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

No. F.DE.15 (601) / PSB / 2022 / 3534 – 3538 Dated: 25/05/22

ORDER

WHEREAS, **Tagore Public School (School ID- 1720160), Naraina Vihar, Delhi-110028**, (hereinafter referred to as **"the School"**), run by the **Naraina Vihar Tagore Education 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 **Tagore Public School (School ID- 1720160), Naraina Vihar, Delhi-110028** 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 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 18.11.2019 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 after evaluation of fee proposal of the school the key observations are as under:

A. Financial Observations

1. As per clause 2 included in the Public Notice dated 04.05.1997, "*it is the responsibility of the society who has established the school to raise such funds from their own sources or donations from the other associations because the immovable property of the school becomes the sole*

property of the society". Additionally, Hon'ble High Court of Delhi in its judgement dated 30.10.1998 in the case of Delhi Abibhavak Mahasangh concluded that "*The tuition fee cannot be fixed to recover capital expenditure to be incurred on the properties of the society.*" Also, clause (vii) (c) of Order No. F.DE/15/Act/2K/243/KKK/ 883-1982 dated 10.02.2005 issued by this Directorate states "*Capital expenditure cannot constitute a component of the financial fee structure.*"

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

Rule 177 of DSER, 1973 *states "(1) 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 managing committee for meeting for meeting the capital or contingent expenditure of the school, or for one or more of the following educational purposes, namely:*

2. *award of the scholarships to students,*
3. *establishment of any other recognised school, or*
4. *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.*

(2) The savings referred to in sub-rule (1) 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 development nature,*
- *(c) the expansion of the school building or for the expansion or construction of any building or establishment of hostel or expansion or construction of any building or establishment of hostel or expansion of hostel accommodation,*
- *(d) co-curricular activities of the students,*
- *(e) reasonable reserve fund, not being less than ten percent, of such savings."*

Therefore, as per Rule 177 of DSER, 1973 income derived by an unaided recognised school by way of fees shall be utilised in the first instance, for meeting the pay, allowances and other benefits admissible to the employees of the school.

On review of audited Financial Statements of the school for FY 2016-17 to FY 2018-19, it has been noted that the school has reflected additions to building or capitalised the building for INR 28,43,631 which should have been incurred by the Society. Moreover, school has not ensured the compliance of Rule 177 of DSER, 1973 and has utilised school funds for building construction. Accordingly, school funds utilised for building is hereby added to the fund position of the school with the direction to the school to recover the same from the society within 30 days from the date of this order.

2. Clause (vii) (c) of Order No. F.DE/15/Act/2K/243/KKK/883-1982 dated 10.02.2005 issued by this directorate states "*Capital expenditure cannot constitute a component of the financial fee*

structure." 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………*".

Based on the above provisions the school can incur the capital expenditures only after complying the requirement of Rule, 177 of DSER, 1973. However, it was noted that school incurred capital expenditure for purchase of a vehicle for INR 4,83,138 out of school funds during the FY 2018-19 without complying with the requirement of Rule 177 of DSER, 1973. Accordingly, the total expenditure of INR 4,83,138 is hereby added to the fund position of the school with the direction to the school to recover the same from the society within 30 days from the date of issue of this order.

3. Para 57 of Accounting Standard 15 - 'Employee Benefits' issued by the Institute of Chartered Accountants of India states "*An enterprise should determine the present value of defined 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.*"

According to para 7.14 of the Accounting Standard 15 – 'Employee Benefits' issued by the Institute of Chartered Accountants of India, "*Plan assets comprise:*
a) assets held by a long-term employee benefit fund; and
b) qualifying insurance policies."

On review of documents submitted by the school, it has been noted that the school has obtained actuarial valuation in respect of its retirement liability towards Gratuity and Leave Encashment and the has made provisions in its financial statement as per the actuary report. However, it has also been noted that the school has not invested equivalent amount in a fund that qualify as "plan assets" within the meaning of AS-15.

