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

No. F.DE.15 ()/PSB/2023/ 1461 5851-5855 **Dated:** 27/06/23

Order

WHEREAS, **Bosco Public School, Sunder Vihar, Paschim Vihar, New Delhi – 110087 (School Id: 1617176)** (hereinafter referred to as **"the School"**), run by the **Bosco Educational 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, the manager of every recognized school is required to file a full statement of fees every year before the ensuing academic session under section 17(3) of the DSEAR, 1973 with the Directorate. Such statement is required to indicate estimated income of the school to be derived from fees, estimated current operational expenses towards salaries and allowances payable to employees etc. in terms of rule 177(1) of the DSEAR, 1973.

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.'*

Thus, the Director (Education) has the authority to examine the full statement of fees filled under section 17(3) of the DSEA,1973 and returns and documents submitted under section 18(5) of DSEA,1973 read with rule 180(1) of DSER,1973.

AND WHEREAS, besides the above, the Director (Education) is also required to examine and evaluate the fee increase proposal submitted by the private unaided recognized schools for some of the schools which have been allotted from Director (Education) before any increase in fee.

AND WHEREAS, 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 paras 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/2019/4440-4412 dated 08.06.2022, 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 academic session 2022-23.

AND WHEREAS, in pursuance to order dated 08.06.2022 of the DOE, the school submitted its proposal for increase of fee for the academic session 2022-23. Accordingly, this order dispenses the proposal for increase of fee submitted by the school for the academic session 2022-23.

AND WHEREAS, in order to examine the proposals submitted by the schools for fee increase for justifiability or not, the DoE has evaluated the fee increase proposals of the School carefully in accordance with the provisions of the DSEAR, 1973, and other Orders/ Circulars issued from time to time by the DoE.

AND WHEREAS, in the process of examination of fee increase proposal filed by the aforesaid School for the academic session 2022-23, necessary records and explanations were also called from the school through email. Further, the school was also provided an opportunity of being heard on 09th May 2023 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. In the aforesaid personal hearing, compliance of Order No. F.DE. 15/(455)/PSB/2022/2336-2340 dated 27.04.2022 issued for FY 2018-19 and Order No. F.DE.15/(761)/ PSB/2022/4846-4850 dated 22.06.2022 issued for FY 2019-20 were also discussed with the school and the school's submissions were taken on record.

AND WHEREAS, on receipt of clarification as well as documents uploaded on the web portal for the fee hike post personal hearing, the fee hike proposal was evaluated by DOE and the key suggestions noted for improvement by the school are hereunder:

A. Financial Suggestions for Improvement

1. Rule 177 of DSER, 1973 states that "*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.*

The above-mentioned 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 Directorate in its Order No. F.DE. 15/(455)/PSB/2022/2336-2340 dated 27.04.2022 issued for FY 2018-19 and Order No. F.DE. 15/(761)/PSB/2022/4846-4850 dated 22.06.2022 issued for FY 2019-20, directed to recover INR 23,71,096 from the society towards the utilisation of school funds on procurement of air conditioners, camera, computer & printers, furniture & fixtures, musical instruments, oil heaters etc. However, this recovery from the society is still pending.

It is pertinent to note here that the school get the approval of fee increase in the orders issued for FY 2018-19 and 2019-20 but the recommendations of 7th CPC for payments of salaries to the staff are yet to be implemented. The school was directed to ensure payment of salaries in compliance of section 10 of the DSEA, 1973. Instead of ensuring payments to salaries to staff in accordance with 7th CPC and the payments of salaries arrears, the funds have been utilised on other expenditures.

Further review of audited financial statements for FY 2019-20 to 2021-22 reveals that the school has incurred major capital expenditure and spent school funds on solar power plant and furniture & fixtures. The school has utilised INR 28,31,400 on solar plant and INR 14,21,980 on furniture & fixtures without complying the provisions of Rule 177 of DSER, 1973.

