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

No. F.DE.15 (516**)/PSB/2022/** 3008-3012 **Dated:** 17/05/22

Order

WHEREAS, **Merry International Sr. Sec. Public School (School ID-1413216), Sec-07, Rohini, New Delhi-110085,** (hereinafter referred to as **"the School"**), run by the **Merry International Educational and Charitable Society** (hereinafter referred to as the "**Society")**, is a private unaided school recognized by the Directorate of Education, Govt. of NCT of Delhi (**hereinafter referred to as "DoE")**, under the provisions of Delhi School Education Act & Rules, 1973 (**hereinafter referred to as "DSEAR, 1973"**). The School is statutorily bound to comply with the provisions of the DSEAR, 1973 and RTE Act, 2009, as well as the directions/guidelines issued by the DoE from time to time.

AND WHEREAS, every school is required to file a full statement of fees every year before the ensuing academic session under section 17(3) of the DSEAR, 1973 with the Directorate. Such statement is required to indicate estimated income of the school to be derived from fees, estimated current operational expenses towards salaries and allowances payable to employees etc. in terms of rule 177(1) of the DSEAR, 1973.

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

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

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

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

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

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

"27....

(c) It shall be the duty of the Director of Education to ascertain whether terms of allotment of land by the Government to the schools have been complied with...

28. We are directing the Director of Education to look into the letters of allotment issued by the Government and ascertain whether they (terms and conditions of land allotment) have been complied with by the schools.......

.....If in a given case, Director finds non-compliance of above terms, the Director shall take appropriate steps in this regard."

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

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

AND WHEREAS, in pursuance to order dated 27.03.2019 of this Directorate **Merry International Sr. Sec. Public School (School ID-1413216), Sec-07, Rohini, New Delhi-110085** had submitted the proposal for fee increase for the academic session **2019-20**. Accordingly, this order is dispensed off the proposal for enhancement of fee submitted by the said school for the academic session **2019-20**.

AND WHEREAS, in order to ensure that the proposals submitted by the schools for fee increase are justified or not, this Directorate has deployed teams of Chartered Accountants at HQ level who has evaluated the fee increase proposals of the school very carefully in accordance with the provisions of the DSEA, 1973, the DSER, 1973 and other orders/ circulars issued from time to time by this Directorate for fee regulation.

AND WHEREAS, in the process of examination of fee hike proposal filed by the aforesaid School for the academic session 2019-20, necessary records and explanations were also called from the school through email. Further, the school was also provided an opportunity of being heard on 20.11.2019 to present its justifications/ clarifications on fee increase proposal including audited financial statements and based on the discussion, school was further asked to submit necessary documents and clarification on various issues noted.

AND WHEREAS, the reply of the school, documents uploaded on the web portal for fee increase together with subsequent documents/ clarifications submitted by the school were thoroughly evaluated by the team of Chartered Accountants. And based on evaluation of fee proposal of the school the key observations are as under:

A. Financial Observations

1. The Hon'ble High Court of Delhi in its Judgment dated 30.10.1998 in case of Delhi Abibhavak Mahasangh concluded held that "*Tuition Fee cannot be fixed to recover capital expenditure to*

be incurred on the properties of the Society". Also, clause (vii) of order No. F.DE/15/Act/2k/243/KKK/883-1982 dated 10.02.2005 issued by this Directorate states "*Capital Expenditure cannot constitute a component of financial fee structure".*

Further, Rule 177 of DSER, 1973 states "*Income derived by an unaided recognised school by way of fees shall be utilised in the first instance, for meeting the pay, allowances and other benefits admissible to the employees of the school. Provided that, savings, if any, from the fees collected by such school may be utilised by its management committee for meeting capital or contingent expenditure of the school, or for one or more of the following educational purposes, namely award of scholarships to students, establishment of any other recognised school, or assisting any other school or educational institution, not being a college, under the management of the same society or trust by which the first mentioned school is run*".