The summary of total liability and amount of invested in plan assets for FY 2016-17, FY 2017-18 and FY 2018-19 are as follow:

(Amount in INR)

Particular	Value determined by the Actuary	Provision in Books of Accounts	Investment made in Plan Assets
Retirement benefits for FY 2016-17	99,68,843	99,68,843	-
Retirement benefits for FY 2017-18	1,23,25,119	1,23,25,119	-
Retirement benefits for FY 2018-19	1,38,75,119	1,38,75,119	-

Since, the school has not invested equivalent amount of its liability in plan asset within the meaning of AS-15. Therefore, liability towards retirement benefits of INR 1,38,75,119 has not been considered while deriving the fund position of the school with the direction to the school to invest this amount in plan assets within 30 days from the date of issue of this order. Further, retirement benefits amounting to INR 15,00,000 proposed during the FY 2019-20 has also not been considered while deriving the fund position of the school.

4. Para 99 of Guidance Note on Accounting by Schools (2005) issued by the Institute of Chartered Accountants of India states "*Where the fund is meant for meeting capital expenditure, upon incurrence of the expenditure, the relevant asset account is debited which is depreciated as per the recommendations contained in this Guidance Note. Thereafter, the concerned restricted fund account is treated as deferred income, to the extent of the cost of the asset, and is transferred to the credit of the income and expenditure account in proportion to the depreciation charged every year.*" Further, Para 102 of the aforementioned Guidance Note states "*In respect of funds, schools should disclose the following in the schedules/notes to accounts:*

   i. *In respect of each major fund, opening balance, additions during the period, deductions/utilisation during the period and balance at the end;*
   ii. *Assets, such as investments, and liabilities belonging to each fund separately;*
   iii. *Restrictions, if any, on the utilisation of each fund balance;*
   iv. *Restrictions, if any, on the utilisation of specific assets.*"

   Also, para 67(ii) of the aforementioned Guidance Note states "*The financial statements should disclose, inter alia, the historical cost of fixed assets.*"

   However, on review of audited Financial Statements of the school it has been noted that the school has not followed the accounting treatment prescribed in GN – 21 "Accounting by Schools" issued by the ICAI. From the presentation made in the financial statements, it has been noted that upon utilisation of development fund the School has not treated deferred income equivalent to the fixed assets purchased out of development fund which is not in accordance with guidance noted cited above. The school has transferred amount from development fund to General Fund account, resulting the overstatement of general fund balance with the notional amount. This is an incorrect presentation of development fund.

   Based on the presentation made in the audited financial statements for FY 2016-17 to FY 2018-19 submitted by the school, it has been noted that depreciation reserve fund was not maintained equivalent to the depreciation charged in the revenue accounts by the school. Further, from the audited financial statements for FY 2016-17, it was noted that the school has created depreciation reserve fund during FY 2016-17, however, the same was not created in accordance with the depreciation charged in the revenue accounts.

   Also, the school has enclosed a consolidated fixed assets schedule giving details of all assets carried over by the school in its audited financial statement for FY 2016-2017 and has not prepared separate fixed assets schedules for assets purchased against development fund and those purchased against general reserve.

   Therefore, the school is directed to follow the accounting treatment as indicated in GN – 21 "Accounting by schools" issued by the Institute of Chartered Accountants of India (ICAI). The school should create a deferred income account equivalent to the cost of fixed assets purchased out of development and transfer an amount equivalent to depreciation charged to the credit of Income and Expenditure Account. Since, the school is not complying the correct accounting treatment as indicated in the guidance note cited above, no adjustment has been made with respect to development fund while deriving the fund position of the school.

Also, the school is directed to comply with the directions included in orders above regarding development fund, depreciation reserve and make necessary rectification entries relating to development fund and depreciation reserve fund. Further, the school should prepare separate fixed assets schedule for assets purchased against development fund and other assets purchased against other reserve/fund.

