

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

No. F. DE-15/ACT-I/WPC-4109/PART/13/827

Dated: 18/07/2017

ORDER

Whereas, the request of Sri Sathya Sai Vidya Vihar (Senior Secondary School for Girls), Block-A, Kalkaji Extension Area, New Delhi-110019 for increase in fee for the academic session 2016-17 was rejected by Director (Education) vide order No.F.DE.15/Act-1/WPC-4109/ PART/13/66 dated 23.12.2016 with the specific direction to rectify the deficiencies as illustrated in the said order and submit compliance report to Dy. Director of Education concerned within thirty days.

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

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

And Whereas, in this connection, an opportunity of being heard was provided to the Manager/HoS of Sri Sathya Sai Vidya Vihar (Senior Secondary School for Girls) on 12.05.2017 at 04.00PM at Conference Hall, Ludlow Castle School Sports Complex, Civil Lines, Delhi-110054.

And whereas, the submissions of the schools were heard by the above said committee on 12.05.2017 at 04.00PM and during the hearing, the issues raised in the representation of the school were discussed at length. The submissions made by the school are taken on record and analyzed in accordance with the provisions of Delhi School Education Act and Rules, 1973 and directions issued there-under.

Financial discrepancies:-

S. No.	Detail of discrepancy	Submissions of the school	Remarks
1.	As per clause 22 of Order No. F.DE./15 (56) /Act /2009 / 778 dated 11/02/2009, user charges should be collected on no-profit and no loss basis and should be used only for the purpose for which these are collected. No separate fund for Transport Fees and Computer Fees is maintained.	Separate fund for transport fees and computer fees shall be maintained in future.	Accepted by School.
2.	Depreciation is being charged by the school as per the Income Tax Act, 1961, however the same should be as per the Guidance note (GN 21) on Accounting	In future depreciation shall be calculated as per GN 21.	Accepted by School

	by Schools, issued by the Institute of Chartered Accountants of India.		
3.	The school fund has been used to meet the expenses of the hostel and Music Division and are shown as "loans" to them at the year end. The outstanding balances of loan to the hostel and music division is Rs 17.51 lakhs and 2.15 lakhs respectively.	No response.	Compliance shall be verified at the time of next fee increase proposal of the school, if any.
4.	The School was given approval for running school by DoE on certain terms & conditions including compliance of rules under Delhi school education Rules 1973. Rule 30 of DSER 1973 stipulates that the school management should take approval from Director, for students residing at the hostel. The school has not sought any such approval to run hostel in the school premises. The school has not complied with the provisions under rule no. 30 & 40 of DSER 1973 as applicable on the hostels running in the school. The School also runs Music wing separately from the school. This is being run inside the school premises as permitted under rule no. 51 of DSER 1973. However, it has been treated as a separate unit by the society.	The trust has closed the music school. There are about 60 students who are being provided residential accommodation.	The School is advised to follow the DOE instructions in this regard.
5.	The School has collected Rs 1,000 as Caution money against the stipulated amount of Rs 500 per student as per clause 18 of Order No. F.DE./15 (56) /Act /2009 / 778 dated 11/02/2009. Considering total number of students as 1,180, an amount of Rs 5.90 Lakhs should be refunded to the students.	From the next session, Rs. 500 shall be charged as caution money.	Accepted by School.
6.	As per clause 17 of Order No. F.DE./15 (56) /Act /2009 / 778 dated 11/ 02/ 2009, no admission fee of more than 200/- per student, at the time of the admission shall be charged. School is charging admission fees of Rs.250 per student.	From the next session, Rs. 200 shall be charged as admission charges.	Accepted by School.

