

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

No. F.DE.15 ()/PSB/2023/ 2593-2598

Dated: 21/03/23

**Order**

WHEREAS, The Indian Height School (School ID-1821238), Sector-23, Dwarka, New Delhi-110075 (hereinafter referred to as "the School"), run by the Bhagwati Devi Foundation (hereinafter referred to as "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 for the ensuing academic session under section 17(3) of the DSEAR, 1973 with the Directorate. Such a statement is required to indicate the 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 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 recognized 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 recognized 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 authorized by the Director in this behalf and also by officers authorized 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 hike proposal submitted by the private unaided recognized schools which have been allotted land by the DDA/ other land-owning agencies with the condition in their allotment to seek prior approval 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 fees 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 that in the case of private unaided schools situated on the land allotted by DDA/other land-owning agencies at concessional rates:

*"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/other land-owning agencies.

AND WHEREAS, accordingly, the DoE vide Order No. F.DE-15(40)/PSB/2019/4440-4412 dated 08.06.2022, directed all the private unaided recognized schools, running on the land allotted by DDA/other land-owning agencies at 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 enhancement of fee for the academic session 2022-23. Accordingly, this Order dispenses the proposal for enhancement of fee submitted by 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 the fee hike proposal filed by the aforesaid school, necessary records and explanations were also called from the school through email dated 01.11.2022. The school was also provided an opportunity to be heard on 09.11.2022 to present its justifications/clarifications on the fee increase proposal. Based on the discussion with the school during a personal hearing, the school was further asked to submit the necessary documents and clarification on various issues noted. In the aforesaid personal hearing, compliance of Order No. 15/(292)/PSB/2021/5197-5201 dated 13.12.2021 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 Suggestion for Improvements**

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

Further, the Accounting Standard defines Plan Assets (the form of investments to be made against liability towards retirement benefits) as:

1. Assets held by a long-term employee benefit fund; and
2. Qualifying insurance policies.

Further, Para 57 of AS-15 states that *"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."*

An appropriate charge to the income and expenditure account for a year should be made through a provision for the accruing liability. The accruing liability should be calculated according to actuarial valuation. However, if a school employs only a few persons, say less than fifty, it may calculate the accrued liability by reference to any other rational method. The ensuing amount of provision for liability should then be invested in *"plan assets"* as per AS-15 issued by ICAI.

The record submitted by the School were taken on record, it has been noted that the School has got the actuarial valuation for the retirement benefits and created provision for gratuity of INR 65,53,105 and leave encashment of INR 41,92,900 as on 31.03.2022 in accordance with the actuarial valuation report for FY 2021-22. The school has invested of INR 41,92,900 with LIC against leave encashment. However, the school has not invested any amount in plan assets towards gratuity. This was discussed with the school during personal hearing, the school accepted this fact and agreed to invest amount in plan towards gratuity as well.

Accordingly, the school has invested INR 63,38,115 with LIC towards as on 22.11.2022 and submitted the proof of deposit. Further, school has submitted an undertaking to the effect that it will deposit INR 25,00,000 with LIC before 31.03.2023. The statement is duly certified by the Chartered Accountant of the school. Since, the investment with LIC is quality as plan assets within the meaning of AS-15 issued by ICAI. Therefore, total amount invested by the school with the LIC amounting to INR 1,05,31,015 i.e., (INR 41,92,900 plus INR 63,38,115) and INR 25,00,000 (to be deposited before 31.03.2023) have been considered while deriving the fund position of the School with the direction to maintain equivalent balance in plan assets to cover its retirement benefit obligations.

Accordingly, the amount proposed by the school of INR 25,00,000 in the budget has not been considered in order to avoid duplicity.

2. Clause 24 of DoE Order dated 11.02.2009 states *"Every recognized unaided school covered by the Act, shall maintain accounts on the principles applicable to a non-business organization/ not-for-profit organization as per Generally Accepted Accounting Principles (GAAP). Such schools shall prepare their financial statement consisting of a Balance Sheet, P&L Account and Receipt & Payment account every year."*

Further, Appendix-III (Part-I-General instructions and accounting principles) of Guidance Note-21 states:

1. *"the financial statement of the Schools should be prepared on accrual basis.*
2. *a statement of all significant accounting policies adopted in the preparation and presentation of the balance sheet and income and expenditure account should be included in the School's Balance sheet.....*
3. *accounting policies should be applied consistently from one financial year to the next. Any change in the accounting policies which has a material effect in the current period, or which is reasonably expected to have a material effect in later periods should be disclosed...."*

*Further, Clause 24 of DoE Order dated 11.02.2009 states "Every recognized unaided school covered by the Act, shall maintain accounts on the principles applicable to a non-business organization/ not-for-profit organization as per Generally Accepted Accounting Principles (GAAP).*

On review of the audited financial statements and other records submitted by the School, it has been noted that the school has been recording income on receipts basis without complying with the above-mentioned provision. Thus, the school is deviating from basic principle for maintenance of books and account and presentation of the financial statements. During the personal hearing, the school accepted that it has been recording expenditure on accrual basis while income on receipts basis sometimes. The school following such type of accounting intentionally in order to report higher operation loss in the audited financial statements than the actual one. Therefore, the school has been preparing and presenting, its audited financial statements neither on accrual basis nor on cash basis. Even the statutory auditor of the school has not mentioned this fact in their Independent Auditors Report.