B. Other Observations

1. Directorate's order no. F.DE-15/PSB (PMU)/Fee Hike/2017-2018/14073-082 dated 07.04.2017 regarding fee increase proposals for FY 2017-2018 states "*Schools are strictly directed not to increase any fee until the sanction is conveyed to their proposal by Director of Education.*" Further, Directorate's order no. F.DE-15/WPC-4109/Part/13/7914-7923 dated 16.04.2016 regarding fee increase proposals for FY 2016-2017 stated "*In case, the schools have already charged any increased fee prior to issue of this order, the same shall be liable to be adjusted by the schools in terms of the sanction of the Director of Education on the proposal.*"

As per the order dated 19.01.2016 issued by the Hon'ble High Court of Delhi, every recognized unaided schools whom land was allotted by DDA shall not increase the rate of fees without the prior sanction of DoE. Further, as per the directions of Supreme Court in ***Modern School vs. Union of India & Ors.*** (supra), a Circular dated 16.04.2010 has been issued reiterating as under:

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

Moreover, for determination of fee for entry level classes including nursery, the Directorate vide order dated 11.02.2009 and 16.04.2010 has issued detailed guidelines to be followed for determination of fee under various heads and it has been emphasized that the rate of tuition fee shall be determined so as to cover the standard cost of establishment including provisions for DA, bonus etc. and all terminal benefits, and also the expenditure of revenue nature concerning curricular activities. The school is being run by the society on "no profit no loss" basis, and in the guise of autonomy, the school cannot adopt unfair practice while determining the fee. The fee should be commensurate with the expenditure incurred by a school for providing educational facilities in a particular class or earmarked levies should commensurate with the specific facilities or services provided to a particular student. The provision regarding determination of fee and fee hike under the DSEAR, 1973 and circulars issued in this regard are equally applicable to all classes including entry level classes.

Further, as per order no. F.DE/ACT-I/WPC – 4109/PART/13/922-926 dated 26th September 2017 it was noted that Director (Education) has decided to allow the school to increase the existing fee by 10% for the session 2016-17 w.e.f. 1st April 2018. However, the documents submitted by the school were taken on record and on review of the same it has been noted that the school has increased the fee for the FY 2017-18 without obtaining prior approval from the Director of Education. Head wise increase of fee done by the school has been tabulated below:

(Amount in INR)

Class	Heads of Fee	FY 2016-17	FY 2017-18
Nur	Tuition Fee	2330	2560
	Development charges	330	365
	Annual Fee	2000	2500
Prep	Tuition Fee	2120	2330
	Development charges	210	230
	Annual Fee	2000	2500
I & II	Tuition Fee	2050	2255
	Development charges	215	235
	Annual Fee	2000	2500
III to IV	Tuition Fee	2120	2310
	Development charges	210	250
	Annual Fee	2000	2500
V to VII	Tuition Fee	2180	2395
	Development charges	240	265
	Annual Fee	2200	2700
VIII	Tuition Fee	2290	2515
	Development charges	240	265
	Annual Fee	2200	2700
IX	Tuition Fee	2360	2590
	Development charges	300	330
	Annual Fee	2500	3000
X	Tuition Fee	2495	2735
	Development charges	305	335
	Annual Fee	2500	3000
XI & XII	Tuition Fee	3060	3360
	Development charges	320	350
	Annual Fee	3000	3500

Thus, from the above table it is clear that the school increased fee without prior approval of the Directorate, which was in contravention of aforementioned orders.

The details of increase in fee in FY 2017-18 has not been provided and therefore, no adjustment can be made in the calculation of fund available with the school. In absence of details of increased fee collected, fee adjusted/refunded and remaining amount of increase fee, if any, the income reported by the school as per its audited financial statements for FY 2018-19 has been considered while deriving the fund position of the school for FY 2019-20.

The school is hereby directed to prepare detailed reconciliation of increased fee collected in FY 2017-18 and submit evidence of adjustment/refund of increased fee within 30 days from the date of this order. Further, the school is directed not to increase any fee of any class without prior approval of the Director, Education.

2. As per Order No. DE.15/Act/Duggal.Com/ 203/99/23033-23980 dated 15.12.1999, the recognised private unaided school can collect following fees from the students/ parents:
   - Registration Fee
   - Admission Fee
   - Caution Money
   - Tuition Fee
   - Annual Charges
   - Earmarked Levies
   - Development Fee

   The aforementioned order was also upheld by the Hon'ble Supreme Court in the case of Modern School vs Union of India & Others.

