

WP(C) 7777/2009

Delhi Abhibhavak Mahasangh & Ors.

Vs.

Govt. of NCT of Delhi & Ors.

Report of Delhi High Court Committee for Review of School Fee for
August 2018

No.DHCC/2018/134

Dated: 28/9/2018

Date: 29/12/18

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Place: Delhi

Delhi High Court Committee for Review of School Fee


Secretary

Secretary
Delhi High Court Committee For Review of School Fee
(Formerly Known as Justice Anil Dev Singh Committee For Review of School Fee)
C-Block, Vikas Bhawan-2, Upper Bela Road, Civil Lines, Delhi-110054

**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE, NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of school Fee)

In the matter of:

Vasant Valley School, Vasant Kunj, New Delhi-110070 (B-408)

Order of the Committee

Present : Sh. Vedanta Verma, Advocate with Ms. Shilpa Vedia, Chartered Accountant, , Sh. A.P. John, Manager and Sh. Ramesh Chandra, Accountant of the school.

In order to elicit the relevant information from the schools to arrive at proper conclusions with regard to the necessity of fee hike effected by the schools pursuant to order dated 11/02/2009 issued by the Director of Education, the Committee issued a questionnaire dated 27/02/2012 to all the unaided recognised schools in Delhi (including the present school), which was followed by a reminder dated 27/03/2012. However, the school did not submit its reply to the questionnaire. Accordingly the Committee issued a fresh questionnaire dated 07/08/2013, incorporating therein the relevant queries with regard to charging of development fee, its utilisation and maintenance of earmarked reserves for development/depreciation reserve funds, in order to examine whether the school was complying with the essential pre conditions for charging development fee as laid down by the Duggal Committee which were affirmed by the Hon'ble Supreme Court in the case of Modern School vs. Union of India & ors. (2004) 5 SCC 583. This was also not responded to by the school, despite reminders dated 22/08/2013 and 28/10/2013. Finally, after



another reminder dated 06/12/2013, the school responded and furnished its reply to the questionnaire vide letter dated 07/12/2013.

As per the reply, the school submitted as follows:

- (a) It had implemented the recommendations of VI Pay Commission and the increased salaries to the staff were being paid w.e.f. 01/01/2006 (however the school enclosed copies of salary details for the months of March 2009 and April 2009 showing that the increased salary were being paid w.e.f. April 2009).
- (b) The school paid arrears of salary from 01/01/2006 to the month of actual implementation i.e. April 2009.
- (c) It increased the fee in terms of order dated 11/02/2009 issued by the Director of Education w.e.f. 01/09/2008.
- (d) It collected arrears of fee as per order dated 11/02/2009 issued by the Director of Education (However the school did not furnish the details of such collection, although it was stated that the details were given in Annexure 4 which was not found enclosed with the reply).
- (e) It charged development fee in all the five years for which the information was sought by the Committee i.e. 2006-07 to 2010-11.
- (f) The Development fee was treated as a capital receipt and utilised for purchase of fixed assets.

Secretary

- (g) The school maintained earmarked development fund and depreciation reserve fund in respect of the assets acquired out of development fee.

The Committee issued a notice dated 22/05/2015, requiring the school to furnish the aggregate figures of arrear tuition fee, regular tuition fee, arrears of development fee, regular development fee, arrear salaries and regular salaries for the years 2008-09, 2009-10 and 2010-11 in a structured format which was devised by the Committee to facilitate calculations, duly reconciled with the audited Income & Expenditure Accounts. The school was also required to file a statement of account of the Society, as appearing in its books, details of accrued liabilities of gratuity and leave encashment. The information was required to be filed within 10 days. However the Committee received an email from the school stating that required information will be furnished as soon as the school reopened after summer vacation on 5th July. The school did not furnish the required information as undertaken by it after summer vacations and therefore, a fresh notice was issued to the school on 20/08/2015 requiring the school to appear before the Committee on 02/09/2015, besides furnishing the required information.

On the scheduled date, Sh. Vedant Verma, Advocate appeared with Ms. Shipra Vedia, Chartered Accountant and other officials of the school and filed a statement of fee and salary in the format given in the notice. The school also filed a sample copy of the circular issued



to the parents regarding recovery of arrear fee, and copies of actuarial valuation reports in respect of gratuity as per which the accrued liability of the school on this account amounted to Rs. 1,28,78,357. It was submitted during the course of hearing that the school did not have any liability towards leave encashment, as the staff did not carry forward any accumulated leave.

The Committee perused the copy of the circular issued to the parents regarding fee arrears, and observed that the school demanded a sum of Rs. 3,500 towards arrears of incremental tuition fee for the period 01/09/2008 to 31/03/2009 @ Rs. 500 per month, Rs. 525 towards 15% development fee on the increased fee for the aforesaid period and Rs. 4,500 towards lump sum arrear fee for the period 01/01/2006 to 31/08/2008. The Committee also noticed that as per the original fee schedule of the school for the year 2008-09, the school was charging development fee at the rate of 10% of the tuition fee. Further, the circular issued to the parents indicated that the hike in fee and recovery of arrear fee would not be sufficient for implementing the recommendations of VI Pay Commission, the school would be making a plea for a further fee hike.

The fee and salary statement filed by the school was checked by the Committee with reference to the audited financials of the school. The Committee observed that the figures of arrears of salary, as furnished by the school, did not agree with the audited Income & Expenditure Account of the school. Further, prima facie, it appeared

that the school was not maintaining the depreciation reserve fund in earmarked bank accounts/FDRs, as claimed by it in its reply to the questionnaire. Accordingly, the school was required to file the following statements/details/explanation:

- (a) Reconciliation of arrear salary as given in the statement, with the audited Income & Expenditure Account.
- (b) Break up of salary for 2008-09 to 2010-11 as per the Income & Expenditure Account.
- (c) Bank statements highlighting the payments of arrear salary.
- (d) A note on justification of charging development fee in light of the recommendations of the Duggal Committee and the judgment of the Hon'ble Supreme Court in the case of Modern School (supra).

Further hearing the matter was fixed for 21/09/2015. On this date, Sh. Ramesh Chandra Kalpasi, appeared on behalf of the school and was partly heard. On perusal of the details filed by the school, the Committee noted that as on 31/03/2011, the school still had to pay arrear salary amounting to Rs. 1,52,40,964 out of a total liability of Rs. 3,14,83,848. The authorized representatives appearing for the school submitted that the same had been paid in the subsequent years except for Rs. 9,60,783 which was still outstanding.

The Committee also observed that the school had admitted in the note on development fee filed by it that no FDRs were made against depreciation reserve fund as the school was running in losses

and did not possess sufficient funds. It was submitted that the school also made a representation to the Grievances Committee constituted by the Director of Education vide order dated 11/02/2009, for being allowed a further hike in fee but its request was rejected.

The hearing was concluded but the recommendations could not be finalized on account of resignation of Justice Anil Dev Singh as Chairman of the Committee. After its reconstitution, the Committee issued a fresh notice of hearing on 12/01/2018 requiring the school to appear before it on 12/02/2018. On this date, the counsel of the school appeared along with other authorized representatives and was heard.

It was again submitted by the Ld. Counsel that the school made a representation before the Grievance Redressal Committee constituted by the Directorate of Education vide its order dated 11/02/2009, vide which, a request was made to the effect that the school would be in deficit even after recovering the arrear fee and consequently the school ought to be allowed a further hike in tuition fee to the tune of Rs. 540 per month w.e.f. Sept. 2008 and an additional one time amount of Rs. 15,000 per student towards the payment of arrears. However, the representation made by the school did not find favour with Grievance Redressal committee and vide order dated 19/12/2009, the request of the school was declined as the Grievance Redressal Committee worked out that instead of a deficit as projected by the school, the school, in fact, had a surplus after

considering the funds available with the school before the fee hike. It was further submitted that the school made another representation dated 24/12/2009 to the Director of Education in which it pointed out the shortcomings in the calculations made by the Grievance Redressal Committee and reiterated that the school ought to be allowed a further increase of Rs. 540 per month w.e.f. Sept. 2008 and a sum of Rs. 14,783 per student as one time additional increase in fee. However, the school did not get any reply to this representation. He submitted that as per the judgment of Hon'ble Delhi High Court the determinations made by the Grievance Redressal Committee are not conclusive and are subject to corrections or modification by this Committee.

The Id counsel relied on para 83 of the judgment of the Hon'ble Delhi High Court in WPC 7777 of 2009 and submitted that in appropriate cases where the Committee came to the conclusion that the school required a further fee hike in order to give effect to the recommendations of VI Pay Commission, it can also give an appropriate recommendation, allowing the school to collect additional fee over and above the fee that the school raised as per the order dated 11/02/2009 of the Director of Education. It was reiterated that in case the Committee determines that the school had a deficit after implementation of the recommendations of VI Pay Commission, the school ought to be allowed appropriate amount of further fee hike to cover up the deficit.



The Ld. Counsel appearing for the school further submitted that the terms of reference of the Committee were limited to examining the hike in tuition fee as the salaries are sourced only from tuition fee as per the recommendations of Duggal Committee and therefore any additional hike in development fee over and above what was permitted by para 15 of the order dated 11/02/2009 of the Director of Education falls beyond the terms of reference of this Committee. Without prejudice, he submitted that in case the Committee determines that the school incurred a deficit on implementation of the recommendations of VI Pay Commission, the ostensibly excess recovery of incremental development fee may be set off against such deficit.

The Committee has considered the submissions made on behalf of the school. There is no quarrel with the proposition that the findings of the Grievance Redressal Committee constituted by the Director of Education vide its order dated 11/02/2009, are not conclusive and in case this Committee finds the same to be erroneous, it can order corrective action. Similarly there is no quarrel with the proposition that where the Committee finds that the school has been able to establish that the fee hike effected by it pursuant to order dated 11/02/2009 was not sufficient to fully implement the recommendations of VI Pay Commission, it can recommend a further fee hike over and above what has been allowed to the school by the aforesaid order dated 11/02/2009. However, it does not agree with

the submission of the Ld. Counsel that the terms of reference of the Committee were limited to examining the hike in tuition fee only and any additional hike in development fee, over and above what was permitted by para 15 of the order dated 11/02/2009, falls beyond the terms of reference of this Committee. It would be apposite to reproduce here below para 15 of the order dated 11/02/2009. The same reads as under:

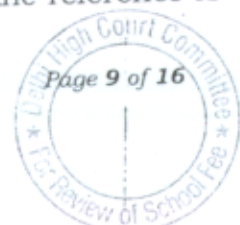
"15. However, the additional increase in Development Fee on account of increase in Tuition Fee shall be utilised for the purpose of meeting any shortfall on account of salary/arrears only."

A plain reading of the above para shows that the additional increase in development fee was also permitted for the purpose of meeting any shortfall arising due to increased salaries or arrears upon implementation of the recommendations of VI Pay Commission. The Hon'ble High Court, while laying down the terms of reference of this Committee, observed as follows:

83. We reiterate that the fee hike contained in orders dated 11.02.2009 was by way of interim measure. There is a need to inspect and audit accounts of the schools to find out the funds to meet the increased obligation cast by the implementation of VIth Pay Commission and on this basis, to determine in respect of these schools as to how much hike in fee, if at all, is required. On the basis of this exercise, if it is found that the increase in fee proposed, orders dated 11.02.2009 is more the same shall be slid down and excess amount paid by the students shall be refunded along with interest @ 9%. On the other hand, if a particular school is able to make out a case for higher increase, then it would be permissible for such schools to recover from the students over and above what is charged in terms of Notification dated 11.02.2009.

As would be apparent from the above extract, there is no reference to hike in tuition fee only. On the contrary, the reference is

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to the increase in fee proposed (in) order dated 11/02/2009. It can hardly be denied that the increase in development fee was also pursuant to order dated 11/02/2009. It is therefore, futile to contend that the terms of reference of this Committee did not include examination of additional development fee proposed vide para 15 of the order dated 11/02/2009.

The crux of the matter is whether the school had surplus funds after implementation of the recommendations of VI Pay Commission after taking into account the fee hike and arrear fee recovered by it as proposed in the order dated 11/02/2009, as has been determined by the Grievance Redressal Committee (GRC). It is noteworthy that the GRC determined that the school had liquid funds available with it to the tune of Rs. 1,35,20,147 after considering the fee hike effected by it and payment of increased salaries, including arrears, pursuant to implementation of the recommendations of VI Pay Commission. At the outset, it would be in order to record that the GRC did not take into consideration the requirement of the school to keep funds in reserve to meet its accrued liability of gratuity, which as we have noticed above amounted to Rs. 1,28,78,357 as on 31/03/2010. If that is taken into account, the surplus funds as determined by the GRC would stand reduced to Rs. 6,41,790. However, even that would not have been a ground for allowing the school a further hike in fee, as requested by it since the school still had a surplus and not a deficit as per the calculations made by the GRC.

The Committee has made its own calculations, as per which the school had a sum of Rs. 1,79,03,086 in its kitty as on 31/03/2008, as per the latest audited financials before the fee hike. The same has been worked out as under:

<u>Current Assets + Investments</u>		
Cash in Hand	21,975	
Balance in Savings Bank Account	12,318,621	
Balance in Term Deposits	18,505,551	
Sundry Debtors	1,655,006	
Advance to Staff	857,932	
Prepaid Expenses	193,891	
TDS	338,814	
Sundry Advances	1,672,945	
Municipal Corporation of Delhi	2,645,000	
Interest accrued on FDRs	1,244,009	39,453,744
<u>Current Liabilities</u>		
Sundry Creditors	5,676,673	
Caution Money	3,481,811	
Advance Fee	8,998,681	
Expenses Payable	2,608,664	
Audit Fee payable	24,719	
TDS payable	760,110	21,550,658
Net Current Assets + Investments (funds available)		17,903,086

The accrued liability of the school on account of gratuity payable to staff as on 31/03/2010 amounted to **Rs. 1,28,78,357**, leaving a sum of **Rs. 50,24,729** with the school for implementation of the recommendations of VI Pay Commission.

The total requirement of the school for implementing the recommendations of VI Pay Commission and payment of arrear salary w.e.f. 01/01/2006 amounted to **Rs. 3,81,80,255** (Rs. 3,05,23,066 for payment of arrears and Rs. 76,57,189 to meet the increased regular salary for the period 01/04/2009 to 31/03/2010).

Thus the school needed to hike the fee/collect arrear fee to bridge the shortfall of **Rs. 3,31,55,526** (3,81,80,255 - 50,24,729).

The school recovered a total sum of Rs. 93,69,750 on account of arrear of tuition fee and Rs. 6,15,825 on account of additional development fee, purportedly in accordance with para 15 of the order dated 11/02/2009. Further the incremental tuition fee of Rs. 500 per month w.e.f. 01/04/2009 to 31/03/2010 yielded a sum of Rs. 70,80,501 as additional revenue. Thus the total collection by the school by way of arrear fee and incremental fee for 2009-10 amounted to **Rs. 1,70,66,076** (93,69,750+ 6,15,825+70,80,501).

It is apparent that the school incurred a deficit of **Rs. 1,60,89,450** on implementation of the recommendations of VI Pay Commission. However, whether this entitles the school to seek a further fee hike is the moot question.

We have noticed above that the school was collecting development fee, besides the tuition fee every year. In the years 2009-10 and 2010-11, it collected a sum of Rs. 1,45,23,228 and Rs. 1,60,95,565 respectively. Thus the total development fee collected by

the school amounted to Rs. 3,06,18,793 in these two years which were pursuant to para 14 of the order dated 11/02/2009 issued by the Director of Education which was based on the recommendations of Duggal Committee and the judgment of the Hon'ble Supreme Court in the case of Modern School vs. Union of India (2004) 5 SCC 583. It would be apposite to reproduce para 14 of the aforesaid order.

"14. 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. 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 school was entitled to collect development fee only if it maintained a depreciation reserve fund equivalent to the depreciation charged in the revenue accounts and kept in earmarked fund account and the interest earned on such fund would also be credited to the same fund. This is the settled law as per the judgment of the Hon'ble Supreme Court in the case of Modern School (supra).

The terms of reference of this Committee (vide para 82 of the judgment in WPC 7777 of 2009) require that the principles laid down by the Hon'ble Supreme Court in the case of Modern School be applied while determining the funds available with the school.