Therefore, the school is hereby directed, to maintain its books of account in accordance with GAAP from subsequent financial years and made necessary adjustment in its books of accounts accordingly. The compliance with this direction shall be verified while evaluating the fee increase proposal of the subsequent year. However, the audited financial statements submitted by the school for FY 2019-20, FY 2020-21 and FY 2021-22 has been considered in the evaluation of fee increase proposal.

3. Appendix II to Rule 180(1) of DSER, 1973, the school is required to submit final accounts i.e., receipts and payment account, income and expenditure account and balance sheet of the preceding year duly audited by a Chartered Accountant by 31<sup>st</sup> July.

On account of number of complaints received by the Institute of Chartered Accountants of India (ICAI) regarding signatures of Chartered Accountants (CAs) are being forged by non-CAs and corresponding findings by ICAI that financial documents/certificates attested by third person misrepresenting themselves as Chartered Accountants (CA) are misleading the Authorities and Stakeholders, ICAI, at its 379<sup>th</sup> Council Meeting, made generation of Unique



Document Identification Number (UDIN) mandatory for every signature of Full time Practicing Chartered Accountants in phased manner for the following services:

- All Certificates with effect from 1 Feb 2019
- GST and Income Tax Audit with effect from 1 Apr 2019
- All Audit and Assurance Functions with effect from 1 Jul 2019

Therefore, generation of UDIN has been made mandatory for all audit and assurance functions like documents and reports certified/ issued by practicing Chartered Accountants from 1 July 2019. The UDIN System has been developed by ICAI to facilitate its members for verification and certification of the documents and for securing documents and authenticity thereof by Regulators.

Further, ICAI issued an announcement on 4 June 2019 for the attention of its Members with the requirement of mentioning UDIN while signing the Audit Reports effective from 1 Jul 2019, which stated *"With a view to bring uniformity in the manner of signing audit reports by the members of ICAI, it has been decided to require the members of ICAI to also mention the UDIN immediately after the ICAI's membership number while signing audit reports. This requirement will be in addition to other requirements relating to the auditor's signature prescribed in the relevant law or regulation and the Standards on Auditing."*

Standard on Auditing (SA) 700 (Revised) – 'Forming an Opinion and Reporting on Financial Statements' notified by the Institute of Chartered Accountants of India include formats for issuing audit opinions on the financial statements by practicing Chartered Accountants.

Also, para 47 of SA 700 states *"The auditor's report shall be dated not earlier than the date on which the auditor has obtained sufficient appropriate audit evidence on which to base the auditor's opinion on the financial statements, including evidence that:*

- All the statements that comprise the financial statements, including the related notes, have been prepared; and*
- Those with the recognized authority have asserted that they have taken responsibility for those financial statements."*

However, the audited financial statements submitted by the school FY 2019-20, FY 2020-2 & FY 2021-22 did not include the following information:

- Independent Auditors Report duly signed by the Chartered Accountant.
- Receipt and Payment Account
- Unique Document Identification Number (UDIN)

During the personal hearing the school was asked to provide the above-mentioned details and get the clarification from the statutory auditor for not complying with direction of the ICAI with respect to the UDIN for last three financial years. But the school has not provided the above-mentioned details. It also important to mention that receipts and payment account for the FY 2019-20 and 2020-21 was neither signed by the statutory auditor not by the management of the school.

The above findings raising serious doubt on the reliability of the audited financial statements submitted by the school. Therefore, the school is hereby directed to get the relevant audit report from the statutory auditor and confirm whether UDIN was generated in respect of the audit

opinion issued by the auditor on the financial statements or not. If it was generated, the same should be mentioned by the school in its compliance report. In case, UDIN was not generated by the statutory auditor, the school is directed to seek explanation from the auditor for not complying with the requirements notified by ICAI and get the said audit report and financial statements verified from the Institute of Chartered Accountants of India for its authenticity and validity.

The School is further directed to ensure that the audit opinions issued on the final accounts by the practicing Chartered Accountant comply with the requirements enunciated by their regulatory body i.e. The Institute of Chartered Accountants of India including compliance with SA 700 and generation of UDIN.

