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

No. F.DE.15 (555)/PSB/2022/ 3227 - 3231 **Dated:** 19/5/22

ORDER

WHEREAS, **Venkateshwara Global School, (School ID-1413289), Sector-13, Rohini, New Delhi-110085** (hereinafter referred to as **"the School"**), run by the **Ashoka Education and Welfare Society** (hereinafter referred to as the **"Society"**), is a private unaided school recognized by the Directorate of Education, Govt. of NCT of Delhi (hereinafter referred to as **"DoE"**), under the provisions of Delhi School Education Act & Rules, 1973 (**hereinafter referred to as "DSEAR, 1973"**). The School is statutorily bound to comply with the provisions of the DSEAR, 1973 and RTE Act, 2009, as well as the directions/guidelines issued by the DoE from time to time.

AND WHEREAS, as per section 18(5) of the DSEAR, 1973 read with sections 17(3), 24 (1) and rule 180 (3) of the above DSEAR, 1973, responsibility has been conferred upon to the DoE to examine the audited financial Statements, books of accounts and other records maintained by the school at least once in each financial year. Sections 18(5) and 24(1) and rule 180 (3) of DSEAR, 1973 have been reproduced as under:

Section 18(5): *'the managing committee of every recognised private school shall file every year with the Director such duly audited financial and other returns as may be prescribed, and every such return shall be audited by such authority as may be prescribed'*

Section 24(1): *'every recognised school shall be inspected at least once in each financial year in such manner as may be prescribed'*

Rule 180 (3): *'the account and other records maintained by an unaided private school shall be subject to examination by the auditors and inspecting officers authorised by the Director in this behalf and also by officers authorised by the Comptroller and Auditor-General of India.'*

AND WHEREAS, besides the above, the Hon'ble Supreme Court in the judgment dated 27.04.2004 held in Civil Appeal No. 2699 of 2001 titled Modern School Vs. Union of India and others has conclusively decided that under sections 17(3), 18(4) read along with rules 172, 173, 175 and 177, the DoE has the authority to regulate the fee and other charges, with the objective of preventing profiteering and commercialization of education.

AND WHEREAS, it was also directed by the Hon'ble Supreme Court, that the DoE in the aforesaid matter titled Modern School Vs. Union of India and Others in para's 27 and 28 in case of private unaided schools situated on the land allotted by DDA at concessional rates that:

"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 High Court of Delhi vide its judgement dated 19.01.2016 in writ petition No. 4109/2013 in the matter of Justice for All versus Govt. of NCT of Delhi and Others, has reiterated the aforesaid directions of the Hon'ble Supreme Court and has directed the DoE to ensure compliance of terms, if any, in the letter of allotment regarding the increase of the fee by recognized unaided schools to whom land has been allotted by DDA/ land owning agencies.

AND WHEREAS, accordingly, the DoE vide order no. F.DE.15 (40)/PSB/2019/2698-2707 dated 27.03.2019, directing all the private unaided recognized schools, running on the land allotted by DDA/other land-owning agencies on concessional rates or otherwise, with the condition to seek prior approval of DoE for increase in fee, to submit their proposals, if any, for prior sanction, for increase in fee for the session 2018-19 and 2019-20.

AND WHEREAS, in pursuance to order dated 27.03.2019 of the DOE, the **Venkateshwara Global School, (School ID-1413289), Sector-13, Rohini, New Delhi-110085,** submitted the proposal for fee increase for the academic session **2018-19**. Accordingly, this order dispenses the proposal for enhancement of fee submitted by the School for the academic session **2018-19**.

AND WHEREAS, 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, in the process of examination of fee hike proposal filed by the aforesaid School for the academic session 2018-19, necessary records and explanations were also called from the school through email. Further, the school was also provided an opportunity of being heard on 06.12.2019 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. During the aforesaid hearing, compliances against order no. F.DE.15 (121)/PSB/2019/1030-1034 dated 14.03.2019 issued for academic session 2017-18 were also discussed and school submissions were taken on record.

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 observations noted are as under:

A. Financial Observations

1. As per the Clause 2 of Public notice dated 04.05.1997, "*Schools are not allowed to charge building fund and development charges when the building is complete or otherwise as it is the responsibility of the society. Society means the trust or institution who has established the school, society should raise such fund from their own sources because the immovable property of the school become the sole property of the society. Therefore, the students should not be burdened by*

way of collecting the building fund or development charges". Moreover, the Hon'ble High Court of Delhi in its Judgment dated 30.11.1998 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 "Capital Expenditure cannot constitute a component of financial fee structure."