Accordingly, the school is directed to recover INR 66,24,476 (INR 23,71,096+ INR 28,31,400 + INR 14,21,980) from the society within 30 days from the date of issue of this order and the same has been included in the calculation of funds available with the school.

2. As per 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, the Accounting Standard defines Plan Assets (the form of investments to be made against liability towards retirement benefits) as:
a. Assets held by a long-term employee benefit fund; and
b. Qualifying insurance policies

Para 57 of Accounting Standard 15 - 'Employee Benefits' issued by the Institute of Chartered Accountants of India, "*An enterprise should determine the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the balance sheet date.*"

The Directorate in its Order No. F.DE. 15/(455)/PSB/2022/2336-2340 dated 27.04.2022 issued for FY 2018-19 and Order No. F.DE. 15/(761)/PSB/2022/4846-4850 dated 22.06.2022 issued for FY 2019-20, directed the school to make equivalent investments in the plan assets against the liability of gratuity and leave encashment and to disclose the provisions for gratuity and leave encashment along with corresponding investments in the financial statements.

From review of the audited financial statements of the school for the FY 2021-22, it was noted that provision of INR 2,25,51,542 towards gratuity and INR 83,03,389 towards leave encashment were created in accordance with the actuarial valuation report. However, investments in plan assets does not correspond with gratuity and leave encashment liability as at 31st March 2022.

Further, the school has made investment with LIC amounting to INR 1,48,89,557 against gratuity liability and INR 37,09,615 against leave encashment liability and submitted the copy of the deposit receipts as proof of the investments. Therefore, the same has been considered while deriving the fund position the school.

The total amount proposed by the school of INR 70,00,000 towards gratuity and leave encashment is yet to be deposited as plan assets and thus, the same has not been considered while deriving the fund position of the school.

Further, the school is directed to deposit the amount determined as per actuarial valuation so that the provision for gratuity and leave encashment stand equals the investment amount.

3. As per clause 103 on Related Party Disclosure, contained in Guidance Note 21 on 'Accounting by Schools', issued by the ICAI, there is a requirement that keeping in view the involvement of public funds, schools are required to disclose the transactions made in respect of related parties.

However, on review of salary statement for March 2022, the school has paid remuneration to Mr. Sahil Duggal (Sr Admin Officer) who is a related party and the remuneration paid to him was not disclosed by the school in the audited financial statements under the related party transactions which is not in accordance with above-mentioned clause of Guidance Note 21. Therefore, the school is directed to disclose the related party transactions in compliance of GN 21.

B. Other Suggestions for Improvement

1. 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.*"

Clause 22 of Order No. F.DE./15 (56) /Act /2009 / 778 dated 11.02.2009 states that *Earmarked levies shall be charged from the user student only. Earmarked levies for the services rendered shall be charged in respect of facilities involving expenditure beyond the expenditure on the earmarked levies already being charged for the purpose. They will be calculated and collected on 'no profit no loss' basis and spent only for the purpose for which they are being charged. All transactions relating to the earmarked levies shall be an integral part of the school accounts*

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 the 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).

The Directorate in its Order No. F.DE.15/(455)/PSB/2022/2336-2340 dated 27.04.2022 issued for FY 2018-19 and Order No. F.DE.15/(761)/PSB/2022/4846-4850 dated 22.06.2022 issued for FY 2019-20, directed the school to maintain fund based accounting in respect of earmarked levies and not to charge medical fees with immediate effect.