4. Direction no. 2 included in the Public Notice dated 04.05.1997 states *"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 30.10.1998 in the case of Delhi Abibhavak Mahasangh concluded that *"The tuition fee cannot be fixed to recover capital expenditure to be incurred on the properties of the society."* Also, 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."*

Clause 7.24 of Duggal committee report states *"school should be prohibited from discharging any of the functions, which rightly fall in the domain of the society out of the fees and other charges collected from the students; or where the parents are made to bear, even in part, the financial burden for the creation of facilities including building, on a land which had been given to the society at concessional rates for carrying out a philanthropic activity. One only wonders what is then the contribution of the society that professes to run the school"*.

Moreover, 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. 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.*



Therefore, based on the above-mentioned provisions, the cost relating to land and construction of the school building should be borne by the society running the school and school funds, i.e., fees collected from the students should not be used for the purchase of land and construction of the school building. In this regard, it is also important to mention that society was allotted an institutional land at lower cost compared to the price of commercial as well as the residential land in that nearby locality. The reason for allotment of land at such lower cost was that society came up with the offer to do noble work in the field of education and run the school in Delhi on charity and on a "no profit and no loss" basis. In its offer society also undertook to execute this work from its resources or by arranging funds through donations, subscriptions, or any other legal possible manner. Based on the noble grounds, DoE had recommended to the land-owning agencies for allotment of land to society which would otherwise not be possible for the society to have such a prime land at such cost in such posh location.

Accordingly, if the DoE finds any deviation or non-compliance in any condition of land allotment letter, the society as well as the school are bound to comply and honour that immediately as per the direction of the DoE. Society cannot always claim the protection of Article 19(1)(g), 21 & 30 of the Constitution of India for non-interference by the DoE. Because the main source (i.e., land) which was required to establish and run the school was supported by DoE by recommending to land owning agency to allotment the land to the society. After considering the recommendation of the DoE, a clause was included in the land allotment letter of the school that the school shall not increase the fee without the prior sanction of the Director (Education) and shall follow the provisions of the Delhi School Education Act/Rules, 1973 and other instructions issued by the department from time to time.

The Directorate in its Order No. F.DE-15/(292)/PSB/2021/5197-5201 dated 13.12.2021 issued for academic session 2019-20, noted that the school had incurred INR 1,39,63,544 during FY 2016-17 to FY 2018-19 towards addition to the school building without complying with the above-mentioned provisions. Accordingly, the school was directed to recover this amount from the society.

The documents submitted by the school post personal hearing has been taken on records. The school submitted *"that the above expenditure was incurred for repair and maintenance of existing school building. The above amount of INR 1,39,63,544 actually was to be shown under repair and maintenance and not under Building Account....."*

The School vide its letter dated 06.03.2023 has submitted a statement under the seal and signature of Chartered Accountant stating that *we wish to submit that the expenditure incurred for building from FY 2016-17 to 2018-19 amount to Rs. 1,39,63,544.00 was actually related to repair & maintenance of building. It was erroneously capitalized to the building account whereas it was a regular repair & maintenance expenditure. We will make the necessary rectification for the same in the financial statement of FY 2022-23 and rectify the accounting mistake accordingly.*

The submission of the School has been considered. However, the school is directed to ensure to present the aforesaid expenditure as part of their repair and maintenance expenses in the financial statements for FY 2022-23. Also, complete disclosure needs to be made in the Notes to accounts of the financial statements to give effect to these entries.

5. The Hon'ble Supreme Court in the judgement of Modern School vs Union of India and others held that *capital expenditure cannot form part of financial fee structure of the school*. Further, in pursuance of Rule 177 of DSER, 1973, income derived by an unaided 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.

Moreover, 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. 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.*

Further, with respect of earmarked levies, the school is required to ensure with the following provisions.

- Clause 22 of the Order dated 11.02.2009 which states that earmarked levies shall be charged from user students on 'no profit no loss' basis.
- Rule 176 of DSER, 1973 states that 'income derived from collections for specific purpose shall be spent only for such purpose'.
- Judgement of Hon'ble Supreme Court of India in the case of Modern School Vs Union of India & Others states that schools, being run as non-profit organizations, are supposed to follow fund-based accounting.

And, as per Clause 22 of order dated 11.02.2009, Earmarked levies shall be charged from the user students only. Earmarked levies for the services rendered shall be charged in respect of facilities involving expenditure beyond the expenditure on 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.

The Directorate in its Order F.DE-15/(292)/PSB/2021/5197-5201 dated 13.12.2021 issued for academic session 2019-20, noted that the school had purchased a luxury car of INR 35,29,655 in FY 2016-17 by taking a secured loan of 14,80,000 and remaining amount of INR 20,49,655 was paid out of school funds. Further, the school also made repayment of loan and interest thereon by utilizing school funds of INR 29,97,005 during FY 2016-17 to FY 2018-19.



In addition to the above, it was also noted that the school purchased other buses by taking a secured loans and made repayment of loan and interest thereon of INR 1,95,55,083 during FY 2016-17 to FY 2018-19.