Clause (vii) (c) of Order No. F.DE/15/Act/2K/243/KKK/ 883-1982 dated 10.02.2005 issued by this Directorate states "Capital expenditure cannot constitute a component of the financial fee structure capital expenditure/investments have to come from savings."

As per Rule 177 of DSER, 1973 income derived by an unaided recognised school by way of fees shall be utilised in the first instance, for meeting the pay, allowance and other benefits admissible to the employee of the school. Provided that savings, if any from the fees collected by such school may be utilised by its managing committee for meeting capital or contingent expenditure of the school or for one or more the specified education expenses after creation of 10% reserve.

Accordingly, based on the aforementioned public notice and Hon'ble High Court judgement, the cost relating to land and construction of the school building has to be met by the society, being the property of the society and school funds i.e. fee collected from students is not to be utilised for the same.

As per previous order No. F.DE.15 (121)/PSB/2019/1030-1034 dated 14.03.2019, the school had obtained loan of INR. 7,00,00,000 in FY 2014-15 & INR. 2,50,00,000 in FY 2016-17. Till FY 2016-17, the school has incurred INR 3,80,74,125 on construction of building and reflecting the same under the head "Capital work in progress". Further school has paid interest of INR. 1,98,79,262 from FY 2014-15 to FY 2016-17. Therefore, the school was directed to recover INR. 5,79,53,387 (INR 3,80,74,125 + INR. 1,98,79,262) from the society, however the school has recovered INR. 2,91,91,224 in FY 2018-19 from the society as per records submitted by the school.

Further, on review of records submitted by the school, it has been noted that the school has utilised its funds for payment of interest & repayment of loan thereon amounting INR. 3,72,18,564 from FY 2017-18 to FY 2018-19 without complying the Rule 177 of DSER, 1973. Whereas, in its books of accounts, school is presenting deficit/ losses. Moreover, it has also been noted that the school has not paid the arrears of salaries as per recommendations of 7th CPC for FY 2016-17 and FY 2017-18 amounting INR.3,35,90,995 (As per School's Submission) Therefore school is directed to recover INR. 6,59,80,727 from the society for the construction of building and repayment of interest on loan and make necessary adjustments in the General Fund account. The above amount has been considered while deriving the fund position of the school with the direction to recover the amount within 30 days from the date of issue of this order. Following are the details of amount to be recovered from the society:

Particulars	**Amount (In INR.)**
Amount to be recovered as per previous year order no. F.DE.15 (121)/PSB/2019/1030-1034 dated 14.03.2019	5,79,53,387
Addition:	
Interest paid in FY 2017-18	66,67,174

Principal paid in FY 2017-18	1,36,83,361
Principal paid in FY 2018-19	1,68,68,029
Deduction :	
Amount already recovered by the school from society in FY 2018-19 as per school's submission	2,91,91,224
Net Amount recoverable from the society	**6,59,80,727**

Further on review of audited financial statements for the FY 2018-19, following observations were noted:

(a) As on 01.04.2018, school has passed accounting entries and write off the building of INR. 13,63,21,734 in its books of account by transferring it to society ledger treating it as recoverable from society. The school has also transferred accumulated depreciation as on 31.03.2018 on building amounting INR. 5,47,80,967 to society ledger by debiting the depreciation reserve fund which is incorrect accounting treatment. School is directed to make corrections in the books of account by passing appropriate accounting entries.

(b) As per previous order No. F.DE.15 (121)/PSB/2019/1030-1034 dated 14.03.2019, the school has taken unsecured loan from various individuals without executing any formal contract. As per the previous order, the school has explained that these unsecured loans were taken for meeting shortfall in the revenue expenditures and other fund requirement. Further, the school has also availed overdraft facility from Kotak Mahindra Bank and utilised it for repayment of unsecured loans as per reply submitted by the school during the previous order.

As on 31.03.2019, school has transferred and written off outstanding overdraft from kotak Mahindra bank and unsecured loans from various individuals to the society ledger by passing accounting entries amounting to INR. 6,31,38,263 treating it as adjustment of amount recoverable from society. As the amount of overdraft loan and unsecured loans were not used for purchase or construction of building as per previous order, hence such amount cannot be adjusted with the amount to be recovered from the society. Summary of loans transferred to the society as follows:

(Amount in INR.)

