

Justice Anil Dev Singh Committee

For

Review of School Fee

Ist Interim Report

Dated:- August 23, 2012

INDEX

S. No.	Particulars	Page no.
1.	CHAPTER 1-Introduction	1-37
2.	CHAPTER 2-Impediments in the Working of the Committee	38-61
3.	CHAPTER 3-Functioning of the Committee	62-65
4.	CHAPTER 4-Methodology Adopted	66-71
5.	CHAPTER 5-Determinations	72-372
6.	CHAPTER 6-Summation	373-392
7.	ANNEXURES	393-537

CHAPTER-1

Introduction

1. The Hon'ble Delhi High Court vide its Order dated August 12, 2011 in Writ Petition (C) Nos. 7777/2009, 8147/2009, 8610/2009, 8614/2009, 9228/2009, 11139/2009, 10801/2009, 6952/2009 and 1727/2010 appointed the instant Committee to specifically look into the aspect as to how much fee increase was required by each individual recognized unaided school on the implementation of the recommendations of the 6th Pay Commission.

The relevant part of the order reads as follows:-

“All the schools shall render full cooperation to the Committee in order to enable the Committee to undertake its job effectively and speedily. 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 school 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 judgement.”

The Hon'ble High Court also observed that there is need to inspect and Audit Accounts of the schools to find out the funds to meet the increased obligation cast by the implementation of the 6th 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. In this regard, the Hon'ble High Court further observed as follows:-

“On the basis of this exercise, if it is found that the increase in fee proposed, (orders dated 11.02.2009) (sic) is more the same shall be slided 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.”

2. The seeds of the problem lie in the past and it has taken roots because of lack of implementation of the provisions of the Delhi School Education Act, 1973 (for short ‘the Act’) and the Delhi School Education Rules, 1973 (for short ‘the Rules’), the provisions of various notifications and circulars issued by the Directorate of Education of the Government of National Capital Territory of Delhi (for short ‘the Govt.’) and also because of lack of monitoring of the recognized private schools as envisaged by law. Therefore past history would have to be visited to have a holistic understanding of the matter not only for the purposes of this interim report but also for the subsequent reports of the Committee.

3. There have been complaints/allegations of the students and their parents against the unaided schools for exorbitant fee hikes. From time to time, the Directorate of Education has been issuing directions to the schools with a view to preventing unjustified and unreasonable fee hikes by the schools. Some of the unaided recognized schools had filed statements of fee to be levied during the academic session 1997-98 with the Directorate of Education. On scrutiny of the statements it was found that most of the schools

enhanced the fee much more than the actual requirement on account of expenditure towards salary, allowances and other benefits admissible to the employees of the schools. Consequently, the Director of Education, with a view to checking indiscriminate hike in fee, issued a notification for the purposes of sub clause (b) of sub section 4 of Section 18 of the Act, which was published in Times of India dated May 4, 1997. The notification took note of the fact that in the past, the fees and the funds collected regularly from the students were not utilized for the specific purposes for which they were realized or received, which is also one of the mandatory requirements of Rule 176 of the Rules. In the circumstances, directions under sub section (3) of section 24 of the Act were issued to the managers of recognized unaided schools in Delhi. The aforesaid public notice is to the following effect:-

There has been persistent demand from the parents of the students to have a check on unscrupulous manner of the unaided school authorities in enhancement of fees and other charges indiscriminately that too without any reasonable and reliable justification.

In pursuance of provisions of sub-section (3) of section 17 of the Delhi School Education Act, 1973, a few recognized unaided schools have filed a full statement of fees to be levied during the Academic Session 1997-98 and on its scrutiny, it has been found that most of the schools have enhanced the fees comparatively much more to the actual requirement on the expenditure likely to be burdened(sic), by the managing committee so as to meet the requirements of pay, allowances and other benefits admissible to the employees of the school in pursuance of sub-section (1) of section 10 of the Delhi School Education Act, 1973.

No doubt, to meet out the justifiable requirements of the school, some funds can be collected from the students but at the same time, the same cannot be made as regular practice to burden the parents with heavy expenditure. In the past, the fees and funds so collected regularly from the students have not been utilized for the specific purposes for which they were realized or received which is one of the mandatory requirements under sub-clause (b) of sub-section (4) of section 18 of the Delhi School Education Act, 1973 with rule 176 of the Delhi School Education Act, 1973.

Aforesaid circumstances and material facts have compelled the Director of Education to issue suitable directions under sub-clause (3) of section 24 of the Delhi School Education Act, 1973, directing/requiring the managers of the recognized unaided schools in Delhi:

- i. To review /revise the fees structure for 1997-98 by convening a meeting of the managing committee having PTA representative and Director of Education's nominee in it.*
- ii. Not to charge building fund and development charges when the building is complete or otherwise as 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. Therefore, the students should not be burdened by the way of collecting the building fund or development charges.*
- iii. 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 but not more than Rs. 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.*
- iv. Admission fee can be charged only at nominal rate but not exceeding Rs. 200 in any case. It should not be made regular practice. Once a student is admitted in a school, he should not be asked to pay admission fee again at middle or secondary or senior secondary stage.*
- v. Annual charges to be charged from the students should commensurate to the annual overheads of the school keeping in view the past record and the enrolment of the school.*
- vi. Similarly is the case regarding computer fee and it should be ensured that unless it is beneficial to the students in imparting*

Education based on computer, it should not be made compulsory.

vii. No fee contribution or other charges shall be collected from any student by the trust or society running any recognized school. All fee and funds can be collected by the school only in its own name against proper receipt.

viii. No donation be taken or accepted or made compulsory from the students at the time of admission by the managing committee of the school, as the managing committee has no role in the admission of the students. According to rule 145 of the Delhi School Education Rules, 1973, the Head of the school is the only competent authority to regulate admission on the basis of test or otherwise.

It is accordingly, directed that managing committee of the unaided schools take a note of it and submit a detailed compliance report so as to avoid any contemplated action against the defaulting committee and the school for necessary action so admissible under sub-section (4) of section 24 of the Delhi School Education Act, 1973.

4. It seems that the aforesaid order did not have the desired effect.

The menace continued. The fee hike by the private un-aided schools again led to intervention by Govt. and also to the filing of spade of Writ Petitions before the Delhi High Court. The implementation of the 5th Pay Commission by the Government acted as a spring board for the schools to hike the fee. It was sought to be justified on the ground that increase in the pay scales of their teaching and non-teaching staff caused huge financial burden on the schools, which could be offset or counterbalanced by increasing the fee. The parents, however, were of the view that there was no need for the schools to increase the fee as they had already sufficient resources to pay the higher salaries of the teaching and non-teaching staff without burdening them. The Govt. on receiving complaints from the parents of financial harassment by

the schools including exorbitant fee hike and increase in other charges and contributions realized by the management of recognized unaided schools in the National Capital Territory of Delhi, arranged special inspection of the schools under sub section 2 of Section 24 of the Act. The special inspections revealed gross financial mismanagement and violations of various provisions of the Act and Rules and directions issued from time to time by the Directorate of Education. The report of the special inspections referred to the fact that a large number of schools had been realizing arbitrary excessive amounts in the shape of caution money, tuition fee, annual charges and funds under other heads in violation of the provisions of section 18 of the Act read with Rule 176 of the Rules. It was also found that the schools generated large amounts of surplus money. Some of the schools transferred surplus money to the parent societies/trusts and other schools in violation of Rule 177 of the Rules. The special inspections highlighted the fact that the fees and the funds realized by the recognized unaided schools were not being utilized according to the provisions of Rule 177 of the 'Rules' as they were being spent for purchasing and maintaining assets which were not useful or necessary for the students or the employees.

5. Having regard to the malaise, the Director of Education by its Order dated September 10, 1997 passed the following directions to the Managements/Managers of all recognized unaided schools in the

National Capital Territory of Delhi under sub section 3 of Section 24 of the 'Act':-

- (a)
- (i) *No registration fee of more than Rs. 25/- per student shall be realized by the schools.*
- (ii) *No admission of fee more than Rs. 200/- per student at the time of initial admission shall be realized. The admission fee shall not be realized again from a student who is once given admission. The admission fee realized from one student exceeding Rs 200/- in the academic year 1997-98 shall be refunded to the parents/students within 15 days of the date of the issue of these directions.*
- (iii) *No Caution money /security of more than Rs. 500/- per student shall be realized. The Caution money thus collected shall be kept deposited in a scheduled bank in the name of the concerned schools and shall be returned to the student at the time of his/her leaving the school alongwith bank interest thereon. The Caution money collected in session 1997-98 exceeding Rs. 500/- shall be refunded to the parents/students within 15 days of the date of the issue of these directions.*
- (b) *As per the provisions of Rule 51 of the Rules, it is obligatory on the part of the management of a school to provide suitable infrastructure for Science teaching as one of the conditions of recognition. Therefore, no separate Science fee shall be realized from any student upto the secondary stage for the reason that science subject is to be taught as a compulsory subject like any other subject for which tuition fee is being realized.*
- (c) *Under rule 51 of the Rules, it is also enjoined on the management of a school to provide suitable infrastructure for workshop practice and Work experience subjects as one of the conditions of the recognition. As such, no separate fee as Computer fee shall be realized from any student upto the Secondary stage for the reason that work experience subject is to be taught as compulsory subject for which tuition fee is also charged.*

- (d) *The fee structure of the school (excluding admission fee, caution money, science fee and computer fee which are already dealt with in the preceding sub-paragraphs), shall be reviewed in a meeting having the proper representatives of the parents and the nominees of the Director of Education, to consider the feasibility of reducing the fees and funds keeping in view the actual financial requirement of the school.*
- (e) *It is clarified that the rates of tuition fee shall remain the same as on 31.3.1997 for the remaining part of the current academic session. They shall not be increased unless it is found that the accumulated funds are not sufficient to meet with the liabilities, if any, for implementing the recommendations of the Central 5th Pay Commission and unless the representatives of the parents-teachers association and the nominee of the Director of Education are associated with such decisions.*
- (f) *The fees and funds collected from the parents shall be utilized strictly in accordance with the rule 177 of the Rules. No amount whatsoever, shall be transferred from the Recognized Unaided School fund of a school to the society or the trust, as the case may be, running that school nor shall any expenditure be incurred that is not beneficial to the students or the employees of the schools.*

The Managing Committees/Managers of all unaided schools were directed to submit the compliance report to the Director of Education, Delhi through the respective Deputy Directors of Education concerned within 30 days from the order dated September 10, 1997.

6. The Order of the Director of Education dated September 10, 1997 came to be considered by the Delhi High Court in **Civil Writ Petition No. 3723 of 1997, Delhi Abhibhavak Mahasangh Vs. Union of India**, filed by Parents' Association and in separate writ petitions nos. 4021, 4119, 5330 of 1997, filed by recognized unaided

public schools designated as the Action Committee of Unaided Private Schools and others. In the writ petition, the Delhi Abhibhavak Mahasangh, *inter alia*, sought issuance of directions to the Government to take necessary steps to regulate admissions in the recognized unaided private schools in Delhi, to check demand of money in the name of donations by the schools and to frame policy or legal provisions regulating their recognition to ensure that those who run schools do not run them on commercial lines and exploit the students and their hapless parents by adopting various devices to extract huge amounts taking undue advantage of the circumstances. The Delhi High Court in the aforesaid writ petition rendered its decision on October 30, 1998 (reported as **AIR 1999 Delhi 124**), whereby it was held:-

"1. There has to be an element of public benefit or philanthropy in the running of the schools. The schools are to be run for public good and not for private gain. The object has to be service to the society and not to earn profit. The public benefit and not private or benefit to a favoured section of the Society has to be the aim. Keeping these aims and objects in view the schools are required to also follow and comply the provisions of the Delhi School Education Act (for short "the Act") and the Rules framed thereunder (for short "the Rules") as also the affiliation Bye laws framed by Central Board of Secondary Education ("the Board" for short).

2. Commercialisation of education and exploitation of parents was not permissible.

3. Ways and means shall be found to ensure that the schools levied fee and other charges only to the extent found essential for the specified purposes and in the manner as recognized by the Delhi School Education Act, 1973 and the Rules framed thereunder.

4. Commercialisation or exploitation could not be allowed to be perpetrated under any guise but at the same time a balance

had to be maintained and legitimate requirements of the schools kept in view vis-à-vis the standard of education being imparted by such schools and the facilities provided by a given school and thus there could be variation in fees and other charges levied.

5. *The schools are also required to comply the conditions upon which the land may be allotted to it by a public authority on concessional rates for setting up of a school building and its playground etc.”*

7. Since point no. 4 could not be examined or analysed in the writ proceedings, the High Court appointed a committee comprising of Ms. Justice Santosh Duggal, a retired judge of the Delhi High Court as a Chairperson with power to nominate two persons, one with the knowledge of accounts and second from the field of education in consultation with the Chief Secretary of NCT of Delhi. At this stage, it will be apposite to extract the operative part of the judgment:

“Having bestowed our thoughtful consideration to the submission of counsel for the parties and aforesaid detailed facts and circumstances, we are of the view that an independent Committee deserves to be appointed for the period covered by impugned order dated 10th September 1997 upto start of academic session in the year 1999, to look into the cases of the individual schools and determine, on examination of record and accounts etc. whether increase of tuition fee and other charges, on facts would be justified or not. Eliminating the element of commercialization and in light of this decision the Committee would determine fee and other charges payable by students of individual schools. We do not think that it would be desirable at present to permit any further increase than what has already been permitted by order dated 11th December, 1997, till decision of cases of individual schools by Committee appointed by this judgment.

We, accordingly, appoint a Committee comprising of Ms. Justice Santosh Duggal, a retired Judge of this Court as Chairperson with power to nominate two persons - one with the knowledge of Accounts and second from the field of education in consultation with the Chief Secretary of NCT of Delhi to decide

matters of fee and other charges leviable by individual schools in terms of this decision. We request the Committee to decide the claims of individual schools as expeditiously as possible after granting an opportunity to the schools, Director of Education and a representative of the Parent Teachers Association and such other person as the Chairperson may deem fit. The terms and conditions including fees/honorarium payable and other facilities to be provided by the State Government to the Chairperson and other Members of the Committee would be discussed by the Chief Secretary with the Chairperson and finalized within 10 days."

8. Pursuant to the aforesaid Order of the Delhi High Court, the Constitution of the Committee was notified on December 7, 1998 by the Government with the following main terms of reference:

"(a) To decide the claims regarding hike in fee by the individual schools for the period covered by the order number DE.15/Act/Spl. Insp/150/97/1293-2093 dated the 10th September, 1997 issued by the Director of Education, Government of National Capital Territory of Delhi and upto the start of the academic session in the year 1999 and other charges leviable by individual schools in terms of decision of High Court in C.W.P. No. 3723/1997 as expeditiously as possible after granting an opportunity to the schools, Director of Education and a Representative of the Parent-Teachers' Association and such other person as the Chairperson may deem fit with a view to prevent commercialisation and exploitation in private un-aided schools including schools run by minorities:

(b) To decide any other charges levied/leviable by individual school which has not been covered in order number DE.15/Act/Spl. Insp/150/97/1293-2093 dated the 10th September, 1997 issued by the Director of Education, Government of National Capital Territory of Delhi and the judgment of the Hon'ble High Court of Delhi dated the 30th Oct., 1998 in the case of Delhi Abhibhavak Mahasangh Vs. Union of India and others (Civil Writ Petition No. 3723 of 1997)."

9. Justice Duggal Committee submitted its report to the Lt. Governor on July 31, 1999. It arrived at the following conclusions:-

“1. The term ‘fee’ has been interpreted by the Committee to mean the total amount paid to the school by a student which comprises of the total of tuition fee and all other charges which in fact represent the total burden on the parents whether paid monthly, quarterly or annually.

2. A large number of schools were found to be levying fees in excess of what was warranted for absorbing the full impact of the Pay Commission’s recommendations

3. Nearly all the schools examined from whom information was received by the Committee, seemed to have attempted to circumvent the provisions of Delhi Schools Education Act, 1973 and the Rules thereunder, the established accounting procedure/ practices and even the Court Orders.

4. There is a pronounced tendency since 1996-97, on the part of the schools, to generally under-state surplus/over-state the deficit. This was often sought to be achieved by resorting to over-provisioning under certain heads of expenditure such as gratuity, property tax etc.; during (even prior to determining the surplus) a part of the school revenue receipts to various funds usually created with the specific intention of temporarily parking the money in them; charging of depreciation without simultaneously setting up a Depreciation Reserve Fund for replacing the assets; depreciating assets not owned by the school and simultaneously transferring equivalent amounts to the parent society, not including the income accrued from certain activities under the head ‘fee’ in the Income and Expenditure Account and simultaneously not crediting these receipts to the ‘Recognised Unaided School Fund’, but concurrently charging the expenditure incurred on the related activities, to the Income and Expenditure Account; non capitalization of expenditure of capital nature and instead charging it to the Income and Expenditure Account; incurring expenditure on items and for purposes not strictly falling within the scope of Delhi School Education Act and Rules, 1973 (Rule 177); transferring the money to the parent society under various pretexts such as payment of lease rent, contribution to Education Development Expenditure, incurring recurring expenditure on the maintenance of the office of the parent society and maintenance of cars and the use of the society etc.

There was also a visible spurt in expenditure more particularly in 1997-98 on certain items such as professional fees, maintenance and other overhead charges of the school.

5. *There is no set relationship in regard to the levies made by the different schools under the heads 'tuition fee' and 'other charges'. The percentage of 'other charges' to 'tuition fee', varies very widely from school to school. The data, however, fails to provide a sound basis for laying down any guidelines for determining a prudent ratio of 'tuition fee and 'other charges'.*

6. *With a view to forestalling any itemized scrutiny of receipt under different heads of collection, to evaluate their justification or otherwise, some schools are changing over to the practice of levying a consolidated amount as fee. This tendency needs to be curbed forthwith.*

7. *The Hon'ble High Court fixed by way of an interim measure, the maximum permissible limit for raising the fee by 40% and retained the levies on account of Registration Fee, Admission Fee and Caution Money at the same level as on 31/03/97 till the submission of the Report by this Committee.*

This notwithstanding, as many as 57 Schools (out of the 187 schools for which the data was available) levied total fee in excess of the 40% ceiling during 1997-98, the hike being more than 70% in some cases and continued to charge, at enhanced rates thereafter. Further, 22 of these 57 schools enhanced the tuition fee (as distinct from total fee again in 1998-99).

8. *In respect of the Registration Fee, the Admission Fee and the Caution Money, the relevant data was available only for 132 schools. However, out of these 57 schools have complied in full with the High Court's directives. The remaining 65 schools have violated the prescribed ceiling in respect of one or more items.*

9. *No mechanism was evolved by the Directorate, except issuing a general circular, to monitor the follow-up action on the judgment of the Hon'ble High Court. The Committee recommends that the Department of Education should forthwith initiate such action, as is necessary, for the refund/adjustment of the amount collected in excess of the permissible ceiling by the schools in respect of the levies referred to in conclusion no. 7.*

10. In regard to the rates at which the Registration Fee, Admission Fee and Caution Money had been levied by the different schools during 1997-98 and 1998-99, the Committee concluded that the balance of convenience lay in not disturbing, the rates of levies, at this stage, as the aforesaid period was already over (except in the manner as stated at conclusion 9). For the future, the Director of Education, who has the requisite powers in this regard, may determine the quantum for these levies.

11. In view of the anomalies and deficiencies in the information received from the schools, the financial profile of the schools had to be reconstructed by carrying out necessary adjustments in the data received from them in respect of all inadmissible items, such as those which did not involve a real cash out flow or reflected the movement of the revenue of the schools to incorrect or inappropriate destinations. This involved reassessment of surplus/deficit for 142 schools (for which the requisite data was available) by "adding-back" from the figures reported by the schools for the non-cash items like depreciation and transfer to various reserves and other funds, as also the expenditure not falling within the scope of rules and regulations, and other extraordinary items. This resulted in an upward revision of the surplus/downward revision in the deficit, in the case of all the 142 schools for each of the three years beginning 1995-96.

12. The lifting of the veil by reassessing the surplus/deficit of the schools, confirmed the tendency on the part of the schools of understating surplus/overstating the deficit.

13. The Committee observed that after the necessary adjustments there were only 9 schools, where there appeared to be prima-facie justification for an upward revision in the fee in 1997-98. This number however, came down to only two schools after the expenditure on account of the 'arrears' was excluded, on the ground that the arrears should have been paid out of the accumulated reserves available with the schools.

14. The Committee could not recommend a fee structure for the individual schools, as the Income and Expenditure Statements accompanying the Balance Sheets, received from the schools, did not contain the necessary information about the payments under the heads 'establishment'

bifurcated between the 'regular salary' and 'arrears'; as also the period for which the salary was paid in the revised scales during 1997-98, and the related dates.

15. *The Committee has, nevertheless, endeavoured to devise a format, which could be made use of, by the competent Authority to determine, subject to the availability of data, which the Committee could not access to, the quantum of justified hike in fee during 1997-98 for absorbing the impact of the implementation of the Fifth Pay Commission recommendations.*

16. *The first term of reference of the Committee, thus stands answered substantially and to the extent possible, in the manner outlined in the conclusion 15 above.*

17. *With regard to its second term of reference; the Committee notes that there was not only lack of uniformity but also avoidable ambiguities and distortions in the existing fee structure of the schools, more particularly under the heading "other charges", which could become a vehicle of exploitation where the schools were so inclined. The Committee, however, proposed that the levies charged by the schools should be classified under the following four broad categories:*

The first category should comprise of the Registration Fee and all one time charges, levied at the time of the admission of the student such as 'Admission Fee' and 'Caution Money'. It should, however, be made mandatory for the schools to refund the Caution money, with interest thereon, at the time of the student leaving the school, without the same being claimed by the student / parents.

The second category should comprise of 'Tuition fee'. This should be so fixed, as to cover the standard cost of establishment including provisions for D.A., bonus and all terminal benefits, as also all expenditure of revenue nature concerning the curricular activities. The pupil-teacher ratio and the ratio between the teaching and the non-teaching staff should be the main determinants while arriving at the standard cost.

The third category should be that of 'Annual Charges' – an area, in need of maximum discipline. These charges should be so determined, as to be sufficient to cover all expenditure of a revenue nature not included in the second category, besides 'over-heads' and expenses on playgrounds, sports equipments, gymnasium, cultural and

other co-curricular activities as distinct from curricular activities of the schools.

The fourth category should consist of all 'earmarked' levies for the services rendered by the schools, to be recovered only from the 'user' students, in respect of the facilities availed of by the latter. The income from the earmarked levies, should be spent only for the purpose, for which these are collected, with the role of the schools, being confined to that of a catalyst or a facilitator, for managing the services on a 'no profit no loss' basis. All transactions relating to the 'earmarked' activities should form an integral part of the school accounts.

18. Besides the above four categories, the schools could also levy a Development Fee, as a capital receipt, annually not exceeding 10% of the total annual Tuition Fee, for supplementing the resources for purchase, upgradation and replacement of furniture, fixtures and equipment, provided the school is maintaining a Depreciation Reserve Fund, equivalent to the depreciation charged in the revenue account. While these receipts should form part of the Capital Account of the school, the collection under this head along with any income generated from the investment made out of this fund, should however, be kept in a separate 'Development Fund Account'.

19. The Committee is not in a position to quantify the levies, as enjoined in its 'Second term of reference', under the broad categories detailed above, as the factors which go into determining them vary from school to school and it had no means to access the requisite information, as also for various other reasons mentioned in the report. The Committee has, however, laid down ample guidelines for working out the quantum of such levies for each school individually once the requisite 'inputs' are available.

20. The schools, should be prohibited from discharging any of the functions, which rightly fall in the domain of the parent society, out of the fee and other charges, collected from the students, or where the parents are made to bear, even in part, the financial burden for the creation of facilities including building, on a land which had been given to the society at concessional rates for carrying out a "philanthropic" activity. One only wonders what then is the contribution of the society that professes to run The School.

21. In suggesting the above rationalization of Fee Structure, the Committee has been guided by the twin objectives of ensuring that while on the one hand the schools do not get starved of funds for meeting their legitimate needs and on the other, there is no undue or avoidable burden on the parents as a result of schools indulging in any form of commercialization whatsoever.

22. The present state of maintenance of accounts of the schools show, that a large number of them were reflecting more, the predetermined objectives of their management, rather than the true form and contents of the school related transaction. By and large, neither the existing pattern of accounts, nor the manner in which the aggregate of receipt and expenditure are grouped within it, facilitate a comprehension and comparison of the variety of transactions from one financial year to another. The solution needs to be remedied forthwith by evolving urgently a standard accounting structure, uniform and internally consistent, where adequacy, effectiveness and transparency determines the contents, character and quality of the accounts.

23. The stand of the Action Committee of Unaided Private Schools that the hike in fees was justified as these schools were providing 'quality' education was negated by the Committee in the sense that nothing could be asserted in absolute terms and that everything was relative and that the Committee was alive to the fact that one school could have distinct edge as against the others, but nevertheless this could not be a ground for flouting with arrogance, in the face of general clamour by parents, feeling the pinch of fee hike.

24. No effort ought to be spared to ensure that school education falls within everybody's reach and the boast of certain unaided private schools about 'quality' education coming necessarily at a cost, needs to be suitably countered by twin steps of rationalizing and strengthening the administrative set up of the government run/Government aided schools, as also by the monitoring the accounting procedures/practices of the Unaided Private Schools.

25. In view of the experience of the Committee about the poor response of the schools in respect of our Public Notice, Reminders and Requisitions only 187 schools out of a total

of 929, responded to the Public Notice issued by the Committee and only 80 schools replied to Committee's letter of 22.3.99, it is recommended that the Directorate should ensure that whatever action is taken regarding supply of information from the schools by any designated authority; there is a corresponding power in the said authority to enforce compliance by each and every school.

26. The issue of grievance of parents on the fee hike was assuming dangerous proportions. This was vitiating the atmosphere as also jeopardizing the time honoured tradition of cordiality, courtesy and mutual respect between parents and school authorities. The matter should not be allowed to go out of hand, so as to spoil parent-teacher relationship and also to undermine the authority of the Head of the institutions.

27. The Committee was informed by the Director of Education during the meeting, that the Government had a proposal for bringing about an amendment to the Delhi School Education Act to provide, inter-alia, autonomy to the un-aided private schools so that they could generate some self regulatory measures in this respect.

The Committee found this revelation to be really alarming because whereas the outcry was for more stringent regulatory measures on the part of the Government to check and contain commercialization and a host of irregularities, here was a thinking process that contemplated the shedding of control, which in Committee's perception would a retrograde step and tantamount to abdication of duties and statutory functions on the part of the Government. The Committee emphasizes that there is a need for effective steps to be taken to bring the system back on the rails for ensuring that education remains a philanthropic activity for public good and does not degenerate into being a business or industry imbued with commercialization.

28. The Committee recommends that since the Government is contemplating amendments to the Delhi School Education Act, 1973, the changes that should be introduced ought not to be as now proposed, but the other way round, by bringing in more stringent penal provisions in the Act, besides the existing one of withdrawal of recognition and also plugging the loopholes, in the existing provisions. This should be brought about, in committee's

view, in such a manner that while the delinquent schools are brought around, the interest of the students are in no way adversely affected.

29. The Committee does not subscribe to the suggestion of the Director of Education, that the Government machinery should be supplemented by private sources such as the empanelment of Chartered Accountants for auditing of school accounts, as they already have an elaborate machinery and infra-structure within the Directorate itself for doing the job.

30. The issues involved being of far-reaching consequences to the Society at large, affecting virtually every family in Delhi drawn from all strata; it is imperative for those on whom the responsibility to administer rests, to wake up to the perils of apathy, indifference and defeatism and become alive to the dimensions of the problem.

31. Abundant powers and ample provisions already exist in the Delhi School Education Act, 1973 and the Rules framed thereunder. All that is wanting is streamlining of the administrative set-up, rationalization of the procedures and bringing about a sense of responsibility to bear upon all concerned and most importantly the requisite Political Will."

10 Pursuant to the report, the Government of National Capital Territory of Delhi passed an order dated December 15, 1999 in order to give effect to the recommendations of Ms. Justice Santosh Duggal Committee Report and in order to remove the irregularities and malpractices relating to collection and utilization of funds by the schools as pointed therein. The salient directions as contained in the Order dated December 15, 1999 are to the following effect:-

- (i) Registration fee not to be more than Rs. 25/- per student prior to admission.
- (ii) Admission fee not to be more than Rs. 200/- per student at the time of admission.

- (iii) Caution money/security deposit not to be more than Rs. 500/- per student at the time of admission and the same to be returned with bank interest at the time of student leaving the school.
- (iv) Development fee not to exceed 10% of the total annual tuition fee for supplementing the resources for the purpose of purchase, upgradation and replacement of furniture, fixtures and equipment which 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 account. The collection under this head along with any income generated from the investment made out of this fund will be kept in a separately maintained Development Fund account.
- (v) The tuition fee to be reviewed in the light of the judgment of the Delhi High Court dated October 30, 1998 and not be raised beyond the amount that prevailed on March 31, 1999 for the remaining part of that academic session and not to be increased unless it is found by the Managing Committee of the school that the accumulated funds were not sufficient to bear the liabilities. The tuition fee to be determined as to cover the standard cost of establishment including provisions for D.A, Bonus etc. and all terminal benefits as also the expenditure of

revenue nature concerning the curricular activities. Fee charged in excess of the amount so determined or determinable shall be refunded to the student/parent within 15 days of the issue of the order.