The above capital expenditure was incurred by the school without complying with the above-mentioned provisions given a fact that the school has neither implemented the recommendation of 7<sup>th</sup> CPC from January 2016 nor invested an amount equivalent to the liability determined by the actuary towards retirement benefits in plan assets as defined in AS-15 issued by ICAI. The transport facility run by the school was also reviewed. It was noted that in the year when buses were purchased, the transport income was not sufficient to meet even regular expenditure of transport. Thus, the school has indirectly shifted the burden of earmarked levy on all the students in the form of interest cost etc. whether they have been using the transport facility or not. Accordingly, the school was directed to recover above amount from society because it was incurred in without complying with the above-mentioned provision which is still pending for recovery.

The documents submitted by the school post personal hearing has been taken into records. It is submitted that *"the school purchased two cars one of them is second hand Toyota fortuner and other was Hyundai creta. Both the cars were purchased with the intention to cater to the travel needs of the management, principal and guest of the school....."*

Further, the school in support of its capital expenditure related to buses states *"the school has taken the loan from bank only for the purpose of purchase of school buses or vehicle. The school buses are purchased for providing pick and drop facility to students which is needed for expansion of the school to facilitate the students which is under permissible expenses mentioned under rule 177 of DSER....."*

The contention of the school is incorrect because the school has not implemented the recommendation of the 7<sup>th</sup> CPC from January 2016 and has not invested an amount equivalent to the liability for gratuity and leave encashment in plan asset in accordance with AS-15. Therefore, the above expenditure was incurred without complying with the provision of Rule 177 of DSER, 1973 and pronouncement of courts judgements. Even, the school is not following fund-based accounting with respect to the transport facilities. Based on the information submitted by the school, the calculated surplus/deficit from transport facility is as:

Period	Surplus/(Deficit)-(INR)
FY 2016-17	(73,07,934)
FY 2017-18	(43,23,938)
FY 2018-19	60,76,083
FY 2019-20	68,71,471

Since, the school has not followed fund-based accounting, the surplus or deficit generated by the school from transport facility was used to meet other expenditure of the school or vice versa. Therefore, the contention submitted by the school is not tenable and justified.

Further, on review of the audited financial statements for FY 2019-20 to FY 2021-22, it has been noted that the school has been making repayment of loan and interest thereon which were taken for purchase of vehicle out of school funds. The detail of such payment is provided below:

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	Total (INR)
Interest on Loan taken for purchase of vehicle	2,27,021	1,35,725	*	3,62,746
Principal repayment of loan taken for purchase of vehicle as per receipt and payment account	7,81,387	9,23,583	7,48,213	24,53,183
			<b>Total</b>	<b>28,15,929</b>

\*Amount can't be identified separately from the audited financial statements.

Accordingly, the total expenditure incurred by the school amounting to INR 2,53,68,017 (i.e., INR 29,97,005 plus INR 28,15,929 plus INR 1,95,55,083) towards purchase of vehicle etc. was not in accordance with above mentioned provisions. Accordingly, has been considered as fund available with the school while deriving the fund position with the direction to the school to recover this amount from the society within 30 days from the date of issue of this order. Non-compliance with the above direction shall be viewed seriously in accordance with the provisions of Section 24(4) of the DSEA, 1973 while evaluating the fee hike proposal for the subsequent academic session.

6. Direction no. 2 included in the Public Notice dated 04.05.1997 states *"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 30.10.1998 in the case of Delhi Abibhavak Mahasangh concluded that *"The tuition fee cannot be fixed to recover capital expenditure to be incurred on the properties of the society."* Also, 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."*

Clause 7.24 of Duggal committee report states *"school should be prohibited from discharging any of the functions, which rightly fall in the domain of the society out of the fees and other charges collected from the students; or where the parents are made to bear, even in part, the financial burden for the creation of facilities including building, on a land which had been given to the society at concessional rates for carrying out a philanthropic activity. One only wonders what is then the contribution of the society that professes to run the school"*.

Moreover, 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. 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.

Therefore, based on the above-mentioned provisions, the cost relating to land and construction of the school building should be borne by the society running the school and school funds, i.e., fees collected from the students should not be used for the purchase of land and construction of the school building.

The Directorate in its Order F.DE-15/(292)/PSB/2021/5197-5201 dated 13.12.2021 issued for academic session 2019-20, noted that the school incurred an expenditure of INR 41,30,000 in FY 2018-19 of development nature on school building which was charged to income and expenditure account. The aforesaid expenditure was in contravention of Rule 177 of DSER 1973 and other pronouncement of Hon'ble court. Hence, the school was directed to recover INR 41,30,000 from the society which is still pending for recovery.

The representation dated 18.11.2022 and 23.11.2022, submitted by the school in response to the aforesaid findings, was taken on record. The school explained that the above expenditure of INR 41,30,000 was incurred towards re-doing of toilet block, electrical work, water proofing and repainting due to seepage across the walls due to the toilet block and submitted all the relevant records with photograph in support of their representation.