From the information provided by the school and taken on record, it was noted that the school charges earmarked levies in the form of Transport fee from students and has discontinued the collection of medical fee from FY 2020-21. However, the school has not maintained separate fund accounts for these earmarked levies and the school has been incurring losses (deficit), which has been met from other fees/income. Below table shows the position of surplus/ deficit for fee collected in the name of earmarked levies:

Particulars	**Transport fee (in INR)**
For the year 2021-22	
Fee Collected during the year (A)	-
Expenses during the year (B)	52,84,355
Difference for the year (A-B)	**(52,84,355)**
For the year 2020-21	
Fee Collected during the year (A)	40
Expenses during the year (B)	46,07,138
Difference for the year (A-B)	**(46,07,098)**
For the year 2019-20	
Fee Collected during the year (A)	74,13,610
Expenses during the year (B)	80,10,829
Difference for the year (A-B)	**(5,97,219)**

The 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).

Moreover, since the school is not following fund-based accounting in accordance with the provision cited above, total fee (including earmarked fee) have been included in income and expenditure and have been considered in calculation of fund availability with the school and school is 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/deficit, if any, generated from earmarked levies has to be utilised 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 structure for earmarked levies during the 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. Direction no. 3 of the public notice dated 04.05.1997 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 11.02.2009 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.*"

Further, Clause 3 and 4 of Order No. DE/15/150/Act/2010/4854-69 dated 9 Sep 2010 stated "In case of those ex-students who have not been refunded the caution money/ security deposit, the schools shall inform them (students) at their last shown address in writing to collect the said amount within thirty-days. After the expiry of thirty days, the un-refunded Caution money belonging to the ex-students shall be reflected as income for the next financial year & it shall not be shown as liability. Further, this amount shall also be taken into account while projecting fee structure for ensuing academic year."

The Directorate in its Order No. F.DE. 15/(455)/PSB/2022/2336-2340 dated 27.04.2022 issued for FY 2018-19 and Order No. F.DE. 15/(761)/PSB/2022/4846-4850 dated 22.06.2022 issued for FY 2019-20, directed the school to ensure that the interest on caution money is paid to the students along with the caution money at the time of leaving the school and to treat unclaimed caution money as the income by the school in its books of accounts.

On review of audited financial statements for FY 2019-20 to 2021-22, it is noted that the school has considered the unclaimed caution money as its income w.e.f. FY 2021-22. However, the school has not refunded the interest amount along with caution money to existing students which is not in compliance with clause 18 of the order dated 11.02.2009.

Therefore, the school is directed to ensure compliance with the aforementioned directions including refund of caution money along with interest to exiting students. Further, the balance of caution money outstanding INR 3,19,000 as on 31.03.2022 has been considered while deriving the fund position of the school.

3. It was noted that school was not complying with the DOE Order No.F.DE.15/Act-I/08155/2013/5506-5518 dated 04.06.2012 and condition mentioned at S. No. 18 in the land

allotment letter which provides for 25% reservation to children belonging to EWS category. As per school, the details of EWS students and total number of students are as follows:

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Total Students	1766	1866	1905
EWS Students	323	348	370
% of EWS students	18%	19%	19%

As per table above, it can be noted that the school has not been complying with the directions of the Directorate and conditions of land allotment letter. Therefore, the concerned DDE (District) is requested to look into this matter and ensure compliance with the above directions.

4. The Directorate in its Order No. F.DE. 15/(455)/PSB/2022/2336-2340 dated 27.04.2022 issued for FY 2018-19 and Order No. F.DE. 15/(761)/PSB/2022/4846-4850 dated 22.06.2022 issued for FY 2019-20 observed that Incomes (fee collected from students) reported in the Income and Expenditure Account/ Receipts and Payment Account for FY 2017-18 were recomputed to evaluate the accuracy of incomes reported based on the approved fee structure of the school and details of number of students enrolled (non-EWS) provided by the school. Basis the computation prepared, differences were noted in the fee collection reported by the school during FY 2017-18 in its Income & Expenditure Account/ Receipts & Payment Account and amount of fee arrived/ computed as per details provided by the school.