Particulars	Amount as on 31.03.2019
Overdraft Loan: Kotak Mahindra Bank	2,73,29,851
Unsecured loans - Bharpal Devi	33,08,412
Unsecured loans - Kiran Rana	10,00,000
Unsecured loans - Lakhbir Singh	75,00,000
Unsecured loans - Raj Bala	90,00,000
Unsecured loans - Ram Chander	1,50,00,000
Total	6,31,38,263

The above adjustments done by the school as highlighted in (a) & (b) above in the amount recoverable from society by passing accounting entries resulted in incorrect balance of society as on 31.03.2019 and hence the same is not considered while arriving at fund position. Accordingly, the school is directed to make corrections in its books of account within 30 days from the date of issue of this order.

2. As per Section 18(4) of DSEA, 1973, income derived by Unaided Recognised School by way of fees should be utilized for educational purposes as prescribed under Rules 176 and 177 of the DSER, 1973.

On review of financial statements submitted by the school, it was noted that the school had taken unsecured loans of INR. 3,58,08,412 from various individuals without executing any formal contract and interest is being paid on the same.

As per previous order No. F.DE.15 (121)/PSB/2019/1030-1034 dated 14.03.2019, the school has taken unsecured loan from various individuals without executing any formal contract. During discussion at the time of previous order, school has explained that these unsecured loans were taken for meeting shortfall in the revenue expenditures and other fund requirement. Further, the school has also availed overdraft facility from Kotak Mahindra Bank and utilised for repayment of unsecured loans as per reply submitted by the school during the previous order.

However, during personal hearing for evaluation of fee hike proposal for 2018-19, the school informed that major amount of overdraft had been used in for building construction. There is contradiction of replies submitted by the school in respect of usuage of Kotak Mahindra Bank Overdraft facility.

Accordingly, interest paid on aforesaid loans is contradiction of rules and hence the same is to be recovered from society. Details of interest payment is tabulated below:

Year	**Amount In INR.**
2014-15	42,56,447
2015-16	39,58,525
2016-17	46,04,283
2017-18	18,83,868
2018-19	-
Total	**1,47,03,123**

In view of above, the total amount paid by the school, INR. **1,47,03,123** is recoverable from society. Accordingly, it has been included while deriving the fund position of the school with the direction to the school to recover this amount from the society within 30 days from the date of issue of this order.

3. 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, Para 60 of Guidance Note on Accounting by Schools (2005) issued by the Institute of Chartered Accountants of India states "*A defined benefit scheme is a scheme under which amounts to be paid as retirement benefits are determined usually by reference to employee's earnings and/or years of service*".

Also, 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."

As per Rule 177 of DSER, *1973 "income derived by an unaided recognised school 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, 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 aforesaid savings shall be arrived at after providing for the following, namely:*

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."

The school was directed by DoE through its Order no. F.DE.15 (121)/PSB/2019/1030-1034 dated 14.03.2019 issued post evaluation of proposal for fee enhancement for FY 2017-18, to obtain an actuarial valuation of its gratuity and leave encashment liabilities, Further, the school was directed to disclose its liabilities in the financial statements on account of gratuity and leave encashment. Also invest the amount in the plan assets as prescribed in AS-15.

The school has recognized INR. 89,79,407 as on 31.03.2019 as the liability of the school towards gratuity on the basis of actuarial valuation. And reported the same in the audited financial statements of FY 2018-19. However, school has not invested the amount in plan assets as defined in AS-15

Further, it has been noted that the school has not recognized any provision for leave encashment and has not obtained actuarial valuation for its liability towards leave encashment.

Accordingly, INR. 89,79,407 has not been considered while evaluating fees hike proposal of 2018-19. Thus, the school once again directed to obtain actuarial valuation for liability towards retirement benefits and deposit the amount in investments that quality as 'plan-asset' as per AS-15 issued by ICAI within 30 days from the date of this order.

4. As per Clause (vii) (c) of Order No. F.DE/15/Act/2K/243/KKK/883-1982 dated 10.02.2005 issued by this Directorate states "*Capital expenditure cannot constitute a component of the financial fee structure..... Capital expenditure/investments have to come from savings.*"

On review of the audited financial statements for the FY 2017-18 revealed that the school has purchased two cars by taking a fresh loan. During the FY 2018-19, the school has purchased two buses by taking fresh loans form bank. Therefore, the school funds utilized by the school for purchase of the theses buses and cars including the amount utilised for repayment of loan and interest thereon is recoverable from the society and therefore has been included while deriving the fund position of the school. The summary of the amount spent by the school on purchase of bus, repayment of loan and interest thereon is provided below.