11. It needs to be pointed out that the judgment of Delhi High Court dated October 30, 1998 (AIR 1999 Delhi 124) was challenged before the Supreme Court. The Supreme Court on April 27, 2004 rendered its decision in **Modern School etc. vs. Union of India & Ors. (2004) 5 SCC 583**, whereby it concluded as follows:

"In addition to the directions given by the Director of Education vide order DE.15/Act/Duggal.com/203/99/23989-24938 dated 15th December, 1999, we give further directions as mentioned hereinbelow:

(a) Every recognized unaided school covered by the Act shall maintain the accounts on the principles of accounting applicable to non-business organization/not-for-profit organization; In this connection, we inter alia direct every such school to prepare their financial statement consisting of Balance-sheet, Profit & Loss Account, and Receipt & Payment Account.

(b) Every school is required to file a statement of fees every year before the ensuing academic session under section 17(3) of the said Act with the Director. Such statement will indicate estimated income of the school derived from fees, estimated current operational expenses towards salaries and allowances payable to employees in terms of rule 177 (1). Such estimate will also indicate provision for donation, gratuity, reserve fund and other items under rule 177 (2) and savings thereafter, if any, in terms of the proviso to rule 177 (1);

(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. We are shown a sample letter of allotment issued by the Delhi Development Authority issued to some of the schools which are recognized unaided schools. We

reproduce herein clauses 16 & 17 of the sample letter of allotment:

“16. The school shall not increase the rates of tuition fee without the prior sanction of the Directorate of Education, Delhi Admn. And shall follow the provisions of Delhi School Education Act/Rules, 1973 and other instructions issued from time to time.

17. The Delhi Public School Society shall ensure that percentage of freeship from the tuition fee as laid down under rules by the Delhi Administration, from time to time strictly complied. They will ensure admission to the student belonging to weaker sections to the extent of 25% and grant freeship to them.”

We are directing the Director of Education to look into letters of allotment issued by the Government and ascertain whether they have been complied with by the schools. This exercise shall be complied with within a period of three months from the date of communication of this judgment to the Director of Education. If in a given case, the Director finds non-compliance of the above terms, the Director shall take appropriate steps in this regard. All civil appeals stand disposed of in terms of the above judgment, with no order as to costs.”

12. Consequent to the aforesaid judgment of the Supreme Court, the Govt. issued an order dated February 10. 2005, which is reproduced below to the extent relevant:

“Managing Committees/Managers of all recognized unaided schools in the National Capital Territory of Delhi were required to strictly follow the following directions:-

- 1. Every recognized unaided school covered by the Act as per GAPP shall maintain the accounts on the principles of accounts applicable to non business organizations/not-for-profit organization. Such schools shall prepare their financial statements consisting of Balance Sheet, Profit & Loss Account and Receipt and Payment Account every year as per proforma which is under process and will follow shortly*

- 2. *Every recognized unaided school covered by the Act shall file a statement of fee latest by 31st of March every year before the ensuing session under section 17(3) of the Act as per proforma which is under process and will follow shortly.*
- 3. *Every recognized unaided school covered by the Act, may levy development fee at the rate not exceeding 10% of the total annual fee provided such school is maintaining Depreciation Reserve Fund and the Development Fees levied shall be treated as Capital Reserve.*

.....

.....

The aforesaid directions issued by the Directorate of Education were of compelling nature as the order stated that non compliance shall be viewed seriously for appropriate action. But this remained as a platitude since hardly any action was taken against the non-compliance of the directions. In fact no action could have been taken as the proformas envisaged in the aforesaid order did not see the light of the day. The Directorate while issuing the order did not provide any guidelines to the schools as to how they should fix the fee. It was not explained as to what expenditure is to be included in the fee structure and what expenditure is to be excluded therefrom.

13. The Government of India on October 5, 2006 set up the 6th Central Pay Commission. On March 24, 2008, the 6th Pay Commission rendered its report. The Government of India in order to give effect to the recommendations of the 6th Pay Commission issued a notification dated August 29, 2008 making them applicable retrospectively w.e.f. January 1, 2006. The Govt. of NCT of Delhi accepted the recommendations in respect of the employees of the

Government Schools in Delhi. Consequently, a circular dated September 12, 2008 was issued revising their pay scales. Since Sub-section 1 of Section 10 of the 'Act' provides that the scale of pay and allowances, medical facilities, pension, gratuity, provident fund and other prescribed benefits of the employees of the recognized private schools shall not be less than those of the employees of the corresponding status in schools run by the appropriate authority, the Government of NCT of Delhi, directed the recognized unaided schools on October 15, 2008 to implement the recommendations of the pay commission qua their staff. Therefore, the recognized unaided schools in Delhi were required to give the same scales of pay and salary to its employees as admissible to the employees of the Government schools. The Govt. by its Notification dated October 17, 2008 constituted a committee, called Bansal Committee, to examine the implications of the recommendations of the 6th Pay Commission for recognized unaided schools in Delhi and submit its recommendations in accordance with the following terms of reference:-

- (1) To hear the views of all the stakeholders;
- (2) To work out atleast 5 categories of schools on the basis of the existing data to recommend necessary measures to meet the present requirement;
- (3) To suggest suitable measures to meet the past liability of arrears;
- (4) To suggest appropriate mechanism to deal with other recommendations, like two year's child-care leave etc;

(5) To suggest other related measures.

14. The Committee in pursuance of the aforesaid order submitted its report to the Government. The recommendations of the committee relating to fee hike are extracted below:

7.1 *FEE HIKE*

7.1.1 *While analyzing facts in relation to fee hike, the Committee understands its social responsibility of keeping the burden of increase to its bare minimum, at the same time it is also alive to the need that the schools do not starve of funds which will ultimately reflect on the quality of education.*

7.1.2 *After 1998, to give effect to the directions of the High Court as also the recommendations of Duggal Committee, the Director at its end made a bonafide attempt to resolve the problem through a general order than instead of going into individual cases. He issued an order dated 15 December 1999 which regulates charging of development fee etc by the schools and also provides for the schools to review the tuition fee in the light of judgment dated 30.10.98. It also provided for a grievance (sic) mechanism.*

7.1.3 *We go by the reasonable presumption that schools must have reviewed their fee structure in compliance of this order and the grievance if any might have been satisfactorily sorted out.*

7.1.4 *We have considered the facts brought before us and have also glanced through statistical inferences. Taking note of wide range of variables, and with a view to covering up cases mentioned in para 4.8.4, the drift of thinking is in favour of suggesting an increase in absolute terms than in terms of percentage of the existing fee.*

7.1.5 *The concerned school management will have to work out additional amount required, after adjusting available savings, to meet out liability on account of implementation of 6th pay commission. As a general model, going by the information contained in para 4.4.4 and 6.3 etc, the Committee feels that the schools be permitted to increase the tuition fee by a maximum amount of Rs. 500 per month*

being further restricted to individual's actual requirement. Consistent with Government of India's decision the increase in fee may be made effective from 1st September 2008.

- 7.1.6 *The schools would appreciate that Fee hike cannot be considered as the only source of augmenting revenue. They should also consider measures for augmenting revenue receipts from other sources too. It may be noted that the suggested hike in fee is only in the form of an upper ceiling. To keep the hike to a bare minimum they need to venture upon new profitable activities. Some of the schools are already running incidental profitable activities of providing school uniform/books/stationery and transport facility to students.*
- 7.1.7 *For the benefit of low fee range schools, who were apprehensive of negative fallouts of increase in fee, it is clarified that the suggested model leaves the aspect of deciding the extent of hike to the management as per their actual requirement. It merely puts an upper limit of Rs. 500 per month, which is far in excess of their projected requirements.*
- 7.1.8 *It may be mentioned that the suggested increase in tuition fee also entitles them to enhance the development fee by 15%. Enhanced entitlement would thus be additional source of receipt for the specified purpose.*
- 7.1.9 *To deal with cases which for valid reasons warrant deviation from the general model, the Committee recommends a grievance redressal mechanism. The concerned school should approach the Director of Education or an authorized officer who after scrutiny of records and accounts should pass a speaking order as to the need and extent of permissible deviation.*
- 7.1.10 *Order dated 10.2.2005 issued in pursuance of Supreme Court directions mandates schools to file a statement of fee latest by 31st March every year. Prescribing a standard format for furnishing the information and finalizing a common accounting procedure to be followed by schools, deserves high priority.*
- 7.1.11 *Argument of autonomy of schools within the parameters laid down by the Apex Court is well appreciated. It is, however, also true that they have to function as a non profit / non commercial organization. They owe a responsibility to the society at large. To*

maintain a fine balance, role of the State becomes relevant. Education like any other subject calls for effective Regulation. Constituting a statutory committee by amendment of Law, if necessary, may help in speedy adjudication of disputes arising in the process of regulation and also in matters of general interest like determination of fair amount of tuition fee etc.

7.1.12 An impression was created during discussions that the management could of its own decide on the issue of fee hike or review the Government directions at variance, at the beginning of the next session. It needs to be clarified, that any increase in fee on account of VI CPC recommendations will have to find cover within the framework of suggested general model unless a grievance warranting deviation has individually been considered by DE and necessary permission for deviation is granted.

7.1.13 The Committee has also taken note of the fact that out of about 1100 recognised schools only 43 schools represented to the Director for fee hike. Only 99 schools preferred to furnish data to the Committee. In the past too, a similar situation was noticed when despite directions from the Hon'ble High Court of Delhi for review of individual school records by Duggal Committee, only 187 schools came forward to make available the information.

7.1.14 Since there seems to be no reason for the other schools not co-operating with the system or their avoiding sharing of information, one leads to an irresistible conclusion that they, particularly those who remain in much demand for admissions, may be having enough funds, not necessitating increase in fee. It is a welcome situation. However to rule out possibility of any unwarranted gains, in view of applying general model, it may be desirable and rather absolutely necessary to scrutinize their records, annual statements and to closely monitor their future activities particularly in relation to increasing the tuition fee.

8. PAST LIABILITY OF ARREARS

8.1 Arrears of salary for the period Jan 2006 to August 2008 in view of retrospective operation of the recommendations of 6th pay commission has cast added financial liability on schools. Various suggestions have been received on this issue. Some of the stakeholders suggested that additional fee/fund should be collected from the students to pay the

arrears to the teachers while others were of the opinion that the payment of arrears be deferred for the next academic session.

- 8.2 *Sh. Ashok Aggarwal felt that no extra fee be collected on this count. Available reserves should be used to meet liability of arrears as well as future liability.*
- 8.3 *The Committee has noted that at the stage of implementation of 5th pay commission in the past the Duggal Committee had recommended payment of arrears from the accumulated reserves. Taking note of the fact that reserves are created for a specific purpose and going with the basic presumption that the schools have in the last ten years been working on no profit basis, the Committee feels that it would be necessary to compensate them suitably on this count.*
- 8.4 *The data is generally indicative of arrear liability equal to six month salary of the staff which means a burden of about Rs. 7,000 per student.*
- 8.5 *Having regard to the provisions of R 177 mandating utilization of fee, first for the purpose of pay and allowances, the Committee feels that the amount of fee collected during Jan 2006 to August 2008 and utilized for purposes other than payment of salary and allowances or in relation to the curricular activities should be considered as amount available for payment of arrears and the liability of arrears for purpose of recovery from students should be taken as reduced to that extent.*
- 8.6 *The Committee has also noted that as a condition precedent to recognition, the schools are required to maintain a reserve, equivalent to three month salary in the form of fixed deposit with Banks. The Government having a charge on the deposit, the account is operated jointly by the school and Director of Education. It will therefore be legitimate to expect that interest of these deposits is utilized for unspecified activities like the one presently under discussion.*
- 8.7 *Most of the schools have been in existence for more than seven to ten years. The fixed deposits of amount equivalent to three month salary during this period are expected to have almost doubled.*
- 8.8 *Applying the amount of interest as also the available reserves discussed in para 8.7 and 8.5 respectively will reduce the arrear liability on students by about 50%.*

- 8.9 *The schools, therefore, in general could charge from the students a fixed amount of Rs. 3,500 or a lesser sum required to meet liability on account of arrears remaining outstanding after utilizing the interest and reserves mentioned in para 8.8. Schools having a comparatively lower student-teacher ratio of say less than 20, to match their smaller recovery base, could be allowed to charge up to Rs. 4,500. To maintain parity with the Central Government decision the charges and the corresponding payment of arrears to staff could be made in two installments, 40% of the amount being paid in the current financial year and the remaining 60% in the next financial year.*
- 8.10 *In order to take care of exceptions warranting deviations from the general model, the Committee suggests adoption of the grievance redressal mechanism suggested in connection with the issue of fee hike in para 7.1.9 above.**

15. Keeping in view the Duggal Committee Report and the Bansal Committee Report as well as the recommendations of the 6th pay commission relating to salaries of the teachers and staff of the Government schools, Government of NCT of Delhi, Directorate of Education issued an Order on February 11, 2009 for the implementation of the recommendations of 6th Central Pay Commission w.e.f. the academic session 2008-09 and to meet financial requirements arising therefrom. The salient features of the order are as follows:

1. A Fee hike is not mandatory for recognized unaided schools in the NCT of Delhi
2. All schools must, first of all, explore the possibility of utilising the existing reserves to meet any shortfall in payment of salaries and allowances, as a consequence

of increase in the salaries and allowances of employees.

3. If any school still feels it necessary to hike the Tuition Fee, it shall present its case, along with detailed financial statements indicating income and expenditure on each account, to the Parent Teacher Association to justify the need for any hike. Any increase in Tuition Fee shall be effected only after fulfilling this requirement and further subject to the cap prescribed in paragraph 4.
4. All schools have been placed in five (5) categories based on their monthly Tuition Fees at present. Increase in the Tuition Fee, as mentioned below was permitted with effect from 1 September 2008 for those schools who need to raise additional funding for additional requirement on account of the implementation of the 6th Central Pay Commission recommendations:-

Category	Existing Tuition Fee (per month)	Proposed increase in Tuition Fee (maximum limit per month)
1.	Upto Rs. 500/- P.M.	Rs. 100/- p.m.
2.	Rs. 501/- to Rs. 1,000/-	Rs. 200/- p.m.
3.	Rs. 1,001/- to Rs. 1,500/-	Rs. 300/- p.m.
4.	Rs. 1,501/- to Rs. 2,000/-	Rs. 400/- p.m.
5.	Above Rs. 2,000/-	Rs. 500/- p.m.

5. There shall not be any further increase in the Tuition Fee beyond the limit prescribed in para 4 hereinabove, till March 2010.
6. The parents shall be allowed to deposit the arrears on account of the above Tuition Fee effective from 1st September, 2008 by 31st march, 2009.
7. The arrears for meeting the requirements of salary etc. from 1st January 2006 to 31st August 2008 as per 6th Central Pay Commission recommendations will be paid by the parents subject to the limitations prescribed below:-

Category	Existing Tuition Fee (per month)	Arrears		Total (I + II)
		(1 st Installment) (i)	(2 nd Installment) (ii)	
1.	Upto Rs. 500/-	Rs.1,000/-	Rs.1,000/-	Rs. 2,000/-
2.	Rs. 501/- to Rs. 1,000/-	Rs.1,250/-	Rs1, 250/-	Rs. 2,500/-
3.	Rs. 1,001/- to Rs. 1,500/-	Rs.1, 500/-	Rs.1,500/-	Rs. 3,000/-
4.	Rs.1,501/- to Rs. 2,000/-	Rs.1, 750/-	Rs.1, 750/-	Rs. 3,500/-
5.	Above Rs. 2,000/-	Rs. 2,250/-	Rs. 2,250/-	Rs. 4, 500/-

The first installment may be deposited by 31st March 2009 and the second by 30th September 2009. Schools, however, are at liberty to prescribe later dates.

8. Teachers and other employees shall be paid the first instalment of their arrears @ 40% of the total amount

by 30th April 2009 by the schools. The second installment of arrears i.e. the remaining 60% shall be paid by 31st October 2009.

9. No school student, who is appearing in Board examination, shall be denied admit card, school leaving certificate or any other document, or be disallowed from appearing in the Board Examination on account of any non-payment or delayed payment arising out of this order.
10. A Grievance Redressal Committee has been constituted with the Director (Education) as the Chairperson with two other Members and one Chartered Accountant. Any school or parent, who is aggrieved by this order shall approach the Grievance Redressal Committee, along with the head of the Parent Teacher Association, within 30 days from the issue of the order. The school shall present the accounts of the school before the Committee. The Committee shall resolve each grievance brought before it.
11. The schools should not consider the increase in fee to be the only source of augmenting their revenue. They should also venture upon other permissible measures for increasing revenue receipts.

12. The amount of fee collected between January 2006 and August 2008 and utilized for purposes other than payment of salary / allowance or organizing curricular activities should be considered as amount available for payment of arrears and the liability of arrears for the purpose of recovery from students should be taken as reduced to that extent.
13. Interest on deposits made as a condition precedent to the recognition of the schools and as pledged in favour of the Government should also be utilized for payment of arrears in the present case.
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 income generated from the investment made out of this fund, will be kept in a separately maintained Development Fund Account.
15. However, the additional increase in Development Fee on account of increase in Tuition Fee shall be

utilized for the purpose of meeting any shortfall on account of salary/arrears only.

16. No Registration Fee of more than twenty five rupees per student prior to admission shall be charged.
17. No Admission Fee of more than two hundred rupees per student, at the time of admission shall be charged. Admission Fee shall not be charged again from any student who is once given admission as long as he remains on the rolls of the school.
18. 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 a refund.
19. The Tuition Fee shall be so determined as to cover the standard cost of establishment including provisions for DA, bonus, etc, and all terminal benefits as also the expenditure of revenue nature concerning the curricular activities. All fees charged in excess of the amount so determined or determinable shall be refunded to the students/parents within fifteen days or the issue of this order.

20. No fee, fund or any other charge by whatever name called shall be levied or realized unless it is determined by the managing committee in accordance with the directions contained in this order and unless the representatives of the Parent Teacher Association and the nominees of the Director are associated with these decisions.
21. No annual charges shall be levied unless they are determined by the managing committee to cover all revenue expenditure, not included in the tuition fee and 'overheads' and expenses on play-grounds, sports equipment, cultural and other co-curricular activities as distinct from the curricular activities of the school.
22. Earmarked levies shall be charged from the user students only. Earmarked levies for the services rendered shall be charged in respect of facilities involving expenditure beyond the expenditure on earmarked levies already being charged for the purpose. They will be calculated and collected on 'no profit no loss' basis and spent only for the purpose for which they are being charged. All transactions relating to the earmarked levies shall be an integral part of the school accounts.
23. Fees/funds collected from the parents/students shall be utilized strictly in accordance with rules 176

and 177 of the Delhi School Education Rules, 1973.

No amount whatsoever shall be transferred from the recognized unaided school fund of a school to the society or the trust or any other institution.

24. Every recognized unaided school covered by the Act, shall maintain the accounts on the principles of account applicable' to non-business organization/not-for-profit organization as per Generally Accepted Accounting Principles (GAAP). Such schools shall prepare their financial statement consisting of Balance Sheet, Profit & Loss Account and Receipt and Payment Account every year as per proforma which is under process and will follow shortly.

25. Every recognized unaided school covered by the Act, shall file a statement of fees latest by 31st March every year before the ensuing session under section 17 (3) of the Act as per proforma which is under process and will follow shortly.

16. It needs to be mentioned that like the proformas envisaged by the order of the Director dated February 10, 2005, the proformas contemplated by the above order are still under wraps.

17. The aforesaid order of the Government of NCT of Delhi was challenged before the Delhi High Court both by the Delhi Abhibhavak

Mahasangh (DAM) and the unaided recognized schools. While the parents' body representing the students questioned the enhancement of the fee by the schools on the basis of the aforesaid notification of the government, as being unreasonable and without following the proper procedure mandated by law and the judgment of the Supreme Court in *Modern School Vs. Union of India & Ors.* (2004) 5 SCC 583, the recognized unaided schools called in question the aforesaid notification on the ground that the enhancement was not enough to match the financial burden cast upon the schools as a consequence of the revision in the pay scales of teachers and other staff of the schools. The Hon'ble Delhi High Court by a detailed judgment rendered on Aug.12,2011 disposed of the Writ petitions with directions. It also, recommended that the government should consider the appointment of an expert committee which can go into the feasibility of establishing a regulatory body for unaided recognized private schools in Delhi and to recommend the changes that are required to be made in the existing law or to suggest separate legislation, if that is required. The Court also directed that the Central Government may consider the feasibility of formulating National Policy on Fee. Since the process was likely to take a long time, the Court with a view to make provision for the interregnum, constituted the instant committee for the purpose already indicated at the threshold of this report.

CHAPTER - 2

Impediments in the Working of the Committee

1. Delay in appointment of the Third member of the Committee.

On September 23, 2011, one month and 11 days after the aforesaid order of the Delhi High Court was passed, the Govt. issued a notification¹ in compliance thereof by nominating the third member of the committee from the field of education. The notification, to the extent relevant reads as follows:-

“The committee shall perform acts determined in the judgment of the Hon’ble Delhi High Court dated August 12, 2011 passed in Civil Writ Petition No. 7777 of 2009 – Delhi Abhibhavak Mahasangh & Ors. Vs. GNCT of Delhi & Ors .Terms and conditions of appointment of Chairperson and members of the committee shall be notified separately.”

Soon after the issuance of the above notification, the members of the committee had a meeting with the officials of the Directorate of Education at the residence of the Chairperson of the Committee. The Directorate of Education was represented by Ms. Shashi Kaushal, Additional Director, Ms. P. Lata Tara, Assistant Director, and Sh. Marcal Ekka, Assistant Director. They were also accompanied by a few other officials. The committee was apprised by the officials of the fact that there were more than 1200 schools covered by the aforesaid order of the High Court dated August 12, 2011. Having regard to the

¹ Annexure 1

magnitude of the work the committee impressed upon the officials, to take necessary steps with regard to the following:

1. Set up the office of the committee in a suitable premises with adequate staff and office equipment including computers etc;
2. Depute sufficient number of officials having experience in the matter of accounts to work in the office of the committee;
3. Create an e-mail address and website for the committee to facilitate the transmission and receipt of information; and
4. Provide names of the schools covered by the order of the High Court along with the names of their Principals and e-mail Ids at the earliest, so that schools could be asked to upload the requisite information regarding their accounts and other related and relevant information.

2. Delay in Setting up the office of the Committee.

It appears that the Directorate of Education went into a sleep mode in so far as the aforesaid minimum requirements of the committee to start its work were concerned. The committee expected that the Directorate of Education will bestow its immediate attention to the matter and would act expeditiously to effectuate the order of the Delhi High Court dated August 12, 2011 by setting up the office of the committee without delay and providing the necessary manpower and infrastructure but the expectation was belied. In the circumstances, the committee was compelled to write a letter on November 9, 2011 to

the Registrar General of the Delhi High Court pointing out that even after three months of the passing of the order by the court, the Directorate of Education had failed to allocate an office building, supporting staff, office equipment, computers etc. to the committee to execute the work assigned by the court. The Registrar General was requested to place the letter before the Division Bench, dealing with the matter for appropriate directions. It was at the intervention of the Division Bench that the office was provided to the committee at Vikas Bhawan II on December 26, 2011, more than four months after the order of the Delhi High Court dated August 12, 2011 and that too without adequate staff and requisite infrastructure.

On December 26, 2011, as per the direction of Court, the committee started functioning. On that day the committee held a meeting² with Ms Shashi Kaushal, Additional Director of Education and Ms P. Lata Tara, Assistant Director of Education. During the course of the meeting the department was requested to provide auditors, well conversant with the accounts of the schools. They were also requested to provide sufficient number of computer systems, scanner and a heavy duty printer. The representatives of the department were asked to hold a meeting with the officials of the Information Technology Department for the purpose of creation of an interactive website of the committee to facilitate all the stakeholders to file representations or other relevant documents with the committee.

² Annexure-2

3. Non Provision of trained manpower.

On December 26, 2011 the following staff was provided to the committee which was highly inadequate:

Designation/Post	No. of Personnel
Office Superintendent	1
Steno II	1
Upper Division Clerk	1
Lower Division Clerk	1
Peons	2
Data Entry Operators	3

It is quite surprising that the Committee which was required to go into the financials of 1272 schools, was not provided even a single person with an accounting background.

4. Lack of Adequate equipment

Two days after the office was provided to the Committee i.e. on December 28, 2011, the Committee was provided with just four computers and one printer. Three Computers were provided to the Members of the Committee and just one for the staff. No telephone or internet connection was provided nor was any fax or scanner provided. In the above mentioned first meeting itself, the officials of the Directorate had been apprised of the need of the Committee for

office equipment in terms of its requirement. However, the Directorate showed no urgency in meeting the requirements of the Committee as a result of which the Committee suffered a great handicap in discharge of its functions. This is evident from the following:-

- (1) Till 10.04.2012 no almirahs were provided. This resulted in haphazard stacking of records of schools.
- (2) It was only on 19.07.2012 that ten more computers were provided but they were not operationalised until 30.07.2012 due to lack of operating systems and software. As a result the Committee and the staff had to work with only four computers.

5. Indifferent attitude of the Directorate of Education.

- (i) On December 29, 2011 the committee held its second meeting³, in which it was inter alia decided as follows:
 - (a) The Committee to have a meeting with the Director of Education and the concerned Dy. Directors of the Districts for designing a methodology to secure relevant information from the concerned schools to fulfil the objective of the order of the Delhi High Court dated August 12,2011;

³ Annexure-3

- (b) To take up the matter of appointment of Auditors/Accountants in the office of the committee with the Director of Education, and
 - (c) NIC be approached through the Director of Education to create a website for the committee and till such time the website was created, the website of Directorate of Education, edudel.nic.in be utilized by the committee and a link be created for the use of the committee.
- (ii) The Committee observed that for collecting the requisite information from the schools, the names of their Principals and Managers, e-mail Ids etc. were required. It was noticed that the information could have been supplied to the committee immediately when request was made to the officers of Directorate of Education

6. To effectuate the purpose of the aforesaid meeting, a second meeting was held by the Committee with the officers of the Directorate of Education including Sh. Diwan Chand, the Director of Education, and Dy. Directors of Education of the Districts on December 31, 2012 (minutes appended⁴). In the meeting, the Committee impressed upon the officials of the Directorate of Education, the need to accomplish the task assigned to it by the Delhi High Court with the co-operation of the department in terms of providing manpower, infrastructure and gathering of requisite information from the Directorate of Education as well as its field formations. Besides, the committee requested the

⁴ Annexure-4

Director of Education to provide the following manpower for the smooth and effective functioning of the committee:-

- (i) One Senior Official, not below the rank of Assistant Director, to act as the Secretary to the Committee;
- (ii) A minimum of 15 Auditors for audit of financial records of more than 1200 schools;
- (iii) Two additional Stenos (English), one to be of a senior rank to assist the Chairperson as his P.S.

The Director Education was asked to publish a notice for the information of the public at large about the constitution of the Committee and the work assigned to it as soon as the approved draft was provided to him by the committee.

As regards the audit personnel the Director informed that he was in touch with the Institute of Cost Accountants for providing necessary manpower. It was pointed out by the committee that it was not proper to approach the Institute of Cost Accountants as Chartered Accountants are more suitable because of their practice and training and they are supposed to undertake audit of financial records. It was therefore suggested that he should approach the Institute of Chartered Accountants instead. The Committee also informed the Director of Education that it would like to be a part of the screening process to ensure the quality of audit personnel to be deployed in the office of the Committee. The Director Education agreed to the suggestions and promised to provide the required audit personnel within 15 days. The Deputy Directors of Education (DDEs)

of the various districts were asked to provide a comprehensive list of all unaided schools in their districts with their addresses, code numbers allotted by the Directorate, names of Principals, Managers and their contact numbers, e-mail ID etc. within three days.

The DDEs were also required to send financial returns of the schools in their respective districts for a period of five years commencing from 2006-07. Some of the DDEs requested the committee that instead of calling for the records of all the schools in one go, which would take a lot of time, the transmission of records, be staggered. Pursuant thereto it was decided that in the first instance, the records of the schools in respect of which complaints had been received, be sent along with copies of the complaints and details of court cases, if any, within one week. The records of the remaining schools were required to be sent by DDEs within two weeks thereafter.

The DDEs were advised to identify the schools which in their opinion, on the basis of records examined by them, had hiked fees disproportionately. It was directed that the list of such schools be also sent to the committee expeditiously. They were also requested to send their suggestions which help the committee to accomplish its task with promptitude.

7. Aftermath of the meeting:-

- (i) The list of schools with the names of their Principals/Managers, their e-mail IDs and telephone

numbers, etc. was not furnished despite the aforesaid requests.

- (ii) The audit personnel were not provided as promised by the Director of Education in the meeting held on December 31, 2011.
- (iii) Against the requirement of 15 auditors, only one newly promoted Assistant Accounts Officer was posted in the Committee on January 16, 2012.
- (iv) The DDEs failed to identify the schools that had hiked the fee.

8. Notice about the Constitution of the Committee and its being functional from December 26, 2011 was published by the Directorate of Education on January 18, 2012⁵, after much goading by the committee even though a draft notice settled by the committee was sent to the Directorate of Education on January 3, 2012. The aforesaid notice invited representations or inputs from the stakeholders to assist the committee in arriving at a just and proper conclusion with regard to the task assigned by the Court. The notice also informed the stakeholders that while making the representations, they could indicate whether they would like to be heard by the committee. Pursuant to the aforesaid notice, some response was received from the stakeholders. The Director of Education was again requested to publish a fresh notice inviting representations from the stakeholders. The notice was published on March 18, 2012 in leading

⁵ Annexure-5

newspapers including "Navbharat Times", wherein, unfortunately e-mail address of the committee was wrongly given as feecommittee@email.com⁶. No corrigendum was issued by the Directorate of Education, which it seems adversely affected the filing of the representation by the stakeholders. .