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The school in its note on development fee and depreciation reserve fund filed under cover of its letter dated 21/09/2015, stated as follows:

"As regards Depreciation Reserve Fund, you would appreciate that the school has been running in losses and its accumulated losses are more than the Depreciation Reserve. It obviously means that the Depreciation Reserve has been created out of losses and therefore Depreciation Reserve could not be fully funded.

In addition, since the losses are after crediting the interest as per the accepted accounting norms, there was no interest available for credit to Depreciation Reserve Fund. Under such circumstances, the credit of any interest of Depreciation Reserve Fund could not be possible.."

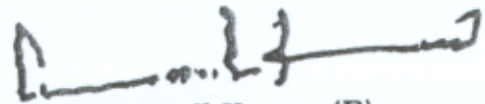
It is apparent that the school was admittedly not fulfilling the essential pre condition for charging development fee and though it states that it was capitalized in the books, effectively it was used to fund the revenue expenses of the school. the fact that the school did not pay arrears to the staff to the tune of Rs. 1,52,40,964 upto 31/03/2011, which were paid in the subsequent years without being allowed any further hike in fee, indicates that the school utilised development fee of payment of arrears of salary, a purpose for which development fee collected in terms of para 14 of the order dated 11/02/2009, could not be utilised. At any rate, the school was not entitled to charge development fee as it did not fulfill the pre conditions subject to which it was permitted to charge development fee and on this ground, the development fee charged by the school pursuant to para 14 of the order dated 11/02/2009, amounting to **Rs. 3,06,18,793,** is liable to be refunded to the students. However, since

the school incurred a deficit of Rs. **1,60,89,450**, the same is liable to be set off against the irregular collection of development fee. That leaves a sum of **Rs. 1,45,29,343**. Whether we should recommend refund of this amount or not still remains a question.


The Committee has taken a consistent view that the entire funds available with the schools ought not be considered as available for implementing the recommendations of VI Pay Commission and the schools should not denude themselves of the entire funds while doing so, but must maintain a reasonable reserve, equivalent to four months' salary for future contingencies. In this case, the Committee has not, upto this stage, considered the requirement of the school to keep any funds in reserve for this purpose. The total salary expenditure of the school for the year 2009-10 amounted to Rs. 6,06,84,107 and based on this the requirement of the school to keep funds in reserve amounts to Rs. 2,02,28,036. Since the surplus funds that have been determined by the Committee are less than this amount, the Committee does not deem it proper to recommend refund of the aforesaid surplus amount of Rs. 1,45,29,343. The other small issue that remains to be considered is whether the Committee ought to order refund of Rs. 2,05,275 which the school collected in excess by increasing the rate of development fee from 10% to 15% for the period 01/09/2008 to 31/03/2009 (total collection for this period was Rs. 6,15,825). The Committee notes that the aforesaid amount of Rs. 6,15,825 has been considered in full while making the relevant

calculations of determining the surplus funds and in view of the requirement of the school to keep funds in reserve, the Committee is not inclined to recommend refund this small amount and regularizes the collection thereof.


Resultantly, the Committee rejects the request of the school to hike the fee over and above the hike that was permitted to it by order dated 11/02/2009 as the Committee cannot recommend a hike merely for making up the reserve for future contingencies, which the school must create out of its savings. At the same time, the Committee recommends no intervention in the matter of recovery of arrear tuition fee or development fee the period 01/01/2006 to 31/03/2009, or regular development fee for the year 2009-10 and 2010-11 or the incremental tuition fee recovered by it w.e.f. 01/04/2009 in terms of the aforesaid order dated 11/02/2009. The Committee further regularizes the collection of excess development fee to the tune of Rs. 2,05,275 which the school recovered by misinterpreting para 15s of the order dated 11/02/2009.



Justice Anil Kumar (R)
(Chairperson)



CA J.S. Kochar
(Member)



Dr. R.K. Sharma
(Member)

Dated: 20/08/2018



Secretary



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**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE, NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of school Fee)

In the matter of:

Don Bosco School, Alaknand, New Delhi-110019 (B-672)

Order of the Committee

Present : Sh. J. Martins, Chartered Accountant with Sh. Binoy P. Jose, Accountant of the school.

The school had submitted copies of annual returns, fee statements, details of salary paid to staff before implementation of VI Pay Commission and after its implementation (including arrears and copy of the circular issued to the parents regarding hike in fee for implementation of the recommendations of VI Pay Commission, to the Dy. Director of Education, Distt. South, New Delhi (DDE). Copy of a certificate issued by the National Commission for Minority Educational Institution was also submitted which stated that the school was a Minority institution covered under Article 13 of the Constitution of India. These documents were forwarded to this Committee by the DDE.

As per the circular issued by the school to the parents, the school increased the tuition fee of students @ Rs. 300 per month for pre primary classes to class IX and @ Rs. 400 per month for students of class XI w.e.f. 01/09/2008. The development fee was however, recovered @ Rs. 94 per month for classes pre primary to V, Rs. 106 per month for classes VI to VIII, Rs. 114 per month for class IX, Rs. 148 per month for class XI (Science) and Rs. 137 per month for class

XI (commerce). The lump sum arrear fee for the period 01/01/2006 to 31/08/2008 was recovered @ Rs. 3,000 per student of classes pre primary to IX and @ Rs. 3,500 for class XI.

In order to elicit the relevant information from the schools to arrive at proper conclusions with regard to the necessity of fee hike effected by the schools pursuant to order dated 11/02/2009 issued by the Director of Education, the Committee issued a questionnaire dated 27/02/2012 to all the unaided recognised schools in Delhi (including the present school), which was followed by a reminder dated 27/03/2012. However, the school did not submit its reply to the questionnaire.

Since the school appeared to have submitted sufficient details to enable making of relevant calculations, the Chartered Accountants deputed by the Directorate of Education with this Committee to assist it, were asked to make the preliminary calculations. As per the calculations made by them, the school incurred a deficit on implementation of the recommendations of VI Pay Commission.

The Committee issued a notice dated 26/05/2015, requiring the school to furnish the aggregate figures of arrear tuition fee, regular tuition fee, arrears of development fee, regular development fee, arrear salaries and regular salaries for the years 2008-09, 2009-10 and 2010-11 in a structured format which was devised by the Committee to facilitate calculations, duly reconciled with the audited Income & Expenditure Accounts. The school was also required to file a

statement of account of the Society, as appearing in its books, details of accrued liabilities of gratuity and leave encashment. The information was required to be filed within 10 days. The Committee issued a fresh questionnaire along with this notice, incorporating therein the relevant queries with regard to charging of development fee, its utilisation and maintenance of earmarked reserves for development/depreciation reserve funds, in order to examine whether the school was complying with the essential pre conditions for charging development fee as laid down by the Duggal Committee which were affirmed by the Hon'ble Supreme Court in the case of Modern School vs. Union of India & ors. (2004) 5 SCC 583.

The school furnished reply to the questionnaire, as per which it submitted as follows:

- (a) It had implemented the recommendations of VI Pay Commission and the increased salaries to the staff were being paid w.e.f. 01/09/2009 (however the school enclosed copies of salary details for the months of March 2009 and April 2009 showing that the increased salary were being paid w.e.f. April 2009).
- (b) The school paid arrears of salary from 01/01/2006 to 31/08/2009. (As per the details filed along with the reply, the school had a total liability of Rs. 2,52,94,454 towards arrears of salary for the period 01/01/2006 to 31/08/2009,

which it discharged in 7 installments starting 25/03/2009 to 29/01/2011).

- (c) It increased the fee in terms of order dated 11/02/2009 issued by the Director of Education w.e.f. 01/09/2008.
- (d) It collected arrears of fee as per order dated 11/02/2009 issued by the Director of Education. The total collection for the period 01/01/2006 to 31/08/2008 was Rs. 65,26,120
- (e) It started charging development fee in 2008-09. The amount recovered in 2008-09 was Rs. 41,65,005. In 2009-10, it was Rs. 71,98,003 and in 2010-11, it was Rs. 76,84,808.
- (f) The Development fee was treated as a capital receipt but it was utilised for meeting revenue deficit.
- (g) The school maintained earmarked development fund and depreciation reserve fund in respect of the assets acquired out of development fee.

The school did not file the statement of fee and salary in the structured format given by the Committee in the notice but filed other documents which were required to be filed.

A notice of hearing was issued to the school on 28/02/2017 requiring it to appear before the Committee on 14/03/2017. On this date, the authorized representatives of the school appeared and requested for some more time to file the details of fee and salary in the format given in the notice dated 26/05/2015. The matter was accordingly adjourned to 17/04/2017, which was postponed to

27/04/2017. On this date, none appeared for the school. The school also did not file the information in the structured format. However, subsequently, it filed a letter dated 14/03/2017 along with which, instead of giving the information in a structured format, it enclosed various statements giving the information required headwise.

On the basis of disjointed information furnished by the school, a calculation sheet was prepared by the Committee by culling the relevant information from the various statements and documents filed by the school. It appeared that while the hike in tuition fee and recovery of arrear fee pursuant to order dated 11/02/2009 was justified, the school might be required to refund the development fee charged in 2009-10 and 2010-11 to the tune of Rs. 43,80,865, after setting of deficit in tuition fee after implementing the recommendations of VI Pay Commission. A copy of the calculation sheet was provided to the school along with notice of hearing dated 12/06/2018. The school was provided an opportunity to rebut the calculation sheet and to give its explanations, if any, on the same on 12/07/2018.

On the scheduled date, Sh. J. A. Martin, Chartered Accountant and Sh. Binoy P. Jose, Accountant of the school appeared and submitted that the Committee had erroneously picked up the figure of current assets and current liabilities from the consolidated balance sheet of the society running the school. It was submitted that the stand alone balance sheet of the school ought to be considered for

making the relevant calculations. Other than the figures of current assets and current liabilities, the school accepted the remaining figures subject to some minor differences. The school also filed its own calculation sheet and contended that it represented the correct picture of the deficit incurred by the school after implementation of the recommendations of VI Pay Commission. As per the calculation sheet prepared by the school, the school incurred a deficit of Rs. 3,05,82,929 after implementation of the recommendations of VI Pay Commission and after considering the requirement of the school to keep fund in reserve, funds amounting to Rs. 3,61,11,054 for meeting the accrued liabilities of gratuity, leave encashment and reserve for future contingencies. In effect, the school submitted that it had generated a surplus of Rs. 55,28,125 after fee hike but the same ought not to be ordered to be refunded as the school required funds to be kept in reserve for the aforesaid purposes.

Before proceeding further, the calculation sheet as prepared by the school is reproduced hereunder:



	Particulars	Amount (Rs.)	Amount (Rs.)
	<u>Current Assets + Investments</u>		
	Cash in hand	11,860	
	Cash at Bank	496,823	
	Recoverables	135,668	
	Interest Receivable	559,237	
	Staff advances	6,000	
	Other advances	50,340	
	Term Deposits:		
	Catholic Syrian Bank	1,780,554	
	Cash Certificate with Federal Bank	7,774,424	
	Fixed Deposit with Federal Bank	2,570,374	
	Cash Certificate for Best Student Award	20,000	
	Scholarship Fund	10,000	
	Michael Job Mem. Scholarship Fund	50,000	
	Fr. George Best Student Award Fund	24,000	
	Fr. George Best Sports Person Award Fund	20,000	
	Federal bank (Free Evening School)	271,759	13,781,039
Less	<u>Current Liabilities</u>		
	Students Caution Money	953,575	
	Tuition fee	863,624	
	Advance Fees	1,005,385	
	Others	25,000	
	Building Fund refundable	381,600	
	Provident Fund	161,689	
	Telephone charges payable	8,450	
	Electricity charges payable	18,394	
	Security charges	17,180	
	others	126,458	3,561,355
	Net Current Assets + Investments		10,219,684
Less	Reserves required to be maintained:		
	for future contingencies (equivalent to 4 months salary)	10,940,252	
	for accrued liability towards Gratuity as on 31.03.10	18,077,146	
	for accrued liability towards Leave Encashment as on 31.03.10	7,093,657	36,111,055
	Funds available for implementation of 6th CPC before Fee hike		(25,891,371)
Less	Additional Liabilities after implementation of 6th CPC:		
	Arrear of Salary as per 6th CPC for 1.1.06 to 31.3.09	20,190,404	
	Incremental Salary for 2009-10 (as per calculation given below)	8,331,583	28,521,987
	Excess / (Short) Fund Before Fee Hike		(54,413,358)
Add	Total Recovery for implementation of 6th Pay Commission		
	Arrear of tuition fee for 1.1.06 to 31.3.09	11,188,120	
	Additional fees charged by the school for payment of 6th CPC arrears	1,597,672	
	Incremental tuition fee for 2009-10 (as per calculation given below)	11,044,636	23,830,428
	Excess / (Short) Fund After Fee Hike		(30,582,930)

Development Fee refundable as prima facie, the school is not fulfilling the preconditions for charging development fee:

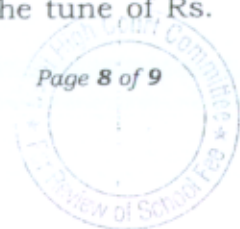
	Rs.
2009-10	7,198,003
2010-11	7,684,808
Total	14,882,811
Less: Deficit on tuition fee account	(30,582,930)
Net amount refundable	(15,700,119)

Working Notes:

	2008-09	2009-10
Salary as per Income & Expenditure A/c	27,167,651	45,108,376
Less: Arrears included in the salary	3,820,000	13,482,013
Regular Salary for the year	23,347,651	31,626,363
Wages & Overtime Pay	51,210	130,805
Provident Fund	1,090,311	1,063,587
Total	24,489,172	32,820,755
Incremental salary in 2009-10	8,331,583	

	2008-09	2009-10
Normal/ Regular Tuition fee	33,085,552	44,130,188
Incremental tuition fee in 2009-10	11,044,636	

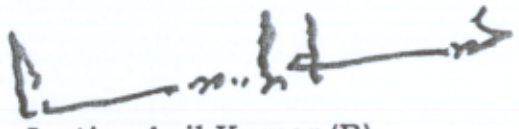
The calculation sheet filed by the school has been checked by the Committee with reference to standalone financials of the school and the information and documents furnished by the school from time to time and it finds that the same is in order. As noticed earlier, the school generated a surplus of Rs. 55,28,125 after fee hike after meeting its requirements for implementation of the recommendations of VI Pay Commission. Further the school admittedly was not compliant with the pre conditions laid down by the Hon'ble Supreme Court for charging development fee in the case of Modern School (supra). The development fee recovered by the school in 2009-10 and 2010-11 amounted to Rs. 1,48,82,811 and coupled with the surplus of Rs. 55,28,125, the school had apparently recovered a sum of Rs. 2,04,10,936 in excess of its requirements. However, when the requirement of the school to keep funds in reserve to the tune of Rs.





3,61,11,055 is factored in, the Committee does not deem it to be a fit case where it should order refund of any fee.

Resultantly, the Committee is of the view that no intervention is required in the matter of recovery of arrear fee or development fee or incremental tuition fee and development fee w.e.f. 01/09/2008.

Ordered accordingly.


Justice Anil Kumar (R)
(Chairperson)


CA J.S. Kochhar
(Member)


Dr. R.K. Sharma
(Member)

Dated: 20/08/2018

**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE, NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of school Fee)

In the matter of:

Apeejay School, Sheikh Sarai, New Delhi-110017 (B-653)

Order of the Committee

Present : Sh. H.L. Tikku, Sr. Advocate with Ms. Sarita Pandey, Officiating Principal, Sh. Bharat Bhushan, General Manager, Sh. S.K. Murgai, Financial Advisor and Sh. Sunil Bhatt, Sr. Accountant of the school.

In order to elicit the relevant information from the schools to arrive at proper conclusions with regard to the necessity of fee hike effected by the schools pursuant to order dated 11/02/2009 issued by the Director of Education, the Committee issued a questionnaire dated 27/02/2012 to all the unaided recognised schools in Delhi (including the present school), which was followed by a reminder dated 27/03/2012. However, the school did not submit its reply to the questionnaire. Accordingly the Committee issued a fresh questionnaire dated 11/09/2013, incorporating therein the relevant queries with regard to charging of development fee, its utilisation and maintenance of earmarked reserves for development/depreciation reserve funds, in order to examine whether the school was complying with the essential pre conditions for charging development fee as laid down by the Duggal Committee which were affirmed by the Hon'ble Supreme Court in the case of Modern School vs. Union of India & ors. (2004) 5 SCC 583. This was also not responded to by the school. Another reminder was sent on 30/09/2013, in response to which the

Principal of the school, vide his letter dated 24/10/2013, sought some more time for furnishing the reply to the questionnaire.

