,24,036**
Total fund available (fresh loan and development fund) (b)	5,62,19,209	27,06,77,571	30,34,88,009	63,03,84,789
School fund utilised for capital expenditure and loan cost c=(a-b)	1,79,17,170	64,74,772	88,78,326	3,32,70,268
Less: Interest payable as on 31.03.2017	-	-	-	**99,94,170**
Net School fund utilised for capital expenditure and loan cost	-	-	-	**2,32,76,098**

From the above analysis, it may be noted that for repayment of old loan and interest cost thereon, a fresh unsecured loan was procured by the society from private lenders. In addition to the amount of fresh loan, the school fund of Rs. 2,32,76,098 has also been utilised towards repayment of loan and interest cost in contravention of Rule 177 of DSER, 1973 and Judgement of Hon'ble Supreme Court as mentioned above. Therefore, the amount Rs. 2,32,76,098 has been included in the calculation of fund availability of the school with direction to the school to recover this amount from the society.

Further, the school may also be instructed not to pay the outstanding balance of loans standing at Rs. 77,61,39,349 as shown in the financial statements as on 31.03.2017 out the school fund. School is directed to make necessary adjustment in the balance of reserve and surplus account as it has charged interest of Rs. 18,53,01,210 to Income and Expenditure Account in FY 2014-15 to 2016-17.

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

c. 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;
d. Rule 176 of DSER, 1973, which provides that 'income derived from collections for specific purpose shall be spent only for such purpose';

e. Judgement of Hon'ble Supreme Court of India in the case of Modern School Vs Union of Indian & Others, which specifies that schools, being run as non-profit organizations, are supposed to follow fund-based accounting.

On review of audited financial statements for FY 2014-15 to 2016-17, it has been noted that the school has been collecting earmarked levies in the name of transport fee, activity fee and eco-club receipts from the student. But these levies are not being charged on 'no profit no loss' basis because the school has either earned surplus or incurred deficit from these earmarked levies. During the period under evaluation, school has earned surplus from transportation fee, activity fees and eco-club receipts. Accordingly, surplus/ deficit earned from these earmarked levies has been adjusted against general reserve. Further, the school is not following the fund-based accounting as recommended by Guidance Note-21 "Accounting by School" issued by ICAI. Therefore, the school is instructed to follow fund based accounting in respect of all earmarked levies charged by the school. The summary of the surplus/ deficit the earmarked levies is as under:

(Figures in Rs.)

Particulars	**Total Income**	**Total Expenditure**	**Surplus/ (Deficit)**
Transport Fee	1,72,21,272	1,07,38,714	**64,82,558**
Activity Charges	6,41,02,468	69,01,358	**5,72,01,110**
Eco-Club Receipts	65,000	-	**65,000**
Total	**8,13,88,740**	**1,76,40,072**	**6,37,48,668**

Moreover, 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" which is levied at the time of admission such as Admission and Caution Money. The second category of fee comprised of "Tuition Fee" which is to be fixed to cover the standard cost of the establishment and 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 fee comprised of "Annual Charges" to cover all expenditure not included in the second category and the forth category comprised 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.

Based on the aforesaid provisions, earmarked levies are to be collected only from the user students availing the services/ facilities of the school. And if, the services are extended to all the students of the school, a separate charge should not be levied by the school as it would get covered or clubbed either with the Tuition Fee or Annual Charges. Therefore, the school may be instructed to stop the collection of separate earmark levy in the name of activity charge and eco-club receipts.

IV. Para 99 of Guidance note on "Accounting by School" issued by ICAI states that "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 deferred income account to the extent of cost of assets purchased out of development fund and transferred the amount to Income & Expenditure account in proportion to the depreciation charged out of the deferred income account. However, it has been observed that school has neither maintained deferred income account in respect to the assets purchased out of the development fund nor transferred any amount to Income & Expenditure account from this deferred revenue account. Thus, the school may be instructed to follow the para 99 of the Guidance Note-21: Accounting by Schools as issued by ICAI.

It has also been noted that till FY 2014-15 and 2015-16, the school is not charging depreciation on fixed assets purchased out of Development fund in Income and expenditure account and in fact the depreciation has been charged out of the Development fund utilisation account in accordance with aforesaid para. However, on review of audited financial statements of FY 2016-17, it has been noted that the fixed assets were shown at net of depreciation in the Balance sheet and the Depreciation reserve fund was also presented in the Balance sheet equivalent to the depreciation charged on fixed assets purchased out of Development fund. Thus, depreciation was charged twice by the School in its financial statements for FY 2016-17. Once from the Income and expenditure account and again out of the development fund utilisation account. Accordingly, this amount of depreciation reserve fund is to be treated as free reserves available with the School.