9. Since the financial returns of schools were not being transmitted by the district offices to the committee, a second meeting was held with them on January 19, 2012⁷, to impress upon them, the need to take up the task in the right earnest so that the work of the committee might proceed speedily and efficiently. In the meeting, all districts were represented, most of them by DDEs and remaining by their representatives. The attention of the officers attending the meeting was drawn to the fact that they had not carried out the instructions of the committee conveyed to them in the meeting of December 31, 2011 in as much as the financial records of only 52 schools from five districts had been received. It was also pointed out to them that in almost all the cases, the financial records of the schools submitted were incomplete. It was brought to their notice that they were sending only the Receipt and Payment accounts, Income and Expenditure accounts and Balance Sheets, whereas Rule 180 read with Appendix-II of the 'Rules' required a number of returns to be submitted. It was also pointed out to them that the financial

⁶ Annexure-6

⁷ Annexure-7

records were not being properly audited and signed by the Chartered Accountants. It was also pointed out that the financial returns of the schools were required to be examined and analysed by the Directorate. In response, the DDEs stated that due to shortage of accounts functionaries in their Districts, it was not possible to examine the financial returns of the schools. The shortcomings in the files received from the districts were brought to the notice of the DDEs and the files were returned to them for removing them. They were required to return the files after removal of the shortcomings.

The response of the DDEs clearly showed that they were not ensuring the compliance of Rule 180 read with Appendix-II thereof, which required every unaided recognized private school to submit the following returns and documents by July 31 of each year:-

- (i) Budget estimates of receipts and payments of ensuing year.
- (ii) Final accounts i.e., Receipts and Payment account, Income and Expenditure account and Balance-Sheet of the preceding year, duly audited by the Chartered Accountant.
- (iii) Enrollment of students as on 30th April.
- (iv) Pattern of concessions/scholarship, etc.
- (v) Staff Statement
- (vi) Schedule of fees/fines/funds, etc.
- (vii) Statement showing the dates of disbursement of salaries.

Having gone through the financial records of many schools which the Committee received from the DDEs, it was found that there was hardly any compliance with Section 17(3) of the Act, Rule 180 of the 'Rules' and Appendix-II thereto by the schools.

10. With a view to reminding the Director of Education of the issues discussed in the meeting of December 31, 2011, a communication dated February 2, 2012 was sent to him by the Chairperson of the Committee⁸. It was reemphasized therein that services of at least 15 auditors would be required by the Committee to audit the financial records of about 1272 schools. The letter highlighted the fact that appreciating the magnitude of the work to be executed by the committee he had earlier agreed to provide manpower to the committee within two weeks. While emphasizing the need for expeditious action in respect of the issues discussed in the meeting of December 31, 2011, it was also suggested that till such time the auditors are provided to the committee, at least 10 officials having accounting background could be drafted on temporary basis from the offices of the Deputy Directors (Districts) and Headquarter of the department for the work of the committee.

In response to the aforesaid letter, the Additional Director of Education by her letter dated 28.02.2012⁹ addressed to the Secretary of the Committee, stated, inter-alia, that it was not possible to spare

⁸ Annexure-8

⁹ Annexure-9

ten Accounts Officers of the Department as 50% of the posts of Accounts Officers were lying vacant. It was however suggested that the Committee could be provided with retired Accounts Officers of the Govt.

As regards, the attachment of CAs to the office of the Committee, it was stated therein that the Vice-President of ICAI, wanted the following information before he could assist in providing CAs for Audit purposes:-

- (a) Nature of job to be done.
- (b) Number of schools to be audited.
- (c) Time frame
- (d) Whether Auditors will work at the premises of the committee or otherwise.
- (e) How much payment to the C.As..

The information sought was given by the Committee to the Directorate of Education by its letter dated February 29, 2012¹⁰. It needs to be noted that it took the Directorate of Education 26 days to reply to the letter of the Committee dated February 2, 2012.

On February 29, 2012 ¹¹, a meeting was also held with Shri Amit Singla, the new incumbent to the post of Director of Education, as by that time the earlier incumbent, Shri Diwan Chand stood

¹⁰ Annexure-10

¹¹ Annexure-11

promoted as Secretary (Education). Various pending unresolved issues were discussed at the meeting, including the deficiency in providing infrastructure and manpower to the Committee.

The first point, which was of primary importance, namely, posting of CAs/Retired Accounts Officers was raised in the meeting. It was once again pointed out by the Committee that having regard to the magnitude of the work, sufficient number of Chartered Accountants/Accounts Officers was needed. It was emphasized that this issue was discussed with the former Director of Education in the meeting held on December 31, 2011, but even after a lapse of considerable time, no action had been taken by the department. Attention of Sh. Singla, was drawn to the letter of the Committee dated February 2, 2012 written to Sh. Diwan Chand, the erstwhile Director Education, to remind him about the inadequacy of the staff provided to the committee. It was also pointed out that in the first meeting, Sh. Diwan Chand had assured that he would be taking necessary action on urgent basis, but nothing tangible had been done. Sh. Singla extended an assurance that he would take necessary action on urgent basis. He informed the committee that he was in touch with the Institute of Chartered Accountants to engage the CAs for the work of the Committee. The Director himself suggested that services of retired Accounts Officers could be provided to the committee for its assistance.

During the meeting, it was brought to the notice of the Director of Education that financial returns of only 321 schools out of 1272

had been received from the District DDEs till then. District wise list was also provided to the Director. He took upon himself the responsibility to send letters to the managers of the schools calling for the records. A draft letter requiring the schools to furnish necessary documents was also provided to him. He assured to pursue the matter at his own level by calling a meeting of DDEs.

11. It appears that there was a gap between the aforesaid assurances given by the Director of Education and the action taken to fulfill them. In the circumstances, therefore, a third meeting was held with the Director of Education on April 10, 2012 (minutes appended¹²). The outstanding issues relating to posting of Audit Personnel in the office of the committee was again discussed with the Director of Education in this meeting.

The Director of Education was also apprised of the slow progress in the submission of files of the schools by District Deputy Directors. District wise detail of the schools, whose records had not been received by the committee was again given to the Director. He again assured to pursue the matter with the concerned Deputy Directors personally.

The issue relating to delay in deployment of audit personnel, being of utmost importance, is being comprehensively placed in the following paragraph even at the risk of repetition.

¹² Annexure-12

12. Directorate of Education procrastinated over the deployment of audit personnel:

(a) Retired Accounts Officers

As mentioned above, the Director of Education in the meeting with the Committee on February 29, 2012 had conveyed that retired Accounts officers could be provided to the Committee for which the Finance department was also agreeable. However, no concrete steps were taken by the directorate in this direction. On the persistence of the Committee, the Directorate of Education placed an advertisement¹³ on its website sometime in April 2012, inviting applications from retired Accounts Officers to assist the committee. The notice stated that preference would be given to those Accounts Officers who had worked in the Directorate of Education or AG's office and had done audit of commercial accounts. The requirement that the candidates ought to have undertaken audit of commercial accounts was an improvement made by the Directorate of Education to the draft public notice which was vetted and settled by the committee. The condition was diametrically opposite to the judgment of Supreme Court in Modern School vs Union of India & ors. which laid down that the schools shall maintain accounts on lines of non profit organizations.

¹³ Annexure 13

On pointing out of the mistake in the aforesaid notice by the Committee, the Directorate of Education published a public notice¹⁴ in leading newspapers on May 11, 2012 in which the appropriate modification was carried out. However, in the process, precious three weeks were lost.

Pursuant to the notification, applications were received by the Directorate of Education. The Directorate of Education constituted a three member selection board comprising of Sh. J. S. Kochar, Member of the Committee, Ms. Raj Chauhan, DCA, Directorate of Education and Sh. S. K. Sharma, Secretary to the Committee to conduct interviews of the candidates and to select and recommend the names of suitable candidates. Accordingly, interviews were conducted by the Board on May 23, 25 and 30, 2012. On May 30, immediately after the conclusion of the interviews, the Board prepared a merit list of 10 candidates and forwarded it to the Directorate of Education¹⁵. The appointment letters, however, were issued to four retired Accounts Officers only on June 20, 2012 i.e. 21 days after the Committee had finalized its recommendations.

On June 22, 2012, four retired Accounts Officers joined the office of the Committee. One of them, however, after giving his joining report, withdrew the same on the same date. In his place, another retired Accounts Officer was deputed only on July 4, 2012. Recently

¹⁴ Annexure 14

¹⁵ Annexure-15

on August 9, 2012, one more retired Accounts Officer has been deputed.

(b) Chartered Accountants

In the very first informal meeting of the Committee held in the last week of September, 2011 at the residence of the Chairperson, it was impressed upon the officials of the Directorate of Education that the Committee would need the assistance of manpower, who had the requisite skills to analyse the financial statements of the schools like Income & Expenditure Accounts and Balance Sheets.

The Committee was informed that firstly the Department had acute shortage of the Accounts Officers and secondly such officers may not be suitably equipped to analyse the financial statements like Balance Sheets as they were not accustomed to doing such work as part of their jobs. It was suggested by the Committee that it be provided with the assistance of Chartered Accountants.

The Committee assessed the quantum of work involved and the approximate time that would be required to analyse the financial statements of the schools and considering that the task of analyzing/auditing the Balance Sheets of 1272 schools for periods ranging from 3 to 5 years was gigantic, the Committee felt that about 15 Chartered Accountants, would be needed to assist it in accomplishing the task. The officials of the Directorate promised to get

back to the Committee after discussing the issue with the Director, which they never did.

When the Committee started functioning on December 26, 2011, in the very first formal meeting, the matter was again taken up with the officials of the Directorate. On December 31, 2011, when the Committee had a meeting with the Director of Education, the issue was again raised with him. The Committee was informed by the Director that he was in touch with the Institute of Cost Accountants. When a member of the Committee pointed out that he should be contacting the Institute of Chartered Accountants instead, he promised to do so and assured the Committee that the requisite number of Chartered Accountants would be provided within fifteen days. It was also suggested to the Director that the Committee would want to be a part of the screening process to ensure the quality of audit personnel to be deployed and the Director agreed to this suggestion. The request for provision of the audit personnel was telephonically repeated on January 18, 2012 when the Chairperson of the Committee spoke to the Director.

Thereafter, there was a stoic silence on the issue. As nothing was happening in the matter, the Committee, on its own, took an initiative and got in touch with the Institute of Chartered Accountants of India through the Chairman of its Professional Development Committee. Sh. C.S. Nanda, Chairman and Ms. Namrata Khandelwal, Secretary of the Professional Development Committee of the Institute

were kind enough to have a meeting with the Committee. They were apprised of the requirements of the Committee and requested to suggest suitable modalities for shortlisting the Chartered Accountants for the job and also to give an indication of the financial implications for hiring such Chartered Accountants. They promised to get back and send a proposal to the Committee. As a follow up, they sent an email giving their suggestions in the matter.

On February 29, 2012, as already mentioned above, the Committee invited the new Director and he was also apprised of the matter which had to be dealt with on priority basis as the working of the Committee was being greatly hampered on account of non-availability of trained man power to analyse/audit the Balance Sheets of the schools. The proposal received from the Chairman of the Professional Development Committee of the Institute of Chartered Accountants was given to the Director for being processed. However, a letter dated February 28, 2012 of the Addl. Director was delivered in the office of the Committee, in which she mentioned that the issue of deployment of auditors had been taken up with the Institute of Chartered Accountants and the Finance Department of the Govt. of NCT of Delhi. It was further mentioned that discussions were held with Dr. Surinder Pal, Vice President of ICAI and he wanted the information regarding the nature of job, number of schools to be audited, time frame etc. She requested the Committee to give a note on the job profile which was expected of the Chartered Accountants.

The desired information was given to the Director on the same day vide letter No. JADSC/2012/156 dated February 29, 2012. In the same meeting, it was decided that the department would invite applications from retired Accounts Officers of the Government through advertisement in leading newspapers and also through the website of the department. The Committee would interview such persons and a list of shortlisted persons would be sent to the department for issuance of their posting orders. Similar course of action was also proposed for appointment of Chartered Accountants.

However, disregarding the procedure agreed upon by the Director with the Committee, the Director issued a letter dated March 9, 2012 ¹⁶ to C.A. Ved Kumar Jain, CA Amarjeet Chopra and CA N.D. Gupta, all past Presidents of the Institute of Chartered Accountants of India, seeking their consent to be engaged for the services to be rendered to the Committee at a fee of Rs. 1800/- per school.

The proposal was flawed from the beginning as the services of senior Chartered Accountants were being sought at paltry fee of Rs. 1800/- per school. Firstly, Chartered Accountants of such seniority would not have time to devote to the type of job which was required to be done and secondly they could not be expected to sit in the office of the Committee for sufficient length of time which would be required to analyse the Balance Sheets of the schools as the Committee would not part with the records of the schools to be taken to their respective

¹⁶ Annexure-16

offices. The Committee during the course of interactions with the officials of the Directorate of Education had been emphasising that it was looking for Chartered Accountants with some experience who would be willing to sit in the office of the Committee for doing the job and submit their reports. The Directorate of its own had suggested that the it could draw upon the panel of Chartered Accountants which was maintained by the Registrar of Cooperative Societies.

On April 10, 2012, another meeting with the Director was held when he gave a letter¹⁷ stating that two of the past Presidents namely Sh. Ved Kumar Jain and Sh. N.D. Gupta had given their consent to assist the Committee while the letter from the third past President was in the pipeline. Copies of consent letters¹⁸ of the two Chartered Accountants were also given to the Committee. It was requested to give its requirement of CAs from these two firms. The very next day i.e. April 11, 2012, the Committee informed¹⁹ the Directorate that in the first instance, five Chartered Accountants from each of the two firms might be deployed and also requested to obtain from the respective firms their constitution certificates issued by the Institute of Chartered Accountants and an undertaking of secrecy and disclosure of interest from the two firms. However, nothing was heard thereafter for about two months and vide letter dated June 7, 2012²⁰, the Committee was informed that Sh. Ved Kumar Jain was not

¹⁷ Annexure-17

¹⁸ Annexure-18 and 18A

¹⁹ Annexure-19

²⁰ Annexure-20

responding to several reminders and Sh. N.D. Gupta, had telephonically declined the offer. However, M/s. G.S.A & Associates, the firm in which the third Past President Sh. Amarjeet Chopra was a partner, had accepted and submitted the desired undertaking and constitution certificate and had agreed to depute Sh. Maninder Tiwari, Sh. Santosh Kumar, Sh. Chintan Kumar and Sh. Vivek Kumar Chartered Accountants to assist the Committee. As these four Chartered Accountants were not appearing either as partners or as employees of the firm as per the constitution certificate²¹ submitted by the firm, the Committee desired to know as to who would sign the analysis of the financials of the schools. Sh. Anil Kumar, Dy. Education Officer, who was liaisoning with the Committee, after speaking to the firm informed that the firm would be deputing one of their partners to oversee the work of the four Chartered Accountants and he would sign the analysis. This was acceptable to the Committee and the four CAs who reported to the Committee on 22.06.2012 were assigned 'B' Category schools and till August 14, 2012, they had been given files of 235 schools. However in about two months time for which they have been working, financial analysis of not a single has been submitted so far. In fact out of the four Chartered Accountants, who had been initially deputed by the firm, only two, namely Sh. Chintan Kumar and Sh. Vivek Kumar, have been attending the office of the Committee. The Committee checked up their profile from the website of the Institute of Chartered Accountants

²¹ Annexure-21

of India and has come to know that both of them have recently qualified as Chartered Accountants in the year 2012.

Hence, the department which had set out to provide the services of fifteen CAs, has actually ended up in providing two Chartered Accountants who have recently qualified.

The approach of the department has backfired. This is basically due to non involvement of the Committee in the process of selection of the Chartered Accountants. While making offer to one of the past Presidents of the Institute, the department failed to notice that he was actually a practising advocate enrolled with Bar Council of Delhi²².

The Committee is of the view that as the Directorate of Education has already consumed more than 7 months since the Committee started functioning and has not been able to provide sufficient number of Chartered Accountants of some seniority, the Committee may be permitted to engage Chartered Accountants directly in order to obviate further delays and the Hon'ble High Court may fix their fee to be paid by the Directorate of Education. As the job of analyzing the financial statements like Balance Sheets and Income and Expenditure Accounts of the schools is of a complex nature and therefore the services of Chartered Accountants are required.

²² Annexure-22

CHAPTER-3

FUNCTIONING OF THE COMMITTEE

1. Meetings with Stakeholders

The committee started its deliberations immediately after it was provided office at Vikas Bhawan-2 and invited various stakeholders in order to provide opportunity of hearing to them including the petitioners and counsel for the Petitioners in W.P. (C) Nos. 7777 of 2009 etc. The Petitioners alongwith their counsel appeared before the committee on January 3, 2012. (Minutes appended²³.)

On January 4, 2012, the committee held a meeting with representatives of Action Committee of Unaided Recognized Private Schools. (Minutes appended²⁴).

On January 9, 2012, the committee held a meeting with Forum of Minority Schools, representatives of Convent of Jesus and Mary (Minutes appended²⁵) and Association of Public Schools. Another meeting was held with the representatives of Convent of Jesus & Mary on January 23, 2012 as in the first meeting held with them on January 4, 2012, a request was made for fixation of another date on the ground that the head of institution was not available. On January 23, 2012, the representatives of the school appeared along with their Counsel. The Ld. Counsel addressed the committee and cited case

²³ Annexure-23

²⁴ Annexure-24

²⁵ Annexure-25

law relating to the functional autonomy of the private educational institutions and minority educational institutions. The committee brought to his attention the issue which had been referred to it by the Delhi High Court, with a view to restricting him to the question of fee hike only. He was advised to file written submissions, if he so desired (minutes appended²⁶). He mailed the written submissions²⁷ on April 30, 2012.

On February 08, 2012, Ms. Ayesha S. Tempelton, earstwhile Principal of Sommerville School, Vasundara Enclave and members of PTA of Ramjas School, Anand Parbat were accorded hearing at their request.

The committee had received a representation from Members of Parent Teacher Association of Bhartiya Vidhya Bhawan, Mehta Vidyalaya, New Delhi. They had also requested for a meeting with the committee. Pursuant to their request on February 17, 2012, a meeting was held by the committee with them. (Minutes²⁸ appended).

On March 23,2012, the representatives of Independent schools Federation, who had sought a meeting with the Committee, were heard.

2. With a view to setting the parameters for determination of the funds available with the schools, which could be utilized for meeting

²⁶ Annexure-26

²⁷ Annexure-27

²⁸ Annexure-28

the additional financial burden on account of implementation of 6th Pay Commission Report, the Committee held extensive discussions. In order to have a broad based view on this question and to take the stakeholders on board, the Committee invited eminent persons from the fields of education, accountancy, law and also representatives of the Parents Associations, an eminent author on the law relating to Delhi School Education and also the officials of the Directorate of Education. A brain storming session was held with such persons on April 4, 2012. The following persons were present.

From the field of education

1. Sh. S.L. Jain, Vice President of Action Committee of Unaided Private Schools and Principal of Mahavir Jain School
2. Professor Sewa Singh, Vice President of Association of Public Schools and Director of St. Cecilia Public School.

Representatives of Parents Bodies

1. Sh. Inderjeet Singh Gambhir, President of Faith Academy Parents' Association

From the Legal Profession

1. Sh. Ashok Aggarwal, Advocate and Counsel for Delhi Abhibhavak Mahasangh
2. Sh. Romy Chako, Advocate and Counsel for Convent of Jesus and Mary
3. Sh. Varun Mudgil, Advocate
4. Sh. H.L. Kumar, Author and Advocate

From the Accountancy Profession

1. Sh. S.S.Kalra, Chartered Accountant and Auditor of Mount Carmel School
2. Sh. K.K. George, Chartered Accountant
3. Ms. Rohini Aggarwal, Chartered Accountant

From the Directorate of Education

1. Ms. P. Lata Tara, Assistant Director of Education
 2. Sh. Anil Kumar, Dy. Education Officer
- (Minutes of the meeting are appended²⁹).

On April 20, 2012, the representatives of Delhi State Public School Association were given an opportunity to address the Committee and express their views with regard to the issue which was under consideration of the Committee. On the same date, members of PTA of St. Angels Public School, Rohini were also given a hearing.

Meetings were also held with representatives of schools which wanted to be heard and from whom clarifications were needed in respect of the financials filed by them.

²⁹ Annexure-29

CHAPTER-4
METHODOLOGY ADOPTED

1. Initially the records of the schools were examined on random basis as and when the same were received from the various districts of the Directorate of Education. However, on going through the records of a number of schools and interaction with some of the associations affected by the fee hike, it became apparent that a large number of schools had not implemented the recommendations of the 6th Pay Commission. It was, therefore, felt necessary that the schools be suitably categorized so that attention could be focused on the worst offenders, who had increased the fee taking advantage of the order of the Directorate of Education dated February 11, 2009, but failed to implement the recommendations of the 6th Pay Commission, thereby in the process unjustly enriched themselves. In this view of the matter, the committee devised a short questionnaire³⁰. The questionnaire was sent to all the recognized unaided schools on February 27, 2012 for their specific response to the questions posed therein. Initially the response was good. After some time, however, the response slowed down. By March 26, 2012, only 267 schools had sent their replies. A reminder was sent to the schools on March 27, 2012. Thereafter, 96 more schools furnished their response.

³⁰ Annexure-30

Keeping in view the replies received from the schools to the questionnaire, they were classified into the following four categories:-

1. **Category - A:** Schools which admitted to have increased the fee in terms of the order of the Directorate of Education dated February 11, 2009 without implementing the recommendations of the 6th Pay Commission.
 2. **Category -B:** Schools that had increased the fee as well as stated to have implemented the recommendations of the 6th Pay Commission.
 3. **Category -C:** Schools which in their replies to the questionnaire stated to the effect that they had not increased the fee in terms of the order of the Directorate of Education dated February 11, 2009.
 4. **Category -D:** Schools which had been granted recognition after February 11, 2009.
2. The financial returns of the schools which had not responded to the questionnaire were subjected to a preliminary scrutiny and based on the information culled out from these returns, they were also placed in the respective categories to which they appeared to belong. Till date, a total number of 1172 schools have been categorized. Lists

of schools so far categorized in Category 'A'³¹, 'B'³², 'C'³³ and 'D'³⁴ are enclosed.

3. For different categories, the Committee devised different methodologies to arrive at the required conclusions. For Category 'A' schools who had admitted to have hiked the fee in accordance with the order dated February 11, 2009 issued by the Director of Education but had for one reason or the other, not implemented the 6th Pay Commission Report, the Committee felt that its recommendations could be made on the basis of the replies submitted by the respective schools. Such schools need to refund the increased fee and arrears of fee, if recovered, as they had avowedly failed to implement the 6th Pay Commission Report for which the hike in fee was allowed by the order of the Director of Education dated February 11, 2009. However, in respect of the schools which had been put in Category 'A', not on the basis of the replies to the questionnaire but on the basis of preliminary examination of the returns submitted by them under Rule 180 of the 'Rules', the fee records of the schools needed to be verified. The Committee therefore, called for the records from the respective schools which were verified by the Accounts Officers of the Govt. Based on such verification, the copies of the records produced by the schools and the returns filed under Rule 180 by them, the Committee has finalized its recommendations.

³¹ Annexure-31

³² Annexure-32

³³ Annexure-33

³⁴ Annexure-34

4. In respect of schools falling in 'C' category, which had stated in their replies to the questionnaire that they had not increased the fee in accordance with the order dated February 11, 2009 issued by the Director of Education as also the schools put in this category on the basis of preliminary examination of their returns under Rule 180 of the Rules, the Committee felt that their books of accounts including fee and salary records need to be examined to verify the correctness of their contention of not having increased the fee. The Committee called for their records which were verified by the Accounts Officers of the Govt. and based on such verification, records produced by the schools and the returns filed under Rule 180 of the Rules by the schools, the Committee has finalized its recommendations.

5. In respect of schools falling in 'D' category, i.e. schools which had claimed that they were granted recognition from academic session 2009-10 or later, the Committee felt that such claims needed to be cross checked with the Directorate of Education and therefore, requested all the districts of the Directorate to submit to it copies of letters granting recognition to such schools. On receipt of copies of such letters from the districts and on being satisfied that the claims made by the schools were correct, the Committee has concluded its recommendations in respect of those schools.

6. In respect of schools falling in category 'B', i.e. the schools which had claimed to have implemented the recommendations of 6th

Pay Commission and also increased the fee in pursuance of the order dated February 11, 2009 issued by the Director of Education, the Committee is in the process of analyzing the financials of the schools to work out the availability of funds with the schools at the relevant time in accordance with the direction of the Hon'ble Delhi High Court contained in the order dated August 12, 2011 and keeping in view the principles laid down by the Hon'ble Supreme Court in the cases of Modern School vs. Union of India & Ors. (supra) and Action Committee of Unaided Private Schools and Ors. Vs. Director of Education & Ors. (supra). Currently the financials of 235 schools falling in this category are being examined for the aforesaid purpose.

It was felt by the Committee that the records of the schools falling in Category-B ought to be examined by Chartered Accountants as the Govt. Accounts Officers deputed with the Committee were not conversant with the double entry system of accounting and the financial statements like Income & Expenditure Accounts and Balance Sheets. In order to determine the funds availability with these schools which had implemented the 6th Pay Commission Report and also increased their fee, it was essential that persons possessing necessary skills be detailed to examine the Balance Sheets in the first instance. These together with the information given by the schools in replies to the questionnaire would form the data base for working out the adequacy or otherwise of the funds available with the schools for implementing the 6th Pay Commission report. It is for this purpose

that the Committee has been requesting the Directorate to provide at least 15 Chartered Accountants. However, as mentioned in the earlier part of this report, only in late June 2012, a couple of Chartered Accountants started working with this Committee. Therefore, the job of analyzing the accounts of schools in 'B' Category could be started only recently. The Committee would before finalizing its recommendations with regard to the schools falling in this category will provide an opportunity of hearing to the schools, wherever required.

CHAPTER-5**DETERMINATIONS****1. Category 'A' Schools:-**

As the replies to the questionnaire started flowing in, they uncovered the greed of substantial number of schools. They had increased the fee without implementing the 6th Pay Commission Report. Such schools took undue advantage of the order of the Directorate of Education dated February 11, 2009 for their unjust enrichment. As is apparent from the reading of the order of the Directorate of Education dated February 11, 2009, the schools were permitted to increase the fee to meet/counter balance the additional financial load as they were required to pay higher emoluments to the staff in accordance with the recommendations of the 6th Pay Commission. The whole purpose of the order dated February 11, 2009 has been defeated and frustrated by the aforesaid schools. In fact, they have capitalized on the order to fill their coffers at the great prejudice of the students and the staff. They cannot be allowed to illegally enrich themselves at the cost of others. Since they did not implement the recommendations of the 6th Pay Commission, there was no need to hike the fee by them. Case of Group of Guru Harkrishan Public Schools would show how the order dated February 11, 2009 was misused.

2. Case of Group of Guru Harkrishan Public Schools (GHPS for short)

The earliest complaint received by the Committee, even before it had started functioning, came from the Parents Association of **GHPS, Hargovind Enclave**. One of the Committee members was telephonically contacted and a complaint was made that the school was resorting to high handed tactics to recover not only the increased monthly fee from the students but also arrears of such fee when the school had not even implemented the recommendations of the 6th Pay Commission. Incidentally, this school was also one of the first schools which responded to the questionnaire sent by the Committee. In its reply, it frankly admitted having increased the monthly fee in accordance with the order dated February 11, 2009 issued by the Director of Education and also having recovered arrears of such fee amounting to Rs 67,64,345/- without implementing the recommendations of the 6th Pay Commission.

Similarly, **GHPS, Purana Qila Road, New Delhi** admitted in its reply that it had recovered arrears amounting to Rs. 1.31 Crores, besides increasing the monthly fee in accordance with the aforesaid order without implementing the 6th Pay Commission Report.

Same was the position in case of **GHPS, Shahdara**. It admitted to have recovered from students a sum of Rs. 53,57,500/- as arrears,

besides increasing the monthly fee taking advantage of the aforesaid order.

GHPS, Punjabi Bagh and **GHPS Hardhian Singh Road, Karol Bagh** also admitted to have recovered arrears of Rs.44,81,000/- and Rs.14,50,604/- respectively from the students, besides increasing the monthly fee, without implementing the recommendations of the 6th Pay Commission.

GHPS, Hemkunt Colony though did not give the aggregate amount of arrears recovered, stated that it had recovered arrears amounting to Rs. 2500/- to Rs. 3000/- per student, besides increasing the monthly fee. Similarly, **GHPS, Kalkaji** admitted to have recovered arrears of Rs. 2500/- to Rs. 3000/- per student. Both these schools also stated that they had not implemented the 6th Pay Commission Report.

GHPS, Tilak Nagar, while admitting that it had increased the monthly fee in accordance with the aforesaid order dated February 11, 2009, denied having recovered any arrears from the students.

Other Group schools namely GHPS, Vasant Vihar, GHPS, Nanak Piao, GHPS, Hari Nagar, GHPS, Fateh Nagar and GHPS, Vishnu Garden had not given replies to the questionnaire of the Committee. Therefore, vide letters dated April 23, 2012, the

Committee again reminded these schools to submit their replies. In response to these letters, only **GHPS Hari Nagar** submitted its reply by which, although it admitted not having implemented the 6th Pay Commission Report, it denied having increased any fee or recovered any arrears from the students in accordance with the aforesaid order of the Director of Education. The books of accounts and fee records of this school were requisitioned and on examination of the same, the Committee found that the school had falsely stated that it had not increased the fee in accordance with the aforesaid order of the Director of Education when it had actually increased the monthly fee to the maximum extent permitted by the aforesaid order.