   Following differences were derived based on the computation of FY 2017-18;

Particulars	Income reported in Income & Expenditure Account (A)	Fee computed based on details no. of students provided by the school (B)	Derived Difference (C) =(A) - (B)	Derived % Difference (D) = (C/A*100)
Tuition Fee	7,11,82,400	7,36,54,560	-24,72,160	-3.47%

   The school should perform a detailed reconciliation of the amount collected from students and income to be recognized based on the fee structure and number of students enrolled by the school. Since the reconciliation needs to be performed by the school, no adjustment has been made in 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 FY 2022-23 amounting to INR **10,15,56,031** out of which cash outflow in the FY 2022-23 is estimated to be INR **10,30,18,497.** This results in deficit of INR **14,62,466** for FY 2022-23 after all payments. The details are as follows:

Particulars	Amount (in INR)
Cash and Bank balances as on 31.03.22 as per Audited Financial Statements	91,44,208
Investments as on 31.03.22 as per Audited Financial Statements	26,58,135
Investment with LIC as on 31.03.2022	1,86,79,173
Liquid Funds as on 31.03.2022	**3,04,81,516**

Add: Recovery from the society on account of capital expenditure incurred during FY 2017-18, 2018-19, 2020-21 and 2021-22 without compliance of Rule 177 of DSER, 1973 **(Refer Financial Suggestion No. 1)**	66,24,476
Add: Fees for FY 2021-22 as per Audited Financial Statements **(Refer Note 2 Below)**	7,41,56,001
Add: Other Income for FY 2021-22 as per Audited Financial Statements **(Refer Note 2 Below)**	12,03,186
Add: Additional Fees due to increase in fee @15% from 01.07.2022 **(Refer Note 3 Below)**	83,38,793
Total Available Funds for FY 2022-23	**12,08,03,972**
Less: FDR in the name of Manager & CBSE as on 31.03.2022 **(Refer Note 1 Below)**	3,29,769
Less: Caution Money as on 31.03.2022 **(Refer Other Suggestion No. 2)**	3,19,000
Less: Investment with LIC against Gratuity and Leave Encashment Liability **(Refer Financial Suggestion No. 2)**	1,85,99,172
Net Available Funds for FY 2022-23 (A)	**10,15,56,031**
Less: Budgeted expenses for the session 2022-23 **(Refer Note 4 Below)**	**8,39,83,276**
Less: Salary Arrears as per 7th CPC **(Refer Note 5 Below)**	**1,90,35,221**
Total Estimated Expenditure for FY 2022-23 (B)	**10,30,18,497**
Net Deficit (A-B)	**14,62,466**

Note 1: The detail of fixed deposit held by the school as per the audited financial statements for the FY 2021-22 is provided below:

Particulars	**Amount (in INR)**	**Remarks**
FDR in the joint name of CBSE & School	3,29,769	Deducted while calculating available funds of the school.
Total	**3,29,769**	

Note 2: All the fee and other income as per audited financial statements for the FY 2021-22 has been considered with the assumption that the amount received in FY 2021-22 will at least accrue during FY 2022-23.

Note 3: The school was allowed to increase fee 10% vide order No. F.DE.15/(455)/PSB/2022/2336-2340 dated 27.04.2022 issued for FY 2018-19 and 5% vide order No. F.DE.15/(761)/PSB/2022/4846-4850 dated 22.06.2022 issued for FY 2019-20 from 1st July, 2022. School has submitted that it has increased the fee @15% from 1st July 2022. Accordingly, additional income on account of fee increase will also accrue to the school in FY 2022-23 and thus, following amount has been considered as funds available with the school:

Fee heads	**Actual receipt in FY 2021-22**	**Increased fee (with the fee increase @15% for 9 months)**
Tuition fees	7,41,22,601	8,24,61,394
Admission Fee	33,400	33,400
Total	**7,41,56,001**	**8,24,94,794**
Impact of fee increase		**83,38,793**

Note 4: All budgeted expenditure proposed by the school amounting to INR 13,99,71,000 has been considered while deriving the fund position of the school except the following:

Head of Expenditure	2022-23 (in INR)	Amount disallowed (in INR)	Remarks
Salary - Teaching staff	7,00,00,000	2,36,95,596	Restricted to 130% of the expenditure incurred in FY 2021-22.
Salary - Non-teaching staff	1,78,00,000	18,23,740	
Gratuity	50,00,000	50,00,000	The school has not made investment in Plan assets as is prescribed in AS-15, therefore amount proposed by the school has not been considered.
Leave Encashment	20,00,000	20,00,000	
Sports & Cultural Expenses	20,00,000	14,83,068	Restricted to 110% of the expenditure incurred in FY 2021-22.
Function & Festival Expenses	10,00,000	4,88,393	
Computer Aided Learning & School Software	25,00,000	11,21,927	
Capital expenditure	46,75,000	46,75,000	Depreciation being non-cash expenditure, has not been considered in the calculation of funds availability position of the school.
Depreciation	29,00,000	29,00,000	Depreciation being non-cash expenditure, has not been considered in the calculation of funds availability position of the school.
Books, Uniforms and Stationery to EWS	10,00,000	10,00,000	EWS Reimbursement amounting to INR 26,83,076 received in FY 2021-22 has not been considered and correspondingly expenses related to EWS have been disallowed.
Transport expenses	1,18,00,000	1,18,00,000	Neither Income nor expense has been considered on the assumption that earmarked levies are collected on no profit no loss basis
Total	**12,06,75,000**	**5,59,87,724**	

Note 5: In accordance with Section 10(1) of Delhi School Education Act 1973, scales of pay and allowance, medical facilities, pension gratuity, provident fund, and other prescribed benefits of the employees of a recognized private school shall not be less than those of the employees of the corresponding status in schools run by the appropriate authority.

Further, Directorate of Education has adopted the Central Civil Serviced (Revised Pay) Rules, 2016 vide Circular No 30-3(17)/(12)/VII pay Comm./2016/11006-11016 dated 19.08.2016 and No. 30-3 (17)/(12)/VII pay Comm./Coord./2016/12659-12689 dated 14.10.2016 for employees of Government Schools.

Further, in exercise of the powers conferred under clause (xviii) of Rule 50 of the Delhi School Education Rules, 1973, vide Competent Authority order No DE.15 (318)/PDB/2016/18117, dated 25.08.2017, the managing committees of all Private unaided Recognized Schools have already been directed to implement central Civil Services (Revised Pay) Rule, 2016 in respect of the regular employees of the corresponding status with effect from 01.01.2016 (for the purpose of pay fixation and arrears). Further, guidelines/detailed instructions for implementation of 7th CPC recommendations in Private Un-aided Recognized Schools of Delhi has been issued vide DOE order dated 17.10.2017.

Further in the previous years' order of the Directorate, Order No. F.DE. 15/(455)/PSB/2022/2336-2340 dated 27.04.2022 issued for FY 2018-19 and Order No. F.DE. 15/(761)/PSB/2022/4846-4850 dated 22.06.2022 issued for FY 2019-20, the school was directed to implement the recommendations of 7th CPC and arrears for the period 01.01.2016 – 31.03.2019 amounting to INR 1,89,74,106 were also allowed to the school at that time. As per school's submissions, it is noted that the school has not implemented the recommendations of 7th CPC and is paying DA 142% of the basic pay and whereas as per 6th CPC the applicable rate of DA is 221% of the basic pay and there is difference of 79% between the actual rate of DA as in use and the rate of DA that needs to be applied. Thus, it is clear that the school is not paying even on the basis of the 6th CPC. Further, the school has separately provided for the arrears amounting to INR 2,52,49,198 which is actually proposed on higher side being the difference between salary payable under 7th CPC and the salary paid currently (less than the 6th CPC recommendations). Thus, excess amount of salary arrears amounting Rs. 62,13,977 has not been considered in the funds position. Thus, the school is again directed to implement the recommendations of 7th CPC in full within 30 days from the date of issue of this order. A strict action against the school would be initiated u/s 24(3) of DSEA, 1973 for non-compliance with the direction cited above.