And the above-mentioned savings shall be arrived at after providing for the following, namely:

a) Pension, gratuity and other specified retirement and other benefits admissible to the employees of the school;
b) The needed expansion of the school or any expenditure of a developmental nature;
c) The expansion of the school building or for the expansion or construction of any building or establishment of hostel or expansion of hostel accommodation;
d) Co-curricular activities of the students;
e) Reasonable reserve fund, not being less than ten percent, of such savings.

From review of the audited financial statements of the School, it was noted that the school purchased two buses in the FY 2017-18 by taking loan of INR 35,14,852. On which the school has paid INR 14,23,128 towards principal repayment and interest thereon out of school funds without complying Rule 177 of DSER, 1973 and orders of the Courts and DoE cited above. As per Rule 177, income of the school should be firstly utilised for meeting the establishment cost including the retirement benefit payable to the employees/ staff of the school. From the documents submitted by the school, it was noted that the school funds were used for purchase of buses while the school is yet to implement the recommendations of 7th CPC. Thus, the school fund which was utilised by the school for repayment of loan and interest cost of INR 14,23,128 has been considered while deriving the fund position of the school with the direction to the school to recover this amount from the society within 30 days from the date of issue of this order.

Accordingly, the amount of INR 5,00,000 proposed by the school against interest cost in FY 2019-20 has also not been considered in the budgeted expenditure of the school while deriving the fund position of the school.

2. Clause 3 of the public notice dated 04.05.1997 published in the Times of India states "*No security/ deposit/ caution money be taken from the students at the time of admission and if at all it is considered necessary it should be taken once and at the nominal rate of INR 500 per student in any case and it should be returned to the students at the time of leaving the school along with the interest at the bank rate.*"

Further Clause 18 of Order no F.DE/15(56)/Act/2009/778 dated 11.02.2009 states "*No caution money/security deposit of more than five hundred rupees per student shall be charged. The* *caution money thus collected shall be kept deposited in a scheduled bank in the name of the concerned school and shall be returned to the student at the time of his/her leaving the school along with the bank interest thereon irrespective of whether or not he/she requests for refund."*

On review of the financial statements, it has been noted that the school has been collecting caution money from the students. But only principal amount is being refunded to the students at the time of his or her leaving from the school which is not in accordance with the clause 18 of the order dated 11.2.2009 and clause 3 of the Public Noted dated 04.05.1997. The school is hereby directed to comply with the above-mentioned provisions with respect to caution money collected from the student. Further, the amount refundable of INR 4,69,545 as on 31.03.2019 as reported in the audited Financial Statements has been considered while deriving the fund position of the school.

B. Other Observations

1. Rule 176 - 'Collections for specific purposes to be spent for that purpose' of the DSER, 1973 states "*Income derived from collections for specific purposes shall be spent only for such purpose.*"

Para no. 22 of Order No. F.DE./15(56)/ Act/2009/778 dated 11 Feb 2009 states "*Earmarked levies will be calculated and collected on 'no-profit no loss' basis and spent only for the purpose for which they are being charged.*"

Sub-rule 3 of Rule 177 of DSER, 1973 states "*Funds collected for specific purposes, like sports, co-curricular activities, subscriptions for excursions or subscriptions for magazines, and annual charges, by whatever name called, shall be spent solely for the exclusive benefit of the students of the concerned school and shall not be included in the savings referred to in sub-rule (2).*" Further, Sub-rule 4 of the said rule states "*The collections referred to in sub-rule (3) shall be administered in the same manner as the monies standing to the credit of the Pupils Fund as administered.*"

Also, earmarked levies collected from students are a form of restricted funds, which, according to Guidance Note on Accounting by Schools issued by the Institute of Chartered Accountants of India, are required to be credited to a separate fund account when the amount is received and reflected separately in the Balance Sheet.