In respect of **GHPS, Vasant Vihar**, although the school ignored the reminder letter dated April 23, 2012, a news item had appeared in the Hindustan Times of May 27, 2012³⁵ in which it was mentioned that the staff of this school had filed a writ petition in the Hon'ble Delhi High Court seeking implementation of the 6th Pay Commission report and that the President of the Delhi Sikh Gurudwara Management Committee, which has overall control of the management of this school, had given an assurance to the Director of Education that the 6th Pay Commission would be implemented by the group schools in a year's time. It was also mentioned that the Directorate of Education had carried out an inspection of this school. As the information was not forthcoming from the school, the Committee, vide

³⁵ Annexure-35

letter dt. June 13, 2012³⁶, asked the Director of Education to furnish the inspection report of the school to the Committee for its perusal. The said report was furnished to the Committee by the Directorate of Education only on August 1, 2012 and that too after being reminded. On perusal of the inspection report alongwith the returns of the school under rule 180, it became evident that the school had increased the monthly fee in terms of the order of the Director of Education to the maximum permissible extent but had not implemented the 6th Pay Commission report. A copy of the letter dated January 4, 2012³⁷ given by the President of Delhi Sikh Gurudwara Management Committee, which was furnished by the Directorate of Education also confirmed that the school had not implemented the 6th Pay Commission report. The Committee also observed that the inspection file of the Directorate contained a copy of circular dated February 27, 2009 issued to the parents of the students demanding arrears of fee amounting to Rs.4,110 from each of the students of pre nursery to 5th standard and Rs.5,415 from each of the students of VI to XII standard. This was more than even the maximum amount permitted by the order dt. February 11, 2009.

The Committee also perused the show cause notice issued by the Directorate of Education pursuant to the inspection report. The Committee noted that the President of Delhi Sikh Gurudwara

³⁶ Annexure-36

³⁷ Annexure-37

Management Committee had stated vide his letter dated January 4, 2012 to the Directorate of Education that the 6th Pay Commission report would be implemented within one year. However, the school increased the fee with effect from April 1, 2009 in terms of the order dt. February 11, 2009 issued by the Director and also recovered the arrears from the students. This fact, as also the fact that the school had not implemented the 6th Pay Commission report, was clearly brought out in the report of inspection of the school carried out on April 23, 2010, yet in the show cause notice issued to the school, no direction was issued to it to refund the fee and arrears unjustly recovered by the school when the school had no intention to implement the 6th Pay Commission report immediately. Even as late as January 4, 2012, the school management has merely stated that the 6th Pay Commission would be implemented in one year's time.

GHPS, Nanak Piao also did not pay any heed to the mails and reminders sent by the Committee. However, on examination of the returns submitted by the school under Rule 180, the Committee came across a circular issued to the parents of the students vide which the school had demanded arrears of Rs. 4,110/- to Rs. 5,415/- per student besides enhancing the monthly fee to the maximum permissible extent in terms of order dated February 11, 2009 of the Director. In this case also, the arrears demanded from the parents were more than the maximum permitted by the order of the Director.

The fact that the school had not implemented the 6th Pay Commission Report is evident from the letter dated January 4, 2012 of the President of Delhi Sikh Gurudwara Management Committee.

According to the order of the Director of Education dt. February 11, 2009, the first instalment of the arrears of salary to the teachers and other employees had to be paid by the schools by April 30, 2009 and the second (final) instalment of arrears was required to be paid by October 31, 2009. This group of schools has made mockery of the aforesaid order of the Director of Education by not paying the arrears especially when they have recovered the arrears from the students. It is also surprising that even now, they are not saying that they will pay the arrears immediately but they are stating that they would implement the recommendations of the 6th Pay Commission in the year 2013. This means that they would implement the order whenever they like. This attitude can not be countenanced.

The Committee has already finalized its recommendations in respect of the aforementioned Guru Harkrishan Public Schools and has recommended refund of the entire fee hike effected by them along with interest @ 9% per annum with ripple effect (described hereinafter). The Committee has also recommended refund of the

entire arrears of fee recovered by these schools along with interest @ 9% per annum.

In respect of GHPS, Fateh Nagar, neither any response to the questionnaire was made nor the returns submitted by the school under Rule 180 were available. The Dy. Director of Education, West-A district vide its letter dated July 23, 2012 stated that the school had been derecognized w.e.f. April 11, 2011. However, it was confirmed by the Dy. Director that the school had not been paying salary in accordance with 6th Pay Commission Report. The Committee vide its letter dated July 30, 2012 asked the Dy. Director to send copies of the returns for the years 2006-07 to 2010-11 when the school's recognition was in force. However, the complete records of the school were not made available. As such the decision in respect of this school is still pending.

The case of GHPS, Vishnu Garden is more curious. This school appears on the website of the Delhi Sikh Gurudwara Management Committee. However, it does not appear in the list of recognized schools given by the Directorate of Education to the Committee. The Dy. Director of the district West-A when telephonically contacted by the office of the Committee, confirmed the existence of the school but on being asked to send a copy of the letter granting recognition, no reply is forthcoming. As such the Committee is yet unable to verify its existence or recognition and the matter regarding fee hike will be

considered only when the Committee is able to verify its existence and recognition.

The recommendations of the Committee of this group of schools are placed below:

GURUHARKISHAN PUBLIC SCHOOL, HARGOBIND ENCLAVE, DELHI-110092.

In response to the Public Notice issued by the Committee inviting all those stakeholders who were desirous to make representations to the Committee regarding justifiability or otherwise of the hike in fee made by the private schools consequent to the order dated 11.2.2009 issued by the Director of Education, Delhi, the Committee received a representation from the President of PWA, GHPS, Hargobind Enclave (Regd) making various allegations against the school including the allegation that the school had hiked the fee but had failed to hike the salary of the teachers as per 6th Pay Commission and that the school had available with it adequate funds to implement the 6th Pay Commission and there was no need for any hike in fee.

On receipt of the representation, the Committee vide its letter dated 25.1.2012 requisitioned the relevant records from the school. However, the school vide letter dated 1.2.2012 addressed to the President of Delhi Sikh Gurudwara Management Committee (DSGMC) sought directions from DSGMC. A copy of this letter was endorsed to the Committee. Subsequently the school vide letter dt. 10.2.2012 submitted the relevant records to the Committee.

Thereafter the Committee sent an email dated 27.2.2012 to all private schools in Delhi soliciting specific responses of the schools in respect of implementation of 6th Pay Commission by them and the quantum of fee hike, if any, effected by them consequent to the order No. RF.DE/15(56)/ACT/2009/778 dated 11.2.2009.

In response to this Questionnaire, the school sent a reply vide letter dated 28.2.2012 vide which they confirmed that although the school had increased the fee consequent to the aforesaid order of the Director of Education w.e.f. Sept. 2008 and also recovered the arrear of fee amounting to Rs. 67,64,345/- from the students, the school had not implemented the recommendations of the 6th Pay Commission.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay


JUSTICE
ANIL DEV SINGH

Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students as well as recovered the arrears of fee from the students. From the circulars dt. 23.2.2009 issued to the parents, a copy of which has been filed with the Committee, it emerges that the school increased the fee consequent to the order of DOE as follows:-

Class	Monthly fee hike w.e.f. 1.9.2008	Arrears
Nursery to V	Rs. 200/-	Rs. 2,500/-
VI onwards	Rs. 300/-	Rs. 3,000/-

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. Sept. 2008 till date of actual refund along with interest at the rate of 9% per annum. The school should also refund the arrears of fee recovered from the students along with interest of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

No intimation has been provided by the school in respect of development fee. In case the school has charged the development fee, the same has to be restricted to 15% of the tuition fee in accordance with the judgement of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. Any amount charged in excess of 15 % of tuition fee should be refunded along with interest @ 9% p.a.

It is clarified that after the date of actual refund, the fee ought to be rolled back so that the fee prevailing before Sept. 2008 is restored subject to the permissible increase of 10% p.a. for the subsequent years.

Sd/-

Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh
Chairperson


JUSTICE
ANIL DEV SINGH

A-6

GURU HARKISHAN PUBLIC SCHOOL, 1, PURANA QILA ROAD,
NEW DELHI-110 001

The Committee had randomly selected 21 private schools of Delhi to examine the justifiability of the fee increased by them in accordance with order dated 11.2.2009 issued by the Director of Education, allowing schools to increase the fee in order to meet the additional cost arising due to implementation of the 6th Pay Commission Report. For this purpose the Committee had sought the financial returns of the schools alongwith the details of fee increased by them and salary of staff increased by them, vide letter dated 21.2.2012. Gutu Harkishan Public School, Purana Qila Road, New Delhi was one of the 21 schools selected. The Dy. Directors of the Districts were also advised to prevail upon the schools to send the information sought by the Committee as soon as possible.

In compliance with the requirement of the Committee, the school sent the desired information/documents through the Education Officer, vide letter dated 1.2.2012.

On going through the information/documents submitted by the school, it became known that although the school had increased the fee in terms of order dated 11.2.2009 of the Director of Education, the school had not implemented the 6th Pay Commission. The school took the stand that the increased fee was not adequate to implement the 6th Pay Commission.

Subsequently, the Committee sent an email dated 27.2.2012 to all the private schools in Delhi soliciting specific responses of the schools in respect of implementation of 6th Pay Commission by them and the quantum of fee hike, if any, effected by them consequent to the order No. RF.DE/15(56)/ACT/2009/778 dated 11.2.2009.


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ANIL DEV SINGH
COMMITTEE
For Review

In response to this Questionnaire, the school sent a reply vide letter dated 13.03.2012 vide which they again confirmed that the school had increased the fee consequent to the aforesaid order of the Director of Education w.e.f. Sept. 2008 in the following manner ;

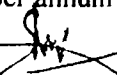
<u>Tuition Fee</u>	<u>Increase w.e.f. 1.9.2008</u>
Nursery to V	Rs. 200/-
VI to XII	Rs. 300/-

Besides the tuition fee, the school also increased the development charges to the tune of Rs. 1200/- per annum w.e.f. 1.4.2009. The school also confirmed having recovered arrears of fee amounting to Rs. 1.31 Crores.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students as well as unjustly recovered the arrears of fee. The contention of the school that 6th Pay Commission can be implemented out of further increase of fee cannot be countenanced as despite increasing the fee and recovering the arrears about three years back, the school has not implemented the 6th Pay Commission. The school has not even started paying the increased monthly salary of the staff, much less paying any arrears. This amounts to unjust enrichment.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. Sept. 2008 till the date of actual refund along with interest at the rate of 9% per annum. The school should also refund the arrear of fee recovered from the students along with interest of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

It has also been observed that the development charges have been increased from Rs. 1100/- per annum to Rs. 2300/- per annum w.e.f. 1.4.2009. The same has to


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE

be restricted to 15% of tuition fee in accordance with the judgement of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. The excess development fee over 15% of the tuition fee should also be refunded alongwith interest @ 9% p.a.

It is clarified that after the date of actual refund, the fee ought to be rolled back so that the fee prevailing before Sept. 2008 is restored subject to the permissible increase of 10% p.a. for the subsequent years

Sd/-

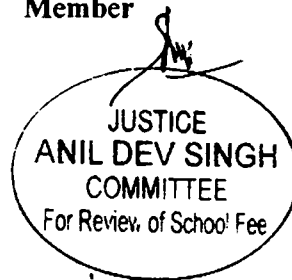
Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh
Chairperson




A-9

GURU HARKISHAN PUBLIC SCHOOL, LONI ROAD,
SHAHDARA DELHI-110 094.

In response to the Public Notice issued by the Committee inviting all those stakeholders who were desirous to make representations to the Committee regarding justifiability or otherwise of the hike in fee made by the private schools consequent to the order dated 11.2.2009 issued by the Director of Education, Delhi, the Committee received a representation from Delhi Vidyarthi Abibhavak Welfare Association(Regd.) making various allegations against the school including the allegation that the school had hiked the fee and also recovered the arrears from 2006 to 2009 for implementation of 6th Pay Commission but had not actually implemented the same

On receipt of the representation, the Committee vide its letter dated 25.1.2012 requisitioned the relevant records from the school. However, the school did not submit the details sought by this Committee

Thereafter the Committee sent an email dated 27.2.2012 to all private schools in Delhi soliciting specific responses of the schools in respect of implementation of 6th Pay Commission by them and the quantum of fee hike, if any, effected by them consequent to the order No. RF.DE/15(56)/ACT/2009/778 dated 11.2.2009. The schools were to send their response to the Questionnaire by email to the Committee which was to be followed by hard copy of the same along with the details. However, no hard copy of the reply to the Questionnaire was received by the Committee, although the school in a subsequent communication claimed that it had sent the reply by email on 29.2.2012. Vide letter dated 23.4.2012, the committee again sought response to the Questionnaire and also reminded the school that it had not sent the relevant records sought by the Committee vide letter dated 25.01.2012. Subsequently, the school vide separate communications dated 01.05.2012 sent its reply to the Questionnaire and also stated that the records sought by this Committee had been submitted in the office of Dy. Director of Education, North East District, Yamuna Vihar, Delhi on 02.02.2012 and in evidence thereof, the school also sent a copy of their letter dated 30.01.2012 which contained


JUSTICE
ANIL DEV SINGH
CC

acknowledgement of the receipt of the records by the Dy. Director. For reasons best known to him, the Dy. Director did not forward the records to this Committee.

In the reply dated 01.05.2012 to the questionnaire, the school confirmed that although the school had increased the fee consequent to the aforesaid order of the Director of Education w.e.f. Sept. 2008 and also recovered the arrears of fee amounting to Rs. 53,57,500/- from the students, the school had not implemented the recommendations of the 6th Pay Commission.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students as well as recovered the arrears of fee from the students.

Vide the details furnished by the school in the questionnaire, the following position emerges with regard to the fee hiked by the school from Sept. 2008 to March 2009.

Class	Monthly fee hike w.e.f. 1.9.2008	Arrears
Nursery to V	Rs. 200/-	Rs. 1250/-
VI to XII	Rs. 300/-	Rs. 1500/-

As already pointed out, the total amount of arrears recovered is stated to be Rs. 53,57,500/-.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. Sept. 2008 till date of actual refund along with interest at the rate of 9% per annum. The school should also refund the arrears of fee recovered from the students along with interest of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE
 For Review of School Fee

subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

No intimation has been provided by the school in respect of development fee. In case the school has charged the development fee, the same has to be restricted to 15% of the tuition fee in accordance with the judgement of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. Any amount charged in excess of 15 % of tuition fee should be refunded along with interest @ 9% p.a.

It is clarified that after the date of actual refund, the fee ought to be rolled back so that the fee prevailing before Sept. 2008 is restored subject to the permissible increase of 10% p.a. for the subsequent years.

Sd/-

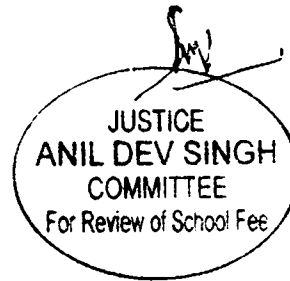
Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh
Chairperson



A-8

GURUHARKISHAN PUBLIC SCHOOL, PUNJABI BAGH, NEW DELHI-110 026.

The Committee sent an email dated 27.2.2012 to all the private schools in Delhi soliciting specific responses of the schools in respect of implementation of 6th Pay Commission by them and the quantum of fee hike, if any, effected by them consequent to the order No. RF.DE/15(56)/ACT/2009/778 dated 11.2.2009.

In response to this Questionnaire, the school sent a reply vide letter dated 29.03.2012 vide which they confirmed that although the school had increased the fee consequent to the aforesaid order of the Director of Education w.e.f. Sept. 2008 and also recovered the arrears of fee from the students but the school had not implemented the recommendations of the 6th Pay Commission.

From the details submitted by the school along with the above said letter, it is observed that the monthly fee of the students from Pre Nursery class to V class was increased by Rs. 200/-. It is further observed that the monthly fee of the students from class VI to class XII was increased by Rs. 300/-. From the details submitted, it is also observed that the school recovered a total sum of Rs. 44,81,000/- as arrears in terms of the aforesaid order.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. Sept. 2008 till date of actual refund along with interest at the rate of 9% per annum. The school should also refund the arrear of fee recovered from the students along with interest of 9% per annum.


JUSTICE
ANIL DE / SINGH
COMMITTEE

No intimation has been provided by the school in respect of development fee. In case the school has charged the development fee, the same has to be restricted to 15% of the tuition fee in accordance with the judgement of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. Any amount charged in excess of 15 % of tuition fee should be refunded along with interest @ 9% per annum.

Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

It is clarified that after the date of actual refund, the fee ought to be rolled back so that the fee prevailing before Sept. 2008 is restored subject to the permissible increase of 10% p.a. for the subsequent years.

Sd/-

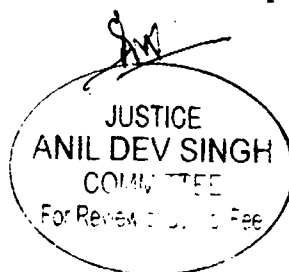
Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh
Chairperson



A-7

**GURU HARKISHAN PUBLIC SCHOOL, HARDHIAN SINGH ROAD,
NEW DELHI-110 005**

The Committee sent an email dated 27.2.2012 to all the private schools in Delhi soliciting specific responses of the schools in respect of implementation of 6th Pay Commission by them and the quantum of fee hike, if any, effected by them consequent to the order No. RF.DE/15(56)/ACT/2009/778 dated 11.2.2009.

In response to this Questionnaire, the school sent a reply vide email dated 02.03.2012 from their official email id vide which they confirmed that although the school had increased the fee consequent to the aforesaid order of the Director of Education w.e.f. Sept. 2008 and also recovered the arrears of fee aggregating Rs.14,50,604 but so far as the implementation of the 6th Pay Commission is concerned, the same was under consideration of their parent body (DSGMC). It is apparent that the school has not so far implemented the 6th Pay Commission.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. Sept. 2008 till date of actual refund along with interest at the rate of 9% per annum. The school should also refund the arrear of fee recovered from the students along with interest of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

No intimation has been provided by the school in respect of development fee. In case the school has charged the development fee, the same has to be restricted to 15% of the tuition fee in accordance with the judgement of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. Any amount charged in excess of 15 % of tuition fee should be refunded along with interest @ 9%.

It is clarified that after the date of actual refund, the fee ought to be rolled back so that the fee prevailing before Sept. 2008 is restored subject to the permissible increase of 10% p.a. for the subsequent years

Sd/-

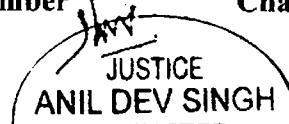
Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh
Chairperson


JUSTICE
ANIL DEV SINGH
CHAIRPERSON

GURU HARKISHAN PUBLIC SCHOOL, Hem Kunt Colony,
NEW DELHI-110 019


The Committee sent an email dated 27.2.2012 to all the private schools in Delhi soliciting specific responses of the schools in respect of implementation of 6th Pay Commission by them and the quantum of fee hike, if any, effected by them consequent to the order No. RF.DE/15(56)/ACT/2009/778 dated 11.2.2009.

In response to this Questionnaire, the school sent a reply vide letter dated 02.03.2012 vide which they confirmed that although the school had increased the fee consequent to the aforesaid order of the Director of Education w.e.f. Sept. 2008 and also recovered the arrear of fee @ Rs. 2,500 per student of classes Nursery to V and @ Rs. 3,000/- per student for classes VI to XII but the school had not implemented the recommendations of the 6th Pay Commission.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students. From the details submitted with the Committee alongwith letter dated 02.03.2012 by the school and the circulars dated 23.2.2009 issued to the parents, a copy of which has been filed with the Committee, it emerges that the school increased the fee consequent to the order of DOE as follows:-

Class	Monthly tuition fee hike w.e.f. 1.9.2008	Arrears

Nursery to V	Rs. 200/-	Rs. 2,500/-
VI to XII	Rs. 300/-	Rs. 3,000/-


 JUSTICE
 ANIL DEVI
 COMMISSIONER
 For Review

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. Sept. 2008 till date of actual refund along with interest at the rate of 9% per annum. The school should also refund the arrear of fee recovered from the students along with interest of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

It has also been observed that the development charges have been increased from Rs. 1100/- per annum to Rs. 2300/- per annum w.e.f. 1.4.2009. The same has to be restricted to 15% of tuition fee in accordance with the judgement of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. The excess development fee over 15% of the tuition fee should also be refunded alongwith interest @ 9% p.a.

It is clarified that after the date of actual refund, the fee ought to be rolled back so that the fee prevailing before Sept. 2008 is restored subject to the permissible increase of 10% p.a. for the subsequent years

Sd/-

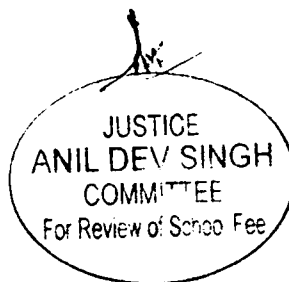
Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh
Chairperson



A-3

GURU HARKISHAN PUBLIC SCHOOL, KALKAJI,
NEW DELHI-110 019

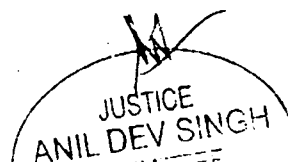
The Committee sent an email dated 27.2.2012 to all the private schools in Delhi soliciting specific responses of the schools in respect of implementation of 6th Pay Commission by them and the quantum of fee hike, if any, effected by them consequent to the order No. RF.DE/15(56)/ACT/2009/778 dated 11.2.2009.

In response to this Questionnaire, the school sent a reply vide letter dated 02.03.2012 vide which they confirmed that although the school had increased the fee consequent to the aforesaid order of the Director of Education w.e.f. Sept. 2008 and also recovered the arrear of fee @ Rs. 2,500 per student of classes Nursery to V and @ Rs. 3,000/- per student for classes VI to XII from the students but the school had not implemented the recommendations of the 6th Pay Commission.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students. From the details filed with the Committee, it emerges that the school increased the fee consequent to the order of DOE as follows:-

Class	Monthly tuition fee hike w.e.f. 1.9.2008	Arrears
Pre-primary to V	Rs. 200/-	Rs. 2,500/-
VI to XII	Rs. 300/-	Rs. 3,000/-

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. Sept. 2008 till date of actual refund along with interest at the


 JUSTICE
 ANIL DEV SINGH

rate of 9% per annum. The school should also refund the arrear of fee recovered from the students along with interest of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

No intimation has been provided by the school in respect of development fee. In case the school has charged the development fee, the same has to be restricted to 15% of the tuition fee in accordance with the judgement of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. Any amount charged in excess of 15 % of tuition fee should be refunded along with interest @ 9% p.a.

It is clarified that after the date of actual refund, the fee ought to be rolled back so that the fee prevailing before Sept. 2008 is restored subject to the permissible increase of 10% p.a. for the subsequent years.

Sd/-

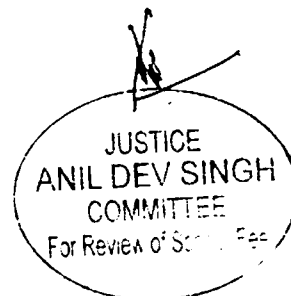
Dr. R.K. Sharma
Member

Sd/.

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh
Chairperson



A-2

GURU HARKISHAN PUBLIC SCHOOL, TILAK NAGAR,
NEW DELHI-110 018

The Committee sent an email dated 27.2.2012 to all the private schools in Delhi soliciting specific responses of the schools in respect of implementation of 6th Pay Commission by them and the quantum of fee hike, if any, effected by them consequent to the order No. RF.DE/15(56)/ACT/2009/778 dated 11.2.2009.

In response to this Questionnaire, the school sent a reply vide letter dated 02.03.2012 vide which they confirmed that although the school had increased the fee consequent to the aforesaid order of the Director of Education w.e.f. Sept. 2008 but the school had not implemented the recommendations of the 6th Pay Commission.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students. From the details filed with the Committee, it emerges that the school increased the fee consequent to the order of DOE as follows:-

Class	Monthly tuition fee hike w.e.f. 1.9.2008
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Pre-primary to V	Rs. 180/-
VI to XII	Rs. 280/-

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. Sept. 2008 till date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the year subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a


JUSTICE
ANIL DEV SINGH
COMMITTEE

percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

It has also been observed that the development charges have been increased from Rs. 1100/- per annum to Rs. 2300/- per annum w.e.f. 1.4.2009. The same has to be restricted to 15% of tuition fee in accordance with the judgement of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. The excess development fee over 15% of the tuition fee should also be refunded alongwith interest @ 9% p.a.

It is clarified that after the date of actual refund, the fee ought to be rolled back so that the fee prevailing before Sept. 2008 is restored subject to the permissible increase of 10% p.a. for the subsequent years

Sd/-

Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh
Chairperson




Guru Harkishan Public School, Hari Nagar, New Delhi-110064

The School had not responded to the questionnaire sent to all the schools in Delhi vide email dated 27.03.2012. This was followed by another email dated 27.03.2012. However since the school did not respond to the reminder email also and it was observed by the Committee that other schools in the group the records of which were examined by the Committee had resorted to increase in fee without implementing the recommendations of 6th Pay Commission, a letter dated 23.04.2012 providing a final opportunity to the school was sent requiring the school to submit the reply to the questionnaire within 7 days. The school finally submitted its reply vide letter dated 30.04.2012, a perusal of which showed that the school had neither implemented the recommendations of the 6th Pay Commission nor increased the fee in pursuance of the order dated 11.2.2009 of the Director of Education.

To verify the contentions of the school, the school was directed vide letter dated 15.05.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the records through Sh. M.M. Chopra, Accountant of the School on 29.05.2012 which were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee. Her observations are that the examination of fee structure and fee receipts, it was noticed that contrary to the claim of the school, the school had indeed increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The extent of fee hike in 2009-10 was 20 to 38%. Annual Charges had also been increased by 30%. However, in 2010-11, the school resorted to a normal fee hike of approximately 10%. Further she also pointed out some discrepancies between Books of Accounts and Income and Expenditure Accounts.

The Committee in its meeting held on 05.06.2012 perused the copies of documents produced by the school and also the observation notes of Ms. Sunita Nautiyal.


JUSTICE
ANIL DEV SINGH
COMMITTEE
For Review of School Fees

The Committee observed that the fee hike resorted by the school in 2009-10 as compared to 2008-09 was as follows:-

	Tuition fee	Development fee	Activity fee	Computer fee + Science Fee	Total
2008-09	P.S. – Rs. 450	Rs. 65/-	Rs. 140/-	--	Rs. 655/-
	I - Rs. 495	Rs. 70/-	Rs. 155/-	--	Rs. 720/-
	II - V- Rs. 495	Rs. 70/-	Rs. 155/-	Rs. 80/-	Rs. 800/-
	VI-VIII-Rs. 565	Rs. 70/-	Rs. 155/-	Rs. 80/-	Rs. 870/-
	IX, X- Rs. 625	Rs. 70/-	Rs. 155/-	Rs. 80/-	Rs. 930/-
2009-10	P.S. – Rs. 550	Rs. 85/-	Rs. 175/-	--	Rs. 810/-
	I - Rs. 595	Rs. 90/-	Rs. 175/-	Rs. 100/-	Rs. 960/-
	II - V- Rs. 595	Rs. 90/-	Rs. 175/-	Rs. 100/-	Rs. 960/-
	VI-VIII-Rs. 765	Rs. 115/-	Rs. 175/-	Rs. 100/-	Rs. 1155/-
	IX, X- Rs. 825	Rs. 125/-	Rs. 175/-	Rs. 100/-	Rs. 1285/-

On perusal of the above comparative chart, the Committee finds that the school has increased the tuition fee to the maximum permissible extent as per the order dated 11.2.2009 issued by the Director of Education without implementing the recommendations of 6th Pay Commission. Besides that the school has also resorted to increase in fee under other heads. The raison d'être for allowing the schools to increase the fee was the additional burden on the schools arising due to implementation of 6th Pay Commission Report. Since that has not been done, there was no justification whatsoever for increasing fee in 2009-10. Moreover the school resorted to falsehood by claiming not to have increased any fee in terms of the aforesaid order dated 11.2.2009. The Committee is therefore of the view that the school ought to refund the increased fee in 2009-10 along with interest @ 9% per annum from the date of receipt of increased fee to the date of actual refund. As the increased fee in 2009-10 is also the part of fee in the


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE

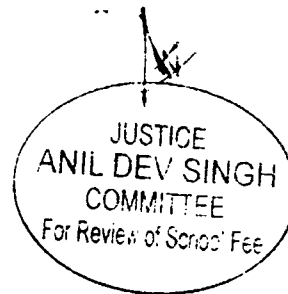
years subsequent to 2009-10, there would be a ripple effect in the subsequent years fee also. The school ought to refund the excess fee in the subsequent years also calculated at a percentage at which the fee for subsequent years have been increased. This should also be done along with interest @ 9% per annum.

Sd/-
Dr. R.K. SHARMA
MEMBER

Sd/-
CA J.S. KOCHAR
MEMBER

Sd/-
JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 05.06.2012



A-89

Guru Harkrishan Public School, Vasnt Vihar, New Delhi-110057

The School had not responded to the questionnaire sent to all the schools in Delhi vide email dated 27.03.2012. This was followed by another email dated 27.03.2012. However since the school did not respond to the reminder email also and it was observed by the Committee that other schools in the group, the records of which were examined by the Committee, had resorted to increase in fee without implementing the recommendations of 6th Pay Commission, a letter dated 23.04.2012 providing a final opportunity to the school was sent requiring the school to submit the reply to the questionnaire within 7 days. However, no reply was received from the school in response to this communication also.

In the meantime, the returns filed by the school under rule 180 of the Delhi School Education Act, 1973 were received from the South West 'A' district of the Directorate of Education. However, it was observed by the Committee that Fee schedule for 2008-09 was not filed by the school as part of the returns. Hence, it could not be verified whether the school had increased the fee consequent to order dt. 11.02.2009 issued by the Director of Education. Meanwhile a news item had appeared in the Hindustan Times of 27th May 2102 in which it was mentioned that the staff of this school had filed a writ petition in the Hon'ble Delhi High Court seeking implementation of the 6th Pay Commission report and that the President of the Delhi Sikh Gurudwara Management Committee, which has overall control of the management of this school, had given an assurance to the Director of Education that the 6th Pay Commission would be implemented by the group schools in a year's time. It was also mentioned that the Directorate of Education had carried out an inspection of this school.