Therefore, the classification of expenditure done by the school during FY 2018-19 has been considered as correct. Hence, this observation has been considered as complied and no impact is required to be taken in the fund position.

7. The Hon'ble High Court of Delhi dated 19.01.2016 in WPC no 4109/2013 in the matter of *Justice for All vs. GNCT of Delhi and others* indicated that every recognized private unaided school to whom land was allotted by DDA shall not increase the rate of fees without the prior sanction of Directorate of Education. Accordingly, the Directorate vide order No. F.DE.15(40)/PSB/2019/2698-2707 dated 27.03.2019, directed that all the Private Unaided Recognized Schools running on the land allotted by DDA/other Govt. agencies on concessional rates or otherwise, with the condition to seek prior approval of Director of Education for increase in fee, to submit their proposals, if any, for approval from the Director of Education for the academic session 2018-19 and 2019-20. Moreover, as per the directions of the Supreme Court in *Modern School vs. Union of India & ORs.* (supra), a Circular dated 16.04.2010 has been issued which is as under:

- a) It is reiterated that annual fee-hike is not mandatory.



- b) School shall not introduce any new head of account or collect any fee thereof other than those permitted. Fee/funds collected from the parents/students shall be utilized strictly in accordance with rules 176 and 177 of the Delhi School Education Rules, 1973.
- c) If any school has collected fee in excess of that determined as per the procedure prescribed here-above, the school shall refund/adjust the same against subsequent instalments of fee payable by students.

The Directorate, in its Order No. F.DE-15/(292)/PSB/2021/5197-5201 dated 13.12.2021 issued to the school post evaluation of fee hike proposal for academic session 2019-20, noted that the school had increased its fees for the academic session 2019-20 without obtaining prior approval from the DoE. Accordingly, the school was directed to either refund the increased fee to the students or adjust the same against future dues due from the students. But the school has not complied with the above direction. Therefore, the school is hereby again directed to comply with the above-mentioned direction and submit the compliance report within 30 days from the date of the issue of this order. Non-compliance with the above direction shall be viewed seriously in accordance with the provisions of Section 24(4) of the DSEA, 1973 while evaluating the fee hike proposal for the subsequent academic session.

8. Direction no. 2 included in the Public Notice dated 04.05.1997 states *"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 30.10.1998 in the case of Delhi Abibhavak Mahasangh concluded that *"The tuition fee cannot be fixed to recover capital expenditure to be incurred on the properties of the society."* Also, 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."*

Clause 7.24 of Duggal committee report states *"school should be prohibited from discharging any of the functions, which rightly fall in the domain of the society out of the fees and other charges collected from the students; or where the parents are made to bear, even in part, the financial burden for the creation of facilities including building, on a land which had been given to the society at concessional rates for carrying out a philanthropic activity. One only wonders what is then the contribution of the society that professes to run the school"*.

Moreover, 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. 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.*

Therefore, based on the above-mentioned provisions, the cost relating to land and construction of the school building should be borne by the society running the school and school funds, i.e., fees collected from the students should not be used for the purchase of land and construction of the school building.

The Directorate in its Order No. F.DE-15/(292)/PSB/2021/5197-5201 dated 13.12.2021 issued to the school post evaluation of fee hike proposal for academic session 2019–20, noted that the school has taken an unsecured loan of INR 24,80,000 from Corporation Bank during FY 2017-18, but didn't provide details of such loan. It was also noted that during the same financial year, school made addition to the building of INR 93,60,185 by using school funds. Therefore, it was considered that the loan was taken for construction of school building and interest paid on such loan was INR 3,31,118 during FY 2016-17 to FY 2018-19 which was not in accordance with above mentioned provisions. Therefore, the school was directed to recover this amount from the society which is still pending for recovery.

The documents submitted by the school post personal hearing has been taken in records. The school submitted that *"while repairing the toilet block after removing the khangar and checking the pipes the damage far exceeded than what we had expected....."*

The contention of the school that due to shortage of funds the school has taken such loan is incorrect because the expenditure referred by the school in its submission was incurred in FY 2018-19 and loan was taken in FY 2017-18. Further, the school was asked to provide sanction letter of the same which was not provided by the school. Furthermore, the school purchased vehicles and incurred capital expenditure towards addition to the building during the same period. Therefore, the submission of the school is contradictory in itself. Hence, the contention of the school is not tenable and justified.

Therefore, the interest paid by the school amounting to INR 3, 31,118 on such loan which was not in accordance with above mentioned provision has been considered as fund available with the school while deriving the fund position with the direction to the school to recover this amount from the society within 30 days from the date of issue of this order. Non-compliance with the above direction shall be viewed seriously in accordance with the provisions of Section 24(4) of the DSEA, 1973 while evaluating the fee hike proposal for the subsequent academic session.