The school finally furnished its reply to the questionnaire vide letter dated 17/12/2013.

As per the reply, the school submitted as follows:

- (a) It had implemented the recommendations of VI Pay Commission and the increased salaries to the staff were being paid w.e.f. 01/01/2006 (however the school enclosed an annexure showing that the salary for the month of May 2009 that was paid prior to implementation of VI Pay Commission report was Rs. 26,38,658, which rose to Rs. 36,49,784 for June 2009 after implementation of the recommendations of VI Pay Commission, indicating that the school started paying the increased salary w.e.f. June 2009).
- (b) The school paid arrears of salary, as envisaged in the order dated 11/02/2009 issued by the Director of Education, and enclosed copies of a number of vouchers showing payment of arrear salary in different tranches.
- (c) It increased the fee in terms of order dated 11/02/2009 issued by the Director of Education w.e.f. 01/09/2008.
- (d) It collected arrears of fee as per order dated 11/02/2009 issued by the Director of Education.

(e) It charged development fee in all the five years for which the information was sought by the Committee i.e. 2006-07 to 2010-11.

(f) The Development fee was treated as a Capital receipt and utilised for purchase of fixed assets (which included land and also vehicles).

(g) The school maintained earmarked development fund and depreciation reserve fund in respect of the assets acquired out of development fee against which FDRs were held.

The Committee issued a notice dated 26/05/2015, requiring the school to furnish the aggregate figures of arrear tuition fee, regular tuition fee, arrears of development fee, regular development fee, arrear salaries and regular salaries for the years 2008-09, 2009-10 and 2010-11 in a structured format which was devised by the Committee to facilitate calculations, duly reconciled with the audited Income & Expenditure Accounts. The school was also required to file a statement of account of the Society, as appearing in its books, details of accrued liabilities of gratuity and leave encashment. The information was required to be filed within 10 days.

The school furnished the information in response to the notice issued by the Committee vide its letter dated 05/06/2015.

In order to give an opportunity to the school to justify the fee hike effected by it in pursuance of order dated 11/02/2009, the Committee issued a notice dated 27/12/2016, requiring the school to



appear before it on 25/01/2017. The hearing was cancelled as there was a time lag between the expiry of the term of the Committee and the extension thereof.

A fresh notice of hearing was issued on 23/02/2017 requiring the school to appear on 10/03/2017. On the scheduled date, the authorized representatives of the school appeared and were partly heard by the Committee.

The Committee perused the circular dated 05/03/2009 issued by the school to the parents regarding fee hike in pursuance of order dated 11/02/2009 issued by the Director of Education. The circular was found to be silent about quantum of fee hike or arrear fee which the parents were supposed to pay.

The authorized representatives of the school submitted that supplementary fee bills were issued to the students as and when the fee arrears were due.

The Committee perused the chart that was filed by the school giving information of the fee hike pursuant to order dated 11/02/2009 issued by the Director of Education. As per the chart, the position that emerged is as follows.

Class	Monthly increase in tuition fee (Rs.)	Arrears for the period 01/09/2008 to 31/03/2009 (Rs.)
Nursery to III	500	3,500
IV to XII	400	2,800

The Committee observed that the school had also increased the development fee w.e.f. 01/09/2008 and collected the incremental fee as arrears for the period 01/09/2008 to 31/03/2009 in the following manner:

Class	Arrears for development fee from 1/09/2008 to 31/03/2009
Nursery	1077
KG	1330
I	1308
II	1282
III	1251
IV1	1103
V	1058
VI to VIII	1050
IX	1033
X	989
XI & XII	1002

Besides, the Committee also observed that the school had also recovered lump sum fee arrears for the period 01/01/2006 to 31/08/2008 at the rates prescribed by order dated 11/02/2009.


It became apparent that the incremental development fee that was recovered by the school was much more than 15% of incremental tuition fee. The Committee observed that earlier the development fee was charged @ 10% of tuition fee by the school w.e.f. 01/04/2008 but the hike in development fee was almost to 35 to 40% of hike in tuition fee. This was on account of the fact that the school hiked the rate of development fee to 15% from 10% of tuition fee, and not just the hike that was consequential to the hike in tuition fee.

The school also filed written submissions dated 10/03/2017 vide which it is contended as follows:

- (a) The contingency reserve ought to be equivalent to 4 months of total expenditure of the school instead of restricting it to 4 months salary.
- (b) The calculation of gratuity and leave encashment that were filed earlier were erroneous as there was a formula error in the excel sheet and the correct calculations are as per Annexures 'D' and 'G' of the written submissions.
- (c) The upper limit of gratuity ought to be considered as Rs. 10.00 lacs instead of Rs. 3.50 lacs.
- (d) The Development fee was treated as a capital receipt in the books and the amount of unutilized development fund and depreciation reserve fund were kept in separate FDRs in banks.

On certain queries raised by the Committee, the authorized representatives who appeared for the school sought some more time to clarify this issues and explain the accounting entries with regard to the FDRs which were held against the development fund/depreciation reserve fund. Accordingly, the matter was adjourned to 11/04/2017.

On the next date, the school furnished a summary of fixed deposits with banks as on 31.3.2007 to 31.3.2011 which were purportedly earmarked for development fund accumulated

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depreciation reserve fund alongwith a detailed thereof. However, the Committee found that the details furnished did not match with the audited financials of the school. The authorized representatives appearing for the school submitted that the accounting practice being followed by the school was that the development fee collected during previous years was transferred to general reserve in the current year as the entire amount of unspent development fund was spent during the current year. However, the amount that was spent out of current year's development fund was not transferred and therefore, there was a mismatch.

The school was directed to file a statement showing the development fee receipt since the year, the school started charging the same vis a vis the development fee utilized on purchase or up gradation of eligible assets only and the balance that remained with the school on account of development fund at the end of every year. Similar statement was directed to be filed with regard to depreciation reserve fund. The school was also directed to file a statement showing the amount of FDRs held against unutilised development fund and accumulated depreciation reserve fund on assets acquired out of development fund.

The school again filed incorrect information, which was not in accordance with the directions of the Committee and was required to file the correct information as required by the Committee.

The Principal of the school filed a letter dated 08.06.2017 alongwith which the school filed year-wise detail of addition of fixed assets, which were eligible to be acquired out of development fund alongwith the details of the depreciation charged thereon. On the basis of the details filed, it was contended that as on 31.03.2011 it had an unutilized balance of Rs.1,84,68,061 of development fund and it had an accumulated Depreciation Reserve Fund on fixed assets which were eligible to be acquired out of development fund, to the tune of Rs.5,00,84,314. Thus, it was contended that although, the school was required to have earmarked FDRs to the tune of Rs.6,85,52,375, its earmarked FDRs fell short of the requirement as it had only a sum of Rs.5,61,56,503.

The Committee examined the details filed by the school with regard to the requirement of the earmarked FDRs vide its letter dated 11.04.2017, 20.04.2017, 13.05.2017 and 08.06.2017. The basic fallacy that the Committee observed in the calculations made by the school was that it had taken Depreciation Reserve on the total cost of assets which were eligible to be acquired out of development fund in different years since 1999-2000, when the entire eligible assets were not purchased out of development fund. A substantial portion of such eligible assets were purchased out of the school fund. The FDRs that could be considered as earmarked could only be for a sum equivalent to the unutilized development fund available with the school and the Depreciation Reserve on eligible fixed assets which were acquired out

of development fund. The Committee made its own calculations with regard to the depreciation on eligible fixed assets, the cost of which were sourced from the development fund and observed that the accumulated amount of depreciation on such assets was Rs.2,85,67,606. The unutilized development fund which was available with the school as on 31.03.2011 was Rs.1,87,16,712. **Thus, the school was required to keep a sum of Rs. 4,72,84,318 in earmarked FDRs.**

Therefore, the Committee was of the view that out of a sum of Rs.5,61,56,503 which the school claimed as earmarked FDRs against unutilized development fund and Depreciation Reserve Fund, only a sum of Rs.4,72,84,318 could be considered as the earmarked FDRs against unutilized development fund and depreciation reserve fund and thus the school had sufficient earmarked FDRs against unutilised development fund and depreciation reserve fund. However, the remaining amount of Rs.88,72,185 had to be considered as available with the School for other purposes including for the purpose of paying the increased salaries and arrears on account of implementation of 6th pay Commission Report.

Therefore, in so far as the fulfillment of pre conditions for charging regular development fee is concerned, the Committee finds that the school was complying with the same and therefore, no interference is called for in the matter of charging of regular development fee by the school in different years. However, the issue of

charging incremental development fee and recovery thereof as arrears for the period 01/09/2008 to 31/03/2009, is to be considered while examining the justifiability of charging incremental fee pursuant to order dated 11/02/2009 of the Director of Education.

As the figures of arrear tuition fee and arrear of development fee charged by the school were found to be incorrect by the Committee, the school was directed to furnish the exact amount of arrears of development fee which was collected pursuant to the order dt. 11/02/2009, as the school had given only the consolidated figure of total recovery of lump-sum fee, arrear tuition fee and arrear development fee for the period 01/09/2008 to 31/03/2009.

The school furnished the correct break up of the arrear fee charged for different periods under different heads vide its letter dated 15/06/2017.

The Committee prepared a preliminary calculation sheet in order to examine the justifiability of recovery of arrear fee as well as incremental tuition fee and development fee w.e.f. 01/09/2008 in pursuance of order dated 11/02/2009 issued by the Director of Education.

As per the calculations made by the Committee, the school had available with it, a sum of **Rs. 8,17,84,658** as on 31/03/2008, that is before the school decided to hike the fee for implementation of recommendations of VI Pay Commission. The relevant details of funds

available with the school, as drawn up from the audited balance sheet of the school is as follows:

<u>Current Assets + Investments</u>		
Balance with Scheduled Banks in Savings Bank Account	418,545	
Advances to Contractors	137,315	
Fixed Deposits out of School Fund	100,444,172	
Staff Advances	56,600	101,056,632
<u>Less: Current Liabilities</u>		
Students Caution Money	4,763,582	
Fee Received in Advance	27,000	
Overdraft from Lord Krishna Bank	10,079,050	
Sundry Deposits of Contractors	53,129	
Sundry Creditors	144,331	
Provision for Bonus	648,340	
Expenses Payable	3,556,542	19,271,974
Net Current Assets + Investments (funds available)		81,784,658

The requirement of the school to keep funds in reserve for meeting its accrued liabilities of gratuity and leave encashment and also the requirement of the school to maintain a reasonable reserve (equivalent to four months salary), amounted to **Rs. 4,39,56,487**, as per the following details:

Reserves required to be maintained:	
for future contingencies (equivalent to 4 months salary)	16,905,590
for accrued liability towards Leave Encashment as on 31.03.10	4,792,635
for accrued liability towards Gratuity as on 31.03.2010 (in respect of employees who have rendered service of more than 5 years)	22,258,262
Total	43,956,487

Thus the school had a sum of **Rs. 3,78,28,171** (8,17,84,658 – 4,39,56,487) available with it for the purpose of meeting its increased expenditure on implementation of the recommendations of VI Pay Commission.

The implementation of the recommendations of VI Pay Commission, resulted in an additional expenditure of **Rs. 4,41,04,675** by way of arrear salary and the increased salary upto 31/03/2010, that the school was required to pay. The Committee worked out this figure as follows:

Additional Liabilities after implementation of 6th CPC	
Arrear of Salary as per 6th CPC for 1.1.06 to 31.5.09	27,104,424
Incremental Salary for 2009-10 (as per calculation given below)	17,000,251
Total	44,104,675

Thus the school had a shortfall to the tune of **Rs. 62,76,504** (4,41,04,675 – 3,78,28,171), which the school needed to bridge by recovering arrear fee/increasing the tuition fee. However, instead of restricting the fee hike/arrear fee to the aforesaid sum of Rs. 62,76,504, the school recovered the maximum amount of incremental fee and the maximum amount of arrear fee which was prescribed by order dated 11/02/2009. The arrear fee and incremental tuition fee for the year 2009-10, amounted to Rs. 3,18,50,923, as per the following details:

Total Recovery for implementation of 6th Pay Commission	
Arrear of tuition fee for 1.1.06 to 31.8.08	8,319,413
Arrear of tuition fee for 1.9.08 to 31.3.09	7,259,201
Arrear of development fee for 1.9.08 to 31.3.09	2,651,943
Incremental tuition fee for 2009-10 (as per calculation given below)	13,620,366
Total	31,850,923

Thus, prima facie, the school recovered a sum of **Rs. 2,55,74,419** (3,18,50,923 – 62,76,504) in excess of its requirement for the purpose of implementation of the recommendations of VI Pay Commission.

A copy of the above calculation sheet was given to the school on 24/08/2017 for rebuttal, if any.

The school filed written submissions dated 07/10/2017 in rebuttal of the calculation sheet, vide which it disputed the calculation sheet on the following grounds:

- (a) The calculation of the requirement of the school to keep funds in reserve equivalent to four months salary has been incorrectly computed by the Committee to be Rs. 1,69,05,590 instead of Rs. 1,90,76,288. The school had given details of salary vide its submissions dated 10/03/2017. However, the Committee has not considered the following amount to be part of salary for calculating the requirement of the school to keep funds in reserve:

Particulars	Amount (Rs.)
Bonus (statutory liability)	4,50,000
Ex-gratia to staff (part of salary)	70,500
Gratuity Paid (Statutory liability)	13,19,047
Leave Travel Concession (part of salary)	51,802
Payment for salary to security/House Keeping staff (outsourced)	31,16,402
Subsistence allowance (Part of salary)	30,000
Tuition Fee reimbursed to staff (taxable/taxed as perquisite under the head salaries under Income Tax Act (shown under the head scholarship)	4,99,165
Payment to employees debited to different heads (part of salary)	9,75,179
Garden & Ground Rs. 6,39,597	
Medical Aid Rs. 1,30,133	
Health & Medical Rs. 1,11,344	
Telephone Rs. 94,105	
Total	65,12,095

(b) The Committee ought to have taken into account the other expenses of the school also besides taking the expenditure under the head salary for the purpose of calculation of the requirement for reserve.

(c) The Committee has taken the accrued liability of gratuity as on 31/03/2010 to be Rs. 2,22,58,262 and that for leave encashment to be Rs. 47,92,635, which the school had erroneously given earlier but by its representation dated 10/03/2017, the school had furnished the correct figures to be Rs. 2,91,19,175 and Rs. 64,20,229 respectively.



(d) The Committee has not considered the accrued liability of gratuity in respect of those employees who had not completed 5 years of service as on 31/03/2010, although they were on the rolls of the school on that date and went on to complete 5 years subsequently.

(e) The Constitution benches of the Hon'ble Supreme Court in the case of TMA Pai Foundation (2002) 8 SCC 481, Islamic Academy of Education (2003) 6 SCC 687 and P.A. Inamdar (2005) 6 SCC 537 have held that the Self Finance Institutes should generate a reasonable surplus for the benefit of the Institute. (The school quoted an extract from the judgment in the case of Islamic Academy of Education which reads as follows:

"135. While this Court has not laid down any fixed guidelines as regard fee structure, in my opinion, reasonable surplus should ordinarily vary from 6% to 15%, as such surplus would be utilised for expansion of the system and development of education."

The school submitted that an amount equivalent to 15% of the total fee should be considered as reasonable surplus before computing the availability of funds with the school.

The matter was finally heard on 13/10/2017 when Sh. H.L. Tiku, Sr. Advocate advanced arguments, reiterating the written submissions of the school as noted above.

The Committee has considered the audited financials of the school and the information furnished by the school in response to its various communications as also the written submissions filed by the school in rebuttal of the preliminary calculation sheet and the arguments addressed by Sh. H. L. Tikku.