As the information was not forthcoming from the school, the Committee, vide letter dt. 13.06.2012, asked the Director of Education to furnish the inspection report to the Committee for its perusal. The said report was furnished to the Committee by the Directorate of Education on 01.08.2012.

On perusal of the inspection report alongwith the returns of the school under rule 180, it became evident that the school had increased the fee in terms of the order dt. 11.02.2009 of the Director of Education but had not implemented the 6th Pay Commission report. The school was thus put in 'A' category.

The returns and the inspection report of the school were examined by Ms. Sunita Nautiyal, Audit officer of the Committee and her observations are that the school increased the tuition fee by Rs.200 to Rs.300 per month (for different classes) as per order dt. 11.02.2009 issued by the Director of Education. However, as per letter of the President of Delhi Sikh Gurudwara Management Committee dt. 04.01.2012 addressed to the Director of Education, the sixth Pay Commission had not been implemented in any of the schools managed by it. She further observed that besides increase in monthly fee, the school had also collected the arrears of fee amounting to Rs.4,110 from each of the students of pre nursery to 5th standard and Rs.5,415 from each of the students of VI to XII standard as is apparent from the circular dt. 27.02.2009 issued to the parents of the students (a copy of which was available in the inspection file).

The Committee in its meeting held on 03.08.2012 perused the returns filed by the school under rule 180 alongwith the observation notes of the Audit officer. The Committee observed that the hike effected by the school was as follows:



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<u>Tuition Fee</u>	<u>Increase w.e.f. 1.4.2009</u>
Nursery to V	Rs. 200/-
VI to XII	Rs. 300/-

These were the maximum hikes permitted to the schools as per the order dt. 11.02.2009 issued by the Director of Education. Besides the tuition fee, the school also increased the development charges to the tune of Rs. 1200/- per annum w.e.f. 1.4.2009. The same was hiked from Rs.1,100 to Rs.2,300 p.a.

The Committee also perused the inspection report of the school and the show cause notice issued by the Directorate of Education pursuant to the inspection report. The Committee noted that the President of Delhi Sikh Gurudwara Management Committee had stated vide letter dated 04.01.2012 that the 6th Pay Commission report would be implemented within one year. However, the school increased the fee with effect from 01.04.2009 in terms of the order dt. 11.02.2009 issued by the Director and also recovered the arrears from the students. This fact, as also the fact that the school had not implemented the 6th Pay Commission report, was clearly brought out in the report of inspection of the school carried out on 23.04.2010, yet in the show cause notice issued to the school, no direction was issued to it to refund the fee and arrears unjustly recovered by the school when the school had no intention to implement the 6th Pay Commission report immediately. The fact that during this period, the Directorate of Education was contesting a PIL filed by Delhi Abhibhawak Mahasangh seeking refunds of fee hiked unjustly for the ostensible purpose of implementation of 6th Pay Commission report did not seem to matter to it. Even as late as 04.01.2012, the school management has merely stated that the 6th Pay Commission would be implemented in one year's time.



The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students as well as unjustly recovered the arrears of fee. This amounts to unjust enrichment.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. April, 2009 till the date of actual refund along with interest at the rate of 9% per annum. The school should also refund the arrear of fee recovered from the students along with interest of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

As for the development charges which have been increased from Rs. 1100/- per annum to Rs. 2300/- per annum w.e.f. 1.4.2009, the same has to be restricted to 15% of tuition fee in accordance with the judgment of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. The excess development fee over 15% of the tuition fee should also be refunded alongwith interest @ 9% p.a.

Sd/-

Dr. R.K. Sharma
Member


Sd/-

CA J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh (Retd)
Chairperson


Date: 03.08.2012


ANIL DEV SINGH
COMMITTEE
For Review of School Fee

A-86**Guru Harkrishan Public School, Nanak Piao, Delhi-110033**

The School had not responded to the questionnaire sent to all the schools in Delhi vide email dated 27.03.2012. This was followed by another email dated 27.03.2012. However since the school did not respond to the reminder email also and it was observed by the Committee that other schools in the group, the records of which were examined by the Committee, had resorted to increase in fee without implementing the recommendations of 6th Pay Commission, a letter dated 23.04.2012 providing a final opportunity to the school was sent requiring the school to submit the reply to the questionnaire within 7 days. However, no reply was received from the school in response to this communication also.

In the meantime, the returns filed by the school under rule 180 of the Delhi School Education Act, 1973 were received from the North West 'A' district of the Directorate of Education. It was observed by the Committee that though it was discernible from the returns that the school had increased the fee consequent to order dt. 11.02.2009 issued by the Director of Education and also recovered the arrears of fee, it was not ascertainable whether the school had implemented the 6th Pay Commission as the staff statements filed by the school as part of the returns did not mention the pay scales/grades of the staff. Meanwhile a news item had appeared in the Hindustan Times of 27th May 2102 in which it was mentioned that that the President of the Delhi Sikh Gurudwara Management Committee, which has overall control of the management of this school, had given an assurance to the Director of Education that the 6th Pay Commission would be implemented by the group schools in a year's time.


JUSTICE
ANIL DEV SINGH
COMMITTEE

As the information was not forthcoming from the school, the Committee, vide letter dt. 13.06.2012, asked the Director of Education to furnish a copy of the letter given by the President of Delhi Sikh Gurudwara Management Committee for perusal by the Committee. The said letter was furnished to the Committee by the Directorate of Education on 01.08.2012. On perusal of the said letter alongwith the returns of the school under rule 180, it became evident that the school had increased the fee in terms of the order dt. 11.02.2009 of the Director of Education but had not implemented the 6th Pay Commission report. The school was thus put in 'A' category.

The returns and the said letter were examined by Ms. Sunita Nautiyal, Audit officer of the Committee and her observations are that the school increased the tuition fee by Rs.180 to Rs.280 per month (for different classes) as per order dt. 11.02.2009 issued by the Director of Education. However, as per letter of the President of Delhi Sikh Gurudwara Management Committee dt. 04.01.2012 addressed to the Director of Education, the sixth Pay Commission had not been implemented in any of the schools managed by it. She further observed that besides increase in monthly fee, the school had also collected the arrears of fee amounting to Rs.4,110 from each of the students of Nursery to 5th class and Rs.5,415 from each of the students of VI to XII class as is apparent from the circular dt. 25.02.2009 issued to the parents of the students (a copy of which is available in the file of the school).

The Committee in its meeting held on 03.08.2012 perused the returns filed by the school under rule 180 alongwith the observation notes of the Audit officer. The Committee observed that the hike effected by the school was as follows:

<u>Tuition Fee</u>	<u>Increase w.e.f. 1.4.2009</u>
Nursery to V	Rs. 180/-
VI to XII	Rs. 280/-


 JUSTICE
 ANIL DEV SINGH

These were in the vicinity of the maximum hikes permitted to the schools as per the order dt. 11.02.2009 issued by the Director of Education. Besides the tuition fee, the school also increased the development charges to the tune of Rs. 1200/- per annum w.e.f. 1.4.2009. The same was hiked from Rs.1,100 to Rs.2,300 p.a.

The Committee also perused the copy of letter dated 04.01.2012 of the President of Delhi Sikh Gurudwara Management Committee to the effect that the 6th Pay Commission report would be implemented within one year. However, the school increased the fee with effect from 01.04.2009 in terms of the order dt. 11.02.2009 issued by the Director and also recovered the arrears from the students.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students as well as unjustly recovered the arrears of fee. This amounts to unjust enrichment.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. April, 2009 till the date of actual refund along with interest at the rate of 9% per annum. The school should also refund the arrear of fee recovered from the students along with interest of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.


JUSTICE
ANIL DEV SINGH
COMMITTEE

As for the development charges which have been increased from Rs. 1100/- per annum to Rs. 2300/- per annum w.e.f. 1.4.2009, the same has to be restricted to 15% of tuition fee in accordance with the judgment of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583. The excess development fee over 15% of the tuition fee should also be refunded alongwith interest @ 9% p.a.

Sd/-

Dr. R.K. Sharma
Member

Sd/-

CA J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh (Retd)
Chairperson

Date: 03.08.2012



3. Others schools in Category 'A'

In respect of the following other schools falling in Category 'A', the committee found that they have increased the monthly fee taking advantage of the order dated 11.2.2009 issued by the Director of Education but have not implemented the 6th Pay Commission Report.

S.No	File No.	Name of School & Address
1	A-5	Guru Nanak Public School, Pushpanjali Enclave, Pitam Pura, Delhi-34
2	A-10	Karandeep Public School, Bharthal
3.	A-11	Maharishi Dayanand Public School, New Moti Nagar, New Delhi-15
4.	A-13	Bhageerathi Bal Shiksha Sadan, Kartar Nagar, Delhi-43
5	A-14	Holy Home Public School, Ghonda, Delhi-53
6	A-17	Bright Star public school, Mauj Pur, New Delhi-53
7	A-18	Universal Public School
8	A-19	Pt. Yaad Ram Secondary Public School, Bhajanpura, Delhi-53
9	A-20	New Era Convent School, Sonia Vihar, Delhi-94
10	A-22	Dhruv Deep Saraswati Vidya Mandir, Shiv Vihar, Delhi-94
11	A-23	Neel Giri Public School, Rama Garden, Karawal Nagar, Delhi-94
12	A-24	Abhinav Bharti Bhawan School, Ghopnda, Delhi-53
13	A-26	Shivalik Public School, Yamuna Viah, Delhi-53

14	A-27	St. Parmanand Public School, Majlis Park, Delhi-33
15	A-28	Panacea National Public School, Libas Pur, Siras pur, Delhi-42
16	A-31	Nav Jeevan Adarsh Public Sr.Sec. School, Gautam puri, Delhi-53
17	A-33	Konark Public School, North Chhajjupur, Shahdra, Delhi-32
18	A-34	KLV Convent School, Nehru Vihar, New Delhi-94
19	A-36	Guru Nanak Public School, Punjabi Bagh, New Delhi-26
20	A-37	Shiv Mandir Saraswati Bal vidyalaya, Jai Dev Park, New Delhi-26

In the circumstances, the Committee was of the view that the hike in fee was not justified and as such has recommended refund of the increased fee in toto along with interest @ 9% per annum with ripple effect.

The recommendations in case of each of these individual schools are placed below:

A-5

GURU NANAK PUBLIC SCHOOL, PUSHPANJALI ENCLAVE, PITAM PURA,
DELHI-110 034

The Committee sent an email dated 27.2.2012 to all the private schools in Delhi soliciting specific responses of the schools in respect of implementation of 6th Pay Commission by them and the quantum of fee hike, if any, effected by them consequent to the order No. RF.DE/15(56)/ACT/2009/778 dated 11.2.2009.

In response to this Questionnaire, the school sent a reply vide letter dated 3.03.2012 vide which the school confirmed that it had increased the fee consequent to the aforesaid order of the Director of Education w.e.f. Sept. 2008 in the following manner :

<u>Tuition Fee</u>	<u>Increase w.e.f. 1.4.2009</u>
Pre-school & Pre-primary	Rs. 200/- per month
Class I to XII	Rs. 300/- per month

Besides the tuition fee, the school also increased the development charges in the following manner :

<u>Development charges</u>	<u>Increase w.e.f. 1.4.2009</u>
Lower Nursery & Upper Nursery	Rs. 900/- per annum
Class I to VIII	Rs. 1170/- per annum
Class IX & X	Rs. 1220/- per annum
Class XI & XII	Rs. 1260/- per annum

However so far as implementation of 6th Pay Commission is concerned, the school stated that it had not so far implemented the same and proposed to do so w.e.f. 1 Jan. 2012 retrospectively. Since the reply of the school is dated 3.3.2012, it was not understandable as to how the implementation of 6th Pay Commission could take place w.e.f. 1.1.2012. Had the same been implemented, the school should have clearly stated


 JUSTICE
 ANIL DEV SINGH

that the same had been implemented w.e.f. 1.1.2012. In the same reply, the school stated that the details of increase in salary were still being worked out and calculations were in progress. Since the reply was very vague, the Committee requested the Manager of the School to appear before it on 22.3.2012 for clarifications. However, the school vide letter dated 20.3.2012 informed that the school Manager worked on an honorary basis and was out of station. It further stated that he would seek an alternative appointment with the Committee. The letter was signed by the Principal of the School. Till the date of this decision, the Manager of the school has not sought any appointment from the Committee.

It is apparent that the school which has collected the increased fee w.e.f. 1.4.2009, has not implemented the 6th Pay Commission so far and is avoiding direct answers to the questions posed by the Committee and giving vague replies. When an opportunity was provided to the school to appear and clarify the position, the school again avoided appearance before the Committee. If the Manager was out of station, the Principal of the school or any other responsible functionary could have appeared and clarified the position.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students. The contention of the school that 6th Pay Commission would be implemented w.e.f. 1.1.2012 retrospectively has to be taken with a pinch of salt. There was absolutely no justification for not implementing the 6th Pay Commission w.e.f. 1.4.2009 when the school had increased the fee with effect from that date for the very purpose.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10.


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE
 For Director of School Fee

The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

The development charges have to be aligned with the tuition fee in accordance with the judgment of the Hon'ble Supreme Court in Modern School vs. UOI and others (2004) 5 SCC 583 and the amount in excess of 15% of tuition fee should also be refunded to the students along with interest @ 9% per annum.

It is clarified that after the date of actual refund, the fee ought to be rolled back so that the fee prevailing before April, 2009 is restored subject to the permissible increase of 10% p.a. for the subsequent years

Sd/-

Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh
Chairperson



Karandeep Public School Bharthal – 1821173

On examination of the returns filed by this school under Rule 180(1) of DSER 1973, it was felt necessary to call for the accounting records of the School and for this purpose, they were sent a letter No. F.JADSC/2012/121 dated 03.02.2012 requiring them to produce the records to verify whether any fee had been increased on account of full or partial implementation of the Sixth Pay Commission Report. They were required to produce the accounting records like Cash book, ledger, Students' Fee register, Salary payment register and Statement of bank accounts, besides the pre hike and post hike statements of salary and fee at 3.00 P.M. Nobody turned up from the school, nor were the said records caused to be produced. However, an undated letter was delivered in the dak alongwith some statements.

On perusal of the said statements, it is observed that vide circular dt. 26.02.2009 issued to the parents, the school increased the fee by Rs.100 p.m. for the primary classes and by Rs.200 p.m. for classes VI to VIII. Besides, the students were also required to pay the arrears of Rs.2,000 to Rs.2,500 in two instalments. However, the salary of the teachers does not appear to have been increased to implement the 6th Pay Commission as despite a specific demand being made, the salary sheet post hike has not been furnished. Moreover, from the so called audited Income & Expenditure A/c for the F.Y. 2008-09 and for the F.Y. 2009-10 submitted by the school under rule 180 of the DSER, 1973, the salary paid for both the years is exactly Rs.16,28,520, not a penny less nor a penny more. It is also observed from the Balance Sheets for the five years that the school does not even maintain a bank account. Hence the school is carrying out its entire operations in cash. The final accounts of the school for the years ending 31.3.2009 and 31.3.2010 have not even been signed by the school management but have been purportedly audited by M.K. Goswami & Co. Chartered Accountants. To confirm the veracity of the audit reports, a letter dt. 03.02.2012 was issued to the auditors to confirm whether they had actually audited the accounts of the school. Till date, no reply has been received.

It was clearly mentioned in the letter dt. 03.02.2012 to the school that the Committee might draw an adverse inference if compliance thereto was not made. Hence, the Committee is of the view that the school has purposely avoided the production of the accounting records with a view to hiding the actual state of affairs.

In the above premises, and particularly as the school has not increased the salaries pursuant to the implementation of the 6th Pay Commission report, the Committee is of the view that the school needs to refund the fee increased by it consequent to the order dated 11.2.2009 of the Director of the Education along with interest of 9% per annum.


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE
 For Date: 10

Recommended accordingly. It would be open to the department to take such other action against the school in accordance with the law.

This determination recorded above will be submitted before the Hon'ble Delhi High Court in due course.

Sd/-

Justice Anil Dev Singh
Chairperson

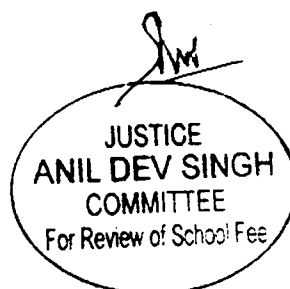
Sd/-

Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Date: 10.02.2012




A-11

Maharishi Dayanand Public School, New Moti Nagar, New Delhi-110015

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from West-A district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 06.06.2012, was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply to the questionnaire and on 12.7.2012, Smt. Poonam, trained graduate teacher of the school looking after the fee collection, appeared and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it is stated that it had neither implemented the 6th Pay Commission Report nor increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The records produced by her were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that contrary to the reply to the questionnaire, the school had increased tuition fee by Rs. 100 Per month for all the classes which was the maximum amount permitted to be increased as per the aforesaid order dated 11.02.2009 when the school had admittedly not implemented the 6th Pay Commission Report.


JUSTICE
ANIL DEV SINGH
COMMISSIONER

The Committee in its meeting held on 19.07.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of the audit officer. The Committee, on examination of the fee structures for 2008-09 and 2009-10, observed that although the school had admittedly not implemented the 6th Pay Commission report, the school had hiked the fee to the maximum extent permissible as per order dated 11.2.2009 of the Director of Education. For Classes I to V, the monthly tuition fee was hiked from Rs. 295 to 395 and for classes VI to VIII, the same was hiked from Rs. 360 to Rs. 460. The Committee is of the view that the fee hiked by the school for all the classes was not justified as it had not implemented the 6th Pay Commission Report. The school ought to refund the increased fee w.e.f. 1.4.2009 along with interest @ 9% per annum. However, as the school did not increase any fee in the year 2010-11, ripple effect may not be given in the subsequent years. Recommended accordingly.

Sd/-

Dr. R.K. Sharma
Member

Sd/-

CA J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh (Retd.)
Chairperson

Dated: 19.07.2012



Bhageerthi Bal Shiksha Sadan, Kartar Nagar, Delhi-110043

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, Sh. Umesh Kumar Nirbhay, Manager of the school appeared on 14.6.2012 and submitted reply to the questionnaire issued by the Committee. He also produced the records which were required to be produced by the Committee.

In the reply to the questionnaire, the school admitted that it had increased the fee w.e.f. 1.4.2009 in terms of the order dated 11.2.2009 issued by the Director of Education while at the same time it had not implemented the 6th Pay Commission Report. The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had increased the tuition fee by Rs. 100/- per month and annual charges by Rs/ 300/- per annum in 2009-10. In 2010-11, the tuition fee had been increased by 10% and annual charges were not increased.

The Committee in its meeting held on 19.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of Ms. Sunita Nautiyal. As the school has admittedly not implemented the 6th Pay Commission report and has also admitted that it had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education, the Committee is of the view that the fee hiked by


JUSTICE
ANIL DEV SINGH

the school w.e.f. 1.4.2009 was unjustified and the same ought to be refunded along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

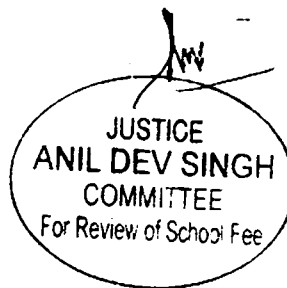
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 19/6/2012



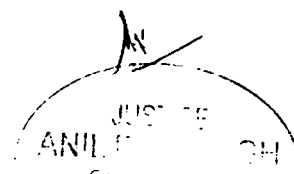
Holy Home Public School, Ghonda, Delhi-110053

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response, Smt. Sarvesh Sharma, Headmistress of the school appeared and filed reply to the questionnaire on 12.07.2012 and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it is stated that it had neither implemented the 6th Pay Commission Report nor increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The records produced by her were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that contrary to the claim of the school of not having increase the fee in accordance with the aforesaid order of the Director of Education, the school had in fact increased the tuition fee from Rs. 450/- per month to Rs. 550/- per month for classes I to V in 2009-10 and from Rs. 550/- per month to Rs. 650/- per month for classes VI to VIII.

The Committee in its meeting held on 16.07.2012 perused the copies of returns filed by the school under Rule 180, the reply to questionnaire submitted by the school and also the observation notes of the audit officer. The Committee



 ANIL KUMAR

noted that admittedly 6th Pay Commission Report had not been implemented by the school and contrary to the claim of the school of not having increased the fee in accordance with the order dated 11.2.2009 of the Director of Education, the school had in fact increased the fee to maximum permissible extent for classes I to V and also increased the fee for classes VI to VIII which amounted to an increase of 18.18 % over the fee of the year 2008-09. The Committee is of the view that the fee hiked by the school during 2009-10 was not justified. The school ought to refund the increased fee w.e.f. 1.4.2009 along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

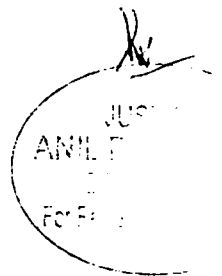
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH (Retd.)
CHAIRPERSON

Dated: 16./07/2012



Bright Star Public School, Mauj Pur, Delhi -110053

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire on 14.6.2012. In response to the notice of the Committee, the school vide letter dated 11.6.2012 requested for another date to be given as the Headmistress of the school was out of station and the Manager had undergone an operation of his eye. Vide further letter dated 16.06.2012, the school sent reply to the questionnaire in which it stated that it had implemented the 6th Pay Commission w.e.f. 01.04.2011 and also increased the fee w.e.f. 01.04.2011. Alongwith the questionnaire, Pay Bills for the month of March 2011 and April 2011 were enclosed showing that the 6th Pay Commission had been implemented w.e.f. 01.04.2011.

The file was processed by Ms. Sunita Nautiyal, Audit Officer of the Committee and vide processing note dated 25.06.2012, it has been observed by her that the school has incorrectly stated that the fee had been increased w.e.f. 01.04.2011 as the fee schedules sent as part of the returns under Rule 180 for the year 2008-09 and 2009-10 clearly indicate that the school had increased the fee by Rs. 100/- per month in 2009-10.

The Committee in its meeting held on 25.06.2012 perused the copies of returns filed by the school under Rule 180, the reply to questionnaire submitted by the school and also the observation notes of Ms. Sunita Nautiyal. As the 6th Pay Commission Report has admittedly been implemented w.e.f. 01.04.2011 and it is apparent from the returns filed by the school that the fee charged by the school had been increased by Rs. 100/- per month w.e.f. 01.04.2009, which was the maximum permissible increase as per order dated 11.2.2009 of the Director of Education for the category in which the school fell,


JUSTICE
ANIL DE SINGH

the fee hiked by the school for the years 2009-10 and 2010-11 to the extent of Rs. 100/- per month was clearly unjustified. The Committee is therefore of the view that the school ought to refund the fee hike of Rs. 100/- per month effected w.e.f. 01.04.2009 till 31.03.2011 along with interest @ 9% per annum when the school of its own admission implemented the 6th Pay Commission Report. Recommended accordingly.

Sd/-

Sd/-

Sd/-

Dr. R.K. SHARMA
MEMBER

CA J.S. KOCHAR
MEMBER

JUSTICE ANIL DEV SINGH(Retd.)
CHAIRPERSON

Dated: 25./6/2012



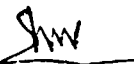
Universal Public School, Mauj Pur, Delhi-110053

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school firstly sent the reply to the questionnaire vide its letter dated 11.6.2012. On 14.6.2012, Sh. Rajeev Sharma, Trained Graduate Teacher of the school appeared and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it admitted that it had not implemented the 6th Pay Commission Report but at the same time, it also stated that it had not increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had indeed increased the fee by Rs. 100/- per month in 2009-10 which was in accordance with the order dated 11.2.2009 issued by the Director of Education. The fee was increased by 10% in 2010-11.

The Committee in its meeting held on 19.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of Ms. Sunita Nautiyal. As the 6th Pay Commission Report has admittedly not been implemented by the school and it had been found as a fact that the school had increased the fee by Rs.


 JUSTICE
 ANIL DEV SINGH
 COMMISSIONER

100/- per month which was the maximum permissible as per the order dated 11.2.2009 issued by the Director of Education, the fee hiked by the school w.e.f. 1.4.2009 was wholly unjustified. The Committee is therefore of the view that the school ought to refund the increased fee w.e.f. 1.4.2009 along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

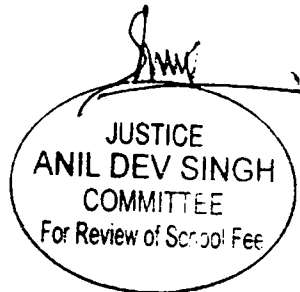
Sd/-

Sd/-

Dr. R.K. SHARMA
MEMBER
Dated: 19./6/2012

CA J.S. KOCHAR
MEMBER

JUSTICE ANIL DEV SINGH
CHAIRPERSON



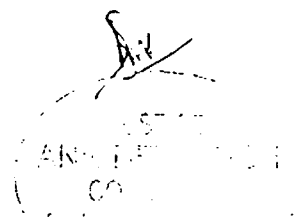
A-19

Pt. Yaad Ram Secondary Public School, Bhajanpura, Delhi-110053

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply to the questionnaire vide its letter dated 11.7.2012. On 12.7.2012, Sh. Ramesh Chandra, Examination Incharge of the school appeared and produced the records which were required to be produced by the Committee.


In reply to the questionnaire submitted by the school, it is stated that it had neither implemented the 6th Pay Commission Report nor increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had increased tuition fee ranging from 10% to 40% in 2009-10 and by 10% to 33.33 % in 2010-11. Further, though the school was recovering annual charges also, the same were not reflected in the final accounts of any of the three years, records of which were examined i.e. 2008-09, 2009-10 and 2010-11. The final accounts of the school showed income by way of examination fee which was not mentioned in the fee structure filed by the school.

A handwritten signature is written over a circular official stamp. The stamp contains the text "COMMITTEE" and "CO" in a circular arrangement.

The Committee in its meeting held on 19.07.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of the audit officer. The Committee, on examination of the fee structures for 2008-09 and 2009-10, observed that although the school had admittedly not implemented the 6th Pay Commission report, the school had hiked the fee to the maximum extent permissible as per order dated 11.2.2009 of the Director of Education except for classes I & II. For Classes VI to VIII, the hike was twice the maximum permissible limit. The fee charged by the school for the years 2008-09 and 2009-10 is as follows:

Class	Monthly tuition fee 2008-09 (Rs.)	Monthly tuition fee 2009-10 (Rs.)	Increase in fee during 2009-10 (Rs.)
I	400	450	50
II	450	500	50
III-V	450	550	100
VI-VIII	500	700	200
IX	600	800	200
X	700	900	200

The Committee is of the view that the fee hiked by the school for classes III to X was not justified. The school ought to refund the increased fee w.e.f. 1.4.2009 for these classes along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund


 JUSTICE
 ANIL DEY SINGH
 COMMITTEE

the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

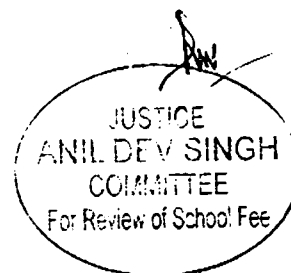
Dr. R.K. SHARMA CA J.S. KOCHAR
MEMBER MEMBER

Sd/-

Sd/-

JUSTICE ANIL DEV SINGH (Retd.)
CHAIRPERSON

Dated: 19./07/2012



New Era Convent School, Sonia Vihar, Delhi-110094

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, Sh. R.K. Das, Manager of the school appeared on 14.6.2012 and submitted reply to the questionnaire issued by the Committee. He also produced some of the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it admitted that it had not implemented the 6th Pay Commission Report but at the same time, it also stated that it had not increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that as per the fee structure filed by the school as part of the returns under Rule 180 of the Delhi School Education Rules 1973, the school had increased the tuition fee by Rs. 100/- per month in 2009-10 which was the maximum amount permissible as per that aforesaid order dated 11.2.2009 if the school had implemented the 6th Pay Commission Report. The school did not produce the fee receipts for the year 2009-10, but produced the same only for 2010-11. Examination of the salary payment register showed that the 6th Pay Commission had not been implemented by the school.


JUSTICE
ANIL DEV SINGH
COMMITTEE
For Review of School Fee

The Committee in its meeting held on 19.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of Ms. Sunita Nautiyal. As the 6th Pay Commission Report has admittedly not been implemented by the school and the school had on its own filed the fee structure for 2009-10 showing an increase of fee of Rs. 100/- per month which was the maximum permissible as per the order dated 11.2.2009 issued by the Director of Education and the school had avoided producing the fee receipts and register for 2009-10, the inescapable conclusion is that the school had indeed increased the fee by Rs. 100/- per month w.e.f. 1.4.2009. The Committee is therefore of the view that the school ought to refund the increased fee along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

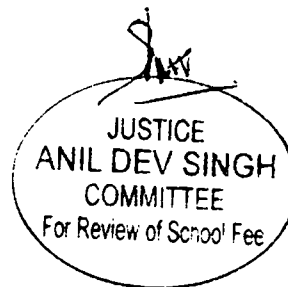
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 19/6/2012




Dharuv Deep Saraswati Vidya Mandir, Shiv Vihar, Delhi-110094

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response, the school vide letter dated 12.07.2012 submitted reply to the questionnaire in which it admitted that the school had increased the fee in terms of order dated 11.2.2009 of the Director of Education but had not implemented the 6th Pay Commission Report. As per the information filed by the school along with the questionnaire, the school increased the tuition fee from Rs. 480/- per month to Rs. 580/- per month for classes I to V and from Rs. 550/- per month to Rs. 750/- per month for classes VI to VIII. This shows that the school increased the fee to the maximum extent which was permitted vide the aforesaid order dated 11.2.2009 without actually implementing the 6th Pay Commission Report. The audit officer Ms. Sunita Nautiyal who examined the records of the school has also confirmed that the school increased the fee to the aforesaid extent in 2009-10.