   The documents submitted by the school were taken on record and on review of the same it has been noted that School's fee structure include Activity charges, which is collected from all students and based on details submitted by the school, utilised on co-curricular activities. The 'Activity Charges' fee has not been defined for recognised private unaided school and the purposes for which the school has utilised the same is covered under 'Annual Charges' collected by the school from students and thus, the school is directed to stop collection of activity charges from students with immediate effect. For the purpose of evaluation of the fee increase the activity charges has been included in the income while deriving the fund position of the school.

   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.

3. On examination of the documents submitted by the school for student strength during FY 2016-17 to FY 2018-19 and taken on record, it was noted that the EWS students fell short of 25%. The admission allowed under EWS category in FY 2016-17, FY 2017-18 and FY 2018-19 was as under:

Particulars	**FY 2016-17**	**FY 2017-18**	**FY 2018-19**
Total Students	1,102	1,117	1,177
EWS Students	124	125	157
% of EWS students	11.25%	11.19%	13.34%

   Thus, the school is directed to ensure that students from Economically Weaker Sections are admitted to the school as per the condition of land allotment, provisions of DSEA, 1973, Right to Education Act, 2009 and Directorate's directions in this regard. Compliance of the same shall be verified during evaluation of subsequent fee increase proposal as may be submitted by the school.

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

i. The total funds available for the year 2019-20 amounting to INR **5,13,97,786** out of which cash outflow in the year 2019-20 is estimated to be INR **4,43,81,799**. This results in net Deficit of INR **70,15,987**. The details are as follows:

Particulars	**Amount (INR)**
Cash and Bank balances as on 31.03.19 (as per audited Financial Statements of FY 2018-19)	40,38,348
Investments (Fixed Deposits) as on 31.03.19 (as per audited Financial Statements of FY 2018-19)	8,12,458
Available funds	**48,50,806**
Fees for 2018-19 as per audited Financial Statements on the assumption that the amount received in FY 2018-19 will at least accrue in FY 2019-20	4,27,91,825
Other income for 2018-19 as per audited Financial Statements on the assumption that the amount received in FY 2018-19 will at least accrue in FY 2019-20	4,28,386
Add: Recovery of additions to building reflected in financial statement for FY 2016-17 to FY 18-19 **[Refer Financial Observation No. 1]**	28,43,631
Add: Recovery of additions to vehicles reflected in financial statement for FY 18-19 **[[Refer Financial Observation No. 2]**	4,83,138
Less: Retirement benefits **[Refer Financial Observation No. 3]**	-
Less: Development Fund **[Refer Financial Observation No. 4]**	-
Estimated availability of funds for 2019-20	**5,13,97,786**
Total cash outflow (Revenue Expenditure + Capital Expenditure - Depreciation) (Refer Note 1 & 2 below)	4,43,81,799
Less: Arrears of salary as per 7th CPC (Refer Note 3 below)	-
Net Surplus	**70,15,987**

Note 1: As per Rule 177 of DSER, 1973, income derived by an unaided recognised school by way of fees shall be utilised in the first instance, for meeting the pay, allowances and other benefits admissible to the employees of the school. Provided that savings, if any, from the fees collected by such school may be utilised by its management committee for meeting capital or contingent expenditure of the school. The school has planned to incur capital expenditure on Mini theatre of INR 15,00,000 during FY 2019-2020. Since the school has not paid arears of salary, the school is directed not to incur such capital expenses as the same can be purchased only from savings derived in accordance with Rule 177 of DSER, 1973 and complying with other requirements of aforementioned rule. Therefore, the amount has been adjusted while considering the budgeted expenses for FY 2019-2020.

Note 2: All budgeted revenue expenditure proposed by the school has been considered in the above table except the following:

Particulars	**Amount Disallowed**	**Remarks**
Transport expense	5,93,311	Under the following heads the School has proposed expenditure in excess of 10% as compared to the actual

Particulars	Amount Disallowed	Remarks
Digital expense	5,76,591	expenditure incurred in FY 2018-19 for which the school has not offered satisfactory explanation/ justification. Therefore, the aforesaid expenditure in excess of 10% over the previous year have not been considered in the evaluation of fee increase proposal.
Employee Welfare including Retirement Benefits	15,00,000	School has not invested equivalent amount of its retirement benefit liability in plan asset within the meaning of AS-15 (refer financial observation no. 3).
Total	**26,69,901**	