The various issues raised by the school are discussed as under:

(a) Regarding exclusion of expenditure under certain heads from the figure of salary which has been considered by the Committee for calculating the requirement of the school to maintain adequate reserve:

It would be apposite to first consider the items which have been considered by the Committee to be part of salary for calculating reserve. The Committee took the following figures as salary for the year 2009-10 for the limited purpose of calculating the requirement of the school to maintain adequate reserve:

Salaries	49,130,962
Provident Fund	1,398,653
Admn. Charges on PF	187,154
	<u>50,716,769</u>

Since the above expenditure of Rs. 5,07,16,769 represents salary for 12 months for the year 2009-10, it was divided by 3 to arrive at salary for four months, which comes to Rs. 1,69,05,590 and which the Committee considered as the amount adequate to be kept in reserve and which has been allowed in case of all the schools by the Committee. The total amount of regular salary for the year 2009-10,

as reported by the school vide Annexure B of its letter dated 05/06/2015 was Rs. 4,91,30,962. Hence it is noticeable that though they did not claim the expenditure on provident fund and administration charges on provident fund to be part of regular salary, the Committee took a pragmatic view of the matter and included these expenditures to be also part of the salary since they are intrinsically linked to salary. It was only subsequently claimed (vide submissions dated 10/03/2017) that the expenditures under the heads mentioned above are also part of salary and ought to be considered for the purpose of calculating the figure of reserve required to be maintained by the school. It is worthwhile to note here that for the purpose of calculating the incremental salary in the year 2009-10, the school is not making any such claim.

Without going into the merits of the contentions of the school whether such expenditures form part of salary or not, suffice it to say that the Committee has considered only the regular salary, regular allowances and the employer's contribution to provident fund and administration charges paid to Employees Provident Fund Organisation to be part of salary for the limited purpose of calculating the requirement of the school to keep funds in reserve. The payments like ex gratia or terminal payments like gratuity and leave encashment or payments made to manpower agencies for supply of manpower etc. are not considered by the Committee for this limited purpose to be part of salary. The Committee has consistently applied this

yardstick in the case of all the schools and this school cannot be treated on a different footing. Hence, this contention of the school is rejected.

(b) Consideration of expenses other than salary for the purpose of calculation of the requirement of the reserve:

Rule 177 of the Delhi School Education Rules, 1973 provides that the schools ought to maintain a reserve, not less than 10% of the savings (from fee) calculated in the manner given in the Rule. Such savings are to be calculated after providing for the pay, allowances and other benefit admissible to the employees and after providing for pension, gratuity and other specified retirement and other benefits admissible to the employees of the school, the needed expansion of the school or any expenditure of a development nature, the expansion of the school building or for the expansion of construction of the building or establishment of hostel or expansion of the hostel accommodation, co-curricular activities of the students and the reasonable reserve itself.

This is the mandate of law with regard to maintenance of reasonable reserve fund by the schools. The Committee notes that the language of the Rule is not very well worded. The reasonable reserve is to be calculated by taking the savings from fee to be the starting point, which itself has to be determined after taking into account the figure of reasonable reserve. Moreover, going strictly by the language of the Rule, no school would be in a position to maintain any reserve, much less, reasonable. Moreover, the order

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dated 11/02/2009 issued by the Director of Education by which the schools were permitted to hike the fee for implementation of the recommendations of VI Pay Commission, categorically stated that the fee hike was not mandatory and all schools must first of all, explore the possibility of utilising the existing reserve to meet any shortfall in payment of salaries and allowances, as a consequence of increase in salary and allowances of employees (consequent to implementation of the recommendations of VI Pay Commission).

Thus, far from allowing the schools to maintain a reasonable reserve, the order of the Director of Education actually stated that even the existing reserves held by the schools ought to be utilised for implementing the recommendations of VI Pay Commission. The judgment of the Hon'ble Delhi High Court in WPC 7777 of 2009, in which the aforesaid order of the Director of Education was impugned and by which this Committee was constituted to examine the necessity of fee hike effected by the schools, also did not interfere with these paras of the order i.e. para 1 & 2. The mandate given to this Committee was

"This Committee will be for the period covered by the impugned order dated 11.02.2009 and specifically looking into the aspect as to how much fee increase was required by each individual schools on the implementation of the recommendation of VIth Pay Commission, i.e., it would examine the records and accounts, etc. of these schools and taking into consideration the funds available, etc. at the disposal of schools at that time and the principles laid down by the Supreme Court in Modern School and Action Committee Unaided Pvt. Schools as explained in this judgment."

Simply going by the language of the above judgment, this Committee has to consider the justifiability of fee hike after taking into consideration the funds available with the schools at the time the decision was taken to hike the fee. However, taking a pragmatic view of the matter, the Committee considered that while implementing the recommendations of VI Pay Commission, the schools, besides maintaining reserves to meet its accrued liabilities of gratuity and leave encashment, ought also to keep adequate and reasonable reserves. What should be the reasonable quantum of reserves, the Committee considered that in the absence of the calculation of reasonable reserve as per Rule 177, the schools can keep reserve equivalent to four months' salary and only the balance would be considered as funds available with the school for purpose of implementing the recommendations of VI Pay Commission. It is the best judgment of the Committee, which it has followed in the cases of all the schools without any exception. The school may well have its own ideas as to how the amount of reasonable reserve has to be calculated but the Committee cannot make a departure from the position it has taken in cases of all the schools. Accordingly, this contention of the school is also rejected.

(c) & (d) Accrued liability of gratuity and leave encashment:

The Committee accepts that the school, vide its written submission dated 10/03/2017 gave a revised calculation sheet showing its accrued liability of gratuity to be Rs. 2,91,19,175

and that for leave encashment to be Rs. 64,20,229. These were checked by the Committee on a sample basis and found to be in order except that the school had included gratuity liability to the tune of Rs.9,72,077 in respect of the employees who had not become eligible for payment of gratuity in case they left the service of the school as on 31/03/2010. The Committee in its calculation sheet, had taken the accrued liability of gratuity to be Rs. 2,22,58,262 and that for leave encashment to be Rs. 47,92,635 on the basis of the calculation given earlier by the school, which was found to be erroneous.

The contention of the school that the accrued liability of gratuity in respect of employees who continued in the employment of the school and subsequently completed 5 years of service ought also be considered, is only stated to be rejected as no liability accrues to the school unless the employee completes 5 years of service. The cut off date taken by the Committee to be 31/03/2010 is for the reason that the Committee is considering the fee hike effected by the school for the year 2009-10 pursuant to order dated 11/02/2009 for implementation of the recommendations of VI Pay Commission, issued by the Director of Education and for the purpose of determining the funds available with the school for this purpose, the liability as on 31/03/2010 has to be considered in order that the school may reserve funds to that extent before implementing the recommendations of VI Pay Commission. At that time it would only

have been a speculation to consider whether the employee would subsequently complete 5 years of service or not.

Accordingly, the Committee will consider the liability of gratuity to be **Rs. 2,81,47,098** (2,91,19,175-9,72,077) and that for leave encashment to be **Rs. 64,20,229**, while making the final determinations.

(e) Consideration of 15% of fee as a reasonable surplus :

The school has relied upon the judgment of the Hon'ble Supreme Court in the case of P.A. Inamdar (2005) 6 SCC 537 to contend that the school ought to be allowed to keep a reasonable surplus of 15% of the total fee before computing the availability of funds with the school. The argument of the school is self destructive. The total fee of the school (excluding development fee, which was capitalized) as per its audited Income & Expenditure Account for the year 2009-10 was Rs. 10,30,28,449 as follows:

Fee Head	Amount (Rs.)
Tuition Fee	8,99,47,577
Hostel Fee	0
Other fees	54,07,397
Annual Charges	76,73,475
Total	10,30,28,449

15% of the total fee amounts to Rs. 1,54,54,267. However, the amount of reserve (equivalent to four months salary) that has been taken into account by the Committee is Rs. 1,69,05,590. It appears that the school has not applied its

mind before making its submissions. At any rate, the school itself has cited para 135 of the aforesaid judgment of the Hon'ble Supreme Court which says that reasonable surplus should ordinarily vary from 6% to 15%, and such surplus would be utilised for expansion of the system and development of the education.

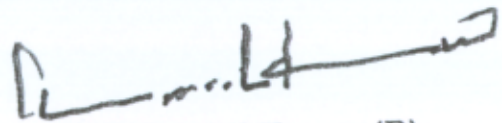
Thus, there is no rule of thumb that the reasonable surplus would be 15% of the total fee. It could vary between 6% and 15%. Moreover, the purpose of maintaining such a reasonable surplus, as per the judgment cited by the school, is expansion of the system and development of the education, for which purpose the school is separately charging development fee. In the year 2009-10, the development fee charged by the school amounted to Rs. 1,07,07,959. In earlier years, the school charged development fee amounting to Rs. 27,88,736 in 2006-07, Rs. 31,61,430 in 2007-08, and Rs. 60,05,280 in 2008-09. In view of the foregoing discussion, this contention of the school is also rejected.

Determination:

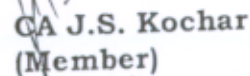
The only adjustments that are required to be made from the amount of refund provisionally determined by the Committee are in respect of the accrued liabilities of gratuity and leave encashment. Hence the final amount that the school is required to refund along with interest @ 9% per annum is determined as follows:

Particulars		Amount (Rs.)
Amount of excess fee recovered by the school as provisionally determined as per the calculation sheet		2,55,74,419
Less:		
(1) Accrued liability of gratuity short taken (2,81,47,098 - 2,22,58,262)	58,88,836	
(2) Accrued liability of leave encashment short taken (64,20,229 - 47,92,635)	16,27,594	75,16,430
Amount of excess fee finally determined		1,80,57,989

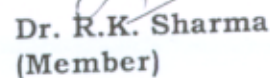
Resultantly, the school ought to refund the aforesaid amount of Rs. 1,80,57,989 out of the fee hike and arrear fee recovered by the school pursuant to order dated 11/02/2009 issued by the Director of Education. Since this amount has been worked out after taking into account the full amount of arrears of development fee for the period 01/09/2008 to 31/03/2009, a part of which the Committee considers as illegally recovered, no separate recommendation is being made for its refund as the amount of such illegally recovered fee is subsumed in the aforesaid figure of Rs. 1,80,57,989. The refund of fee as mentioned ought to be made along with interest @ 9% per annum from the date of collection to the date of refund.



Justice Anil Kumar (R)
(Chairperson)



CA J.S. Kochar
(Member)



Dr. R.K. Sharma
(Member)

Dated: 21/08/2018

**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE, NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of school Fee)

In the matter of:

Apeejay School, Pitam Pura, New Delhi-110034 (B-642)

Order of the Committee

Present : Sh.D.K. Bedi, Principal, Sh. Bharat Bhushan, General Manager, Sh. S.K. Murgai, Financial Advisor, Sh. Rajiv Jain, Sr. Accountant, Sh. Suraj Pal Ghai, Accountant & Sh. Uday, Internal Auditor of the school.

In order to elicit the relevant information from the schools to arrive at proper conclusions with regard to the necessity of fee hike effected by the schools pursuant to order dated 11/02/2009 issued by the Director of Education, the Committee issued a questionnaire dated 27/02/2012 to all the unaided recognised schools in Delhi (including the present school), which was followed by a reminder dated 27/03/2012. However, the school did not submit its reply to the questionnaire. Accordingly the Committee issued a fresh questionnaire dated 11/09/2013, incorporating therein the relevant queries with regard to charging of development fee, its utilisation and maintenance of earmarked reserves for development/depreciation reserve funds, in order to examine whether the school was complying with the essential pre conditions for charging development fee as laid down by the Duggal Committee which were affirmed by the Hon'ble Supreme Court in the case of Modern School vs. Union of India & ors. (2004) 5 SCC 583. The school, vide his letter dated 19/09/2013, sought some more time for furnishing the reply to the questionnaire.



After a couple of more reminders, the school finally furnished its reply vide letter dated 31/10/2013.

As per the reply, the school submitted as follows:

- (a) It had implemented the recommendations of VI Pay Commission and the increased salaries to the staff were being paid w.e.f. 01/01/2006 (however the school enclosed an annexure showing that the school started paying the increased salary w.e.f. June 2009).
- (b) The school paid arrears of salary, as envisaged in the order dated 11/02/2009 issued by the Director of Education, and enclosed copies of a number of vouchers showing payment of arrear salary in different tranches.
- (c) It increased the fee in terms of order dated 11/02/2009 issued by the Director of Education w.e.f. 01/09/2006 (sic).
- (d) It collected arrears of fee as per order dated 11/02/2009 issued by the Director of Education.
- (e) It charged development fee in all the five years for which the information was sought by the Committee i.e. 2006-07 to 2010-11.
- (f) The Development fee was treated as a Capital receipt and utilised for purchase of fixed assets (which included land and also vehicles).
- (g) The school maintained earmarked development fund and depreciation reserve fund in respect of the assets acquired

out of development fee and earmarked account in South Indian Bank , Sainik Vihar, Pitampura was maintained for this.

The Committee issued a notice dated 26/05/2015, requiring the school to furnish the aggregate figures of arrear tuition fee, regular tuition fee, arrears of development fee, regular development fee, arrear salaries and regular salaries for the years 2008-09, 2009-10 and 2010-11 in a structured format which was devised by the Committee to facilitate calculations, duly reconciled with the audited Income & Expenditure Accounts. The school was also required to file a statement of account of the Society, as appearing in its books, details of accrued liabilities of gratuity and leave encashment. The information was required to be filed within 10 days. However, the school did not comply with this notice. The Committee issued a further notice dated 20/08/2015 requiring the school to appear before it on 10/09/2015 and also to furnish the information sought vide notice dated 26/05/2015. An adjournment was sought by the school on the ground of non availability of its Accounts Officer. The school was advised to furnish the information as per the notice dated 26/05/2015 after which a fresh date of hearing will be fixed.

The school furnished the required information on 24/09/2015. In the meantime there was change in the constitution of this Committee. The reconstituted Committee issued a fresh notice of hearing requiring the school to appear on 20/07/2017. In the mean

time the Committee prepared a preliminary calculation sheet, a copy of which was given to the school on the date of hearing for rebuttal, if any. Matter was adjourned to 25/08/2017, on which date, the school again sought adjournment which was granted and matter was directed to be relisted on 20/09/2017. Once again, the school sought adjournment on the ground that the Accounts Officer and Internal Auditor of the school has recently joined and they need time to check the calculation sheet. The matter was then posted for hearing on 29/11/2017.

Before proceeding further, it would be apposite to mention here that as per the preliminary calculation sheet prepared by the Committee, the Committee determined that the school had available with it a sum of Rs. 3,03,29,723 as funds available with it as on 31/03/2008, i.e. before the decision to hike the fee was taken. The details of the same are as follows:

Particulars	Amount (Rs.)	Amount (Rs.)
<u>Current Assets + Investments</u>		
Balance with Scheduled Banks in Savings Bank Account	735,293	
TDS	69,386	
Advances to Contractors	715,190	
Fixed Deposits with Accrued Interest	45,993,460	
Advance to others	127,393	47,640,722
<u>Less: Current Liabilities</u>		
Students Caution Money	5,067,500	
Fee Received in Advance	1,543,893	
Overdraft from Lord Krishna Bank	6,267,612	
Sundry Deposits of Contractors	19,397	
Sundry Creditors	97,279	
Provision for Bonus	437,062	
Expenses Payable	3,878,256	17,310,999
Net Current Assets + Investments		30,329,723

The Committee considered that out of the total funds available, the school ought to maintain reserves amounted to Rs. 2,72,54,139 for meeting its accrued liabilities of gratuity and leave encashment as on 31/03/2010 besides maintaining a further reserve equivalent to four months salary. The details of the same are as follows:

Reserves required to be maintained:		
for future contingencies (equivalent to 4 months salary)	14,015,879	
for accrued liability towards Leave Encashment as on 31.03.10	1,229,967	
for accrued liability towards Gratuity as on 31.03.2010	12,008,293	27,254,139

Thus the Committee prima facie concluded that the school had available with it a sum of Rs. 30,75,584 which could be utilised for implementing the recommendations of VI Pay Commission. The additional liability of the school arising on account of implementation of the recommendations of VI Pay Commission were of the order of Rs. 3,41,36,197. Thus the school had a shortfall to the tune of Rs. 3,10,60,613 (3,41,36,197 – 30,75,584), which the school needed to bridge by recovering the arrear fee as well as hiking the regular fee in terms of order dated 11/02/2009 issued by the Director of Education.