The Committee in its meeting held on 16.07.2012 perused the copies of returns filed by the school under Rule 180, the reply to questionnaire submitted by the school and also the observation notes of the audit officer. The Committee


JUSTICE
ANIL DEV SINGH
COMMITTEE

noted that admittedly 6th Pay Commission Report had not been implemented by the school and the school of its own admission increased the fee to the maximum extent as per order dated 11.2.2009 of the Director of Education.

The Committee is of the view that the fee hiked by the school during 2009-10 was not justified. The school ought to refund the increased fee w.e.f. 1.4.2009 along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

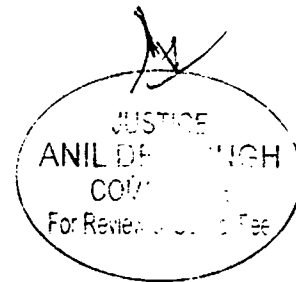
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH (Retd.)
CHAIRPERSON

Dated: 16./07/2012




Neel Giri Public School, Rama Garden, Karawal Nagar, Delhi-110094

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, Sh. Kapil Upadhyay Authorized Representative of the school appeared on 15.6.2012 and submitted reply to the questionnaire issued by the Committee. He also produced the records which were required to be produced by the Committee.

In the reply to the questionnaire, the school admitted that it had increased the fee in terms of the order dated 11.2.2009 issued by the Director of Education while at the same time it had not implemented the 6th Pay Commission Report. The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had increased the tuition fee by Rs. 100/- per month in 2009-10, annual charges by Rs. 200/- per annum and examination fee by Rs. 30/- per annum.

The Committee in its meeting held on 19.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of Ms. Sunita Nautiyal. As the school has admittedly not implemented the 6th Pay Commission report and has also admitted that it had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education, the Committee is of the view that the fee hiked by


JUSTICE
ANIL DEY SINGH
COMMISSIONER

the school under various heads was wholly unjustified and the same ought to be refunded along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

**Dr. R.K. SHARMA
MEMBER**

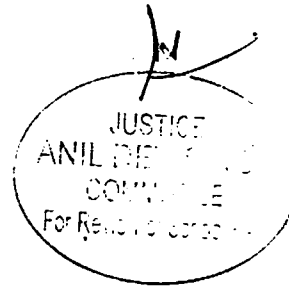
Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**

Dated: 19/6/2012



Abhinav Bharti Bhawan School, Ghonda, Delhi-110053

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply to the questionnaire vide its letter dated 14.6.2012. On 15.6.2012, Sh. Dev Nayak Sharma, Headmaster of the school appeared and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it admitted that it had not implemented the 6th Pay Commission Report but at the same time, it also stated that it had not increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had indeed increased the fee by Rs. 100/- per month in 2009-10 which was in accordance with the order dated 11.2.2009 issued by the Director of Education. In 2010-11, the increase in fee was less than 10%.

The Committee in its meeting held on 19.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of Ms. Sunita Nautiyal. As the 6th Pay Commission Report has admittedly not been implemented by the school and it had been found as a fact that the school had increased the fee by Rs.


JUSTICE
ANIL DEV SINGH
COMMITTEE

100/- per month which was the maximum permissible as per the order dated 11.2.2009 issued by the Director of Education, the fee hiked by the school w.e.f. 1.4.2009 was wholly unjustified. The Committee is, therefore, of the view that the school ought to refund the increased fee w.e.f. 1.4.2009 along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 19/6/2012



Shivalik Public School, Yamuna Vihar, Delhi-110053

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East District of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, Sh. B.P. Sharma Manager of the school appeared on 15.6.2012 and submitted reply to the questionnaire issued by the Committee. However, he neither produced the fee register nor the fee receipts for any of the three years, which were required to be produced. He was directed to produce the same along with the accounts books on 18.6.2012. On this date, he again appeared and produced only some of the fee receipts. He informed that the school did not maintained fee registers, Cash Book or Ledger.

In the reply to the questionnaire, the school admitted that it had not implemented the 6th Pay Commission Report but at the same time, it also stated that it had not increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The inchoate records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that as per the fee structure filed by the school, the school had not increased any fee in 2009-10. However in 2010-11, the tuition fee had been increased by Rs. 200/- to 230/- per month and annual charges by Rs. 300/- per annum.

The Committee in its meeting held on 19.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to

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JUSTICE
ANIL DE SINGH
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questionnaire submitted by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee is of the view that the school has tried to deceive every body by not increasing the fee in 2009-10 but increasing the same by twice the maximum amount prescribed vide order dated 11.2.2009 of the Director of Education and that too without implementing the 6th Pay Commission Report. The school claims not to be maintaining any Cash Book or Ledger but inexplicably its accounts are audited by one Sh. S.C. Sharma, Chartered Accountant. The said Chartered Accountant, in the first instance gave his report as "*Compiled from the Books of Accounts as produced before us*". However, subsequently he gave an audit report in the stereo typed format of Form No. 10B as prescribed under Rule 17 B of the Income Tax Rules 1962. This format was distributed by the Committee amongst all the Dy. Directors and Accounts Officers posted in the Districts to make them aware of the contents of audit report. This was done as in number of cases which were examined by the Committee at the preliminary stage, it was observed that the officers of the Directorate of Education were not even aware of what an audit report is. The schools were filing their final accounts which were signed by Chartered Accountants without actually auditing the same. Various types of certificates were being issued by them which did not say that the accounts reflected a true and fair view of the state of affairs or of the Income or Loss of the school. This format which was given to the district official was downloaded from the web site www.taxmann.com and is prominently printed on the form. It appears that the officials of North East District of Directorate of Education distributed photocopies of this Form to all the schools and asked them to get back dated audit reports for the prior years. Subsequently the schools obtained back dated audit reports from the Chartered Accountants in those Forms. This has been observed in most of the schools of North East District. The Chartered Accountants have not even used their own stationary for giving these audit reports but have merely filled up the blanks by hand. It is also apparent from the audit reports that the Forms used are the same which were given to the district officials as all the pages of the Forms at the bottom carry the inscription "*printed from www.taxmann.com*". It is also observed that the respective files of the schools of North East District were not being submitted to the Committee in spite of various exhortations to the officials of the Directorate of Education including the Director personally. The files started coming to


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE

the Committee only after the Committee brought it to the notice of the Hon'ble High Court. It is obvious that the District authorities had turned a blind eye to the responsibility of the school to file annual audited accounts and when pressure was exerted on them to send the files to the Committee, they started the process of updating their records and obtaining back dated audit reports.

As the school has admittedly not implemented the 6th Pay commission Report, but had hiked the fee to the maximum extent in terms of order dated 11.2.2009 issued by the Director of Education, the school ought to refund the increased fee w.e.f. 2010-11 along with interest @ 9% per annum. As the increased fee also forms part of the fee for the subsequent years, there would be a ripple effect in the years subsequent to 2010-11, the school should also refund the increased fee in those years. . This should also be done along with interest @ 9% per annum. As for the non maintenance of account books and fabricated audit report, the Director of Education may take appropriate action under the law. As the official of North East District have also been found to be involved in the nefarious activities of the school, appropriate action also needs to be taken against them. Recommended accordingly.

Sd/-

**Dr. R.K. SHARMA
MEMBER**

Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**

Dated: 19./6/2012




A-27

St. Parmanand Public School, Majlis Park, Delhi-110033

In reply to the questionnaire sent by the Committee on 27.02.2012 the school vide Email dated 29.02.2012 stated that the school was paying salary according to the 5th Pay Commission and 6th Pay Commission had not been implemented. As the school did not state anything about the hike in fee, the school was asked vide letter dated 14.05.2012 to submit point wise reply to the questionnaire. In response the school, vide letter dated 21.05.2012 stated that the school had not increased any fee to implement the 6th Pay Commission nor had it actually implemented the 6th Pay Commission. However, as per the fee structures of the school for the years 2008-09 and 2009-10 which were enclosed with the reply to the questionnaire, the school was found to have increased tuition fee from Rs. 500 to Rs. 600 per month for classes 1st to 5th and from Rs. 600 to 700 per month for classes 6th to 8th. Thus the reply to the questionnaire was self contradictory. The returns filed by the school u/r 180 were received from the North West-A district of the Directorate of Education.

In order to verify the correctness of the returns, the school, vide letter dated 06.06.2012, was requested to produce the fee and salary records. In response to the notice of the Committee Sh. Yogesh Jangara, Accountant of the School appeared on 12.7.2012 and produced the desired records. The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had increased tuition fee by Rs. 100 per month in 2009-10 which was again increased by Rs. 100 per month in 2010-11. Annual charges were increased from Rs. 1200 per annum to Rs. 1500 per annum in 2009-10 and to Rs. 1800 per annum in 2010-11.

The Committee in its meeting held on 16.07.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the


JUSTICE
S. M. SINGH

reply to questionnaire submitted by the school and also the observation notes of the audit officer. The Committee, on examination of the fee structures for 2008-09 and 2009-10, observed that although the school had admittedly not implemented the 6th Pay Commission report, the school had hiked the fee to the maximum extent permissible as per order dated 11.2.2009 of the Director of Education for classes I to V w.e.f. 01.04.2009 while the hike for classes VI to VIII was to the extent of 50% of maximum hike allowed. However, for these classes also the hike amounted to an increase of 16.67% over the fee for 2008-09. Therefore, for these classes also the hike was not justified as the school had admittedly not implemented the 6th Pay Commission Report.

The Committee is of the view that the tuition fee hiked by the school to the tune of Rs. 100 per month from 01.04.2009 was not justified. The school ought to refund the same along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund such increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. Sharma
Member

Sd/-

CA J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh (Retd.)
Chairperson

Dated: 16.07.2012


 JUSTICE
 ANIL DEV SINGH

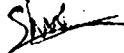
Panacea National Public School, Libas Pur Road, Siras Pur, Delhi-110042

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North West-A district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 06.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, Sh. Sunil Kumar, Member of the Managing Committee running the school appeared on 15.6.2012 and submitted reply to the questionnaire issued by the Committee. He also produced the records which were required to be produced by the Committee.

In the reply to the questionnaire, the school admitted that it had not implemented the 6th Pay Commission Report but at the same time, it also stated that it had not increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that contrary to what had been stated in the reply to the questionnaire, the school had increased the tuition fee by Rs. 100/- to Rs. 200/- per month for different classes. It had also increased other charges. In 2010-11 also, the school had increased tuition fee by Rs. 100/- to Rs. 150/- per month and had also increased other charges. Salary register of the school revealed that 6th Pay Commission Report had not been implemented till March 2011.

The Committee in its meeting held on 19.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of Ms. Sunita Nautiyal. As different components of the fee had been increased by the school in the year 2009-10 and 2010-11, she was directed to prepare a comparative statement of the total fee charged by the school on a monthly basis. This exercise has been done by her


JUSTICE
ANIL DEV SINGH

and the following position has emerged with respect to the fee charged by the school in different years.

Class	2008-09	2009-10	Increase over previous year	2010-11	Increase over previous year
I	625	800	175	908	108
II	625	800	175	908	108
III	650	850	200	958	108
IV	650	850	200	958	108
V	700	900	200	1083	183
VI	725	950	225	1083	133
VII	750	1000	250	1158	158
VIII	750	1025	275	1158	133
IX	967	1358	391	1558	200
X	1017	1458	441	1658	200

The above table indicates that the school has increased the fee in 2009-10 for all the classes but in the case of class VI to X, the hike was even more than the maximum permissible vide order dated 11.2.2009 issued by the Director of Education when the school had admittedly not implemented the 6th Pay Commission Report.

The Committee is therefore, of the view that the fee hiked by the school w.e.f. 1.4.2009 was not justified at all and the same ought to be refunded along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

**Dr. R.K. SHARMA
MEMBER**

Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**

Dated: 19/6/2012



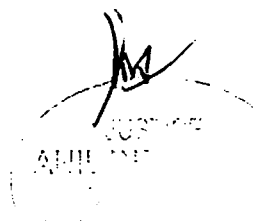
A-31

Nav Jeevan Adarsh Public Sr. Secondary School, Gautampuri, Delhi-110053

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 19.06.2012, was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply to the questionnaire on 05.07.2012 and Sh. N.P. Rathi, Post Graduate Teacher of the school appeared and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it admitted having increased the fee in accordance with order dated 11.2.2009 of the Director of Education with effect from 01.04.2009 but had not implemented the 6th Pay Commission Report. The school also stated that it had not recovered any arrears of fee in terms of the aforesaid order. In the reply to the questionnaire, the school gave the fee structure for 2008-09 and 2009-10 which indicated that the school had increased the fee for all the classes as per the details below:

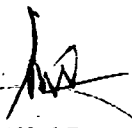


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Class	Monthly Fee for 2008-09 (Rs.)	Monthly Fee for 2009-10 (Rs.)	Increase during 2009-10
KG to II	450	550	100
III	500	700	200
IV to V	550	700	150
VI	600	750	150
VII	700	800	100
VIII	750	850	100
IX	950	1050	100
X	1050	1150	100
XI	1250	1300	50
XII	1250	1400	150

The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and she has confirmed that the fee charged by the school was as per the fee structures filed by the school.

The Committee in its meeting held on 16.08.2012 perused the copies of returns filed by the school under Rule 180, reply to questionnaire along with the details submitted by the school and also the observation notes of the audit officer. The Committee noted that of its own admission the school had not implemented


 JUSTICE
 ANIL DESAI

the 6th Pay Commission report. However, as noted above, the school had hiked the fee for classes KG to II by Rs. 100/- per month which was the maximum extent to which the fee could be hiked as per order dated 11.2.2009 issued by the Director. In respect of class III, the hike effected was twice the maximum hike per mitted vide the aforesaid order . For the remaining classes, although the hike was not to the maximum extent, the hike was substantial. As the school had admittedly not implemented the 6th Pay Commission Report, the Committee is of the view that the hike effected by the school in fee was not justified and the same ought to be refunded along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

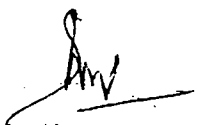
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH (Retd.)
CHAIRPERSON

Dated: 10./07/2012


ANIL DEV SINGH

A-33

Konark Public School, North Chhajjupur, Shahdara, Delhi-110032

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 19.06.2012, was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply to the questionnaire on 05.07.2012 and Sh. Ganga Ram, Manager of the school appeared and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it admitted having increased the fee in accordance with order dated 11.2.2009 of the Director of Education with effect from 01.04.2009 but had not implemented the 6th Pay Commission Report. The school also stated that it had not recovered any arrears of fee in terms of the aforesaid order. Along with the reply to the questionnaire, the school enclosed the fee structure for 2008-09 and 2009-10 which indicated that the school had increased the fee of classes I to V from Rs. 575/- per month in 2008-09 to Rs. 775/- per month in 2009-10 and for classes VI to VIII, the same was increased from Rs. 625/- per month to Rs. 825/- per month.


JUSTICE
ANIL DEV SINGH
COMMITTEE
For Review of School Fee

The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and she also confirmed that the fee had indeed been increased to the aforesaid extent.

The Committee in its meeting held on 10.07.2012 perused the copies of returns filed by the school under Rule 180, reply to questionnaire along with its annexures submitted by the school and also the observation notes of the audit officer. The Committee noted that of its own admission the school had not implemented the 6th Pay Commission report while at the same time, it had taken advantage of the order dated 11.2.2009 issued by the Director to hike the fee to the maximum extent as provided in the order. The Committee is, therefore, of the view that the fee hiked by the school to the tune of Rs. 200/- per month for all the classes across the board with effect from 1.4.2009 was wholly unjustified. The same ought to be refunded along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

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Sd/-

Dr. R.K. SHARMA
MEMBER

CA J.S. KOCHAR
MEMBER

JUSTICE ANIL DEV SINGH (Retd.)
CHAIRPERSON

Dated: 10./07/2012



21 2


KLV Convent School, Nehru Vihar, Delhi-110094

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 19.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply to the questionnaire on 05.07.2012 when Sh. P.K. Verma, Manager of the school appeared and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it was admitted by the school that it had increased the fee with effect from 01.04.2009 in accordance with the order dated 11.2.2009 issued by the Director of Education although it had not implemented the 6th Pay Commission Report. The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school increased the tuition fee by Rs. 100/- per month in 2009-10 and 2010-11.

The Committee in its meeting held on 10.07.2012 perused the copies of returns filed by the school under Rule 180, the reply to questionnaire submitted by the school and also the observation notes of the audit officer. On examination of the Balance Sheets of the school, the Committee observed that it was not even maintaining a bank account. The Committee is at a loss to understand as to how the school was granted recognition in


JUSTICE
ANIL KUMAR SINGH
CHIEF JUSTICE

the first place as the law mandates that the school funds have to be kept in a scheduled bank

On examination of the fee structures for 2008-09 and 2009-10, observed that the fee charged by the school for the years 2008-09 and 2009-10 for different classes was as follows:

Class	Monthly tuition fee 2008-09 (Rs.)	Monthly tuition fee 2009-10 (Rs.)	Increase in fee during 2009-10 (Rs.)
I -V	285	385	100
VI-VIII	360	460	100

The Committee is therefore of the view that the fee hiked by the school with effect from 01.04.2009 was not justified. The school ought to refund the increased fee along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH (Retd.)
CHAIRPERSON

Dated: 10./07/2012



A-36**GURU NANAK PUBLIC SCHOOL, PUNJABI BAGH, DELHI-110 026**

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from West-A district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 19.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply to the questionnaire vide its letter dated 03.07.2012. On 05.07.2012, Mrs. Jaspal Kaur, Fee Incharge and Sh. Harbhajan Singh, Salary Incharge of the school appeared and produced the records which were required to be produced by the Committee.


In response to the questionnaire, the school admitted to have increased the fee in accordance with the order dated 11.02.2009 of the Director of Education but it stated that it had not recovered the arrears of the fee. The school also enclosed copies of fee structures of the school for academic years 2008-09, 2009-10 & 2010-11 showing the fee charged by the school for these years alongwith the reply. However, as regards the implementation of the 6th Pay Commission, the school stated that the same had not been done as the matter was sub judice.



The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and she has observed that the school had increased the tuition fee by Rs. 300 per month and development charges by 100% to 122% w.e.f. 01.04.2009. In 2010-11 the tuition fee increased was within 10% and annual charges were increased by Rs. 1000 per annum. As regards implementation of 6th Pay Commission. she observed that the same had not been done as the matter was reported to be sub judice.

The committee in its meeting held on 10.07.2012 perused the copies of the returns filed by the school, reply to the questionnaire and the observations of the audit officer. It was noted by the committee that the school had of its own admitted that it had increased the fee in accordance with the order dated 11.02.2009 of the Director of Education but had not implemented the 6th Pay Commission Report for the purported reason that the matter was sub judice. Be that as it may, if the 6th Pay Commission could not be implemented for the reason advanced by the school, there was no justification for increasing the fee which was permitted specifically for implementation of 6th Pay Commission. The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students.

Further, on examination of balance sheet of the school as on 31.03.2010, it was observed that the same was not signed by the auditors. The balance sheet as on 31.03.2009 revealed that the school had FDRs worth Rs. 4,22,96,964.49 and balances in the current accounts were to the tune of Rs. 56,19,626. Against these liquid assets, the current liability of the school were just Rs. 38 lacs. The school had also been charging development fee without separate earmarked investments for the development fund. The School was also not maintaining any depreciation reserve fund.


 JUSTICE
 S. S. SINGH
 MEMBER

Hence, the Committee is of the view that the fee hiked by the school w.e.f. 1.4.2009 was wholly unjustified, be it tuition fee or development fee. The same ought to be refunded alongwith interest @ 9% per annum. As the increased fee is also part of the fee for subsequent years, there would be a ripple effect in the fee for those years. Such increased fee in subsequent years should also be refunded alongwith interest @ 9% per annum.

In respect of development fee charged in earlier years without fulfilling the conditions as laid down by the Hon'ble Supreme Court in the case of Modern School versus Union of India (2004) 5 SCC 583, the Director of Education may take appropriate action in accordance with law. Recommended accordingly.

Sd/-

Dr. R.K. Sharma
Member

Sd/-

J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh (Retd.)
Chairperson

Dated: 10/07/2012



Shiv Mandir Saraswati Bal Vidyalaya, Jaidev Park, New Delhi-110026

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from West-A district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 19.06.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply dated 27.06.2012 to the questionnaire. On 05.7.2012, Mrs. Nirmal Mehta, Principal of the school appeared and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it is stated that it had implemented the 6th Pay Commission Report w.e.f. 01.04.2011 but had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education w.e.f. 01.04.2009. The records produced by her were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had increased tuition fee by Rs. 100/- per month and annual charges by Rs. 100/- per annum in 2009-10. In 2010-11, the increase in tuition fee was within 10%.

The Committee in its meeting held on 10.07.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of the audit officer. The Committee, on examination of the fee structures for 2008-09 and 2009-10, observed that although the school had admittedly not implemented the 6th Pay Commission report (the same was reportedly implemented only with effect from 01.04.2011, the school had hiked the fee to the maximum extent permissible as per order dated 11.2.2009 of the


JUSTICE
P. S. SINGH

Director of Education. The fee charged by the school for the years 2008-09 and 2009-10 for different classes is as follows:

Class	Monthly tuition fee 2008-09 (Rs.)	Monthly tuition fee 2009-10 (Rs.)	Increase in fee during 2009-10 (Rs.)
I & II	400	500	100
III - V	430	530	100
VI-VIII	475	575	100

The Committee further observed that even the claim of the school of having implemented the 6th Pay Commission Report with effect from 01.04.2011 was suspect as the pay bills for the months of March 2011 and April 2011 showed that the total monthly salary increased from Rs. 1,85,211/- to Rs. 2,03,185/- i.e. an increase of just 10%. At any rate, the school was not justified in increasing the fee with effect from 01.04.2009 when the 6th Pay Commission was purportedly implemented only with effect from 01.04.2011. The Committee is therefore of the view that the fee hiked by the school with effect from 01.04.2009 was not justified. The school ought to refund the increased fee along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Sd/-

Sd/-

Dr. R.K. SHARMA
MEMBER

CA J.S. KOCHAR
MEMBER

JUSTICE ANIL DEV SINGH (Retd.)
CHAIRPERSON

Dated: 10./07/2012



4. Following schools were initially placed in the 'A' category on the basis of preliminary examination of their returns under Rule 180 of the Rules.

1	A-15	Rajdhani Public Secondary School, Shiv Vihar, Delhi-94
2	A-16	Mother Public School, Vijay Park, Delhi-53
3	A-32	Ganga Happy School, Bhramपुरi, Delhi-53

However when their fee records etc. were requisitioned, it was found that the hike in fee effected by the schools was not significant, although they had not implemented the recommendations of 6th Pay Commission Report. Since the hike in fee to the extent of 10% per annum is not objected to by the Directorate so as to cover the increased cost due to inflation and the hike in fee effected by these schools was not much in absolute terms, the Committee has recommended 'no intervention' in the matter for its reasons recorded in the report in respect of these schools. The reports are placed in the ensuing pages.

A-15

Rajdhani Public Secondary School, Shiv Vihar, Delhi-110094

The school had not responded to the questionnaire sent by the Committee on 27.2.2012 which was followed by a reminder dated 27.03.2012. However the returns filed by the school under Rule 180 of Delhi School Education Rules 1973 have been received from the office of the Dy. Director of Education, North East district. On a preliminary examination of the returns, the school was put in A Category as it appeared that the school had increased the fee in terms of the order dated 11.2.2009 of the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the returns of the school, the school was requested vide letter dated 06.06.2012 to produce its fee records, salary payment registers, Cash Book and Ledger and Banks statements for the years 2008-09 to 2010-11 and also to submit reply to the questionnaire. In compliance, the school produced through Sh Faisal Farooq, Manager of the school who appeared on 12.07.2012 and also submitted reply to questionnaire. The records produced were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee.

As per reply to the questionnaire, the school had neither implemented the 6th Pay Commission Report nor increased the fee of the students in terms of order dated 11.2.2009 of the Director of Education.

The Audit Officer observed that as per information provided by the school, the school issued computer generated receipts to the students and no office copy thereof was maintained. However, the computerized fee registers are maintained by the school, print outs of which were produced for 2008-09, 2009-10 and 2010-11. The school had increased tuition fee between Rs. 50/- and Rs. 100/- per month in 2009-10 which amounted to 6.6% to 11.76 % for different classes. In 2010-11, the tuition fee was increased by Rs. 200/- to Rs.

ANIL DEV SINGH
COMMITTEE

350/- per month which amounted to 36.8% to 45.45%. However, during this year, fee concession of more than 50% was granted to many students.

The Committee in its meeting held on 19.07.2012 perused the copies of the Returns and documents filed by the school and the observations of the Audit Officer as also the reply submitted by the school to the questionnaire. The Committee is of the view that as the fee hiked in 2009-10 was nominal, no intervention is called for in the matter. As for the fee hiked in 2010-11, in view of the fact that the school granted substantial concessions to the students, no intervention was required for this year also. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

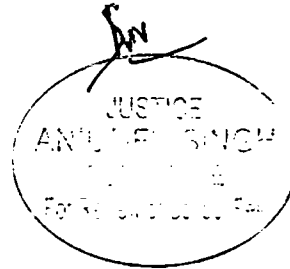
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH(Retd.)
CHAIRPERSON

Dated: 19.07.2012



A-16**Mother Public School, Vijav Park, Delhi-110053**

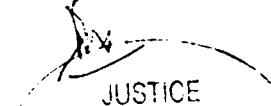
The school had not responded to the questionnaire sent by the Committee on 27.2.2012 which was followed by a reminder dated 27.03.2012. However the returns filed by the school under Rule 180 of Delhi School Education Rules 1973 have been received from the office of the Dy. Director of Education, North East district. On a preliminary examination of the returns, the school was put in A Category as it appeared that the school had increased the fee in terms of the order dated 11.2.2009 of the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the returns of the school, the school was requested vide letter dated 06.06..2012 to produce its fee records, salary payment registers, Cash Book and Ledger and Banks statements for the years 2008-09 to 2010-11 and also to submit reply to the questionnaire. In compliance, the school produced through Sh Rajiv Prashar, Manager of the school who appeared along with Mrs. Upasana Prashar, Headmistress of the school on 12.07.2012 and also submitted reply to questionnaire. The records produced were examined by Sh. N.S. Batra, Audit Officer of the Committee.

As per reply to the questionnaire, the school had neither implemented the 6th Pay Commission Report nor increased the fee of the students in terms of order dated 11.2.2009 of the Director of Education.

The Audit Officer observed that on examination of the records, it was found that w.e.f. 01.04.2009, the school had increased the fee by 20% (which in absolute terms was Rs. 70/- for classes Ist to V and Rs. 90/- for classes VI to VIII. The fee which was being charged for these classes during 2008-09 was Rs. 350/- and Rs. 450/- per month respectively).

The Committee in its meeting held on 19.07.2012 perused the copies of the Returns and documents filed by the school and the observations of the Audit Officer as also the reply submitted by the school to the questionnaire.


JUSTICE
ANIL DEV SINGH

The Committee is of the view that in view of the fact that the hike effected by the school in absolute terms was not much, no intervention is called for in the matter. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

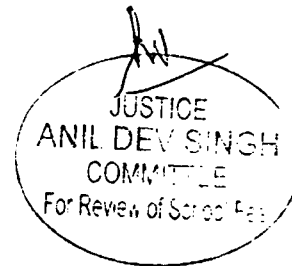
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH(Retd.)
CHAIRPERSON

Dated: 19.07.2012



A-32

Ganga Happy School, Brahmpuri, Delhi-110053


The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 19.06.2012, was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply to the questionnaire on 05.07.2012 and Sh. Om Prakash, Manager of the school appeared and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it stated that it had neither increased the fee in accordance with order dated 11.2.2009 of the Director of Education nor implemented the 6th Pay Commission Report.

The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had increased tuition fee by Rs. 70/- per month to Rs. 90/- per month for different classes and annual charges by Rs. 50/- to Rs. 120/- per annum in 2009-10. In 2010-11, the fee hike was within 10%.

The Committee in its meeting held on 10.07.2012 perused the copies of returns filed by the school under Rule 180, reply to questionnaire submitted by


JUSTICE
ANIL DEV SINGH
COMMITTEE

the school and also the observation notes of the audit officer. The Committee is of the view that although in percentage terms, the fee hike effected by the school in 2009-10 was between 17% and 25% in 2009-10 without implementing the 6th Pay Commission Report. in absolute terms the fee hike was not exorbitant as the school operated on a low fee base. Hence no intervention is called for in the matter.

Sd/-

Dr. R.K. SHARMA
MEMBER

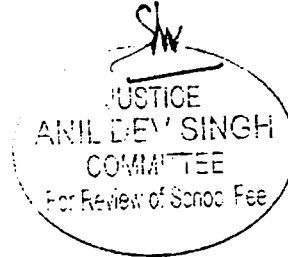
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH (Retd.)
CHAIRPERSON

Dated: 10./07/2012



5. In respect of the following schools of 'A' category, the Committee has not been able to form any view on account of the fact that either the financial and accounting records were not maintained by the schools or they were not reliable.

1	A-30	Nav Adarsh Model School, Dayalpur, Delhi-94
2	A-57	Model Public School, Palam Vilalge, New Delji-45

Individual reports pertaining to these schools are placed in the subsequent pages.


A-30

Nav Adarsh Model School, Davalpur, Delhi-110094

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 06.06.2012, was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, the school filed the reply to the questionnaire which was received in the office of the Committee on 12.6.2012. On 12.07.2012, Sh. Vijay Singh, Manager of the school appeared and produced the records which were required to be produced by the Committee.