ii. In view of the above examination, it is evident that the school does not have adequate funds to carry on its operation for the academic session 2022-23 on the existing fee 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 the provisions of DSEA, 1973, DSER, 1973, guidelines, orders and circulars issued from time to time by this Directorate, the proposal of the school for the session 2022-23 have been evaluated and certain financial suggestions have been identified (appropriate financial impact has been taken on the fund position of the school) and certain procedural suggestions which were also noted (appropriate instruction against which have been given in this order) that the sufficient funds are not available with the school to carry out its operations for the academic session 2022-23. Accordingly, the fee increase proposal of the school is accepted.

AND WHEREAS, it is noticed that the school has incurred INR 66,24,476 in contravention of Rule 177 and other provisions of DSEAR, 1973 and other orders issued by the departments from time to time. Therefore, the school is directed to recover the aforesaid amount from society/ management. The receipts along with copy of bank statements showing receipt of the above-mentioned amount should be submitted with DoE, in compliance of the same, within 30 days from the date of issue of this order. Non-compliance with this direction shall be viewed seriously as per the provision of DSEA&R, 1973 without providing any further opportunity of being heard.

AND WHEREAS, considering the financial situation and existing deficiencies and keeping in view that salary and other employee's benefits can be paid to the teachers and staff smoothly, the fee hike is allowed to the school with the suggestions for improvement. The school is hereby further directed that the additional income received on account of increase fee should be utilized at first instance only for payment of salary and salary arrears and submit the compliance report within 30 days from the date of issue of this order.

AND WHEREAS, it is relevant to mention charging of any arrears on account of fee for several months from the parents is not advisable, not only because of the additional sudden burden fall upon the parents/students but also as per the past experience, the benefit of such collected arrears is not passed to the teachers and staff in most of the cases as was observed by the Justice Anil Dev Singh Committee (JADSC) during the implementation of the 6th CPC. Keeping this in view, and exercising the powers conferred under Rule 43 of DSER, 1973, the Director (Education) has accepted the proposal submitted by the school and allowed an increase in fee by 5% to be effective from 01 April 2023.

AND WHEREAS, the fee proposal of the school alongwith 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 funds are not available with the school for meeting financial implication for the academic session 2022-23.Hence, for smooth payment of salaries and other employee's benefit, the fee hike is required to the school.

AND WHEREAS, 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.

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

Accordingly, it is hereby conveyed that the proposal for fee hike of **Bosco Public School, Sunder Vihar, Paschim Vihar, New Delhi – 110087 (School Id: 1617176)** filed by the school in response to the Order No. F.DE.-15(40)/PSB/2019/4440-4412 dated 08.06.2022 for the academic session 2022-23, is accepted by the Director (Education) with the above conclusion and suggestions and the school is allowed to increase the fee by 5% for session 2022-23 to be effective from 01.04.2023.

Further, the management of said School is hereby directed under section 24(3) of DSEA&R 1973 to comply with the following directions:

1. To increase the fee only by the prescribed percentage from the specified date i.e. 01.04.2023.

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 is issued with the prior approval of the Competent Authority.

Nandini

(Nandini Maharaj)
Additional Director of Education
(Private School Branch)
Directorate of Education, GNCT of Delhi

To
The Manager/ HoS
Bosco Public School,
Sunder Vihar, Paschim Vihar,
New Delhi – 110087 (School Id: 1617176)

No. F.DE.15 (^)/PSB/2023/1461/ 5851-5855 Dated: 27/06/23

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 (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.

Nandini

(Nandini Maharaj)
Additional Director of Education
(Private School Branch)
Directorate of Education, GNCT of Delhi