From the review of the audited Financial Statements of FY 2016-17 to 2018-19, it has been observed that the school charges earmarked levies in the form in the form of Transport Fees and Activity Fees from students. The position of earmarked levies collected, and expenditure incurred by the school during the last three financial years has been derived as under:

(Figures in INR)

Particulars	**Transport Fees^**	**Activity Fees**	**IP Fees**
For the year 2016-17			
Fee Collected during the year (A)	22,10,086	4,51,427	
Expenses during the year (B)	14,29,539	1,57,580	
Difference for the year (A-B)	**7,80,547**	**2,93,847**	
For the year 2017-18			
Fee Collected during the year (A)	27,71,782	3,45,088	
Expenses during the year (B)	26,10,263	2,05,690	

Particulars	Transport Fees^	Activity Fees	IP Fees
Difference for the year (A-B)	**1,61,519**	**1,39,398**	
For the year 2018-19			
Fee Collected during the year (A)	31,05,946	5,60,748	2,400
Expenses during the year (B)	24,97,748	2,25,289	-
Difference for the year (A-B)	**6,08,198**	**3,35,459**	**2,400**
Total	**15,50,264**	**7,68,704**	**2,400**

^The transport expenses include salary to drivers etc, repairs and maintenance and fuels of vehicles, insurance charges and interest cost.

Further, the aforementioned Guidance Note lays down the concept of fund based accounting for restricted funds, whereby upon incurrence of expenditure, the same is charged to the Income and Expenditure Account ('Restricted Funds' column) and a corresponding amount is transferred from the concerned restricted fund account to the credit of the Income and Expenditure Account ('Restricted Funds' column). However, school has not been following fund-based accounting in accordance with the principles laid down by aforesaid Guidance Note. As the school has been generating surplus from earmarked levies, which has been utilised for meeting other expenses of the school. Therefore, the school is directed to maintain separate fund account depicting clearly the amount collected, amount utilised and balance amount for each earmarked levy collected from students. Unintentional surplus / deficit, if any, generated from earmarked levies has to be utilized or adjusted against earmarked fees collected from the users in the subsequent year.

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

2. Clause 7 of order No. DE. 15 /Act/Duggal.com/203/99/23033-23980 dated 15.12.1999 states "Development *fee may be charged for supplementing the resources for purchase, upgradation and replacement of furniture, fixture and equipment. Development fee, if required to be charged shall be treated as capital receipt and shall be collected only if the school is maintaining depreciation reserve fund, equivalent to the depreciation charged in the revenue accounts and the collections under this head along with income generated from the investment made out of this fund, will be kept in a separately maintained development fund account".* And this was also upheld by the Supreme Court in case of Modern School vs. Union of India & Ors through its judgement dated 27 April 2004.

Also, clause 14 of Order No. F.DE. /15 (56)/ Act/2009/778 dated 11.02.2009 states "*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.*"

From review the audited Financial Statements of the FY 2016-17 to 2018-19, it was noted that the school has utilised development fund/fee for purchase of Library Books INR 4,762 and installation of Rainwater Harvesting INR 57,089 which is not in accordance with the clause 14 of the order dated 11.02.2009. As per clause 14 of the order dated 11.02.2009, the development fund/fee can only be utilised for purchase, upgradation and replacement of furniture, fixture and equipment.

Thus, the school is hereby directed to ensure that the development fund is to be utilized only towards purchase, upgradation and replacement of furniture, fixture and equipment in accordance with clause 14 of the order dated 11.02.2009. Any other capital expenditure should be met out of savings computed in accordance with Rule 177 of DSER, 1973.

3. As per Accounting Standard 15 - 'Employee Benefits' issued by the Institute of Chartered Accountants of India states "*Accounting for defined benefit plans is complex because actuarial assumptions are required to measure the obligation and the expense and there is a possibility of actuarial gains and losses.*" Further, the Accounting Standard defines Plan Assets (the form of investments to be made against liability towards retirement benefits) as:

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

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

   On review of financial statements, it has been noted that the school has neither recorded and reported liability towards gratuity and leave encashment in the audited financial statements nor it has been determined by the actuary in accordance with AS-15 issued by ICAI as of now. During personal hearing the school was asked to provide liability towards retirement benefit. In turn the school submitted total liability for retirement benefit of INR 14,53,891 which was calculated as on 31.03.2018. However, the same was not determined by the actuary. In the absence of actuarial valuation, the amount of liability submitted by the school towards retirement benefit has not been considered while deriving the fund position of the school.