Other discrepancies:

S. No.	Detail of discrepancy	Submissions of the school	Remarks
1.	Fixed asset register is not being maintained by the school.	Fixed Assets Register is now being maintained.	Compliance shall be verified at the time of next fee

			increase proposal of the school, if any.
2.	Receipt and payment account is not being prepared by the School, which is a violation of clause 24 of Order No F. DE./15/ Act/ 2K/ 243 / KKK/ 883-1982 dated 10.02.2005.	Receipts and Payments Account shall be maintained in future.	Compliance shall be verified at the time of next fee increase proposal of the school, if any.
3.	No system is being followed of inviting bids for contractors/procurement of assets and no committee is formulated to take these decisions.	The school is now following the system of inviting bids for procurements. Also, a purchase committee has been formed.	Compliance shall be verified at the time of next fee increase proposal of the school, if any.
4.	Receipts are not issued to the students for collection of Olympiad fees.	A consolidated receipt was issued and individually in the students' diaries the fee receipt was acknowledged. In future individual receipts shall be issued.	Accepted by School.
5.	School has started collecting increased fee for F.Y.2016-17 without the approval of DOE.	The school has returned back increased fee collected for FY 2016-17 to the concerned students.	Accepted by School.

And whereas, after going through the representations dated 30.01.2017 and submissions made by the school during the hearing held on 12.05.2017 as well as financial statements/budget of the school available with this Directorate, it emerges that:-

The school is having a surplus fund of Rs. **1,30,33,583/-** as per the following details:-

Particulars	Amount(Rs)
Cash and Bank balances as on 31.03.16 as per School submission	10,72,136
Investment as on 31.03.16 as per School Submission	2,63,80,438
Total	2,74,52,574
Less: Provision for Gratuity* (As per School Submission)	77,22,517
Less: Provision for Leave Encashment* (As per School Submission)	18,00,000
Available Funds	1,79,30,057
Fees for 2015-16 as per unaudited financial statement(We have assumed that the amount received in 2015-16 will at least accrue in 2016-17)	3,50,01,870
Other income for 2015-16 as per unaudited financial statement	32,57,656
Estimated availability of funds for 2016-17	5,61,89,583

Particulars	Amount(Rs)
Less: Budget expenses for the session 2016-17 as submitted by school management	4,31,56,000
Net Surplus	1,30,33,583

*The school is hereby directed to make earmarked equivalent investments against provision for Gratuity & Leave Encashment with LIC (or any other agency) within 90 days of the receipt of this order, so as to protect the statutory liabilities. And provisions for gratuity and leave encashment should be based on actuarial valuation.

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

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

And whereas, these recommendations alongwith relevant materials were put before Director of Education for consideration and who after considering all the material on the record has found that the school is having sufficient surplus funds to meet the financial implications for the financial year 2016-17 and the representation dated 30.01.2017 and subsequent submissions made thereafter in this regard find no merit in respect of sanction for increase in fee and hereby rejected on the basis of above mentioned observations.

Accordingly, it is hereby conveyed that the representations for fee hike of Sri Sathya Sai Vidya Vihar (Senior Secondary School for Girls), Block-A, Kalkaji Extension Area, New Delhi-110019, has been rejected by the Director of Education.

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


1. Not to increase fee for the session 2016-17. If, in case, increased fee has already been charged from the parents, the same shall be refunded/adjusted.
2. Compliance of all the instructions as mentioned in the order dated 23.12.17 will be seen/examined during the scrutiny of fee hike proposal for session 2017-18, if any.
3. In the light of Judgment of Modern School vs Union of India, the salaries and allowances shall come out from the fees whereas capital expenditure will be a charge on the savings. Therefore it is to be ensured not to include capital

expenditure as a component of fee structure to be submitted by the school under section 17(3) of DSEA&R, 1973.

4. The fee should be utilised as per letter and spirit of Rule 177 of the DSEA & R, 1973 and the judgement of the Hon'ble Supreme Court in the case of Modern School Vs Union of India (2004).

This issues with the prior approval of the Competent Authority.

Non compliance of the order shall be viewed seriously.


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

To

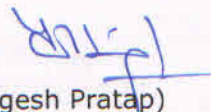
The Manager/HoS
Sri Sathya Sai Vidya Vihar
[Senior Secondary School for Girls],
Block-A, Kalkaji Extension Area,
New Delhi-110019.

No. F. DE-15/ACT-I/WPC-4109/PART/13/ 827

Dated: 18/07/2017

Copy to:-

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


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