Note 3: The Directorate vide Order No. DE.15 (318)/PDB/2016/18117, dated 25.08.2017, the Managing Committee of all the private unaided recognized schools were directed to implement the Central Civil Revised Pay Rules 2016 in respect of the regular employees of the corresponding status in their schools with effect from 01.01.2016 as adopted by the Government of NCT of Delhi vide its circulars No. 30-3(17)/(12)/VII Pay Comm./Coord./2016/110006-11016 dated 19.08.2016 and No. 30-3(17)/(12)/VII Pay Comm./Coord./2016/12659-12689 dated 14.10.2016. Further, vide order No. F.DE.15/ (318)/PSB/2019/11925-30 dated 09.10.2019, the managing committee of all Private Unaided Schools once again directed to implement the recommendation of 7th CPC with effect 01.01.2016 within 15 days from the date of issue of aforesaid order.

Further, section 10 of DSEA states "the scales of pay and allowances, medical facilities, mention, gratuity, provident fund and other prescribed benefits of the employees of recognized private school shall not be less than those of the employees of the corresponding status in school run by the appropriate authority". Therefore, employees of all the private unaided recognized schools are entitled to get the revised pay commission. This legal position has been settled by the Hon'ble High Court long back at the in the matter of WPC 160/2017; titled as Lata Rana Versus DAV Public School & Ors vide order dated 06.09.2018 for implementation of sixth pay commission recommendations.

It has been noted that School Management has not yet implemented the recommendations of 7th CPC with effect from 01.01.2016 on the ground of insufficient funds with the school. Further, school has submitted the employee wise total expenditure estimate of increase in salary as per 7th CPC amounting to INR 5,11,593 per month (61,39,104 yearly). However, school has not provided the detailed year wise, and employee wise calculation of salary arears and therefore, no adjustment can be made in the calculation of fund available with the school. Hence, the school is directed to implement the recommendations of 7th CPC in full within 30 days from the date of issue of this order. A strict action against the school would be initiated u/s 24(3) of DSEA, 1973 for non-compliance with the direction cited above.

ii. In view of the above examination, it is evident that the school has sufficient funds to carry on the operation of the school for the academic session 2019-20 on the existing fees structure. In this regard, Directorate of Education has already issued directions to the schools vide order dated 16.04.2010 that, *"All schools must, first of all, explore and exhaust the possibility of 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 that along with certain financial and other observations, that the sufficient funds are 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 rejected.

AND WHEREAS, it is noticed that the school has utilised INR 33,26,769 in contravention of provisions of DSER, 1973 and other orders issued by the departments from time to time. Therefore, the school is directed to recover INR 33,26,769 from the society. The amount of above receipt along with copy of bank statements showing receipt of above-mentioned amount should be submitted with DoE, in compliance of the same, within thirty days from the date of issuance of this order. Non-compliance of this shall be taken up as per DSEA&R, 1973.

AND WHEREAS, recommendation of the team of Chartered Accountants along with relevant materials were put before the Director of Education for consideration and who after considering all the material on the record, and after considering the provisions of section 17 (3), 18(5), 24(1) of the DSEA, 1973 read with Rules 172, 173, 175 and 177 of the DSER, 1973 has found that the school has sufficient funds for meeting financial implication for the academic session 2019-20. Therefore, Director (Education) has rejected the proposal submitted by the school to increase the fee for the academic session 2019-20.

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

Accordingly, it is hereby conveyed that the proposal of enhancement of fee for session 2019-20 of **Tagore Public School (School ID- 1720160), Naraina Vihar, Delhi-110028** is rejected by the Director (Education). Further, the management of said school is hereby directed under section 24(3) of DSEA, 1973 to comply with the following directions:

1. Not to increase any fee/charges during FY 2019-20. In case, the school has already charged increased fee during FY 2019-20, the school should make necessary adjustments from future fee/refund the amount of excess fee collected, if any, as per the convenience of the parents.

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
Tagore Public School
School ID 1720160
Naraina Vihar, Delhi-110028

No.F.DE.15 (601)/PSB/2022 / 3534-3538 Dated: 25/05/22

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 (South West A) to 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