   Accordingly, the school is hereby directed to get the actuarial valuation of its liability for retirement benefit and report the same in its audited financial statement within 30 days from the date of issue of this order. The school is also required to invest an amount equivalent to amount determined by the actuary in a scheme that qualify as "Plan Asset' within the meaning of AS-15.

4. As per para 67 of the Guidance Note on Accounting by Schools issued by the Institute of Chartered Accountants of India, *"The financial statements should disclose, inter alia, the historical cost of fixed assets."*

   While on review of Financial Statements, it has been noticed that the fixed assets purchased out of general fund are shown at written down value and the fixed assets purchased out of development fund are shown at gross block. Which is not consistent with the Guidance Note, Thus, the school is hereby directed to comply with the requirements of Guidance Note issued by ICAI.

5. The school has not prepared Fixed Assets Register (FAR) for keeping track of fixed assets purchased by it. The school should prepare a FAR, which should include details such as asset description, purchase date, supplier name, invoice number, manufacturer's serial number,

location, purchase cost, other costs incurred, depreciation, asset identification number, etc. to facilitate identification of asset and complete details of assets at one place.

During the personal hearing, school mentioned that it will start preparing FAR from FY 2019-2020 onwards. The school is directed to prepare the FAR with relevant details mentioned above. The above being a procedural observation, no financial impact is warranted for deriving the fund position of the school.

6. As per Section 18(5) of the DSEA, 1973, the management committee of every recognised private school shall file every year with the Director such duly audited financial and other returns as may be prescribed, and every such return shall be audited by such authority as may be prescribed.

Further, Rule 180 of DSER, 1973 states " (1) every unaided recognised private schools shall submit the returns and documents in accordance with Appendix-1, (2) Every return or documents referred to in sub-rule (1), shall be submitted to the Director by the 31st day of July of each year.(3) The account and other records maintained by an unaided private school shall be subject to examination by the auditors and inspecting officers authorised by the Director in this behalf and also by any officers authorised by the Comptroller and Auditor General of India"

Section 24 (2) of DSA, 1973 states "The Director may arrange special inspection of any school on such aspects of its working as may, from time to time, be considered necessary by him".

Whereas Appendix-II to Rule 180 specify that "final accounts i.e. receipts, and payment account, income and expenditure and balance sheet of the preceding year should be duly audited by Chartered Accountant.

And It has been noticed that Financial Documents/ Certificates Attested by third person misrepresenting themselves as CA Members are misleading the Authorities and Stakeholders. ICAI is also receiving number of complaints of signatures of CAs being forged by non CAs.

To curb such malpractices, the Professional Development Committee of ICAI has come out with an innovative concept of UDIN i.e. Unique Document Identification Number which is being implemented in phased manner. It will secure the certificates attested/certified by practicing CAs. This will also enable the Regulators/Banks/Third parties to check the authenticity of the documents.

Accordingly, the Council in the 379th meeting of ICAI held on 17.12.2018 and 18 .12. 2018, made mandatory for all practicing member to obtain 18 digits UDIN before issuing any audits reports/ certification etc. in the following manner:

- All Certification done by Practising CAs w.e.f. 01.02.2019.
- All GST & Tax Audit Reports w.e.f. 01.04.2019.
- All other attest functions w.e.f. 01.07.2019.

However, on examination of the financial statements submitted by the school for evaluation of fee increase proposal of FY 2019-20, it has been observed that the financial statements of the school were certified by the Chartered Accountant without mentioning the UDIN as required by the council. This being the procedural observation therefore, the school management are instructed to ensure this compliance from the Auditor of the school.

7. As per Order No. F.DE-15/ACT-I/WPC-4109/Part/13/7905-7913 dated 16.04.2016 "The Director hereby specify that the format of return and documents to be submitted by schools under rule 180 read with Appendix-II of the Delhi School Education Rules, 1973 shall be as per format specified by the Institute of Chartered Accountants of India, established under Chartered Accountants Act, 1949 (38 of 1949) in Guidance Note on Accounting by Schools (2005) or as amended from time to time by this Institute."