9. Clause 14 of the Order No. F.DE/15 (56)/ Act/2009/778 dated 11.02.2009 *"Development fee, not exceeding 15% of the total annual tuition fee may be charged for supplementing the resources for purchase, upgradation and replacement of furniture, fixtures and equipment."* Thus, the development fee/funds should not be utilised for any other purposes other than those specified in Clause 14 of the Order dated 11.02.2009.

On review of the financial statements revealed that closing balance of development funds were INR 3,01,88,749 as on 31.03.2022 whereas liquid fund was not specified against that. During the personal hearing this issue was discussed with the school. The school submitted in its reply post personal hearing that due to paucity of funds in the school, some part to the development fund was utilized for payment of salaries and to meet the other operational expenditures. Due to which there is no liquid fund specified against the closing balance of development funds but the remaining amounts available in the bank and in the form of cash and as presented in the balance sheet are the funds against the development fund.

The submission of the school is considered and thus, while deriving the fund position of the school, amounts available in the bank and in the form of cash amounting INR 69,41,740 and INR 82,788 respectively are treated as development fund balance of the school. Total Development Fund amounting to Rs. 70,24,528/- thus needs to be deposited in the bank account opened for Development Fund. School is directed to ensure compliance of close 14 of order dated 11.02.2009 in letter and spirit.

#### **B. Other Suggestion for Improvements**

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

And as per clause 22 of Order No. F.DE. /15(56)/ Act/2009/778 dated 11.02.2009 *"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."*

As per Rule 176 of the DSER, 1973 *"Income derived from collections for specific purposes shall be spent only for such purpose."*

Further, sub-rule 3 of Rule 177 of DSER, 1973 provides *"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)."*

And, 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."*

The review of the audited financial statements of FY 2019-20 revealed that the school charges earmarked levies in the form of Transport Fees, Health and club fees, science fees, computer fees, Lab charges, etc. But the school has not been maintaining separate fund account for these earmarked levies. Because the surplus or deficit generated by the school from these earmarked levies used to other expenditure of the school or vice versa.



The aforementioned Guidance Note-21 also 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). However, the school has not been following fund-based accounting in accordance with the principles laid down by the aforesaid Guidance Note.

Based on the above provisions, the school is required to maintain a 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 fees, ensuring that the proposed levies are calculated on a no-profit no-loss basis and not to include fees collected from all students as earmarked levies. Accordingly, the school is directed to comply with the above-mentioned provisions.

2. During the personal hearing, the school confirmed that it was not preparing a Fixed Asset Register (FAR). The school should ensure that FAR capturing details such as Asset Description, Quantity, Supplier name, invoice number, purchase date, manufacturer's serial number, location, purchase cost, other costs incurred, depreciation, identification number, etc. is prepared to facilitate identification of asset and documenting complete details of assets at one place.

The school confirmed that it will prepare the FAR as per the recommendations of the Directorate starting from FY 2022-23 onward. Accordingly, the school is directed to prepare the FAR with relevant details mentioned above. The above being a procedural finding, no financial impact is warranted for deriving the fund position of the school.

3. The School is not complying with the DoE Order No.F.DE.15/Act-I/08155/2013/5506-5518 dated 04.06.2012 as well as the conditions specified in the land allotment letter require to provide 25% reservation for children belonging to a EWS category. Therefore, the school is directed to ensure admission in accordance with the aforesaid order. From the records provided by the school, the percentage of EWS has been calculated below:

Particulars	FY 2022-23
Total Students	1,578
EWS Students*	325
% of EWS students	20.60%

*\*EWS includes non-fee-paying students.*

**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 is INR **13,27,58,789** out of which the expected expenditures of the school would be INR **13,61,08,000** resulting in deficit of INR **33,49,211** for the FY 2022-23. The detailed calculation is as under:



Particulars	Amount (in INR)
Cash and Bank balances as on 31.03.2022 as per Audited Financial Statement of FY 2021-22	70,24,523
Investments as on 31.03.2022 as per Audited Financial Statement of FY 2021-22 (Refer Note No. 1 Below)	56,20,145
<b>Liquid fund as on 31.03.2022</b>	<b>1,26,44,668</b>
Add: Recovery from society towards purchase of Vehicle (Refer to Financial Suggestion No. 5)	2,53,68,017
Add: Recovery from society for payment of interest taken for construction of building (Refer Financial Suggestion No. 8)	3,31,118
Add: Fees for FY 2021-22 as per Audited Financial Statements (Refer Note No. 2 Below)	10,67,54,749
Add: Other income for FY 2021-22 as per Audited Financial Statements (Refer Note No. 2 Below)	1,31,67,791
Add: Additional income of annual charges and development fund (Refer Note No. 2 Below)	43,58,780
Less: Non-cash income (Refer Note No. 3 Below)	(83,83,546)
<b>Total available funds for FY 2022-23</b>	<b>15,42,41,577</b>
Less: FDR in joint name with DOE	14,27,245
Less: Investment made with LIC against provision made for retirement benefits (Refer Financial Suggestion No. 1)	1,30,31,015
Less: Development fund (Refer Financial Suggestion No. 9)	70,24,528
Less Depreciation reserve fund as on 31.03.2022 (Refer Note No. 4 Below)	-
<b>Estimated Available Funds for FY 2022-23</b>	<b>13,27,58,789</b>
Budgeted Expenditure for FY 2022-23 (Refer Note No. 5 & 6 Below)	13,61,08,000
<b>Estimated Deficit</b>	<b>33,49,211</b>