Particulars	Amount
Repayment of loan taken for purchase of buses and car during the FY 2017-18 and 2018-19	25,35,986
Interest paid on loan taken for purchase of buses and car during the FY 2017-18 and 2018-19	5,60,554
School funds utilised for making down payment for purchase of buses and cars during the FY 2017-18 and 2018-19.	20,34,458
Total	**51,30,998**

In view of the above, the total amount of INR 51,30,998 utilised by the school without complying the provision of Rule 177 of DSER, 1973 is recoverable from the Society and accordingly, has been included while deriving the fund position of the school with the direction to the school to recover this amount from the society within 30 days from the date of issue of the order.

B. Other Observations

1. Clause 19 of Order No. F.DE./15(56)/Act/2009/778 dated 11.02.2009 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 11.02.2009 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.*"

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 ……*"

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 Science fee and CCE & Multimedia charges, etc. 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 that has been utilised for meeting other expenses of the school or has been incurring losses (deficit), which has been met from other fees/income which was reiterated Directorate's order No. F.DE.15 (121)/PSB/2019/1030-1034 dated 14.03.2019 issued to the school post evaluation of the proposal for FY 2017-18. Details of calculation of surplus or deficit, based on breakup of expenditure provided by the school for FY 2016-17, FY 2017-18 and FY 2018-19 are given below:

Particulars	**Transport Fee**	**Health & Hygiene**	**Refreshment Charges**	**Smart Class Charges**
For th4e year 2016-17				
Fee Collected during the year (A)	1,76,00,405	54,23,625	1,02,80,200	85,56,565
Expenses during the year (B)	1,93,40,204	95,17,295	1,02,80,400	77,99,348
Difference for the year (A-B)	**(17,39,799)**	**(40,93,670)**	**(200)**	**7,57,217**
For the year 2017-18				
Fee Collected during the year (A)	2,05,43,800	56,74,050	1,20,00,800	89,52,390
Expenses during the year (B)	2,06,41,568	64,96,813	1,20,00,800	80,24,887
Difference for the year (A-B)	**(97,768)**	**(8,22,763)**	**-**	**9,27,503**
Surplus/ (Deficit)	**(18,37,567)**	**(49,16,433)**	**(200)**	**16,84,720**
For the year 2018-19				
Fee Collected during the year (A)	2,31,10,000	59,16,825	1,37,70,900	93,36,145

Expenses during the year (B)	2,34,46,670	71,39,136	1,38,06,000	99,62,835
Difference for the year (A-B)	**(3,36,670)**	**(12,22,311)**	**(35,100)**	**(6,26,690)**
Total	**(21,74,237)**	**(61,38,744)**	**(35,300)**	**10,58,030**

Based on the above-mentioned provisions, 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).

Further, based on the fact that the fee head of 'Health & Hygiene; Smart Class charges, Refreshment charges' 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 the students, therefore, the school is directed not to collect activity charges separately from students with immediate effect.

The school is hereby directed to maintain separate fund account depicting clearly the amount collected, amount utilised and balance amount for each earmarked levy collected from students. Unintentional surplus, 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.

The act of the school of charging unwarranted fee or any other amount/fee under head other than the prescribed head of fee and accumulation of surplus fund thereof tantamount to profiteering and commercialization of education as well as charging of capitation fee in other form.

2. The school has prepared a Fixed Assets Register (FAR) that only captures asset name, date and amount. The school should also include details such as supplier name, invoice number, manufacturer's serial number, location, depreciation, asset identification number, etc. to facilitate identification of asset and documenting 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 observation, no financial impact is warranted for deriving the fund position of the school.

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 2018-19 amounting to INR. **36,14,65,328** out of which cash outflow in the year 2018-19 is INR. **32,15,01,866**. This results in net surplus of INR. **3,99,63,462**. The details are as follows:

Particulars	Amount (INR.)
Cash and Bank balances as on 31.03.18 as per Audited Financial Statements	13,12,763
Investments as on 31.03.18 as per Audited Financial Statements	7,07,864
Liquid funds as on 31.03.18	**20,20,627**
Add: Amount recoverable from the society for construction of building and payment of interest thereon **(Refer Financial Observation No.1)**	6,59,80,727
Add: Amount recoverable from the society for Interest paid on loans **(Refer Financial Observation No.2)**	1,47,03,123
Add: Recovery from society towards repayment of vehicle loans **(Refer Financial Observations No. 4)**	51,30,998
Add: Fees for FY 2018-19 as per Audited Financial Statements (Refer Note 1 Below)	27,68,55,954
Add: Other income for FY 2018-19 as per Audited Financial Statements (Refer Note 1 Below)	11,47,118
Total Available funds for FY 2018-19	**36,58,38,547**
Less: Fixed Deposit in the joint name of Venkateshwara Global School, Manager and DDE (District)	3,56,972
Less: Fixed Deposit in the joint name of Chairman Venkateshwara Global School & Secretary (CBSE)	3,45,017
Less: Fixed Deposit in name of Registrar State Commission	5,875
Less: Development Fee balance as on 31-03-2018	36,65,355
Net Available Funds for FY 2018-19	**36,14,65,328**
Less: Expenses as per audited financial statements as on 31.03.2019 **(Refer Note 3 Below)**	28,79,10,871
Less: Arrears of salary on implementation of 7th CPC **(Refer Note 2 Below)**	3,35,90,995
Cash Surplus/ (Deficit)	**3,99,63,462**

Notes:

1. Fee and income as per audited financial statements of FY 2018-19 has been considered except amount disallowed in financial observations.

2. As per reply submitted by the school and taken on records, the school has arrears of salary on implementation of 7 th CPC amounting to INR. 3,55,90,995. Hence, the impact of 7th CPC arrears salary has been considered in the above calculation.

3. The school has not complied with the previous direction given in order no. F.DE.15 (121)/PSB/2019/1030-1034 dated 14.03.2019 i.e., amount not invested in the plan assets as required by AS- 15. Therefore, expenditure of INR 89,79,407 towards gratuity for the FY 2018-19 has not been considered in the calculation of available fund of the school.

ii. The School has sufficient funds to carry on the operation of the School for the academic session 2018-19 at 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 utilizing 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 utilized 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 along with certain financial and other observations in the school, and that sufficient funds are available with the school to carry out its operations for the academic session 2018-19, accordingly the fee increase proposal of the school may be rejected.

AND WHEREAS, recommendation of the team of Chartered Accountants along with relevant materials were put before the Director of Education for consideration and who after considering all the material on the record, and after considering the provisions of section 17(3), 18(5), 24(1) of the DSEA, 1973 read with Rules 172, 173, 175 and 177 of the DSER, 1973 has found that the school has sufficient funds for meeting financial implication for the academic session 2018-19. Therefore, Director (Education) has rejected the proposal submitted by the school to increase the fee for the academic session 2018-19.

AND WHEREAS, it is noticed that the school has utilised INR 8,58,14,848 in contravention of provisions of DSER, 1973 and other orders issued by the departments from time to time. Therefore, the school is directed to recover INR 8,58,14,848 from the society. The amount of above receipt along with copy of bank statements showing receipt of above-mentioned amount should be submitted with DoE, in compliance of the same, within thirty days from the date of issuance of this order. Non-compliance of this shall be taken up as per DSEA&R, 1973.

AND WHEREAS, the school is directed, henceforth to take necessary corrective steps on the financial and other observations noted during the above evaluation process and submit the compliance report within 30 days from the date of this order to the D.D.E (PSB).

Accordingly, it is hereby conveyed that the proposal of fee increase for the academic session 2018-19 of **Venkateshwara Global School, (School ID-1413289), Sector-13, Rohini, New Delhi-110085** is rejected by the Director (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 on any account for the academic session 2018-19 and if the fee is already increased and charged for the academic session 2018-19, the same shall be refunded to the parents or adjusted in the fee of subsequent months.

2. To ensure payment of salary is made in accordance with the provision of Section 10(1) of the DSEA, 1973. Further, the scarcity of funds cannot be the reason for non-payment of salary and other benefits admissible to the teachers/ staffs in accordance with section 10 (1) of the DSEA, 1973. Therefore, the Society running the school must ensure payment to teachers/ staffs accordingly.

3. 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 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 Pal Singh)
Deputy Director of Education
(Private School Branch)
Directorate of Education, GNCT of Delhi

To:

The Manager/ HoS
Venkateshwara Global School, (School ID-1413289),
Sector-13, Rohini, New Delhi-110085

No. F.DE.15 (555)/PSB/2022/ 3227-3231 Dated: 19/5/22

Copy to:

1. P.S. to Principal Secretary (Education), Directorate of Education, GNCT of Delhi.
2. P.S. to Director (Education), Directorate of Education, GNCT of Delhi.
3. DDE (North West B) ensure the compliance of the above order by the school management.
4. In-charge (I.T Cell) with the request to upload on the website of this Directorate.
5. Guard file.

(Yogesh Pal Singh)
Deputy Director of Education
(Private School Branch)
Directorate of Education, GNCT of Delhi