Further, Para 58(i) of the Guidance Note states "A school should charge depreciation according to the written down value method at rates recommended in Appendix I to the Guidance Note."

On review of audited Financial Statements for the FY 2018-19, it has been noted that the depreciation on fixed assets have been provided on written down value method at the rates prescribed in the Income Tax Rules, 1962. Therefore, the school is directed to provide depreciation on assets in accordance with the guidance note cited above.

8. As per audited financial statements for the FY 2018-19, reflected a liability of INR 65,18,508 in the name of "Merry International and Charitable Society". However, the purpose of loan has not clarified by the school. Whether it has taken for corpus purpose or loan taken for running of the school. Therefore, the school is instructed to change this loan to corpus fund if loan has not taken for running of school.

9. On review of audited financial statements for the FY 2018-19, it has noticed that the school has taken unsecured loan amounting to INR 6,85,000 from "Manomay Religious". During the personal hearing the school mentioned that the loan may not be required to repay to the society. Thus, based on the explanation provided, the school is directed to reverse this liability and treat it as income in the books of accounts.

After detailed examination of all the material on record and considering the clarification submitted by the School, it was finally evaluated/ concluded that:

i. The total funds available for the FY 2019-20 amounting to INR **1,97,35,099** out of which cash outflow in the FY 2019-20 is estimated to be INR **2,50,90,284.** This results in net deficit amounting to INR **53,55,185** for FY 2019-20 after all payments. The details are as follows:

Particulars	**Amount (in INR)**
Cash and Bank balances as on 31.03.19 as per Audited Financial Statements of FY 2018-19	6,01,251
Investments as on 31.03.19 as per Audited Financial Statements of FY 2018-19	13,13,930
Liquid Fund as on 31.03.2019	**19,15,181**
Add: Amount recoverable from society as school funds have been utilised for repayment of vehicle loan and interest thereon during the FY 2017-18 and 2018-19 **[Refer Financial Observations No. 1]**	14,23,128
Add: Fees as per Audited Financial Statements of FY 2018-19 on the assumption that the amount received in FY 2018-19 will at least accrue in FY 2019-20], **[Refer Note No.1 below]**	1,98,63,269

Particulars	Amount (in INR)
Add: Other Income as per Audited Financial Statements of FY 2018-19 on the assumption that the amount received in FY 2018-19 will at least accrue in FY 2019-20 **(Refer Note No. 1 below)**	1,18,741
Total Available Funds for FY 2019-20	**2,33,20,319**
Less: Development Fund **(Refer Note No. 2 below)**	-
Less: Caution Money balance as on 31.03.2019 **(Refer Financial Observation No. 2)**	4,69,545
Less: Fixed Deposits in the joint name of Manager & DDE, CBSE and Manger, School as on 31.03.2019 **(as per school's submission)**	13,13,930
Less: Staff retirement benefits- Gratuity and Leave Encashment **(Refer Other Observations No. 3 below)**	-
Net Available Funds for FY 2019-20	**2,15,36,844**
Total cash outflow (Revenue Expenditure + Capital Expenditure - Depreciation) (Refer Note 3 below)	2,44,71,000
Net Deficit	**29,34,156**

Note 1: Fee and income as per audited Financial Statements of FY 2018-19 has been considered with the assumption that the amount received in FY 2018-19 will at least accrue during FY 2019-20.

Note 2: As per Clause 14 of this Directorate's Order No. F.DE./15 (56)/ Act/2009/778 dated 11.02.2009 states "*Development fee, not exceeding 15% of the total annual tuition fee may be charged for supplementing the resources for purchase, up gradation 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.*" Whereas it has been noted that the liquid funds available with the school in the form of cash, bank, and investment amounts to INR 19,15,181 whereas the development fund amounts to INR 70,11,825 as on 31.03.2019. Since there is a huge amount of difference in the availability of liquid funds when compared with the development fund balance available with the school. This shows that the school has not carried out proper accounting treatment while maintaining the development fund. Therefore, the development fund balance has not been considered for deriving the fund position of the school.