**Note 1:** The detail of fixed deposit held by the school as per the audited financial statements is provided below:

Particulars	As per AFS of FY 2021-22	Remarks
FDR in joint name of the Manager and DoE	14,27,245	Deducted as not available for utilization.
Investment with LIC	41,92,900	
<b>Total</b>	<b>56,20,145</b>	

**Note 2:** The Department vide its Order No.F.No.PS/DE/2020/55 dated 18.04.2020 and Order No.F.No.PS/DE/2020/3224-3231 dated 28.08.2020 had issued guidelines regarding the chargeability of fees during the pandemic COVID 2019. The department in both the above-mentioned orders directed to the management of all the private schools not to collect any fee except the tuition fee irrespective of the fact whether running on the private land or government land allotted by DDA/other land-owning agencies and not to increase any fee in FY 2020-21 till further direction.

The department in pursuance of the order dated 31.05.2021 in WPC 7526/2020 of Single Bench of the Hon'ble High Court of Delhi and interim order dated 07.06.2021 in LPA 184/2021 of the Division Bench of Hon'ble High Court of Delhi and to prevent the profiteering and commercialization, again directed to the management of all the petitioners private unaided



recognized schools through its Order No. F. No. DE.15 (114) /PSB /2021 /2165-2174 dated 01.07.2021:

- (i) To collect annual school fee (only all permitted heads of fees) from their students as fixed under the DSEAR,1973 for the academic year 2020-21, but by providing deduction of 15% on that amount in lieu of unutilized facilities by the students during the relevant period of academic year 2020-21". And if the school has collected the fee in excess to the direction issued by the Hon'ble Court, the same shall be refunded to the parents or adjusted in the subsequent month of fee or refund to the parents.
- (ii) The amount so payable by the concerned students be paid in six equal monthly instalments w.e.f. 10.06.2021.
- (iii) The above arrangement will also be applicable with respect to collection of fees for academic session 2021-22.

From review of the audited financial statements of FY 2021-22 and based on the further information provided by the school, it has been noted that the school has reported 85% of the annual charges and development charges its audited financial statements of FY 2021-22. Therefore, the income collected by the school during the FY 2021-22 with respect to annual charges and development fee has been grossed up in order to make comparative income with the FY 2022-23. The detailed calculation has been provided below:

Particulars	Income as per AFS of FY 2021-22 Amount (INR)	Income Considered in the Above Table Amount (INR)	Remarks
Tuition Fee	8,55,35,652	8,55,35,652	
Annual Charges	1,59,23,423	1,87,33,439	The school recorded 85% of the income. Therefore, this has been grossed up.
Development fund	87,76,332	1,03,25,096	

**Note 3:** The School records certain non-cash income in income and expenditure of FY 2021-22 which has not been considered as income of the school while deriving the fund position. Details of such income is mentioned below:

Particulars	Amount (INR)	Remarks
Excess provision for gratuity and leave encashment written back	9,89,056	Being non-cash income and irregular in nature.
Short and excess	20,118	Being notional in nature.
Depreciation deferred income	73,74,372	Being non-cash income. Hence not considered.

**Note 4:** As per the Duggal Committee report, there are four categories of fees that can be charged by a private unaided school. The first category of fee comprised of "Registration fee and all one Time Charges" levied at the time of admissions such as admission charges and caution money. The second category of fee comprises 'Tuition Fee' which is to be fixed to cover the standard cost of the establishment and to cover the 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 the fee should consist of 'Annual Charges' to cover all expenditure not included in the second category and the fourth category consist of all 'Earmarked Levies' for the services rendered by the school and be recovered only from the 'User' students. These charges are transport fee, swimming pool charges, Horse riding, tennis, midday meals etc. This recommendation has been considered by the Directorate while issuing order No. DE.15/Act/Duggal.com/203/99/23033-23980 dated 15.12.1999 and order No. F.DE./15(56)/Act/2009/778 dated 11.02.2009.