V. As per section 18(4) of DSEA, 1973, Income derived by unaided recognised schools by way of fees should be utilized only for such educational purposes as prescribed. Additionally, as per Rule, 177, income derived by way of fees shall be utilised in 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 school may be utilised by its management committee for meeting capital or contingent expenditure of the school. However, on review of financial statements of the school for FY 2014-15, it has been noted that the school has purchased Honda city car for Rs. 22,60,489. Moreover, the school has not provided any calculation to justify purchase of this car in violation to Rule 177. Thus, school fund which has been utilised for purchase of this car has not been considered in order to avoid the duplicity/double entry as it has already been considered in point no. II above.

Other Irregularities

I. The school is not charging depreciation on fixed assets as per the Guidance Note-21 on "Accounting by Schools" issued by ICAI. Therefore, the school is required to follow the Guidance Note.

II. On review of Receipts & Payments Account for the FY 2016-17 it is noted that Receipts and payments account has not been prepared in accordance with format issued vide order no. F.DE-15/Act-I/WPC-4109/Part/13/7905-7913 dated 16.04.2016, for example amount payables at year end has been shown as receipts and amount receivables at year end has been shown as payment. Thus, the School may be instructed to prepare Receipts and Payments account in accordance with the format specified in order dated 16.04.2016.

III. The school has made provisions for gratuity and leave encashment on the basis of the management estimates in the financial statements of FY 2014-15, 2015-16 and 2016-17 instead of Actuarial valuation basis as required by AS-15- Employee Benefits. Thus, there could be an impact on the financials of the school, had the provision been made on the basis of actuarial valuation report. In the absence of the actuarial report, the same could not be quantified and therefore, no adjustment has been made in evaluation of fee increase proposal.

IV. As per clause 18 of Order No. F. DE./15 (56) /Act /2009 / 778 dated 11/02/2009, Caution money 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. However, it has been noted that the School is not maintaining separate bank account for collection of caution money from the students. Further, the school is refunding the caution money to the students without interest.

Further, as per Clause 4 of Order No. DE./15/150/ACT/2010/4854-69 dated 09/09/2010, after the expiry of 30 days, the un-refunded caution money belonging to ex-students shall be reflected as income in the next financial year and it shall not be shown as liability. Further, this income shall also be taken into account while projecting fee structure for ensuing academic year. However, the School has not considered the amount of un-refunded caution money in its budget for the FY 2017-18. In the absence of complete details, the amount of un-refunded caution money could not be quantified. Therefore, the school is instructed to comply with the aforesaid provisions.

V. The school is not complying with the DOE Order No.F.DE.15/Act-I/08155/2013/5506-5518 dated 04-06-2012 which provides for 25% reservation to children belonging to EWS/DG category. The DDE, District (concerned) may be directed to look into this. The details of admission taken under EWS/DG category in FY 2014-15, FY 2015-16 and FY 2016-17 and total students were as under:

Particulars	**FY2014-15**	**FY2015-16**	**FY2016-17**
Total students	953	1,069	1,099
Total number of EWS	115	144	169
% of EWS to total number of students	**12.06%**	**13.47%**	**15.38%**

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

i. The total funds available for the year 2017-18 amounting to Rs. **14,89,34,678** out of which cash outflow in the year 2017-18 is estimated to be Rs. **11,24,89,650**. This results in surplus of funds amounting to Rs. **3,64,45,028**. The details are as follows:

(Figures in Rs)

Particulars	**Amount**
Cash and Bank balances as on 31.03.17 as per audited Financial Statements	91,86,614
Investments as on 31.03.17 as per audited Financial Statements	3,76,987
Deductions:	
Less: Fixed Deposit with Bank in the joint name of Secretary CBSE and Manager, Ambience Public School	1,52,929
Less: Fixed Deposit with Bank in the joint name of DDE and Manager, Ambience Public School	1,90,874
Less: Caution Money as on 31.03.2017	10,03,275
Additions:	
Amount recoverable from Society as School funds used for repayment of loan, payment of interest in contravention of Rule 177 of DSER, 1973	2,32,76,098
Development fund utilized for upgradation of building	11,42,031
Total	3,26,34,652
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)	11,56,19,696

Particulars	Amount
Other income for 2016-17 as per audited Financial Statements	6,80,330
Estimated availability of funds for 2017-18	**14,89,34,678**
Less: Budgeted expenses for the session FY 2017-18 (after making adjustment) (Note 1,2,3,4)	11,24,89,650
Net Surplus	**3,64,45,028**

Adjustment:

Note 1:

- The amount proposed by the school Rs.76,15,000 as a liability towards refund as per the direction of JADSC has not been considered in the evaluation of fee increase proposal because the school has already collected and utilised this amount in contravention of the order dated 11.02.2009.