In reply to the questionnaire submitted by the school, it stated that it had neither implemented the 6th Pay Commission Report nor had it increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The records produced by him were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that though the fee structure of the school filed as part of the returns of u/r 180 show that tuition fee had been increased by Rs. 100/- to 200/- per month and annual charges had been increased by Rs. 200/- per annum in 2009-10, examination of fee receipts and registers showed that actually the fee increased was only to the extent of 10% in 2009-10 and 2010-11.


JUSTICE
AND DEVELOPMENT
COMMISSION
NEW DELHI

The observations of Audit Officer as well as the returns filed by the school were pursued by the Committee in its meeting held on 19.07.2012 and as it appeared on examination of the financials of the school that the same were not in consonance with the audit observations, the audit officer was asked to reconcile the fee structure and number of students with the income reflected in the Income and Expenditure Account. The audit officer on undertaking such exercise reported vide her observation dated 19.07.2012 that the fee that should have been reflected in the Income and Expenditure Account on the basis of the students strength and the fee structure did not reconcile with the figures reflected in the Income and Expenditure Account. In view of these findings, the committee is of the view that the records produced by the school did not inspire any confidence. Hence the committee is unable to form any view as to whether and to what extent the fee was hiked by the school. The Committee recommends that special inspection of the school may be carried out by the Director of Education u/s 24(2) of the Delhi School Education Act, 1973.

Sd/-

Dr. R.K. Sharma
Member

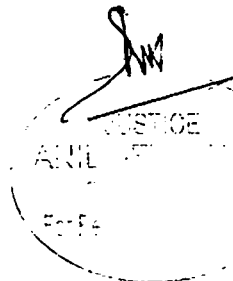
Sd/-

CA J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh (Retd.)
Chairperson

Dated: 19/07/2012



A-57

Model Public School, Palam Village, New Delhi-110045

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from South West-B district of the Directorate of Education. The school was put in A Category as on a preliminary examination of the aforesaid returns, it appeared that the school had increased the fee in terms of order dated 11.2.2009 issued by the Director of Education without implementing the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 16.07.2012 was requested to produce the fee and salary records and also to submit reply to the questionnaire. In response to the notice of the Committee, Sh. R.C.Jain, Manager of the school appeared on 25.07.2012 and submitted reply to the questionnaire issued by the Committee. He also produced some of the records which were required to be produced by the Committee.

In the reply to the questionnaire, the school stated that it had neither implemented the 6th Pay Commission Report nor increased the fee in terms of the order dated 11.2.2009 issued by the Director of Education. The records produced by him were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations are that the school did not produce the fee receipts for any of the year i.e. 2008-09, 2009-10 and 2010-11 and only record in respect of the fee received by the school is a note book which also does not bear any signature. It was stated by the school that the fee cards were issued to the students and monthly entries were made therein in token of having received the fee. Examination of the note book maintained for receipt of fee showed that the fee had not been collected as per the fee structure submitted by the school. No Cash Book or Ledger was being maintained and in the absence of such books of accounts or fee receipts, it was not possible to verify the same.



The Committee in its meeting held on 30.07.2012 perused the copies of returns filed by the school under Rule 180, copies of records produced by the school, the reply to questionnaire submitted by the school and also the observation notes of the Audit Officer. The Committee noted that while the contention of the school was that no Cash Book, Ledger, Fee Receipts or Registers were being maintained, the Receipt and Payment Account, Income and Expenditure Account and the Balance Sheets had been prepared by the school for all the year which were purportedly audited by M/s. N.K. Mahajan & Co., Chartered Accountants who gave a report that "*the final accounts are in agreement with the Books maintained by the school.*" It is obvious that someone is taking liberties with the truth. In the circumstances, the Committee is unable to express any view as to whether any fee was hiked by the school and to what extent. The Director of Education may conduct special Inspection of the school as mandated under Section 24(2) of Delhi School Education Act 1973.

The Committee also noted that M/s. N.K. Mahajan & Co., Chartered Accountants has given such like Certificates in the cases of number of schools particularly in the West/South West districts. Such Certificates which do not express any opinion on the truth and fairness of the financial statements cannot be treated as audit reports. The Institute of Chartered Accountants of India has issued a specific guidance note that where the accounts are not audited but only report saying that the accounts are in agreement with the Books of Accounts, the Auditors must specifically states that they have not audited the accounts and should not styles such reports as auditor's report. The Directorate of Education should sensitize its field formations to be circumspect while accepting such reports.


Sd/-

Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH(Retd.)
CHAIRPERSONDated:30.07.2012


JUSTICE
ANIL DEV SINGH

6. Category 'B' Schools

As mentioned in the earlier part of this report, accounts of schools in Category-B are being analysed by the two Chartered Accountants deputed to this Committee. The Chartered Accountants are yet to submit preliminary analysis of the accounts of the schools. After scrutiny of their analysis with reference to the records, the committee will afford an opportunity of hearing to the schools, if found necessary. Thereafter, the committee will finalize the recommendations in respect of such schools.

However, initially the Committee had started examining the records of the schools on a random basis as and when the returns of the schools filed under Rule 180 of the Rules were received from the districts. During the course of such examination, the Committee picked up the records of **Gyan Jyoti Public Sec. School, Chhawala, New Delhi**. The books of accounts and records of this school were requisitioned and examined by the Committee and an opportunity of being heard was also provided to the school. As the Committee felt that the fee hike effected by the school was not justified, the Committee recommended the refund of entire fee hike along with interest @ 9% per annum. Detailed reasons are given in the recommendation in respect of this school in the subsequent pages.

Gyan Jyoti Public Secondary School, Chhawala, New Delhi

The school had been asked to produce on 10.02.2012, the records relating to fee, salaries and the books of accounts like Cash Book, Ledger vide the Committee's letter No. JADSC/2012/122 dated 03.02.2012.

On 10.02.2012 Sh. Naresh Gaur, General Secretary of the Managing Committee of the School appeared but did not produce any record except for the Bank Statement with Syndicate Bank. However, he admitted that the fee had been increased in accordance with the order dated 11.02.2009 of Director of Education. He also said that the school had partially implemented the recommendations of the 6th Pay Commission. The Books of Account were not produced as they were reported to be in possession of their Chartered Accountant. They sought and were allowed time till 29.02.2012 to produce the Books of Accounts.

Today on 29.02.2012 Sh. Gaur again appeared and produced the fee registers, Cash Book, Ledger and Acquittance Roll for the years 2006-07 to 2010-11 but did not produce the statement of fee submitted in accordance with Section 17(3) of D.S.E.A. 1973 and details of salary paid to staff, pre and post implementation of the 6th Pay Commission as were required to be produced vide the Committee's letter dt. 03.02.2012.

On examination of the books of accounts, it became apparent that the same had not been prepared contemporaneously and were fabricated in an attempt to match the figures given in the Balance Sheets. This was evident from the following serious discrepancies in the books of accounts for 2008-09 which were randomly examined :

- (a) Cash in hand as per the Balance Sheet of 31.03.2008 was Rs. 65,354 but the opening Balance as on 01.04.2008 as per cash book was only Rs. 8,490.25.
- (b) There was no cash receipt between 01.04.2008 and 03.04.2008 but there were cash disbursements of Rs. 2,60,755 during this period.
- (c) Cash in hand as on 31.03.2009 as per cash book was Rs. 5,141.25 but the balance shown in the balance sheet as on 31.03.2009 was Rs. 28,081.00.
- (d) The books of account show an account of Syndicate Bank and a statement of bank account was also filed by the school but in the Balance Sheet no bank account appears.

On examination of the fee registers, it was observed that the registers were not maintained student wise. Only consolidated figures for the day's fee collection were given. Even the daily fee collection as per register did not match with the cash book e.g.

fee for Vth Class collected on 05.02.2009 as per the fee register was Rs. 14,372 but there was no corresponding receipt entry in the Cash Book. The fee records do not show how much fee had been collected from which student on which date.

On examination of salary records, it was observed that the VIth Pay Commission had not been fully implemented. However, examination of fee schedule submitted for 2008-09 and 2009-10 under Rule 180 of D.S.E.R 1973 confirmed that the school had increased the fee as per the order dated 11.02.2009 of the Director of Education. This was in any case confirmed by Mr. Gaur in his statement recorded on 10.02.2012. However, neither the arrears of salaries were paid to the staff nor the arrears of fee recovered from the students.

The final accounts of the school viz. the Income and Expenditure account and Balance Sheet do not inspire any confidence and do not reflect the correct position of the financial transactions of the school as serious defects were found therein. Moreover, these account statements have not been audited by the Chartered Accountants who have only given a compilation report.

In view of the foregoing, the Committee is of the view that no credence can be placed on the accounts on the school and the school is hiding its true financial affairs. Therefore, the Committee is of the view that the fee hike effected by the school consequent to the order dated 11.02.2009 of the Director of Education was not justified. It is therefore, recommended that the school be directed to refund the fee hike effected consequent to the above mentioned order along with 9% interest.

Sd/-

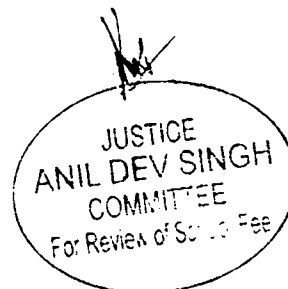
**Dr. R. K Sharma
Singh
Member**

Sd/-

**CA J.S. Kochar
Member**

Sd/-

**Justice Anil Dev
Chairperson**



7. Category 'C' Schools

The schools mentioned below were initially placed in 'C' category on the basis of replies to the questionnaire or on examination of the returns of these schools filed under Rule 180 of the Rules as these indicated that they had not increased any fee in terms of order dated February 11, 2009 issued by the Director of Education. However, when their records were requisitioned and examined, it was found that they had actually increased the fee, in almost all the cases to the maximum permissible extent, as per the aforesaid order, but had not implemented the recommendations of 6th Pay Commission Report.

S.No.	File No.	Name and address of the school
1	C-6	Cosmos Public School, Vasundhara Enclave, Delhi-96
2	C-8	Gyandeep Public School, Shivpuri, Delhi-51
3	C-9	Amar Jeewan Public School, New Govind Pura, Delhi-51
4	C-11	Motherhood Public School, New Usmanpur, Delhi-53
5	C-13	Guru Teg Bahadur Public School, Model Town Delhi-9
6	C-14	Chaudhary Chhotu Ram Memorial Public School, Bhagat singh Park, Siraspur, Delhi-42
7	C-23	Guru Amar Dass public School, Tilak Nagar, New Delhi-18

8	C-26	Sunhill Public School, Ranjit Nagar, New Delhi-8
9	C-33	J.R. Public School, West Sagarpur, New Delhi-46
10	C-35	JBM Public School, Nasirpur, New Delhi-45
11	C-36	Paramount International School, Sec-23, Dwarka, New Delhi-75
12	C-37	Cosmos Sec. School, Badarpur, New Delhi-44
13	C-38	Vidya Vihar Vidyalaya, Naveen Shahdra, Delhi-32
14	C-52	Sevti Devi Memorial Sr. Sec. Vidya Mandir, Mahavir Enclave, New Delhi-45
15	C-53	Inder Public school, Mandawali, Delhi
16	C-55 & 77	Aster Public School, Mayur Vihar, Delhi-91
17	C-63	Veer public School, Kapashera, New Delhi-37
18	C-68	Arun Modern Public Sr. Sec. School, Brijpuri, Delhi-94
19	C-70	Rama Public School, Najafgarh, New Delhi-42
20	C-97	Jesus & Mary Public School, Vijay Enclave, Vinod Puri, Dwarka Palam Road, New delhi
21	C-109	Happy Child Model school, Uttam Nagar, New delhi-59
22	C-112	Puja Convent School, Hastal Road, Uttam Nagar, New Delhi-59
23	C-116	West point Model School, Om Vihar, Uttam Nagar, Delhi=-59
24	C-117	G.P. Public School, Dilshad Colony, Delhi-95
25	C-118	St. Krishna Bodh Public school, Main Mandoli Road, West Nathu Colony, Delhi-93
26	C-129	Arwachin Shiksha Sadan Public school, Shanti Nagar, Karawal Nagar, New Delhi-94
27	C-130	Rose Garden Public School, West Ghonda, Delhi-53
28	C-142	Adarsh Bharti Public School, Brijpuri, Delhi-94
29	C-156	Shibbon Modern Public School, Vijay Colony, Delhi-53

30	C-164	Nitya Nand Memorial Public School, Ghonda, Delhi-53
31	C-195	Shiva Model Public School, Shahbad Daulatpur, Delhi-42
32	C-228	Prakash Deep Saraswati VidyaMandir, Panchal Vihar, Delhi-94

The committee has, therefore, recommended that in case of the abovementioned schools, the entire fee hike effected by them ought to be refunded along with interest @ 9% per annum for the reasons recorded in the reports in respect of these schools. The reports are placed in the ensuing pages.

Cosmos Public School, Vasundhara Enclave, Delhi-110096

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 01.03.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 23.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 07.05.2012, through Sh. Jitendra Singh, Accountant of the school.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that contrary to the claim of the school that the school had not increased the fee in terms of the order dated 11.2.2009 issued by the Director of Education, the school had increased the tuition fee by 22 to 28.5% for different classes in 2009-10. Annual Charges had also been increased by 22 to 56.25% in the same year except for class XI for which annual charges had been decreased by 13.79%. Further, in 2010-11, while the school had reduced the annual charges, which were being charged between Rs. 1800/- and Rs. 4000/- in 2009-10 to Rs. 1500/- for all the classes. However, the tuition fee had been increased by 10 to 18.75% for different classes. She also observed that there were discrepancies in the maintenance of Cash Book as the figures of fee received on particular dates did not match with the receipts shown in the Cash Book.

The Committee in its meeting held on 16.05.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. As the observation notes gave only percentage increases/decreases in fee, it felt that the fee should be tabulated for the three years, to have a clearer picture. Hence the Committee undertook this exercise and the picture that emerges is as follows:

Class	2008-09 (monthly fee*)	2009-10(monthly fee*)		2010-11(monthly fee*)	
		Amount	Increase	Amount	Increase
I to V	754/-	950/-	196/-	1075/-	125/-
VI to VIII	808/-	1067/-	259/-	1125/-	58/-
IX	1033/-	1308/-	275/-	1335/-	27/-

JUSTICE

X	1208/-	1450/-	242/-	1445/-	No increase
XI	1342/-	1608/-	266/-	1675/-	67/-
XII	1450/-	1833/-	383/-	1775/-	No increase

*Monthly fee has been calculated by adding 1/12 of annual charges to monthly tuition fee.

Perusal of the above table indicates that the school had increased the fee during 2009-10 almost to the maximum amount of increase permissible vide order dated 11.2.2009 of the Director of Education without actually implementing the 6th Pay Commission Report. In one or two classes, the fee hike was even more than the maximum permissible vide the aforesaid order. However, during 2010-11, there was only marginal fee hike.

The Committee is therefore of the view that as the school has not implemented the 6th Pay Commission Report and it has been found as a fact that the school had increased the fee w.e.f. 1.4.2009, the school ought to refund the increased fee during 2009-10 along with interest @ 9% per annum.

The Committee therefore recommends that the school be directed to refund the increased monthly fee/annual charges w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

Dr. R.K. SHARMA
MEMBER

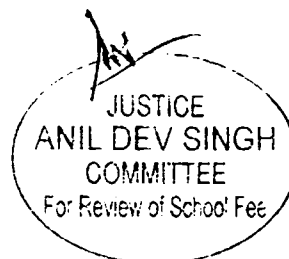
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 16/5/2012



Gyandeep Public School, Shiv Puri, Delhi- 110051

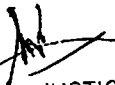
In response to the questionnaire sent by the Committee on 27.2.2012, the school vide email dated 28.02.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 23.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 25.04.2012, through Sh. N.K. Gupta, Chairman of the school.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that contrary to the claim of the school that the school had not increased the fee in terms of the order dated 11.2.2009 issued by the Director of Education, the school had actually increased the tuition fee by 20 to 27% and examination fee by 20 to 33 % in the year 2009-10 and in 2010-11, the hike in tuition fee was less than 10% but annual charges were hiked from Rs. 500/- to 600/-. Some discrepancies were observed in maintenance of the books of accounts also.

The Committee in its meeting held on 02.05.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. It was observed from the fee statements of 2008-09 and 2009-10 that the tuition fee for K.G. students was increased by Rs. 500/- to Rs. 600/- per month i.e. an increase of Rs. 100/- per month which was the maximum increase permissible vide the aforesaid order dated 11.2.2009. The tuition fee for classes I to VIII was increased from Rs. 550/- to Rs. 700/- per month i.e. an increase of Rs. 150/- per month as against the maximum permissible increase of Rs. 200/- per month vide the aforesaid order dated 11.2.2009. It is thus obvious that the school had in fact increased the fee consequent to the order dated 11.2.2009 though not upto the maximum extent permissible.

The Committee is of the view that since the school has not implemented the 6th Pay Commission Report and it has been found as a fact that the school had increased the


JUSTICE
ANIL DEV SINGH
COMMITTEE
For Review of School Fee

fee w.e.f. 1.4.2009 which is much in excess of the normal fee hike of 10% per annum, the school ought to refund the increased fee along with interest @ 9% per annum.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

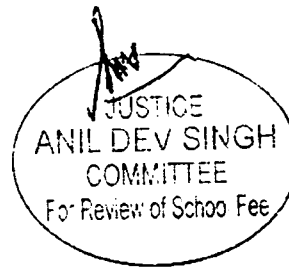
**Dr. R.K. SHARMA
MEMBER**

Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**



Amar Jeevan Public School, New Govind Pura,, Delhi-110051

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide email dated 28.02.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 11.04.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 25.04.2012, through Sh. C.P. Aneja, Manager of the school.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that contrary to the claim of the school that the school had not increased the fee in terms of the order dated 11.2.2009 issued by the Director of Education, the school had actually increased the tuition fee by Rs. 150 to 200/- per month in 2009-10 which in percentage terms worked out to 21 to 28.5%. Further the annual charges, activity charges and examination charges were also increased by Rs. 100/- per annum each which was 12.5% to 20% increase over last year.

The Committee in its meeting held on 02.05.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. It was observed from the fee statements of 2008-09 and 2009-10 that the tuition fee of K.G. to IV class was increased from Rs. 700/- per month to Rs. 850/- per month and for V to VIII class, it was increased from Rs. 700/- per month to Rs. 900/- per month. The maximum permissible hike was Rs. 200/- per month in terms of the order dated 11.2.2009 of the Director of Education. It was also observed that the annual charges for all the students were hiked from Rs. 800/- to Rs. 900/-, activity charges from Rs. 400/- to Rs. 500/- and examination charges from Rs. 400/- to Rs. 500/-. It is thus obvious that the school had in fact increased the fee consequent to the order dated 11.2.2009.

The Committee is of the view that since the school has not implemented the 6th Pay Commission Report and it has been found as a fact that the school had increased the fee w.e.f. 1.4.2009 which is much in excess of the normal fee hike of 10% per annum, the school ought to refund the increased fee along with interest @ 9% per annum.


JUSTICE
ANIL DEV SINGH
COMMITTEE

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

**Dr. R.K. SHARMA
MEMBER**

Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**



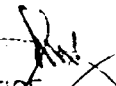
Motherhood Public School, New Usman Pur, Delhi-110 053

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 29.02.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 23.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 12.04.2012 through Sh .S.M. Tiwari, Manager.

The records were examined by Sh. S.K. Sharma, Secretary of the Committee and his observations are that the records produced by the school are not genuine in so far as there is no daily cash entry of fee in the Cash Book nor expenditure are recorded on day to day basis. Only monthly entries are made. Further although the school stated that it had not increased the fee consequent to order dated 11.2.2009 of the Director of Education, in actual fact it had increased tuition fee for all the classes by Rs. 50/- per month and introduced a new fee of Rs. 50/- per month under the head of activity fee w.e.f. 1.4.2009.

The Committee in its meeting held on 25.4.2012 perused the copies of records produced by the school and also the observation notes of Sh. S.K. Sharma. The Committee also felt that the records produced by the school were not genuine, so much so that the final accounts i.e. Receipt and Payment Account, Income Expenditure Account and Balance Sheet of none of the year had been audited. Moreover, the stratagem adopted by the school to bifurcate the increase of Rs. 100/- in two heads was a clever move so as to give the impression that the school had not increased the fee in accordance with the order dated 11.2.2009 of the Director of Education. The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students


JUSTICE
ANIL DEV SINGH
COMMITTEE

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

**Dr. R.K. SHARMA
MEMBER**

Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**



Guru Teg Bahadur Public School, Model Town, Delhi-110009


In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 29.02.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi. The annual returns of the school under Rule 180 of Delhi School Education Rules 1973 had been received from the office of the concerned district.

To verify the contentions of the school, the school was directed vide letter dated 23.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 12.04.2012, through Sh. Krishan Lal, Accountant of the school.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that contrary to the claim of the school that the school had not increased the fee in terms of the order dated 11.2.2009 issued by the Director of Education, the school had increased the tuition fee by 18 to 29% for different classes in 2009-10. The quantum of fee increased by the school was Rs. 175/- per month (for lower and Upper KG), Rs. 180/- per month (for classes to I to V), Rs. 190/- per month (for classes VI to VIII), Rs. 290/- per month (for classes IX & X), Rs. 290/- per month (for classes XI & XII for humanities and Commerce Students) and Rs. 385/- per month (for classes XI & XIII for Science students). She also observed that the books of accounts were found to be maintained in normal course.

The Committee in its meeting held on 27.4.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee is of the view that since the school has not implemented the 6th Pay Commission Report and it has been found as a fact that the school had increased the fee w.e.f. 1.4.2009 which is much in excess of the normal fee hike of 10% per annum, the school ought to refund the increased fee along with interest @ 9% per annum.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at


JUSTICE
ANIL DEV SINGH

the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

**Dr. R.K. SHARMA
MEMBER**

Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**



Chaudhary Chhotu Ram Memorial Public School, Bhagat Singh Park, Siras pur, Delhi-42

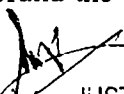
In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 01.03.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 27.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 30.03.2012 through Sh .Jai Bhagwan, Manager.

The records were examined by Sh. J.S. Kochar, Member of the Committee and his observations are that contrary to what has been stated by the school in reply to the questionnaire issued by the Committee, the school had indeed increased the fee by Rs. 100/- per month w.e.f 1.4.2009 which was the maximum permissible increase as per the order dated 11.2.2009 of the Director of Education. However, of its own admission, the school had not implemented the 6th Pay Commission report.

The Committee in its meeting held on 25.4.2012 perused the copies of records produced by the school and also the observation notes of Sh. J.S. Kochar. The raision d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE

percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/
Dr. R.K. SHARMA
MEMBER

Sd/-
CA J.S. KOCHAR
MEMBER

Sd/-
JUSTICE ANIL DEV SINGH
CHAIRPERSON



C-23

Guru Amar Das Public School, Tilak Nagar, New Delhi-110 018

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 01.03.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi. The school had increased the tuition fee by 10%.

To verify the contentions of the school, the school was directed vide letter dated 27.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 03.04.2012, 16.04.2012 and 18.04.2012 through Ms. Nirvighan Kaur, Office Assistant, Ms. Mini Saigal, Asstt. Teacher and Ms. Amrit Kaur, Clerk.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that during the year 2008-09, the school charged fee ranging from Rs. 550/- to Rs. 620/- per month which was increased by Rs. 150/- to Rs. 180/- in the year 2009-10. The increase was more by 27 to 29% over the fee charged for the year 2008-09. Further, the annual charges charged by the school were hiked by Rs. 500/- in the year 2009-10. Since the fee charged by the school during 2008-09 was in the slab of Rs. 501 to Rs. 1000/-, the school was permitted to increase its fee by Rs. 200/- per month provided it implemented the 6th Pay Commission Report. However, the school of its own showing did not implement the 6th Pay Commission Report. She further observed that large amounts of the school funds are held either in cash or in bank accounts and the school had a large revenue surplus of Rs. 15,74 Lakhs during 2008-09 and Rs. 33.86 Lakhs during 2009-10. The cash and bank balances as on 31.3.2009 were Rs. 17.47 Lakhs which swell to Rs. 46.49 Lakhs as on 31.3.2010 as a result of fee hike.

The Committee in its meeting held on 25.4.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee is of the view that the school resorted to unjustified increase in fee w.e.f.

JUSTICE
ANIL DEV SINGH
COMMITTEE
For Director of School Edu.

1.4.2009 which range from 27 to 29% as against the standard practice of increasing the fee by 10% only. Further, the school had also not implemented the 6th Pay Commission Report and this resulted in enormous revenue surplus during 2009-10 which was already at a very high level during 2008-09. As such even 10% hike in fee would also not have been justified. The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission. Since the school has failed to implement the 6th Pay Commission, the Committee is of the view that the school has unjustly increased the monthly fee of the students

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

The Committee has also received an anonymous complaint by Regd. Post which is purported to have been written by the teaching staff of the school saying that the teachers are not been paid even according to the 5th Pay Commission and out of the salary they receive, they are forced to pay back a substantial sum in cash. Although the complaint is anonymous, there may be some substance in it. The Committee therefore is of the view that the Director of Education should order a special inspection under section 24(2) of the Delhi School Education Act 1973.

Sd/-

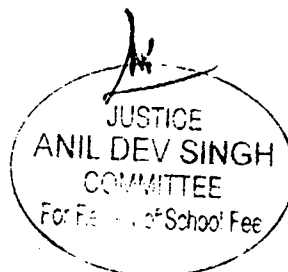
Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON




Sunhill Public School, Ranjit Nagar, New Delhi-110008

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 02.03.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 27.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the some of the records on 03.04.2012 which were examined by Sh. S.K. Sharma, the Secretary of the Committee.

The observations of the Secretary were considered by the Committee on 01.05.2012. However, as the information of fee actually charged by the school during the years 2009-10 and 2010-11 was not discernible from the audit observations of the Secretary, the Committee directed the audit officer of the Committee to re-examine the records of the school.

The records were again called for from the school, which were produced by Sh. S.C. Wadhwa, Chairman of the School Committee and examined by Ms. Sunita Nautiyal, Audit Officer of the Committee on 29.05.2012 and her observations are that in the year 2008-09, the school was charging the fee under various heads like tuition fee, activity fee and pupil fund. However in 2009-10, the school merged all the heads into tuition fee. On comparison of the total fee for both the years, it was found that the school had increased the monthly fee by Rs. 200/- to Rs. 250/- which worked out to an increase of 25 to 35% in 2009-10 over that of the fee for 2008-09. Similarly annual charges and development charges were also increased by 54% and 25% respectively in 2009-10. However no fee was increased in 2010-11. It has also been observed by her that the Income and Expenditure Account for the year 2009-10 does not agree with the Books of Accounts, in as much as the annual charges shown in the Ledger were Rs. 1,21,400/-


JUSTICE
ANIL DEV SINGH

whereas the Income and Expenditure Account for the same year reflects the figure at Rs. 3,42,900/-. Similarly the Ledger of the school shows development charges and examination fee of Rs. 1,03,750/- and Rs. 1,16,250/- respectively but the same are not reflected in the Income and Expenditure Account.

The Committee in its meeting held on 05.06.2012 perused the copies of documents produced by the school and also the observation notes of Ms. Sunita Nautiyal. On perusal of the Income and Expenditure Account and Balance Sheet filed by the school for the year 2008-09, 2009-10 and 2010-11, it was observed that the same were not audited but only signed by a Chartered Accountant who only certified that the same were compiled from the Books of Accounts. Further, the Committee is of the view that as the school has admittedly not implemented the 6th Pay Commission Report and it has been found as a fact that the school had increased the fee w.e.f. 1.4.2009 in terms of the order dated 11.2.2009 issued by the Director of Education, the school ought to refund the increased fee in 2009-10 along with interest @ 9% per annum. However, as the school has not increased any fee in 2010-11, ripple effect need not be given. As for the mismatch in figures between the Books of Accounts and the final accounts submitted by the school which were unaudited, the Director of Education may take appropriate action against the school in accordance with law.

Sd/-

**Dr. R.K. SHARMA
MEMBER**

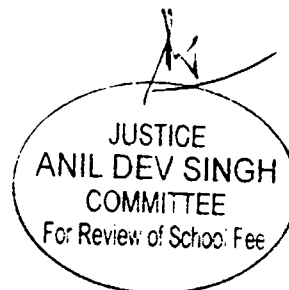
Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**

Dated: 05.06.2012



J.R. Public School, West Sagar Pur, New Delhi-110046

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 29.02.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 27.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 04.05.2012, through Sh. Pramod Kumar, authorized representative of the school.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that contrary to the claim of the school that the school had not increased the fee in terms of the order dated 11.2.2009 issued by the Director of Education, the school had, in 2009-10, increased the tuition fee by Rs. 100 to Rs. 180 for different classes depending upon the fee bracket of the particular class in 2008-09. Besides the tuition fee, the school had also increased annual charges by Rs. 200 in the same year.

The Committee in its meeting held on 07.05.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee is of the view that since the school has not implemented the 6th Pay Commission Report and it has been found as a fact that the school had increased the fee w.e.f. 1.4.2009 in terms of the order dated 11.2.2009 issued by the Director of Education, the school ought to refund the increased fee along with interest @ 9% per annum.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

JUSTICE
ANIL DEV SINGH


C-35**J.B.M. Public School, Nasirpur, New Delhi-110045**

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated Nil (received in the office of the Committee on 01.03.2012) replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 27.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 02.05.2012, through Sh. Joginder Singh Solanki, Manager of the School.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that during the course of such examination, she was informed that the school did not maintain any fee register. The fee structures for the years 2008-09 and 2010-11 were not filed by the school either under section 17(3) of DSEA, 1973 or as part of returns under Rule 180 of DSER, 1973. The same were got prepared from Sh. Parmod, Accountant and signed by the Manager Sh. Solanki. She further observed that on examination of fee receipts and the fee structure, it was noticed that the school had increased its tuition fee by Rs. 100/- to Rs. 200/- per month for different classes and annual charges by Rs. 500/- per annum in 2009-10 in line with the maximum permissible increase as per the order dated 11.2.2009 of the Director of Education.