The purpose of each head of the fee has already been defined and it is nowhere defined the usage of development fee or any other head of fee for investments against depreciation reserve fund. Further, Clause 7 of order No. DE.15/Act/Duggal.com/203/99/23033-23980 dated 15.12.1999 and clause 14 of the order no F.DE./15(56)/Act/2009/778 dated 11.02.2009, *"development fee, not exceeding 15% of the total annual tuition fee may be charged for supplementing the resources for purchase, upgradation and replacement of furniture, 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 a Depreciation Reserve Fund, equivalent to the depreciation charged in the revenue accounts and the collection under this head along with and income generated from the investment made out of this fund will be kept in a separately maintained Development Fund Account"*. Thus, the above direction provides for:

- Not to charge development fee for more than 15% of tuition fee.
- Development fee will be used for purchase, upgradation and replacement of furniture, fixtures, and equipment.
- Development fee will be treated as capital receipts.
- Depreciation reserve fund is to be maintained.

Thus, the creation of the depreciation reserve fund is a pre-condition for charging of development fee, as per above provisions and the decision of Hon'ble Supreme Court in the case of Modern School Vs Union of India & Ors.: 2004(5) SCC 583. Even the Clause 7 of the above direction does not require to maintain any investments against depreciation reserve fund. Also, as per para 99 of Guidance Note-21 'Accounting by School' issued by the Institute of Chartered Accountants of India states *"where the fund is meant for meeting capital expenditure upon incurrance 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."*

Accordingly, the depreciation reserve (that is to be created equivalent to the depreciation charged in the revenue account) is mere of an accounting head for the appropriate accounting treatment of depreciation in the books of account of the school in accordance with Guidance Note -21 issued by the Institute of Chartered Accountants of India. Thus, there is no financial impact of depreciation reserve on the fund position of the school. Accordingly, the depreciation reserve fund as reported by the school in its audited financial statements for the FY 2021-22 has not been considered while deriving the fund position of the school.

**Note 5:** All budgeted expenditure of the school has been considered while deriving the fund position of the school except the following:



Head of Expenditure	FY 2022-23	Amount Disallowed (INR)	Remarks
Gratuity	25,00,000	25,00,000	Refer Financial Suggestion No. 1
Transportation	2,08,00,000	2,08,00,000	Neither income nor expense of earmarked levy has been considered.
Interest on loan	6,20,000	6,20,000	The interest on loan related to vehicle cannot be considered.
Other Loan (principal amount of EMI)	25,00,000	25,00,000	Principal amount of loan cannot be made component of fee structure and thus, not considered.

**Note 6:** While evaluating the fee hike proposal, department considers that how much liquid funds would require the school for a particular session for smooth operation without compromising with the quality of education. Thus, while deriving the fund position of the school all legitimate expenditures revenue as well as capital in accordance with the provisions DESAR, 1973 and pronouncement of Courts judgment have been considered. Therefore, balance of the other current assets other and current liabilities has not been considered. Because it is clear that the current assets, loans and advances and current liabilities are cyclic in nature and the same have already been considered in the form of budgeted income and expenditure of the school in the earlier years. Thus, current assets, loans and advances and current liabilities will always reflect in the financial statements at the end of the financial year.

- ii. In view of the above examination, it is evident that the school does not have adequate funds for meeting all the operational expenditures for the FY 2022-23. In this regard, the directions issued by the Directorate of Education vide circular no. 1978 dated 16 April 2010 states.

*"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 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 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 instructions against which have been given in this order).

AND WHEREAS, it is noticed that the school has incurred INR 2,56,99,135 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 DSEAR, 1973 without providing any further opportunity of being heard.

AND WHEREAS, the fee proposal of the school 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 sufficient funds are not available with the school for meeting financial implication for the academic session 2022-23.

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 this order to the D.D.E (PSB).

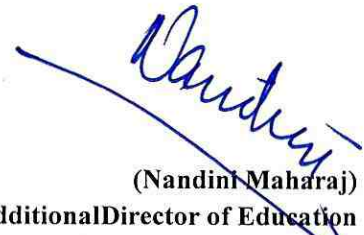
Accordingly, it is hereby conveyed that the proposal for fee hike of **The Indian Height School (School ID-1821238), Sector-23, Dwarka, New Delhi-110075** filled by the school in response to the Order No. F.DE.-15(40)/PSB/2019/4440-4412 dated 08.06.2022 for the academic session 2022-23, is accepted by 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 01.10.2022.

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. 01.10.2022.
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 Maharaj)  
Additional Director of Education  
(Private School Branch)  
Directorate of Education, GNCT of Delhi

To  
The Manager/ HoS  
The Indian Height School (School ID-1821238),  
Sector-23, Dwarka, New Delhi-110075

No. F.DE.15 ( 1292)/PSB/2023/2593-2598  
Copy to:

Dated: 21/03/23

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 (South West-B) ensure the compliance of the above order by the school management.
4. DE's nominee concerned.
5. In-charge (I.T Cell) with the request to upload on the website of this Directorate.
6. Guard file.



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