Note 3: All expense budgeted by the school has been considered while deriving the fund position of the school for the FY 2019-20 except the following:

Particulars	Amount (in INR)	Remarks
Interest on vehicle loan	5,00,000	Refer Financial Observations no -1
Building Security Expenses	3,60,000	Reasonable justification was not provided by the school.
Capital Expenditure – Ground Expenses	6,00,000	In contravention of clause 14 of the order dated 11.02.2009. Further, Reasonable justification was not provided by the school.

ii. In view of the above examination, it is evident that the school does not have surplus fund to meet its budgeted expenditure for the academic session 2019-20 at the existing fee structure. In this regard, the directions issued by the Directorate of Education vide circular no. 1978 dated 16.04.2010 states:

"All schools must, first of all, explore and exhaust the possibility of utilising the existing funds/ reserves to meet any shortfall in payment of salary and allowances, as a consequence of increase in the salary and allowance of the employees. A part of the reserve fund which has not been utilised for years together may also be used to meet the shortfall before proposing a fee increase."

AND WHEREAS, in the light of above evaluation which is based on the provisions of DSEA, 1973, DSER, 1973, guidelines, orders and circulars issued from time to time by this Directorate, it was recommended by the team of Chartered Accountants along with certain financial and other observations that the sufficient funds are not available with the school to carry out its operations for the academic session 2019-20. Accordingly, the fee increase proposal of the school may be accepted.

AND WHEREAS, recommendation of the team of Chartered Accountants along with relevant materials were put before the Director (Education) for consideration and who after considering all the material on the record, and after considering the provisions of section 17 (3), 18(5), 24(1) of the DSEA, 1973 read with Rules 172, 173, 175 and 177 of the DSER, 1973 has found that funds are not available with the school for meeting financial implication for the academic session 2019-20.

AND WHEREAS, it is also noticed that the School has incurred INR 14,23,128 for repayment of vehicle loan and interest thereon in contravention of Rule 177 of the DSER, 1973. Therefore, the school is directed to recover INR 14,23,128 from the society. The amount of above receipt along with copy of bank statement showing the receipt of above-mentioned amount should be submitted with DoE, in compliance of the same, within thirty days from the date of issuance of this order. Non-compliance of this shall be taken up as per DSEA&R, 1973.

AND WHEREAS, it is relevant to mention that Covid-19 pandemic had a wide spread impact on the entire society as well as on general economy. Further, charging of any arrears on account of fee for several months from the parents is not advisable not only because of additional sudden burden fall upon the parents/students but also as per the past experience, the benefit of such collected arrears are not passed to the teachers and staff in most of the cases as was observed by the Justice Anil Dev Singh Committee (JADSC) during the implementation of the 6th CPC. Keeping this in view, and exercising the powers conferred under Rule 43 of DSER, 1973, the Director (Education) has accepted the proposal submitted by the school and allowed an increase in fee by 15% to be effective from 01 July 2022.

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

Accordingly, it is hereby conveyed that the proposal for fee increase for the academic session 2019-20 of **Merry International Sr. Sec. Public School (School ID-1413216), Sec-07, Rohini, New Delhi-110085** is hereby accepted by the Director (Education) and the school is allowed to increase its fee by 15% to be effective from 01 July 2022. Further, the management of said school is hereby directed under section 24(3) of DSEA 1973 to comply with the following directions:

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

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

3. To utilize the fee collected from students in accordance with the provisions of Rule 177 of the DSER, 1973 and orders and directions issued by this Directorate from time to time

Non-compliance of this order or any direction herein shall be viewed seriously and will be dealt with in accordance with the provisions of section 24(4) of Delhi School Education Act, 1973 and Delhi School Education Rules, 1973.

This is issued with the prior approval of the Competent Authority

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

To:
The Manager/ HoS
Merry International Sr. Sec. Public School (School ID-1413216),
Sec-07, Rohini,
New Delhi-110085.
No. F.DE.15(516)/PSB/2022/ 3008 – 3012

Dated: 17/05/22

Copy to:

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

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