However, the school generated a total revenue of Rs. 3,13,39,876, as per the following details:

Total Recovery for implementation of 6th Pay Commission		
Arrear of tuition fee for 1.1.06 to 31.8.08	10,310,790	
Arrear of tuition fee for 1.9.08 to 31.3.09	4,351,624	
Arrear of development fee for 1.9.08 to 31.3.09 (capitalized)	2,446,317	
Incremental tuition fee for 2009-10 (as per calculation given below)	14,231,145	31,339,876

Thus, prima facie, it appeared that the school had recovered slightly more fee than what was required for implementing the recommendations of VI Pay Commission. The excess amount was to the tune of Rs. 2,79,263.

It also appeared that the school was not fulfilling the pre conditions laid down by the Hon'ble Supreme Court in the case of Modern School (supra) and therefore, the development fee recovered by the school in 2009-10 and 2010-11, aggregating Rs. 2,11,66,766 was also required to be refunded.

On 29/11/2017, the authorized representatives of the school appeared and were partly heard. The Committee perused the circular dated 12/03/2009 issued by the school to the parents, by which they were informed of the fee hike permitted by the Director of Education vide order dated 11/02/2009. It was also informed that the arrear would be collected in two or three installments. However the quantum of fee hike or the arrear fee that the parents were required to pay was not mentioned in the circular. The authorized representatives of the school stated that fee hike was mentioned in the supplementary fee bills which were issued to the students. However, the school had not filed copies of the supplementary fee bills through which the arrear fee and the enhanced fee was communicated to the parents. The school was required to furnish copies of such bills for all the installments.

It was submitted that the school had implemented the recommendations of the 6th pay commission in full. Payment of arrear salary as well as the regular salary was made by the school through banking channels. The school had also furnished the details of its accrued liabilities of gratuity and leave encashment and other information and documents asked for by the Committee from time to time.

On perusal of the break-up of fee charged by the school under different heads during the years 2008-09 to 2010-11, the Committee observed that the school recovered arrears of development fee amounting to Rs.24,46,317 for the period 01/09/2008 to 31/03/2009, whereas the arrears of tuition fee for the same period, which the school recovered, amounted to Rs. 43,51,624. In percentage terms, the arrears of development fee recovered by the school were found to be almost 56% of the arrears of tuition fee charged by the school. The school was required to furnish the explanation with regard to the apparent discrepancy in recovering arrear of development fee which ought not to have exceeded 10% of tuition fee at which rate the school was charging in the year 2008-09 for which the arrears of differential development had been recovered.

The school filed rebuttal to the calculation sheet vide its written submissions dated 30/10/2017.

With regard to regular development fee, the school filed a detailed chart showing development fund collected and utilized from 1999 to 2010-11. It was contended that the school utilized the development fund only for the permitted purposes i.e. acquisition of furniture and fixtures and equipments. The school also furnished the details of depreciation reserve on the assets acquired out of development fund during these years. The Committee observed that as on 31/03/2008, the unutilized development fund held by the school amounted to Rs.40,58,674 and the balance in depreciation reserve fund on assets acquired out of development fund was Rs.30,21,100 totaling Rs.70,79,774. The authorized representatives of the school submitted that the school held a sum of Rs.1,00,92,246 in earmarked FDRs and saving bank accounts.

The Committee observed that the school had claimed more earmarked funds than the reserves held by it to the tune of **Rs.30,12,472** (1,00,92,246 – 70,79,774) and that this position was untenable. The Committee is of the view that this amount was available to the school for the purpose of implementing the recommendations of the 6th pay commission.

The school has submitted that while taking the funds available with the school, the Committee had also included the entire amount of FDRs and balances in saving bank accounts out of which a sum of **Rs.70,79,773** ought to have been excluded as that was held against development fund and depreciation reserve fund. The Committee

agrees with this submission and will rework the calculations accordingly. The school also submitted that the total amount of FDRs also includes FDRs to the tune of **Rs.7,76,621** which are jointly held with the Director of Education and CBSE and as such were not available with the School for utilization for the purpose of payment of increased salaries/arrears consequent upon the implementation of the recommendations of the 6th pay commission. The Committee agrees with this proposition also .

Taking into account the aforementioned submissions, with which the Committee agrees, a sum of **Rs. 78,56,394** (70,79,773 + 7,76,621) out of the FDRs held by the school as on 31/03/2008 are required to be excluded from the preliminary determination of the funds available with the school, which the Committee found to be Rs. 3,03,29,723. By taking this figure, the Committee arrived at the prima facie conclusion that the fee hike effected by the school and the arrear fee recovered by the school was in excess of its requirement to the tune of **Rs. 2,79,263**. If the aforesaid sum of Rs. 78,56,394 is excluded, the inescapable conclusion is that the fee hike effected by the school was justified and no interference is called for on that account.

Development Fee:

In so far as the development fee for the year 2009-10 and 2010-11 is concerned, the Committee is satisfied that the school was

fulfilling the pre conditions laid down by the Duggal Committee and therefore no intervention is called for with regard to that.

Arrears of Incremental Development Fee for the period
01/09/2008 to 31/03/2009:

With regard to the arrears of development fee recovered by the school for the period 01/09/2008 to 31/03/2009, the Committee is of the view that the school was not justified in increasing the rate of development fee from 10% to 15% of tuition fee w.e.f. 01/09/2008 and upto 31/03/2009, although from 01/04/2009 the school could justifiably charge the development fee @ 15% of tuition fee. This is on account of the mandate of section 17(3) of the Delhi School Education Act, 1973, which prohibits the school from increasing the fee after the start of the academic session without obtaining specific approval from the Director of Education.

The school was originally charging the development fee @ 10% of the tuition fee in the year 2008-09. By order dated 11/02/2009, which was a general permission granted by the Director of Education to hike the tuition fee w.e.f. 01/09/2008 at the rates specified therein. The order did not permit the schools to increase the development fee w.e.f. 01/09/2008 except to the limited extent vide para 15 of the order. The said para is reproduced below for the sake of immediate reference:

"15. However, the additional increase in Development Fee on account of increase in Tuition Fee shall be utilised for the purpose of meeting any shortfall on account of salary/arrears only. "

Since the schools normally charge development fee as a percentage of tuition fee, all that was permitted by para 15 of the order was that the schools could also recover additional development fee which would result as a consequence of increase in tuition fee by virtue of it being charged as a percentage of tuition fee. The order did not envisage that the schools could increase the percentage of tuition fee which was charged as development fee. Any increase in the percentage would amount to increase in fee after the start of the academic session for which a separate approval was required to be taken from the Director of Education as per the mandate of section 17(3) of Delhi School Education Act, 1973.

As noted supra, the school increased the development fee to be 15% of tuition fee from 10% w.e.f. 01/09/2008 i.e. after the start of the academic session. This was not permitted by the order dated 11/02/2009 of the Director of Education. The amount of arrears of development fee recovered by the school from 01/09/2008 to 31/03/2009 was Rs. 24,46,317 as against the arrears of tuition fee for the same period which were Rs. 43,51,624, which works out to 56% of tuition fee, which is untenable. The school was put on notice with regard to this issue.

On 07/12/2017, the authorized representatives of the school appeared and filed a letter dated 03/12/2017, alongwith which

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copies of supplementary bills issued to the students for first installment of arrears pursuant to order dated 11/02/2009 issued by the Director of Education. The letter also gave the manner of calculation of arrears of development fee charged by the school pursuant to the aforesaid order of the Director of Education.

The Committee observed that in respect of the arrears of development fee, the school recovered the arrears for the period 1.9.2008 to 31.3.2009 @ 15% of the revised tuition fee while the school was charging development fee @ 10% of tuition fee as per its fee schedules filed under section 17(3) of the Delhi School Education Act 1973 for the year 2008-09. The school relied upon a subsequent order dated 25/02/2009 issued by the Director of Education which, in the opinion of the school, permitted the schools to recover the arrears of development fee for the period 01/09/2008 to 31/03/2009 @ 15% of the tuition fee.

The Committee has perused the order dated 25/02/2009 vide which para 6 of the order dated 11/02/2009 was substituted. The revised para 6 of the order reads as follows:

Para 6:- The parents of children, other than those studying in class X and XII, shall be allowed to deposit the arrears on account of the above tuition fee effective from 1st September 2008 and the consequent 15% hike in development fee in three equal instalments i.e. by 31st March 2009, 31st July 2009 and 31st October, 2009 respectively.

Para 6 of the order 11/02/2009, which was substituted as above read as follows:

6. *The parents shall be allowed to deposit the arrears on account of the above Tuition Fee effect from 1st September 2008 by 31st March 2009.*

It is apparent from the reading of the original para 6 and the substituted para 6 of the order that the substituted para merely stated that instead of the entire amount of arrears of fee being recovered in one installment by 31st March 2009, the parents could pay the arrears in three equal installments by 31st March 2009, 31st July 2009 and 31st October 2009. Besides, the omission to mention the arrears of development fee in the original order was also sought to be remedied. The mention of the word "*consequent*" before "*15% hike in development fee*" makes it clear that where the schools were originally charging development fee @ 15% , they could recover the arrears of development fee @ 15%. It in no way permitted the schools to increase the rate of development fee from 10% of tuition fee to 15% of tuition fee.

In view of the foregoing discussion, the Committee does not agree with the submission of the school that it was permitted to recover arrears of development fee @ 15% or any higher rate than 10% of the tuition fee, which the school was originally charging.

The authorized representatives appearing for the school submitted that the break-up of arrears of tuition fee, lump sum fee and development fee as given by it in its compilation filed on 24/09/2015 was erroneous. They also submitted that the school had given the correct bifurcation vide its letter dated 31/10/2013,

which was in response to the questionnaire issued by the Committee. The correct break up, as given by the school in its submission dated 3.12.2017, which is a repetition of the break up it gave vide its reply to the questionnaire, is as follows :

Arrear fee for the period 1.1.2006 to 31.8.2008	78,17,290
Arrears of tuition fee for the period 1.9.2008 to 31.3.2009	68,38,758
Arrears of development fee for the period 1.9.2008 to 31.3.2009	24,46,317

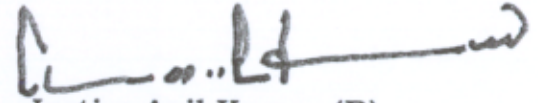
The authorized representatives submitted that the break up given subsequently in its paper book on 24/09/2015 was inadvertently given as the new accounts staff had joined who were not fully conversant with the matter.

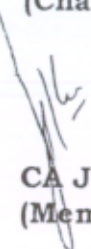
The Committee accepts the break up as given by the school on 31/10/2013 as well as 03/12/2017 and based on that, makes the following determination:


Arrear of incremental tuition fee for the period 01/09/2008 to 31/03/2009 recovered by the school	68,38,758
Arrears of consequential incremental development fee @ 10% of above	6,83,876
Arrears of incremental development fee actually recovered by the school	24,46,317
Amount recovered in excess	17,62,441

In view of the foregoing determinations, the Committee is of the view that the school ought to refund the aforesaid sum of Rs. 17,62,441 which it recovered in excess of what was permitted

by order dated 11/02/2009 read with order dated 25/02/2009 issued by the Director of Education. The aforesaid sum of Rs. 17,62,441 ought to be refunded along with interest @ 9% per annum from the date of collection to the date of refund.


Justice Anil Kumar (R)
(Chairperson)


CA J.S. Kochar
(Member)


Dr. R.K. Sharma
(Member)

Dated: 21/08/2018

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Secretary

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**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF SCHOOL FEE
AT NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of School Fee)

In the matter of:

SHRI RAM BAL BHARTI SCHOOL(A-0138),

Shwa Dham Marg

Mandoli, Shahdara

Delhi 110093

And in the matter of

Application/representation received on

2nd February, 2018 to review the order

Dated 28th October, 2013 passed by the

Committee in respect of the School and to

Review order 23rd August, 2016 dismissing the

Earlier review application dated 22nd June, 2015.

Present: Shri Manu RG Luthra, Chartered Accountant with Dheeraj Ahuja,
Manager of the School.

ORDER

The question before the Committee is whether an application for review of order dated 28th October, 2013 is maintainable after dismissal of an earlier application for review dated 22nd June, 2015 which was dismissed as not maintainable by order dated 23rd August, 2016.

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Secretary

Application/representations received on 2.2.2018 Shri Ram Bal Bharti School(A-0138)

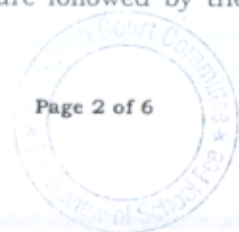


By order dated 28th October, 2013 this committee had considered whether or not the school had implemented the recommendations of sixth pay commission and if so, whether or not the fee was hiked for the purpose of implementation thereof. The said order/recommendations were passed after giving reasonable opportunity to the school after considering all the material placed by the school after hearing the pleas contentions on behalf of the school.

The school had filed another application seeking review of order dated 28th October, 2013. The application of the school for review was disposed off by order dated 23rd August, 2016. While disposing of the earlier application of the school for a review, this committee had noted in detail the opportunities given to the school before passing the order/recommendations dated 28th October, 2013 and also considering various grounds raised by the school seeking review of order dated 28th October, 2013. After considering the place and contentions of the school in detail, this Committee had added that the school is seeking review on merits and not on account of any procedural defect. By order dated 23rd August, 2016 this Committee had had as under:

"The procedural review belongs to a different category. In such a review, the Court or quasi-judicial authority having jurisdiction to adjudicate proceeds to do so, but in doing so commits a procedural illegality which goes to the root of the matter and invalidates the proceeding itself, and consequently the order passed therein. Cases where a decision is rendered by the Court or quasi-judicial authority without notice to the opposite party or under a mistaken impression that the notice had been served upon the opposite party, or where a matter is taken up for hearing and decision on a date other than the date fixed for its hearing, are some illustrative cases in which the power of procedural review may be invoked. In such a case the party seeking review or recall of the order does not have to substantiate the ground that the order passed suffers from an error apparent on the face of the record or any other ground which may justify a review. The party has to establish that the procedure followed by the

Signature
Secretary



Court or the quasi-judicial authority suffered from such illegality that it vitiate the proceeding and invalidate the order made therein, inasmuch the opposite party concerned was not heard for no fault of his, or that the matter was heard and decided on a date other than the one fixed for hearing of the matter which he could not attend for no fault of his. In such cases, therefore, the matter has to be re-heard in accordance with law without going into the merit of the order passed. The order passed is liable to be recalled and reviewed not because it is found to be erroneous, but because it was passed in a proceeding which was itself vitiated by an error of procedure or mistake which went to the root of the matter and invalidated the entire proceeding. The school was issued notices and was given ample opportunities and the representative of the school had appeared and produced the record which was considered and the pleas and contentions of the school taken into consideration before passing the order/recommendations dated 28th October, 2013.

Applying these principles it is apparent that where a quasi-judicial authority having jurisdiction to adjudicate on merit proceeds to do so, its judgment or order can be reviewed on merit only if the quasi-judicial authority is vested with power of review by express provision or by necessary implication.

The Applicant in the present case seeks recall/review of the order passed by the Committee dated 28th October, 2013 on merits on various grounds. It is not alleged that in passing the order, the committee has committed any procedural illegality or mistake of the nature which vitiated the proceeding itself and consequently the order/recommendation of the committee is liable to be recalled. Rather grounds taken by the applicant are that matters have been apparently considered incorrectly and the school/applicant is seeking review of its order pertaining to the case of the School. Apparently the recall or review or reopening sought is not a procedural review, but a review on merits. Such a review is not permissible in the absence of any specific provision or the orders of the Hon'ble Court authorizing the Committee to review its orders/recommendations either expressly or by necessary implication."

The application/representation dated 22nd June, 2015 seeking recalling/revoking of the order dated 28th October, 2013 and passing the order/recommendation again is not maintainable as this Committee does not have such powers nor it can exempt the school from refunding the fee which has been ordered/recommended by the Committee. The



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applications/representations dated 22nd June, 2015 by the school seeking review of the order/recommendation dated 28th October, 2013 is, therefore, disposed of as not maintainable.

The order dated 23rd August, 2016 passed by this committee holding that it does not have power to review its order on merit was not challenged by the school nor that school has shown any precedent holding that the Committee has power to review its order on merits.