- School has provided for gratuity and leave encashment on the basis of management estimates instead of Actuarial valuation basis as required by AS-15- Employee Benefits. There could be an impact on the financials of the school, had the provision has been done on the basis of actuarial valuation. Further, School has not made any investments with LIC (or similar agency) to protect the rights of the employees. Accordingly, the budgeted amount towards Gratuity and Leave Encashment for Rs. 17,00,000 and Rs. 7,00,000 has also not been considered in the above calculation.

Note 2:

- As per clause 2 of public notice dated May 4th, 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 sole property of the society. Therefore, the students should not be burdened by the way of collecting the building fund or development charges. Accordingly, amount proposed towards interest cost of Rs. 6,98,00,000 on loan taken for building construction has not been considered. Similarly, amount proposed towards interest cost of Rs. 1,50,000 on loan taken for purchase of car has also not been considered in the evaluation of fee increase proposal.

- Under the following heads the school has proposed higher expenditure in comparison to actual expenditure incurred in FY 2016-17 or has proposed new head of expenditures which was not there in the FY 2016-17 for which the school has not provided satisfactory justification/ clarification. Since FY 2017-18 is the year of implementation of 7th CPC where the parents/students are already overburdened, therefore, these expenditures have been restricted to 110% of the actual expenditure incurred in the previous year considering the cost of inflation. The details of these expenses are as under:

(Figures in Rs.)

Particulars	As per audited Income and Expenditure Account for FY 2016-17	As per budget for fee increase submitted by school for FY 2017-18	Net Increase/ (Decrease)	Allowed	Disallowed
Garden Running & Maintenance	64,275	2,25,000	1,60,725	70,703	1,54,297
Function & Festival Expenses	3,24,826	5,00,000	1,75,174	3,57,309	1,42,691
Computer Expenses	1,07,300	3,00,000	1,92,700	1,18,030	1,81,970
Legal & Professional Charges	2,42,475	5,00,000	2,57,525	2,66,723	2,33,277
Magazine Expenses	-	3,00,000	3,00,000	-	3,00,000
Vehicle Running & Maintenance	10,12,915	13,50,000	3,37,085	11,14,207	2,35,793
Advertisement Expenses	1,15,000	5,00,000	3,85,000	1,26,500	3,73,500
Other Repair	4,57,340	10,00,000	5,42,660	5,03,074	4,96,926
Building Repairs	29,08,786	40,00,000	10,91,214	31,99,665	8,00,335
Transport Expenses	21,34,687	37,50,000	16,15,313	23,48,156	14,01,844
Electricity & Water Expenses	78,01,840	96,00,000	17,98,160	85,82,024	10,17,976
Activity Expenses	24,79,081	50,00,000	25,20,919	27,26,989	22,73,011
Total	**1,76,48,525**	**2,70,25,000**	**93,76,475**	**1,94,13,380**	**76,11,620**

Note 3: As per clause 2 of public notice dated May 4th, 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 sole property of the society. Therefore, the students should not be burdened by the way of collecting the building fund or development charges. Hence, amount proposed by school against repayment of loan taken for construction of building amounting Rs. 3,09,36,000 has not been considered in the evaluation of fee increase proposal.

ii. The school has sufficient funds to carry on the operation of the school for the academic session 2017-18 on the existing fees structure. In this regard, Directorate of Education has already issued directions to the schools vide order 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 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 expert Chartered Accountants that prima facie there are financial and other irregularities and also, sufficient funds are available with the school to meet its budgeted expenditure for the academic session 2017-18 including the impact of implementation of recommendations of 7th CPC, 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, found that sufficient funds are available with the school to meet its budgeted expenditure for the academic session 2017-18 including the impact of implementation of recommendations of 7th CPC. Therefore, Director (Education) has rejected the proposal of fee increase submitted by the said school.

AND WHEREAS, it is also noticed that the School funds have been utilised for repayment of loan taken and interest thereon amounting Rs. 2,32,76,098. Also, School funds was used for building Rs. 11,42,031. The utilisation of School funds is in contravention of DSER provisions and orders issued. Thus, these amounts are to be recovered from Society. Total amount to be recovered by the school from society is Rs. 2,44,18,129. 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 of **Ambience Public School, A-1, Safdarjung Enclave, New Delhi (School Id 1719113)** 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. To remove all the financial and other irregularities as listed above and submit the compliance report within 30 days to the D.D.E (PSB).

6. In case of submission of any proposal for increase in fee for the next academic session, the compliance of the above listed financial and other irregularities will also be attached.

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 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
Ambience Public School,
A-1, Safdarjung Enclave, New Delhi (School Id 1719113)

No. No. F.DE.15 (124)/PSB/2019/ 1255-1259 Dated: 29.3.2019

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