This application seeking review which was received by this committee on 2 February 2018 seeks a review of order dated 28 October, 2013 on the grounds that the fee hike implemented by the school with effect from 1st April, 2009 though coincided with a circular dated 11th February, 2009 but in fact the fee hike was necessary considering the situation of deficit funds being faced by the school. The fee hike has been justified on the ground that the school had not increased the fees during a 2006 – 2007; 2007 – 2008 and 2008 – 2009. According to the school has made it mandatory for the school to increase the fees for successfully running the institution. Fee hike has also been justified by the school in the 2nd application for review on the ground that the school has been spending more than 110% percent of its tuition fee on salaries. According to school in here 2008 – 2009 the salaries increased by 128% which necessitated increasing the fee beyond the tolerance level of 10%. The school has alleged that it is taking aid from the society every year in order to meet the deficits of the school. Hike in fees beyond 10% is also justified on the ground that the managing committee had duly approved it in the meeting of Parents Teachers Association. According to the school since big amount of money is at stake that decision as to its utilization must also be based on through study of the facts and circumstances of the case. Fee hike beyond 10% of tolerance level is also sought to be justified on the ground that the



Department of Education has raised any objection regarding the hike of fees by the school.

On these grounds the school has again sought review of the order/recommendation dated 28th October, 2013 passed by this Committee. It is not disputed that the earlier application of the school for review of order dated 28th October, 2013 was dismissed by this Committee holding that review on merits is not maintainable before this Committee and the Committee does not have jurisdiction to review its order on merits. It has also not been disputed by the authorized representative appearing on behalf of the school that the earlier order dismissing the earlier application for the review, had not been challenged by the school nor the said order has been set aside in any judicial proceedings. The authorized representative has also not produced and cited any precedent holding that in absence of the specific powers of review on merits, this committee will have power to review its earlier order/recommendation on merit. This is also not disputed in the facts and circumstances that the school is not seeking review on any procedural ground. The school is rather seeking review of the order of the Committee on merits which have been reproduced here in above in this order.

In the facts and circumstances there are no grounds and/or reasons to hold that this Committee has power to review its earlier order/recommendation on merits especially after dismissing the earlier application of the school for review. Therefore, the application seeking review on merits of order dated 28th October, 2013 is not maintainable. The second application for review is therefore, disposed off as not maintainable.

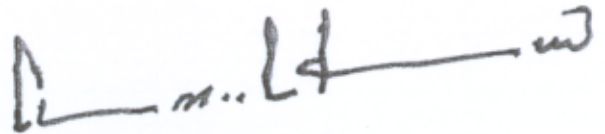
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The learned authorized representative has also failed to show and substantiate as to how another application for review will be maintainable after dismissal of similar application of review earlier.




JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON



J.S.KOCHAR
MEMBER

Date: 24/08/2018



Dr.R.K. SHARMA
MEMBER

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**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE, NEW DELHI**
(Formerly Justice Anil Dev Singh Committee for review of school Fee)

In the matter of:

St. Cecilia's Public School, Vikas Puri, New Delhi-110018 (B-134)


Order of the Committee

Present : Sh. S.K. Gulati, Chartered Accountant and authorized representative of the school.

The school submitted copies of the annual returns filed by it under Rule 180 of the Delhi School Education Rules, 1973, fee schedules, copy of circular dated 18/02/2009 issued to the parents regarding recovery of fee arrears pursuant to order dated 11/02/2009 issued by the Director of Education for implementing the recommendations of VI Pay Commission. The school also submitted the schedule of revised fee w.e.f. 01/09/2008 giving effect to the increase in fee as permitted vide the aforesaid order dated 11/02/2009. These documents were forwarded by the Dy. Director of Education to this Committee.

As per the circular and revised fee schedule issued to the parents, the school increased the tuition fee @ Rs. 300 per month and development fee @ Rs. 100 per month, across the board for all the classes. The arrears for the period 01/09/2008 to 31/03/2009 were collected @ Rs. 2800 per student (2100 for tuition fee and 700 for development fee). Further, for the period 01/01/2006 to

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31/08/2008, a sum of Rs. 3,000 was collected as lump sum arrear fee.

In order to elicit the relevant information from the schools to arrive at proper conclusions with regard to the necessity of fee hike effected by the schools pursuant to order dated 11/02/2009 issued by the Director of Education, the Committee issued a questionnaire dated 27/02/2012 to all the unaided recognised schools in Delhi (including the present school), which was followed by a reminder dated 27/03/2012. However, the school did not submit its reply to the questionnaire.

It appears that certain queries were raised by the Education Officer, Zone-18 of the Directorate of Education regarding payment of arrear salary by the school, consequent to implementation of the recommendations of VI Pay Commission. In response, the school submitted a letter dated 29/09/2012 to the Education Officer, vide which it contended that the arrears of salary w.e.f. 01/01/2006 were being paid to the staff members from 1st January 2009 along with the monthly salary and the payment was still continuing. The payment was being made through bank transfer and the arrears have been paid in monthly installment as per the availability of funds with the school. Along with the letter, the school submitted copies of salary bills from January 2009 to March 2012 in which the installment of arrear payment was highlighted. The school also enclosed a summarized Receipt and Expenditure Account and contended that till

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the end of F.Y. 2011-12, it had incurred a deficit of Rs. 12,36,396 and mentioned that in order to recoup the deficit, it was in urgent need to raise the fee proportionately. The documents submitted by the school to the Education Officer were forwarded to this Committee for its consideration.

The Committee issued a fresh questionnaire dated 22/07/2013, incorporating therein the relevant queries with regard to charging of development fee, its utilisation and maintenance of earmarked reserves for development/depreciation reserve funds, in order to examine whether the school was complying with the essential pre conditions for charging development fee as laid down by the Duggal Committee which were affirmed by the Hon'ble Supreme Court in the case of Modern School vs. Union of India & ors. (2004) 5 SCC 583. This was also not responded to by the school. The Committee issued a reminder on 22/08/2013. In response to this the school submitted its reply vide letter dated 10/09/2013.

As per the reply, the school submitted as follows:

- (a) It had implemented the recommendations of VI Pay Commission and the increased salaries to the staff were being paid w.e.f. 01/01/2009.
- (b) The school paid arrears of salary from 01/01/2006 to 31/12/2008. The payment of arrears was made along with monthly salaries starting from January 2009 to August 2013. The amount paid was Rs. 1,01,09,308.

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- (c) It increased the fee in terms of order dated 11/02/2009 issued by the Director of Education w.e.f. 01/09/2008. The tuition fee hike resulted in an additional revenue of Rs. 71,82,000 in the year 2009-10.
- (d) It collected arrears of fee as per order dated 11/02/2009 issued by the Director of Education. It collected a sum of Rs. 40,20,700 as arrear of tuition fee and Rs. 13,59,700 as arrears of development fee for the period 01/09/2008 to 31/03/2009. Further it collected a sum of Rs. 50,69,900 towards lump sum arrear fee for the period 01/01/2006 to 31/08/2008
- (e) It charged development fee in all the five years for which the information was sought by the Committee i.e. 2006-07 to 2010-11.
- (f) The Development fee was treated as a capital receipt and utilised for purchase of fixed assets.
- (g) The school maintained earmarked development fund and depreciation reserve fund in respect of the assets acquired out of development fee.

Preliminary calculations were made by the Chartered Accountants who were deployed with this Committee by the Directorate of Education (CAs) and they determined that prima facie the school had collected more fee than was required for implementing the recommendations of VI Pay Commission to the tune of Rs.



57,41,487. However, the calculation sheet prepared by the CAs did not account for the requirement of the school to keep funds in reserve meeting its accrued liabilities of gratuity and leave encashment etc. Accordingly, the Committee did not rely on the calculations made by the CAs.

The Committee issued a notice dated 29/04/2015, requiring the school to furnish the aggregate figures of arrear tuition fee, regular tuition fee, arrears of development fee, regular development fee, arrear salaries and regular salaries for the years 2008-09, 2009-10 and 2010-11 in a structured format which was devised by the Committee to facilitate calculations, duly reconciled with the audited Income & Expenditure Accounts. The school was also required to file a statement of account of the Society, as appearing in its books, details of accrued liabilities of gratuity and leave encashment. The school was also required to appear before the Committee on 26/05/2015. On this date, a representative of the school Sh. Lalit Kumar appeared and requested for fixing the hearing after 15th July as the Chairman, the Principal and the Manager of the school were out of station on account of summer vacation. The school was directed to file the reply to the notice dated 10/07/2015 after which a fresh date would be intimated to the school.

The school furnished its reply vide letter dated 10/06/2015. The school stated that after the information regarding arrear fee and arrear salary was given by way of reply to the questionnaire issued by

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the Committee, the school had made further some more payments towards arrear salary to the staff and had also received some more amounts towards arrear fee from the students. It was submitted that the total arrear salary paid amounted to Rs. 1,27,76,472 as against the total arrear fee collection of Rs. 1,00,70,100.

A fresh notice of hearing was issued on 22/06/2015 requiring the school to appear on 08/07/2015. On this date, Sh. Saroop Singh Bhumra, Director of the School appeared with Sh. S.K. Gulati, Chartered Accountant.

It was contended on behalf of the school that the school had implemented the recommendations of VI Pay Commission w.e.f. 01/04/2009. However, the arrears of salary for the period 01/01/2006 to 31/03/2009 were paid in monthly installments, along with the regular salary. It was further contended that all the payments were made by direct transfers to the bank account of the employees. It was also submitted that the fee was hiked in accordance with the order dated 11/02/2009 issued by the Director of Education and in view of the funds position of the school, the hike was justified. It was also contended that the school fulfilled all the pre conditions laid down by the Hon'ble Supreme Court for charging development fee.

The Committee on examination of the information furnished by the school observed that the school increased the tuition fee @ Rs. 300 per month and development fee @ Rs. 100 per month w.e.f.

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01/09/2008. Accordingly, the school recovered the combined arrears of tuition fee and development fee @ Rs. 2800 per student for the seven months period of 01/09/2008 to 31/03/2009. The authorized representatives appearing for the school, when questioned about the hike in development fee being 33% of the hike in tuition fee for the aforesaid period, submitted that this was on account of increase in the rate of development fee from 10% to 15% w.e.f. 01/09/2008. The Committee noted that in fact the school had hiked the rate of development fee from 10% to 33% of the incremental tuition fee and not to 15% of tuition fee. The school was also required to demonstrate as to how the school was fulfilling the pre conditions for charging regular development fee.

The school filed written submissions dated 20/07/2015 along with annexures containing a note of depreciation fund and balance in earmarked bank account, to show that it was fulfilling the pre conditions laid down by the Hon'ble Supreme Court in the case of Modern School. The school also submitted that it was permitted to raise the rate of development fee from 10% to 15% of tuition fee as per clause 15 of the order dated 11/02/2009 issued by the Director of Education, so long as the additional development fee was utilised for meeting shortfall on account of salary arrears. The school submitted that there was massive shortfall of funds to meet the obligation to pay salary arrears and the additional development fee charged was utilised

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to partially offset the shortfall. It accordingly, requested that the charge of development fee @ Rs. 100 instead of Rs. 45 be regularized.

However, the matter could not be concluded on account of resignation of Justice Anil Dev Singh, as Chairman of the Committee.

While preparing the preliminary calculation sheet to examine the justifiability of fee hike effected by the school, it came to the notice of the Committee that the school had paid the arrear salary in monthly installments spread over from January 2009 to November 2014. However, the arrear salary payable to Ms. Niti Wadhawan, Ms. Geeta Jaggi, Ms. Tarwinder Kakkar & Ms Madhavi Mishra had been paid only in part.

After the reconstitution of the Committee, a fresh notice of hearing was issued on 18/08/2017, requiring the school to appear on 29/08/2017.

The authorized representative appearing for the school requested for a short date to take instructions in the matter. The matter was accordingly adjourned to 14/09/2017.

The school filed a letter dated 13/09/2017, enclosing copies of the cheques and letters sent to four employees whose arrears salary had not been paid in full and also filed copies of speed post acknowledgements showing dispatch of the same. It was submitted that while the cheque of Ms. Madhvi Mishra for an amount of Rs.83,057 had already been encashed, the cheques of Ms. Neeti

Wadhawan, Ms. Geeta Jaggi & Ms. Tarvinder Kakkar had been received back undelivered with the postal remarks that they had left without leaving any address. Perusal of the copy of the bank statement filed by the school to show encashment of the cheque of Ms. Madhvi Mishra shows that the name of the payee that has been given by the bank in the statement is some Dilip K and not Madhvi Mishra. The authorized representative appearing for the school submitted that it was possible that she had a joint account with her husband and bank might have shown the name of the joint account holder. The school was directed to file a certificate issued by the bank giving particulars of the payee of the cheque. In the meantime the school was directed to keep an amount of Rs.2,14,069 in a separate earmarked account for meeting the claims of the teachers whose cheques had been received back undelivered. On the next date of hearing, the school filed copy of an FDR for Rs. 2,14,069 which was kept earmarked for payment of arrear salary to the three ex employees.

The Committee prepared a calculation sheet to examine the justifiability of the hike in fee and recovery of arrear fee pursuant to order dated 11/02/2009 issued by the Director of Education. As per the calculations, the Committee observed that the school had available with it a sum of Rs. 1,32,35,850 as on 31/03/2008 i.e. before effecting the fee hike. The detail of the working of the above amount is as under:

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<u>Current Assets + Investments</u>		
Cash in hand	11,304	
Cash at Bank	4,550,101	
TDS on interest	98,027	
Fixed Deposits	12,804,122	17,463,554
<u>Less : Current Liabilities</u>		
Fees received in advance	2,508,565	
Fee subject to adjustment	254,903	
Sundry Creditors	7,726	
Expenses payable other than gratuity payable	1,427,525	
TDS payable	28,985	4,227,704
Net Current Assets + Investments		13,235,850

The additional liability that befell on the school on implementation of the recommendations of VI Pay Commission amounted to Rs. 2,38,36,543 upto 31/03/2010, as per the following details:

Additional Liabilities after 6th CPC:		
Arrear of Salary as per VI th Pay Commission (w.e.f. 01.01.2006 to 31.03.2009) Balance Rs.2,97,126 still payable	12,776,472	
Incremental Salary for 2009-10 (as calculated below)*	11,060,071	23,836,543

*

Incremental Salary in 2009-10	2008-09	2009-10
Salary excluding provision for gratuity	18,135,982	29,196,053
Increase in 2009-10	11,060,071	

Thus the school was required to bridge the gap of Rs. 1,06,00,693 (2,38,36,543-1,32,35,850). Moreover, the school also had an accrued liability of Rs. 85,05,001 on account of gratuity as on 31/03/2010. Thus the school needed to raise additional revenue by recovering arrear fee for the period 01/01/2006 to 31/03/2009 and increasing the regular fee for the year 2009-10, to the tune of Rs.

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1,91,05,694 i.e. 1,06,00,693 +85,05,001. The additional revenue generated by the school in the aforesaid manner yielded a sum of Rs.

1,71,62,808 as per the following details:

Arrear of Tuition fee w.e.f 01.01.06 to 31.08.08	4,820,200	
Arrear of Tuition fee from 01.09.2008 to 31.03.2009	3,927,000	
Arrear of Dev. fee from 01.09.2008 to 31.03.2009	1,322,900	
Incremental Tuition Fee in 2009-10 (as calculated below)*	7,092,708	17,162,808

*

Incremental Tuition Fee in 2009-10	2008-09	2009-10
Tuition Fee	27,264,137	34,356,845
Increase in 2009-10	7,092,708	

Thus the school remained in deficit to the tune of Rs. 19,42,886 (1,91,05,694 – 1,71,62,808). It is noticeable that upto this stage, the Committee has not factored in the requirement of the school to keep a reasonable reserve for future contingencies. The amount worked out by the Committee for this purpose amounts to Rs. 97,32,018, which is equivalent to four months salary for the year 2009-10.

The total development fee collected by the school in the years 2009-10 and 2010-11 amounted to Rs. 1,07,91,359. However, since the school incurred a deficit of Rs. 19,42,886 on implementation of the recommendations of VI Pay Commission and was entitled to keep a reserve funds amounting to Rs. 97,32,018 for future contingencies, which the Committee considers to be reasonable, the Committee is not examining whether the school fulfilled the pre conditions for charging the development fee as laid down by the Hon'ble Supreme Court in the



case of Modern School vs. Union of India (2004) 5 SCC 583 as it would be only an academic exercise.

The school was given a limited notice to explain as to why the arrears of incremental development fee for the period 01/09/2008 to 31/03/2009 in excess of 10% of the arrears of tuition fee, which the school was charging in 2008-09, be not ordered to be refunded. The amount of such excessive arrears recovered by the school was Rs. 9,30,200. The authorized representatives appearing for the school on 19/09/2017 submitted that the aforesaid amount of Rs. 9,30,200 has already been factored in by the Committee in its calculations and despite recovery of such excessive fee, the school was in deficit. He accordingly submitted that since the Committee is also empowered to recommend a hike in fee over and above what was permitted by order dated 11/02/2009 of the Director of Education in a case where the school was able to establish that it had incurred a deficit on implementation of the recommendations of VI Pay Commission, the Committee ought to regularize the excessive arrears of incremental development fee recovered by the school.

The Committee has considered the submissions made by the authorized representative and is of the view that since despite recovery of excessive arrears of incremental development fee amounting to Rs. 9,30,200, the school was in deficit on implementation of the recommendations of VI Pay Commission, this is

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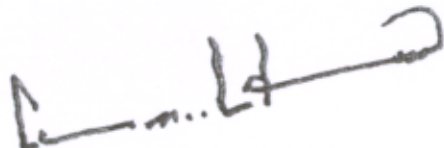
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a fit case where the excessive fee recovered by the school ought to be regularized.

Accordingly, the Committee regularizes the excessive arrears of incremental development fee for the period 01/09/2008 to 31/03/2009 recovered by the school to the tune of Rs. 9,30,200 and is of the view that no intervention is required to be made in the matter of fee hike effected by the school or arrear fee or development fee recovered by it for 2009-10 and 2010-11.

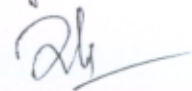
Ordered accordingly.



Justice Anil Kumar (R)
(Chairperson)



CA J.S. Kochar
(Member)



Dr. R.K. Sharma
(Member)

Dated: 31/08/2018



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Delhi High Court Committee for Review of School Fee
(Formerly Justice Anil Dev Singh Committee for Review of School Fee)

CAUSE LIST FOR AUGUST 2018

Cause List for Monday, 20th August 2018

S. No.	Cat. No.	School Name & Address
1	B-508	Review- St. Giri Sr. Sec. School, Rohini
2	B-348	Review- Ahlcon International School, Mayur Vihar, Phase-I
3	B-300	Review - Aadharshila Vidyapeeth, Pitampura
4	B-679	Review - Saraswati Model School, Dwarka
5	B-390	Review - Shanti Gyan Niketan, Goyla Village
6	B-120	The Heritage School, Vasant Kunj
7	B-564	Columbia Foundation School, Vikas Puri
8	B-60	The Heritage School, Sector-23, Rohini

Cause List for Tuesday, 21st August 2018

S. No.	Cat. No.	School Name & Address
1	B-650	St. Columba's School, Ashok Place
2	B-286	Mount Abu Public School, Sect.5, Rohini
3	B-294	Mount Abu Sr. Sec. School, Sect.18, Rohini

Cause List for Thursday, 23rd August 2018

S. No.	Cat. No.	School Name & Address
1	B-285	Mann Public School, Holambi Kalan
2	B-469	St. Peter's Convent, Vikas Puri
3	B-686	Arunodaya Public School, Karkardooma

Cause List for Friday, 24th August 2018

S. No.	Cat. No.	School Name & Address
1	B-665	Review - Kalka Public School, Alaknanda
2	B-378	Review - Dev Samaj Modern School No.2, Sukhdev Vihar
3	B-633	Review - Dev Samaj Modern School, Nehru Nagar
4	B-597	St. Margaret's Sr. Sec. School, Prashant Vihar
5	B-148	Venkateshwar International School, Dwarka

Review orders for pronouncement of Judgment

1	A-138	Shri Ram Bal Bharti School, Mandoli, Shahdara
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Cause List for Monday, 27th August 2018

S. No.	Cat. No.	School Name & Address
1	B-77	Vishal Bharti Public School, Paschim Vihar
2	B-632	St. Colambo Public School, Pitampura
3	B-151	G D Goenka Public School, Vasant Kunj

Cause List for Tuesday, 28th August 2018

S. No.	Cat. No.	School Name & Address
1	B-172	Ganga International School, Saavda Ghevra
2	B-677	Ganga International School, Hiran Kudna

Cause List for Thursday, 30th August 2018

S. No.	Cat. No.	School Name & Address
1	B-237	S.D. Public School, Kirti Nagar
2	B-631	CRPF Public School, Rohini
3	B-335	Bhai Parmanand Vidya Mandir, Surya Niketan

Cause List for Friday, 31st August 2018

S. No.	Cat. No.	School Name & Address
1	B-615	Maxfort School, Parwana Road, Pitmpura
2	B-414	Jindal Public School, Dashrathpuri

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**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE AT NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of School Fee)

In the matter of

St.Giri Sr.Sec.School,

Rohini, New Delhi (B-508)

And in the matter of

Application dated 13.6.2018 for

reconsideration / review of

recommendations dated 14.10.2017


in the matter of school.

Present: Sh.Sanjeev Kumar, Advocate of the school.


The counsel appearing for the school seeks a short adjournment on the ground that the arguing counsel is stranded in Andhra Pradesh. As requested the matter will adjourn to 12th Sept. 2018 at 11.00 A.M.



**JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON**



**J.S. KOCHAR
MEMBER**



**R.K. SHARMA
MEMBER**

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20/08/2018

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**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE AT NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of School Fee)

In the matter of

Ahlcon International School,

Mayur Vihar, Phase-I, Delhi (B-348)

And in the matter of

Application dated 5.5.2018 for

reconsideration / review of

recommendations dated 22.03.2012

in the matter of school.

Present: Sh. Vishal Sehgal, C.A. & Ms. Anita Negi, Accounts Assistant
of the school.

After arguing for sometime the authorized representative
appearing for the school seeks adjournment in order to have legal
opinion in the matter. As requested the matter will adjourn to 12th
Sept. 2018 at 11.00 A.M.

**JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON**

**J.S. KOCHAR
MEMBER**

**R.K. SHARMA
MEMBER**

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**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE AT NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of School Fee)

In the matter of

Aadharshila Vidyapeeth,

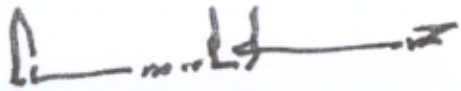
Pitampura, New Delhi (B-300)

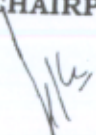
And in the matter of


Application dated 14/3/2018 for
reconsideration / review of
recommendations dated 13/6/2017
in the matter of school.

Present: Ms. Harjeet Kaur, Computer Operator & Sh. Ramesh Garg,
Data Entry Operator of the school

An application has been filed on behalf of the school seeking
adjournment on the ground that the counsel has to appear before
the Hon'ble High Court in some matter. As requested the matter will
adjourn to 24th Sept. 2018 at 11.00 A.M.


JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON


J.S. KOCHAR
MEMBER


R.K. SHARMA
MEMBER

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**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE AT NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of School Fee)

In the matter of

Saraswati Model School,

Dwarka, Delhi (B-679)

And in the matter of

Application dated 24.4.2018 for

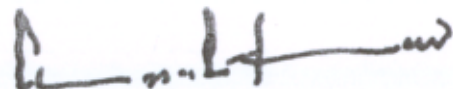
reconsideration / review of

recommendations dated 31.8.2017


in the matter of school.

Present: Sh.Sanjeev Kumar, Advocate of the school.


The counsel appearing for the school seeks a short adjournment on the ground that the arguing counsel is stranded in Andhra Pradesh. As requested the matter will adjourn to 12th Sept. 2018 at 11.00 A.M.



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON



J.S.KOCHAR
MEMBER



R.K. SHARMA
MEMBER

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Sd/-



**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE AT NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of School Fee)

In the matter of

Shanti Gyan Niketan,

Goyal Village, Delhi (B-390)

And in the matter of

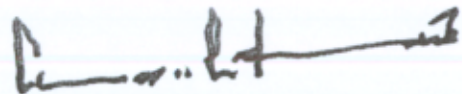
Application dated 20.4.2018 for
reconsideration / review of

recommendations dated 14.2.2017

in the matter of school.

Present: Sh. Sanjeev Kumar, Advocate of the school.


The counsel appearing for the school seeks a short adjournment on the ground that the arguing counsel is stranded in Andhra Pradesh. As requested the matter will adjourn to 12th Sept. 2018 at 11.00 A.M.



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

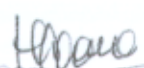


J.S. KOCHAR
MEMBER



R.K. SHARMA
MEMBER

TRUE COPY


Secretary



The Heritage School, Vasant Kunj, Delhi

Present : Sh.Pulkit Malhotra, Advocate of the school.

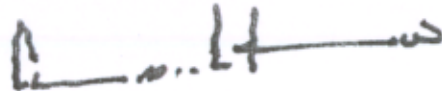
The school has filed an application seeking extension of time for furnishing its rebuttal of the preliminary calculation sheet, on the ground that the school has been preoccupied in various details and documents required by the Directorate of Education for examining the fee hike proposal for the year 2017-18. The Committee notices that sufficient long time was allowed to the school for filing the rebuttal, if any, as the calculation sheet was provided to the school on 4.6.2018. The school is directed to file its reply to the calculation sheet within two weeks. Matter will come up for further hearing on 18th Sept. 2018 at 11.00 A.M.



R.K. SHARMA
MEMBER



J.S. KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

TRUE COPY


Secretary



20/08/2018

000092

B-564

Columbia Foundation School, Vikas Puri, Delhi

Present : Sh.Sanjeev Kumar, Advocate of the school.

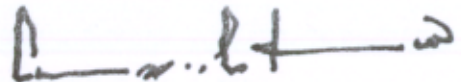
The counsel appearing for the school seeks a short adjournment on the ground that the arguing counsel is stranded in Andhra Pradesh. As requested the matter will adjourn to 12th Sept. 2018 at 11.00 A.M.



R.K. SHARMA
MEMBER



J.S. KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary



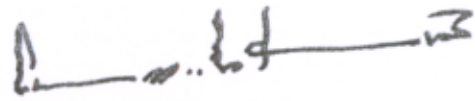
The Heritage School, Sector-3, Rohini, Delhi

Present : Sh. Pulkit Malhotra, Advocate of the school.

The Counsel appearing for the school submits that he has filed an application before the Hon'ble Delhi High Court for stay of proceedings of this Committee till such time the issues listed before the Hon'ble Delhi High Court under WP(C) 7777 of 2009 are decided by the Hon'ble Delhi High Court as case of the school could be covered by some of those issues. However, a copy of the application filed before the Hon'ble High Court has not been filed before this Committee. The learned Counsel is directed to file the copy of the application within two days. Matter will be taken up for further hearing on 18th Sept. 2018 at 11.00 A.M.


R.K. SHARMA
MEMBER


J.S. KOCHAR
MEMBER


JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary



21/08/2018

000094

B-650

St.Columbia' School, Ashok Place, Delhi

Present : Ms.Renu Rana, PA to principal of the school.

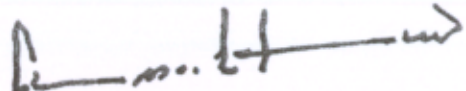
An application has been filed on behalf of the school seeking another date of hearing on account of indisposition of the accountant of the school. As requested the matter will come up for further hearing on 14th Sept. 2018 at 11.00 A.M.



**R.K. SHARMA
MEMBER**



**J.S.KOCHAR
MEMBER**



**JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON**

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Secretary



Mount Abu Public School, Sector-5, Rohini, Delhi

Present : Sh.Puneet Batra, Advocate & Sh.Bharat Arora, Treasurer, of the school.

The last substantive hearing in this matter took place on 12th January 2018 when the school was required to file the following statements/documents:

1. Details of payment of about Rs.4 lacs made towards arrear salary paid to the staff after 2010-11 out of the total outstanding balance of Rs.29,82,681.
2. Copies of speed post receipts and proof of dispatch of cheques for the remaining 25 lacs approximately which were still outstanding as Sh.Bharat Arora Treasurer of the parents society made a submission that the entire amount will be paid before the next date of hearing .
3. Copy of the audited balance sheet as on 31.3.2017.
4. Statements showing mode of payment to salary to the staff in the years 2008-09 and 2009-10 as per the web notice issued by the Committee in 2015.
5. Basis of breakup of fee given in the information sheet filed by the school as the accounts of the school showed that the entire collection is in only one head i.e. Gross Fee.
6. Copies of fee schedules for the years 2008-09 and 2009-10, which were not available on the record of the Committee.
7. Copies of the split balance sheet of the parent society for the years 2007-08 to 2010-11 along with consolidated audited balance sheet of the parent society.

The school was also required to produce its financial accounts in a lap top for the year 2009-10.

During the course of hearing today, the learned counsel appearing for the school submits that on 21.8.2018 it was advertantly stated that Rs.4 lacs out of the outstanding arrear salary was paid after 31.3.2011. In actual fact no payment had been made after the date and the entire amount of Rs.29 ,82,681 was still outstanding . A detail showing issuance of cheques amounting to Rs.8,96,631 between 12th May 2018 and 21 August 2018 has been filed today out of which cheques amounting to Rs.8,39,956 have been encashed for which the school has furnished a statement verified by State Bank of India, Rohini Branch. One cheque for Rs.56,675 which has purportedly been issued on 14.5.2018 to Sunita Sharma has not been encashed yet. The school has neither filed a copy of the cheque nor particulars showing its dispatch to the employee. The remaining amount of Rs.20,86,050 has admittedly not been paid till date.

Contrary to what was stated by Sh.Bharat Arora on 21.8.2018, the school did not dispatch the cheques to all the staff members or ex staff members by speed post, as undertaken by him, during the last 7 months.

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[Signature]
Secretary



The mode of payment of salaries to the staff in the year 2008-09 and 2009-10 has not been filed by the school.

With regard to break up of fee, the school has expressed its inability to furnish the same as it is stated that the DCR(Daily Collection Register) in which the break up of fee was available was lost by the school on 21.07.2018 while bringing it from the office of the auditors in a car which was stolen on that date. The school has filed a copy of an FIR filed through web application on 22.07.2018.

The fee schedules for 2008-09 & 2009-10 have not been filed by the school nor the split balance sheet for the year 2009-10 has been filed. The school has also not filed consolidated audited balance sheet of the society for any of the years.

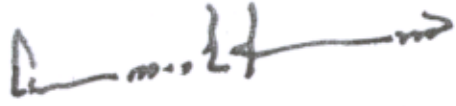
The counsel appearing for the school request for one more opportunity to make good the deficiencies. Although the school has given ample time for furnishing the above mentioned documents, one last opportunity is granted to produce/file the remaining documents in the interest of justice. Matter will come up for further hearing on 6th Sept. 2018 at 11.00 A.M.



R.K. SHARMA
MEMBER



J.S. KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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21/08/2018

000097

B-294

Mount Abu Sr.Sec.School, Sector-18,Rohini,Delhi

Present : Sh.Puneet Batra, Advocate of the school.

At the request of the counsel the matter is adjourned to 6th September 2018 when the matter of Sector -05 school is also fixed for hearing

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R.K. SHARMA
MEMBER

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J.S.KOCHAR
MEMBER

1-11-24

JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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23/08/2018

000098

B-285

Mann Public School, Holambi Kalan, Delhi

Present : Sh.Bharat Rattan, C.A., Sh.Brijesh Sharma, Accountant &
Sh. Mubarak Hussain, Accounts Asstt. of the school.

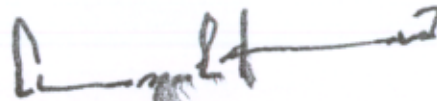
The Calculation sheet is not yet ready. Accordingly, the matter
is adjourned to 07th September 2018.



R.K. SHARMA
MEMBER




J.S. KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary



St. Peter's School, Vikas Puri, Delhi

Present : Sh. Manmohan Sharma, C.A., Sh. Sanjeev Kumar, Accountant & Sh. Jitender Kumar Sharma, Accountant of the school

The school filed written submissions dated 23rd August 2018 alongwith which it has enclosed evidence of disbursement of further sum of Rs.1,56,550 towards part arrears of salary paid to eight employees who are still on the rolls of the school. It has also enclosed copies of courier receipt in respect of communication sent to six ex-employees of the school to whom it intends to pay a sum of Rs.1,54,189 towards part arrears. It is submitted that they would be paid as and when they contact.

The Committee has prepared a calculation sheet as per which it appears that the school may be required to refund a sum of Rs.21,33,974 out of development fee collected for the years 2009-10 & 2010-11 after setting off the deficit on partial implementation of recommendations of the 6th pay commission, as worked out by the Committee. The school may file its rebuttal, if any, within two weeks. It is also expected that the school will be able to locate the ex-employee in the meantime and pay the amount of arrears which it intends to pay. Matter will come up for further hearing on 7th Sept. 2018 at 11.00 A.M.

24
R.K. SHARMA
MEMBER

J.S. KOCHAR
MEMBER

JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary



Arunodaya Public School, Karkardooma, Delhi

Present : Ms.Sangeeta Nagar, Principal & Sh.Bhagsar Singh,
Accountant of the school.

The school has filed written submissions dated 23.8.2018 in response to the calculation sheet which was provided to it vide which a sum of Rs.44,26,917 was provisionally determined to be refundable to the students. The school has disputed the figure of investments in FDRs with accrued interest which the Committee had provisionally taken to be Rs.59,01,069 on the basis of the financials of the school as well as the society. The school has submitted that out of these FDRs, FDRs amounting to Rs. 8 lacs approximately are in the joint name of the school, Director of Education/Secretary CBSE and as such are not available for the purpose of payment of increased salaries/arrears on account of implementation of the recommendations of the 6th pay commission. It is submitted that if this amount of Rs. 8 lacs is excluded, the school would be required to refund of Rs.36,26,917, as per the determination of the Committee. It is further submitted that the school still has a liability to pay arrears of salary to the staff which became due to them on account of implementation of the recommendation of 6th pay commission and the school utilized the aforesaid sum of Rs.36,26,917 for the purpose of payment of such arrears to the staff on a proportionate basis as the total outstanding liability is Rs.39,30,414.

The Committee does not see any justifiable reason for withholding the remaining amount of Rs.3,03,497 particularly when it has taken into consideration that the school ought to keep funds in reserve for future contingencies amounting to Rs.35,77,081. The Committee leaves it to the school to take appropriate decision in the matter and revert back on 7th Sept. 2018 at 11.00 A.M.


R.K. SHARMA
MEMBER


J.S.KOCHAR
MEMBER


JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary



000101

**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE AT NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of School Fee)

In the matter of

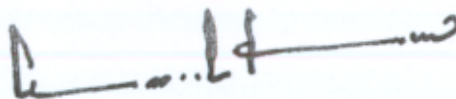
Kalka Public School,
Alakhnanda, Delhi. (B-665)

And in the matter of

Application dated 13.07.2018 for
reconsideration / review of
recommendations dated 11.04.2017
in the matter of school.

Present: Sh.Sanjeev Kumar, Advocate of the school.

Counsel appearing for the school seeks adjournment. As
requested the matter is adjourned for 4th Sept. 2018 at 11.00 A.M.



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON



J.S. KOCHAR
MEMBER



R.K. SHARMA
MEMBER

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Secretary



000102

**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE AT NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of School Fee)

In the matter of

Dev Samaj Modern School No.2

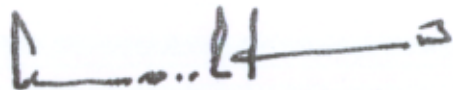
Sukhdev Vihar, Delhi (B-378)

And in the matter of

Application dated 13.07.2018 for
reconsideration / review of
recommendations dated 31.01.2018
in the matter of school.

Present: Sh. Sanjeev Kumar, Advocate of the school.

Counsel appearing for the school seeks adjournment. As
requested the matter is adjourned for 4th Sept. 2018 at 11.00 A.M



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON



J.S. KOCHAR

MEMBER



R.K. SHARMA

MEMBER

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**BEFORE DELHI HIGH COURT COMMITTEE FOR REVIEW OF
SCHOOL FEE AT NEW DELHI**

(Formerly Justice Anil Dev Singh Committee for review of School Fee)

In the matter of

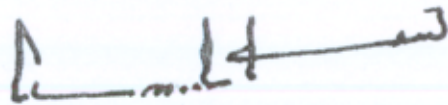
Dev Samaj Modern School,
Nehru Nagar, Delhi (B-633)

And in the matter of

Application dated 13.07.2018 for
reconsideration / review of
recommendations dated 31.01.2018
in the matter of school.

Present: Sh.Sanjeev Kumar, Advocate of the school.

Counsel appearing for the school seeks adjournment. As
requested the matter is adjourned for 4th Sept. 2018 at 11.00 A.M.



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON



J.S. ROCHAR
MEMBER



R.K. SHARMA
MEMBER

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Secretary



24/08/2018

000104

B-597

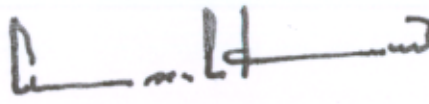
St.Margarat's Sr. Sec.School, Prashant Vihar, Delhi

Present : Ms.Poonam Sehgal, Office Suptd. Of the school

An application has been filed on behalf of the school seeking a short adjournment on account of non availability of its counsel today. As requested, the matter is adjourned for 14th Sept. 2018 at 11.00 A.M.


R.K. SHARMA
MEMBER


J.S.KOCHAR
MEMBER


JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

TRUE COPY


Secretary



Venkateshwar International School, Dwarka, Delhi

Present :Sh.Kamal Solanki, Director, Sh.Harish Sharma, Admn.Officer
& Sh.Gauri Shankar Garg, Accounts officer of the school.

The school has filed a fresh rebuttal to the calculation sheet which the authorized representatives appearing for the school submit ought to be considered in preference to the rebuttal filed earlier on 2.07.2018. The Committee has considered the submissions made by the school and heard the authorized representatives at length.

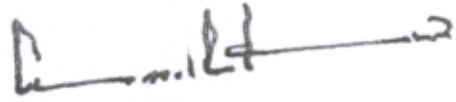
Recommendations reserved.



R.K. SHARMA
MEMBER



J.S.KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary



Vishal Bharti Public School, Paschim Vihar, Delhi

Present : Sh. Manu RG Luthra, CA, Sh.Sunil Goel, Manager & Sh.Praveen Kumar, Accountant of the school.

The learned authorized representative appearing for the school submits that in the calculation sheet pertaining to the diversion of funds or repayments of loans and capital expenditure etc. an error has crept in so far as the amount considered as repayment of secured loans does not factor in the fresh loans taken during the years 2006-07 to 2009-10 as the same did not appear in the receipt and payment accounts which was erroneously omitted on account of fact that the payments were made directly by the bank to the suppliers of fixed assets and as such were not routed through the bank account of the school. The Committee is of the view that for the same reason the figures taken by it representing purchase of fixed assets would also be erroneous. The school is directed to file corrected receipt and payment accounts for the years 2006-07 to 2009-10 after which the calculation sheet may have to be revised. The same be done within 4 weeks. The Matter will come up for further hearing on 9th October 2018 at 11.00 A.M. A longer date has been given at the specific request of the authorized representative appearing for the school.

21

R.K. SHARMA
MEMBER

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J.S.KOCHAR
MEMBER

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JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Hare
Secretary

St.Colambo Public School, Pitampura, Delhi

Present : Mrs. Rakesh Dutt, Principal & Ms. Bhawani Devi, Accounts Head of the school.

A copy of the revised calculation sheet has been provided to the principal of the school for rebuttal, if any. The school may file its written submissions on or before the next date of hearing. Matter will come up for further hearing on 6th Sept. 2018 at 11.00 A.M.


R.K. SHARMA
MEMBER


J.S.KOCHAR
MEMBER


JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary



27/08/2018

000108

B-151

G.D.Goenka Public School, Vasant Kunj, Delhi

Present : Sh.Birender Singh, Accounts Officer of the school.

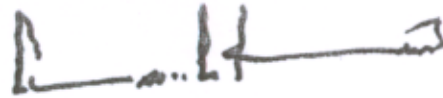
An application has been filed on behalf of the school seeking further time of 4 weeks for filing rebuttal to the calculation sheet. Matter is adjourned to 17th Sept. 2018 at 11.00 A.M. and is expected that the school will not seek further time.



R.K. SHARMA
MEMBER



J.S. KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary

28/08/2018

000109

B-172

Ganga International School, Saavda Ghevra, Delhi

Present : Sh.Harbans Singh, Accountant & Sh.Agasti Kumar, Accountant of the school.

An application has been filed on behalf of the school seeking adjournment for 17th Sept. 2018 on account of non availability of Sh. Kamal Gupta, Advocate, today who was to appear in this matter. The representative appearing on behalf of the school submits that the date 17/09/2018 is being requested for, after ascertaining the availability of Sh. Kamal Gupta on that date.

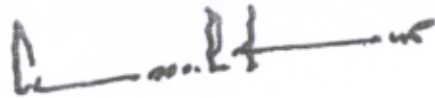
Matter is accordingly adjourned to 17/09/2018 at 11.00 A.M.



**R.K. SHARMA
MEMBER**



**J.S. KOCHAR
MEMBER**



**JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON**

TRUE COPY


Secretary



28/08/2018

000110

B-677

Ganga International School, Hiran Kunda, Delhi

Present : Sh. Sunil Bhatia, Account Assistant of the school.

An application has been filed on behalf of the school seeking adjournment for 17th Sept. 2018 on account of non availability of Sh. Kamal Gupta, Advocate, today who was to appear in this matter. The representative appearing on behalf of the school submits that the date 17/09/2018 is being requested for, after ascertaining the availability of Sh. Kamal Gupta on that date.

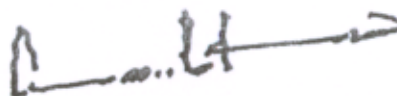
Matter is accordingly adjourned to 17/09/2018 at 11.00 A.M.



R.K. SHARMA
MEMBER



J.S. KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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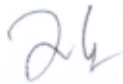

Secretary



S.D.Public School, Kirti Nagar, Delhi

Present : Ms.Anjali Magoo, Head of School, Sh.S.K. Saini, Head Clerk & Sh.Ravi Chauhan, Office Asstt. of the school.

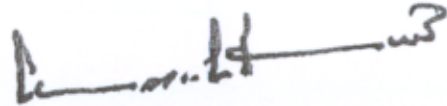
The school has filed a letter dated 30.08.2018 giving particulars of the fee concession given to the students in the years 2008-09 and 2009-10 and also the details of computer charges and uniform expenses which has been included in the establishment expenses in the financials of the school. It is submitted that it ought to be considered as part of the salary and allowed as per rule 177 of Delhi School Education Rules 1973. The school has stated in the letter that the salary to the staff was paid by means of individual account payee cheques and in evidence thereof, it has stated that the copies of the salary registers and bank statements are enclosed. However, they are not found to have been enclosed with the letter. The authorized representatives appearing for the school seek a short date for submitting copies of the salary registers and bank statements. As requested, the matter is adjourned to 4th Sept. 2018 at 11.00 A.M. for doing the needful.



R.K. SHARMA
MEMBER



J.S.KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary



CRPF Public School, Rohini, Pitampura Delhi

Present : Ms.Sugna, UDC & Ms. Anu Anand, Asstt. Programmer of the school.

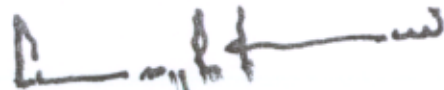
On 9th July 2018 the school was required to furnish the Receipt and Payment accounts for the years 2006-07 to 2010-11 of the main school and also file details of accrued liabilities of leave encashment. The school has sent scanned copies of the Receipt and Payment accounts for the years 2007-08, 2008-09, 2009-10 and 2010-11 and a calculation sheet showing liabilities of leave encashment as on 31.3.2011. The school has not furnished the Receipt and Payment account for the year 2006-07 and the detail of leave encashment was also required to be filed as on 31.3.2010 and not as on 31.3.2011. The authorized representative appearing for the school submits that this has happened inadvertently. The hearing is adjourned to 4th Sept. 2018 at 11.00 A.M. for making up the deficiencies in the documents.



R.K. SHARMA
MEMBER



J.S.KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary

Bhai Parmanand Vidya Mandir, Surya Niketan, Delhi

Present : Sh.Pramod Gupta, Advocate, Ms. Manogya Singh, Advocate, Ms. Ankita Khanna, Advocate, Sh.Rahul Jain, C.A. and Sh. Brij Bhushan Ojha, Accountant of the school.

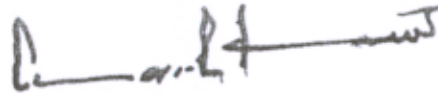
After arguing for sometime the learned counsel seeks adjournment to answer the queries raised by the Committee. He states that he requires to cite some precedents in support of his contentions. He also states that he will submit his reasons in a bullet form before the next date of hearing. The matter is listed for 18th Sept. 2018 at 11.00 A.M.



R.K. SHARMA
MEMBER



J.S.KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary

31/08/2018

000114 B-414

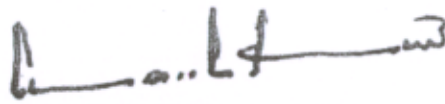
Jindal Public School, Dashrathpuri, Delhi

Present : Sh.Sanasar Katosh, Accountant & Sh. Hareinder Yadav,
Accounts Asstt. of the school.

A copy of the revised calculation sheet has been given to the authorized representative appearing for the school. The school has submitted an application seeking adjournment after 2nd Sept 2018. As requested the matter will come up on 13th September 2018 at 11.00 A.M. for further hearing. The school may file its written submission in rebuttal of the calculation sheet, if so advised.


R.K. SHARMA
MEMBER


J.S.KOCHAR
MEMBER


JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

TRUE COPY


Secretary



Maxfort School, Pitampura, Delhi

Present : Sh. Sachin Vasudeva, A.R & Sh. Manish Hasija, Accountant of the school.

The school has filed copies of Receipt and Payment accounts for the years 2006-07 to 2010-11 as directed by the Committee on 8.5.2018. The school has also filed evidence of payments amounting to Rs.1,95,609 out of a total balance of Rs.4,54,578 which was outstanding after the payments made on an earlier occasion during the course of hearing. With respect to the remaining amount of Rs.2,58,969 payable to four ex employees the school submits that the cheques were sent to their last known addresses by speed post but have been returned by the postal authorities on account of the addresses being untraceable. Copies of the returned speed posts envelopes have been filed by the school. It is submitted that the same may be taken into consideration while making the final recommendations. The school has also filed supplementary written submissions vide which it has sought to revise its reply to the revised questionnaire filed by it under cover of its letter dated 30.09.2013. It is submitted that the earlier reply so far as it is related to the queries regarding development fee and its utilization were erroneous and not supported by the audited financials of the school. The learned authorized representative appearing for the school submits that it was erroneously mentioned that development fee was treated as capital receipt in the accounts. In actual it was treated as a revenue receipt but the amount was available for the purpose of incurring capital expenditure despite its treatment as a revenue receipt in as much as the cash profits of the school, after treating development fee as a revenue receipt were more than amount of development fee. It is further submitted that in the details of utilization of development fee filed alongwith the earlier reply it was erroneously mentioned that the same were utilized for meeting expenses on repair and maintenance, building repair etc. when in actual fact it was utilized for purchase of eligible fixed assets i.e. furniture, fixtures and equipments during 2009-10 & 2010-11, the two years for which the Committee has recommended the refund of fee. He has brought to the notice of the Committee the schedule of fixed assets for these two years which shows that the acquisition of these assets. With regard to maintenance of earmarked depreciation reserve fund, he fairly concedes that during the years 2009-10 and 2010-11, the earmarked depreciation reserve fund was not maintained. However, subsequently during in the year 2015-16 the school created an earmarked depreciation reserve fund by setting aside funds to the tune of Rs.57.96 lacs. The school is required to file an year wise calculation of depreciation reserve fund on assets acquired out of development fee only from the date the school started charging development fee to the year 2015-16 when the amount was set aside towards depreciation reserve fund. The school will also file

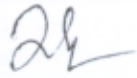
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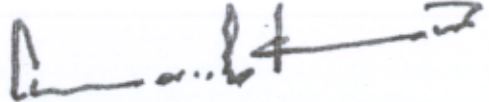
evidence of the amounts kept aside against depreciation reserve fund as on 31.3.2016. The matter is adjourned to 5th October 2018 at 11.00 A.M.



R.K. SHARMA
MEMBER



J.S. KOCHAR
MEMBER



JUSTICE ANIL KUMAR (Retd.)
CHAIRPERSON

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Secretary