The Committee in its meeting held on 03.05.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee is of the view that as the school has admittedly not implemented the 6th Pay Commission Report, it was not entitled to increase any fee in terms of the order dated 11.2.2009 issued by the Director of Education. Hence the school resorted to unjustified increase in fee w.e.f. 1.4.2009. The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission.


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE
 For Review of School Fee

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON



Paramount International School, Sector-23, Dwarka, New Delhi-110075


In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 01.03.2012 replied that the school had implemented the 6th Pay Commission report but had not increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contention of the school that it had not increased any fee consequent to the aforesaid order dated 11.2.2009, the school was directed vide letter dated 27.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 07.05.2012, through Sh. Mahesh Chand, Executive Administrator of the school. The returns under Rule 180 of the Delhi School Education Rule 1973 were also received from the concerned District Office.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had indeed not increased any fee in the year 2009-10. However the school had increased the tuition fee by 10% in 2010-11 and development fee was also increased by 21-78 % to make it equal to 15% of the tuition fee which in the perception of the school it was entitled to do in terms of the order dated 11.2.2009 as the school had implemented the 6th Pay Commission Report.

The Committee in its meeting held on 11.05.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee observed that annual development fee for pre-school to V class was increased from Rs. 3000/- in 2009-10 to Rs. 4950/- in 2010-11, for class VI to VIII it was increased from Rs. 3000/- in 2009-10 to Rs. 5340/- in 2010-11, for class IX and X, it was increased from Rs. 5400/- to Rs. 6570/- in 2010-11. Classes XI and XII were introduced in the year 2010-11 and development fee for these classes was Rs. 7200/- for art section, Rs. 7800/- for commerce section and Rs. 8500/- for science section.

The schools are entitled to charge development fee @ 15% of the tuition fee for upgradation of furniture fixture and equipments etc. subject to the condition that the schools maintain depreciation reserve fund. This was so held in the case of Modern


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE

School vs. UOI & ors. (Appeal (Civil) 2699 of 2001). However on perusal of the Balance Sheets of the school for the years 2008-09, 2009-10 and 2010-11, it was found that the school was not maintaining any depreciation reserve fund although it had been charging depreciation on fixed assets every year. As the condition precedent for charging of development fee was not being followed, the school was not entitled to charge any development fee in the first place. For the same reason, the school was not entitled to increase any development fee in the year 2010-11.

The Committee therefore recommends that the school be directed to refund the increased development fee w.e.f. 1.4.2010. In case the development fee has been increased after 2010-11 also, such increase would also be unjustified and the same should also be refunded. Both these refunds should be made along with interest @ 9% per annum from the date of recovery of increased development fee from the students to the date of actual refund. The Committee is not recommending the refund of development fee which was being charged prior to 1.4.2010 only for the reason that such a recommendation would be outside its jurisdiction. However, as it is starkly apparent that the recovery of development fee prior to 1.4.2010 was also in contravention of the Supreme Court judgment, the Director of Education may use his powers under the law to direct such refund.

Sd/-

Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 11.05.2012



Cosmos Secondary School, Badarpur, New Delhi-110044

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 01.03.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 27.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 07.05.2012, through Sh. Jitendra Singh, Accountant of the school.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school neither produced copies of annual returns for the years 2008-09, 2009-10 and 2010-11 nor were they received from the district office of the Directorate of Education. The accountant of the school informed that the annual returns were not available. However the school produced the fee records, Books of Accounts and the final accounts for the aforesaid three years. She has observed that contrary to the claim of the school that the school had not increased the fee in terms of the order dated 11.2.2009 issued by the Director of Education, the school had increased the tuition fee by Rs. 100/- to Rs. 200/- per month (i.e. by 15.6 to 28.9%) in 2009-10 and annual charges were also increased by 40%. In 2010-11, the fee increased was within 10%. The Cash Book and Ledger appeared to be maintained in normal course.

The Committee in its meeting held on 16.05.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. As the observation notes gave only percentage increases in fee, it felt that the fee should be tabulated for the three years to have a clearer picture. Hence the Committee undertook this exercise and the picture that emerges is as follows:

Class	2008-09 (monthly fee*)	2009-10(monthly fee*)		2010-11(monthly fee*)	
		Amount	Increase	Amount	Increase
I to V	733/-	867/-	134/-	1025/-	158/-


 JUSTICE
 ANIL DEV SINGH

VI to VIII	783/-	1027/-	244/-	1125/-	98/-
IX	993/-	1217/-	224/-	1325/-	108/-
X	1083/-	1317/-	234/-	1475/-	266/-

*Monthly fee has been calculated by adding 1/12 of annual charges to monthly tuition fee.

Perusal of the above table indicates that the school had increased the fee during 2009-10 almost to the maximum amount of increase permissible vide order dated 11.2.2009 of the Director of Education without actually implementing the 6th Pay Commission Report. In one or two classes, the fee hike was even more than the maximum permissible vide the aforesaid order. However, during 2010-11, there was only marginal fee hike.

The Committee is therefore of the view that as the school has not implemented the 6th Pay Commission Report and it has been found as a fact that the school had increased the fee w.e.f. 1.4.2009, the school ought to refund the increased fee during 2009-10 along with interest @ 9% per annum.

The Committee therefore recommends that the school be directed to refund the increased monthly fee/annual charges w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

Dr. R.K. SHARMA
MEMBER

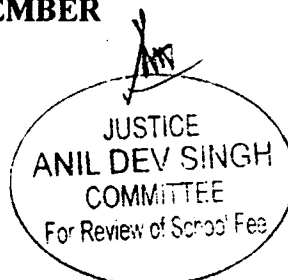
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 16/5/2012



Vidva Vihar Vidyalaya, Naveen Shahdara, Delhi-110032

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 01.03.2012 replied that the school had not implemented the 6th Pay Commission report as the society running the school was not financially sound. However as regards the increase in fee in pursuance of order dated 11.2.2009 of the Director of Education, the school did not give a categorical answer.

To verify the contentions of the school, the school was directed vide letter dated 23.03.2012 to produce its fee and other financial records in the office of the Committee. In compliance with the directions of the Committee, the school produced the some of the records on 12.04.2012 through Sh. R.P. Garg. The records were examined by Sh. S.K. Sharma, the Secretary of the Committee.

The observations of the Secretary were considered by the Committee on 01.05.2012. However, as the information of fee actually charged by the school during the years 2009-10 and 2010-11 was not discernible from the audit observations of the Secretary, the Committee directed the audit officer of the Committee to re-examine the records of the school.

The records were again called for from the school, which were produced by Sh. R.P. Garg, Administrative Officer of the School Committee on 29.05.2012 which were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had not increased admission fee, annual charges, medical charges in 2009-10 and 2010-11. The school was not charging any development fee in 2008-09. However the same was introduced in 2009-10 for new students and from 2010-11, it was extended to all the students. As regards the tuition fee, her observations are that the hike effected by the school in 2009-10 and 2010-11 were within 10%. She further observed that the refundable security from the students was being charged in the range of Rs. 200/- to Rs. 1000/- though the amount of the same has been shown as Rs. 500/- in the statement of fee submitted by the school.


JUSTICE
ANIL DEV SINGH
COMMITTEE
For Review of School Fees

The Committee in its meeting held on 05.06.2012 perused the copies of documents produced by the school and also the observation notes of Ms. Sunita Nautiyal. It was observed that the school had started charging development fee of Rs. 500/- per annum from 2009-10 from new students which was extended to all the students in 2010-11. On examination of the Balance Sheet of the school as on 31.3.2010 and 31.03.2011, it was observed that neither the development fee had been capitalized nor a separate depreciation Reserve fund has been maintained which are the pre-conditions for charging the development fee as per the law laid down by the Hon'ble Supreme Court in Modern School vs. Union of India in Appeal (Civil) 2699 of 2001. The Committee is therefore of the view that the school ought to refund the development fee of Rs. 500/- charged from the students in 2009-10 and 2010-11 along with interest @ 9% per annum. The records of the school for the year 2011-12 are not before the Committee and therefore, the Director of Education should verify whether the development fee has been charged in that year and if so the same also ought to be refunded along with interest @ 9% per annum. The Committee also observed from the copies of the fee receipts of some of the students which had been taken on record that the school was charging varying amount of admission fee between Rs. 300/- to Rs. 500/- from the students which is in excess of the norms prescribed by the Directorate.

Although the matter of security deposit and admission fee does not fall in the purview of the Committee, since the Committee has taken a note of it, the Director of Education may take appropriate action in the matter after examining the facts.

Sd/-

Dr. R.K. SHARMA
MEMBER

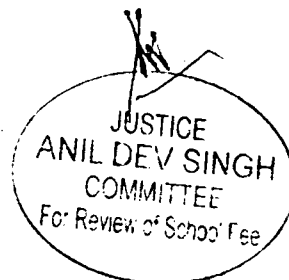
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 05.06.2012



Sevti Devi Memorial Sr. Secondary Vidya Mandir, Mahavir Enclave, New Delhi-110045.


In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 03.03.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 27.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 03.04.2012, through Sh. Mahavir Vats, Manager of the School. .

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that although the school had nominally increased tuition fee in the years 2009-10 and 2010-11, but the school had increased annual charges varying from Rs. 800/- to Rs. 1500/- in 2009-10 and Rs. 500/- to 1500/- in 2010-11. She has further observed that the books of accounts have been properly maintained and the final accounts of the school are in agreement with the books.

The Committee in its meeting held on 27.4.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee felt that the overall fee increase had to be viewed on a consolidated basis as although the tuition fee had been nominally increased but the annual charges have been substantially increased. There were also increases under other heads like computer fee. The Committee therefore directed the Audit Officer to prepare a Comparative Statement on consolidated basis by dividing the annual charges on a monthly basis and then work out the fee hiked by the school. The Audit officer has completed the exercise and presented the following comparative statement to the Committee.

Class	Consolidated monthly fee	Consolidated monthly fee	%age increase	Consolidated monthly fee	%age increase
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 JUSTICE
 ANIL DEV SINGH
 COMMITTEE

	2008-09	2009-10		2010-11	
I	932	928	-	1140	22.84
II	932	1068	14.59	1210	13.29
III	932	1068	14.59	1210	13.29
IV	1052	1228	16.73	1427	16.2
V	1112	1268	14	1472	16.08
VI	1112	1268	14	1472	16.08
VII	1212	1378	13.69	1532	11.17
VIII	1252	1458	16.45	1682	15.36
IX	1302	1552	19.2	1813	16.81
X	1302	1652	26.88	1873	13.37
XI (Science)	1462	2058	40.76	2467	19.87
(Arts & Commerce)	1462	1858	32.71	2267	22.01
XII (Science)	1462	-	-	2667	-
(Arts & Commerce)	1462	1782	21.88	2467	38.43

On perusal of the above comparative chart, it is observed that in both the years, the fee hike effected by the school is more than the usual 10%, which the schools by practice resort to every year. In 2009-10, the increase in fee ranges between 14% and 40% and in 2010-11, the increase in fee ranges between 11% and 38%.

The Committee is of the view that the school has unjustly increased the fee as the school has not implemented the recommendations of the 6th Pay Commission. The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission.

The Committee therefore recommends that the school be directed to refund the increased monthly fee of all the classes as indicated above both the for years 2009-10 and


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE

2010-11 along with interest at the rate of 9% per annum from the date of collection of increased fee to the actual date of refund. There would be a ripple effect in the fee for the year 2011-12 and 2012-13 also as there would be further hikes in these years. The school should also refund the additional fee for these years. This should also be refunded along with interest @ 9% per annum.

Sd/-

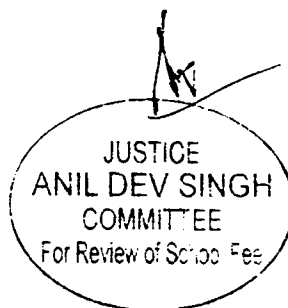
Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON



Inder Public School, Mandawali, Delhi

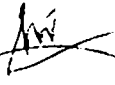
In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 05.03.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 23.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 04.05.2012, through Sh. Rajender Kumar, Manager of the school.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that contrary to the claim of the school that the school had not increased the fee in terms of the order dated 11.2.2009 issued by the Director of Education, the school had, in 2009-10, increased the tuition fee by Rs. 100 per month across the board for all the classes. This was the maximum increase permissible in terms of the order dated 11.2.2009 issued by the Director of Education. In 2010-11 also the school had increased the fee by approximately 10% per annum. The school was doing the entire transactions in cash and did not even have a bank account.

The Committee in its meeting held on 07.05.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee is of the view that since the school has not implemented the 6th Pay Commission Report and it has been found as a fact that the school had increased the fee by Rs. 100/- per month w.e.f. 1.4.2009, i.e. the maximum increase permissible in terms of the order the Director of Education dated 11.2.2009, the school ought to refund the increased fee along with interest @ 9% per annum.

The Committee therefore recommends that the school be directed to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a


JUSTICE
ANIL DEV SINGH

percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-
Dr. R.K. SHARMA
MEMBER

Sd/-
CA J.S. KOCHAR
MEMBER

Sd/-
JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 07.05.2012




Aster Public School, Mayur Vihar, Delhi -110 091

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its email dated 10.03.2012 replied that the school had not yet implemented the 6th Pay Commission report and had also not increased the fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 28.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced through Sh V.K. Sharma, Manager of the school, some of the records on 09.04.2012 which were examined by Sh. S.K. Sharma, Secretary of the Committee. The crucial fee statements for the years 2008-09, 2009-10 and 2010-11 were not produced by the school. It was informed by the Manager of the School that in the fee statement which the school submits under Section 17(3) of the Delhi School Education Act 1973, the school only mentions the tuition fee and not the fee charged under other heads. The Manager was required to produce the fee structure filed by the School for the years 2008-09, 2009-10 and 2010-11 as also a comparative statement showing fee actually charged under different heads during these three years.

On 16.4.2012, the Manager of the School filed the comparative statements of the fee charged for different classes during 2008-09, 2009-10 and 2010-11. These were perused by the Committee in its meeting held on 27.4.2012 along with the observations of Sh. S.K. Sharma. From the said comparative statements, it was observed by the Committee that

- (i) For class Nursery, the tuition fee was increased from Rs. 625/- to Rs. 825/- per month, Development charges were increased from Rs. 4000/- to Rs. 5000/- per annum, annual charges were increased from Rs. 1600/- to Rs. 2000/- per annum, development fee was increased from Rs. 50/- to Rs. 100/- per month, activity fee was increased from Rs. 25/- to Rs. 50/- per month and examination fee was increased from Rs. 700/- to Rs. 800/- per annum. The fee under various heads had been hiked further in 2010-11 by about 10%.


 JUSTICE
 ANIL DEV SINGH

- (ii) For class KG, the tuition fee was increased from Rs. 675/- to Rs. 875/- per month, Development charges were increased from Rs. 4000/- to Rs. 5000/- per annum, annual charges were increased from Rs. 1600/- to Rs. 2000/- per annum, development fee was increased from Rs. 50/- to Rs. 100/- per month, activity fee was increased from Rs. 25/- to Rs. 50/- per month and examination fee was increased from Rs. 700/- to Rs. 800/- per annum. The fee under various heads had been hiked further in 2010-11 by about 10%.
- (iii) For classes I & II, the tuition fee was increased from Rs. 700/- to Rs. 900/- per month, Development charges were increased from Rs. 4000/- to Rs. 5000/- per annum, annual charges were increased from Rs. 1600/- to Rs. 2000/- per annum, development fee was increased from Rs. 50/- to Rs. 100/- per month, activity fee was increased from Rs. 25/- to Rs. 50/- per month and examination fee was increased from Rs. 700/- to Rs. 1000/- per annum. The fee under various heads had been hiked further in 2010-11 by about 10%.
- (iv) For classes III, IV & V, the tuition fee was increased from Rs. 725/- to Rs. 925/- per month, Development charges were increased from Rs. 4500/- to Rs. 6000/- per annum, annual charges were increased from Rs. 1600/- to Rs. 2000/- per annum, development fee was increased from Rs. 50/- to Rs. 100/- per month, activity fee was increased from Rs. 25/- to Rs. 50/- per month and examination fee was increased from Rs. 700/- to Rs. 1000/- per annum. The fee under various heads had been hiked further in 2010-11 by about 10%.
- (v) For classes VI, VII & VIII, the tuition fee was increased from Rs. 750/- to Rs. 950/- per month, Development charges were increased from Rs. 4500/- to Rs. 7000/- per annum, annual charges were increased from Rs. 1600/- to Rs. 2000/- per annum, development fee was increased from Rs. 50/- to Rs. 100/- per month, activity fee was increased from Rs. 25/- to Rs. 50/- per month and

examination fee was increased from Rs. 700/- to Rs. 1000/- per annum. The fee under various heads had been hiked further in 2010-11 by about 10%.

Thus the school not only increased the fee much beyond the level permitted by the Director of Education vide order dated 11.2.2009 but also misled the department by filing false fee statements every year. The school also tried to mislead the Committee by giving a false reply to the Questionnaire that no fee had been increased consequent to the order dated 11.2.2009 of the Director of Education.

The Committee therefore recommends that as the school has increased the fee phenomenally after 11.2.2009 and that too without implementing the recommendations of the 6th Pay Commission, the school should refund the entire incremental fee charged w.e.f. 1.4.2009 along with interest @ 9% per annum upto the date of actual refund.

Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

It is also observed that besides the monthly development fee, the school also charges annual development charges ranging from Rs. 5500/- to Rs. 8000/- which is in the nature of capitation fee. The schools are prohibited from charging any capitation fee and the Committee therefore recommends that the entire development charges charged by the school from the students should also be refunded along with interest @ 9% per annum.

Sd/-

**Dr. R.K. SHARMA
MEMBER**

Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**




Veer Public School, Kapashera, New Delhi-110 037

In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated Nil received in the office of the Committee on 14.2.2012 replied that although the school had implemented the 6th Pay Commission report (although the arrears of the salary were not paid) it had not increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 28.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 10.04.2012, through Sh. Raj Veer, Manager of the School.

The records were examined by Sh. J.S. Kochar, Member of the Committee and his observations are that although the school had claimed that it had not increased the fee in terms of the order dated 11.2.2009 of the Director of Education, on examination of the fee structure of the school for 2008-09 and 2009-10 submitted as part of the annual returns under Rule 180 of Delhi School Education Rule 1973, it was observed that the school had in fact increased the tuition fee by Rs. 100/- per month for classes pre school to IV and by Rs. 200/- per month for classes V to XII w.e.f. 1.4.2009 which was the maximum increase permissible in terms of the aforesaid order. It was also observed that the development charges were also increased w.e.f. 1.4.2009 from Rs. 500/- per annum to amounts ranging between Rs. 900/- and Rs. 1944/- per annum for different classes. It was also observed that the school was not maintaining any depreciation reserve fund to be eligible to charge or increase any development fee. Examination of Cash Book and partial Ledger for the year 2008-09 and 2009-10 revealed that they had not been contemporaneously maintained. Although the fee was collected on different dates, a single entry in the cash book was made for the entire month. No totals were made in the daily fee register to show the quantum of date wise collection of fee. It was also observed that although the cash balance as per cash book agreed with the balance reflected in the Balance Sheet, the Cash Book contained some bizarre entries so much so


JUSTICE
ANIL DEV SINGH
COURT

that a number of payments made to suppliers for amounts ranging from 9000/- to 1,00,000/- were actually shown as receipts from them. The school was found to be maintaining cash balance ranging between Rs. 10 to 40 Lacs on various dates. In view of the serious discrepancies the account Books had obviously been fabricated and the audit reports were false. As such no reliance could be placed on them.

The Committee in its meeting held on 26.4.2012 perused the copies of records produced by the school and also the observation notes of Sh. J. S. Kochar. The Committee is of the view that as the school has fudged the records and knowingly submitted a false reply to the questionnaire, no reliance could be placed on the records of the financial statements of school. The school had in fact not come out with the true state of its financial affair and therefore the school ought to refund the increased tuition fee as well as development charges w.e.f. 1.4.2009 along with interest @ 9% per annum. The Committee therefore recommends that the school be directed to refund the increased monthly fee of all the classes w.e.f. 1.4.2009 along with interest at the rate of 9% per annum from the date of collection of increased fee to the actual date of refund. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

The Committee also recommends that in view of the serious discrepancies observed in the account keeping by the school, the Director of Education should order a special inspection of the School under Section 24(2) of Delhi School Education Act 1973.

Sd/-

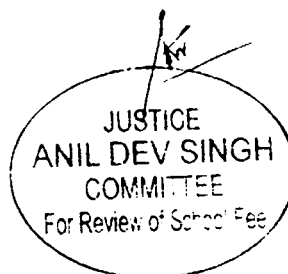
Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON



Arun Modern Public Sr. Sec. School, Brijpuri, Delhi-110 094


In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 17.03.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 28.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 09.04.2012, through Sh. Santosh Kumar, TGT of the school.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that although the school effected increase in fee during 2009-10, the extent of increase was not equal to or in excess of the fee increase permitted vide order dated 11.2.2009 of the Director of Education. However, during 2010-11, the fee was increased to levels which were not justified.

The Committee in its meeting held on 26.4.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee was of the view that the fee for all the three years i.e. 2008-09, 2009-10 and 2010-11 were required to be tabulated so as to give the comparative picture. Ms. Nautiyal was asked to prepare the comparative chart which she did. The same is reproduced below:

Class	Tuition Fee 2008-09	Tuition Fee 2009-10	%age increase	Tuition Fee 2010-11	%age increase	Cumulative %age increase
I	570	600	5.26	800	33.33	40.35
II	570	650	14.03	800	23.08	40.35
III	570	650	14.03	800	23.08	40.35
IV	570	650	14.03	800	23.08	40.35
V	570	650	14.03	800	23.08	40.35
VI	600	700	16.67	900	28.57	50.00
VII	600	750	25.00	900	20.00	50.00
VIII	600	750	25.00	900	20.00	50.00


 JUSTICE
ANIL DEV SINGH

IX	720	800	11.11	1000	25.00	38.88
X	800	900	12.50	1100	22.22	37.50
XI	850	1000	17.64	1200	20.00	41.18
XII	950	1100	15.79	1400	27.27	47.37

On perusal of the above comparative chart, it is observed that in both the years, the fee hike effected by the school is much more than the usual 10%, which the schools by practice resort to every year.

The Committee is of the view that the school has adopted a stratagem by increasing the different amount of fee for different classes in 2009-10 to give an impression that the fee was not hiked in terms of the order of the Director dated 11.2.2009. However, the order of the Director prescribes the maximum level of fee hike which the schools can effect to recover their increased cost on account of the implementation of the 6th Pay Commission. The school has not only hiked the fee in terms of the aforesaid order in 2009-10 but has again resorted to phenomenal fee hike in 2010-11. At the same time, the school has avowedly not implemented the 6th Pay Commission Report.

The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission.

The Committee therefore recommends that the school be directed to refund the increased monthly fee of all the classes as indicated above both the for years 2009-10 and 2010-11 along with interest at the rate of 9% per annum from the date of collection of increased fee to the actual date of refund. There would be a ripple effect in the fee for the year 2011-12 and 2012-13 also, the school should also refund the additional fee for these years. This should also be refunded along with interest @ 9% per annum.

Sd/-

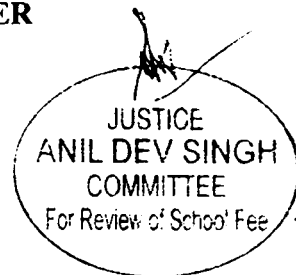
Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON



Rama Public School, Najafgarh, New Delhi-110 042

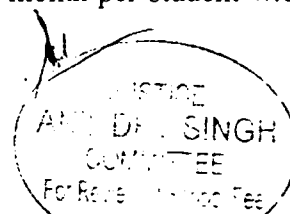
In response to the questionnaire sent by the Committee on 27.2.2012, the school vide its letter dated 29.02.2012 replied that the school had neither implemented the 6th Pay Commission report nor increased any fee pursuant to the order dated 11.2.2009 issued by the Director of Education, Delhi.

To verify the contentions of the school, the school was directed vide letter dated 28.03.2012 to produce its fee and other financial records before the Committee. In compliance with the directions of the Committee, the school produced the desired records on 10.04.2012, through Sh. Shekhar Varshney, Manager of the School.

The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that contrary to the claim of the school that it had not increased any fee consequent to the order dated 11.2.2009 of the Director of Education, the school had in fact increased the fee by Rs. 100/- per month across the board for all the classes. This was the maximum fee increase permissible to the school in terms of the aforesaid order dated 11.2.2009. This increase was also reflected in the fee statements filed by the school for the years 2008-09 and 2009-10 as part of the annual returns under Rule 180 of Delhi School Education Rules 1973.

The Committee in its meeting held on 26.4.2012 perused the copies of records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee is of the view that as the school has avowedly not implemented the 6th Pay Commission Report; the school resorted to unjustified increase in fee w.e.f. 1.4.2009 to the tune of Rs. 100/- per month per student. The raison d'être for permitting the schools to increase the fee vide order dated 11.2.2009 was payment of increased salary to the staff on account of implementation of the 6th Pay Commission.

The Committee therefore recommends that the school be directed to refund the increased monthly fee of Rs. 100/- per month per student w.e.f. 1.4.2009 till the date of



actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

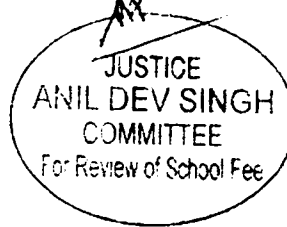
**Dr. R.K. SHARMA
MEMBER**

Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**



**Jesus and Mary Public School ,Vijay Enclave Vinod Puri,Dwarka Palam Road New
Delhi – School I.D.1821154**

On examination of the returns filed by this school under Rule 180(1) of DSER 1973, it was felt necessary to call for the accounting records of the School and for this purpose, they were sent a letter No. F.JADSC/2012/78 dated 19.1.2012 requiring them to produce the records to verify whether any fee had been increased on account of full or partial implementation of the Sixth Pay Commission Report. They were required to produce the records at 12.00 Noon today but till 1.30 p.m., no body turned up from the school, nor were the records produced. Thereupon the Committee got in touch with Mr. Aggarwal, the Manager of the School telephonically (Cell No. 9818747599) and he confirmed that the school had indeed received the letter from the Committee but expressed his inability to produce the required records for examination by the Committee on the plea that his was a very small school located in an unauthorized colony and charging fee of only Rs. 400-500 per month and his school in his perception did not come under the purview of the Committee.

The Committee is of the view that the school has purposely avoided the production of the accounting records with a view to hiding the actual state of affairs as regards the fee hike effected by the school. The examination of the Receipt and Payment Accounts, Income Expenditure Accounts and Balance Sheets for the last 5 years also did not inspire any confidence because the accounts are not audited as per the report of the Chartered Accountant, the break up of cash in hand and cash at bank account of Rs. 6.82 lakhs as on 31.3.2011 has not been given in the balance sheet and in the previous years also, the cash in hand was more than the cash at bank as per the figures given in the balance sheets suggesting that cash was being utilized for purposes other than educational purposes.

In the above premises, the Committee is of the view that the school needs to refund the fee increased by it consequent to the order dated 11.2.2009 of the Director of the Education along with interest of 9% per annum. It would be open to the department to take such other action against the school in accordance with the law.

Sd/-

**Justice Anil Dev Singh
Chairperson**

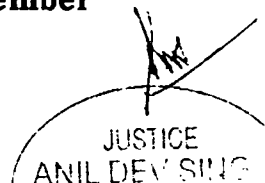
Sd/-

**Dr. R.K. Sharma
Member**

Sd/-

**J.S. Kochar
Member**

Date: 25.01.2012


JUSTICE
ANIL DEV SINGH

C-109

Happy Child Model School, Uttam Nagar, New Delhi-110059

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from West –B District of the Directorate of Education. On examination of these returns, the school was put in C Category.

While forwarding the returns of the school, the District authorities had themselves noted that the Auditors report on the schools final account had failed to certify the correctness and fairness of the accounts. It is however strange that inspite of noting this irregularity, the Directorate of Education has not deemed it proper to ask for an explanation either from the school or from the auditor. In the meeting held with the Dy Directors incharge of districts on 19.01.2012, such practices by the schools were brought to their notice. . The Dy Directors of the Districts as well as the officials of the headquarters have been treating the financials of the schools signed by a Chartered Accountant as an audit report.

On examination of the records by the Committee, it was observed that the final accounts of the school have been signed by M/s. N.K. Mahajan & Company, Chartered Accountants and the report issued by them only certifies the fact that the final accounts are in agreement with the Books maintained by the school. The report does not say that the accounts have been audited and the Income and Expenditure Account and Balance Sheet of the school reflect the true and fair view of the surplus/deficit and the state of affairs of the school as on the Balance Sheet date. It has been observed by the Committee that this firm of Chartered Accountants has issued such certificates to a very large number of schools spread all across Delhi particularly in West Delhi Similarly, in cases of vast majority of schools, the Chartered Accountants' report merely mentions "*Compiled from books of accounts produced before us*". Such reports are obviously not audit reports which have to unambiguously express a view on the truth and fairness of the final accounts. The Institute of Chartered Accountants has also issued a **Guidance Note**


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE
 For Review of Schools

on **Audit Reports and Certificates for Special Purposes** for the guidance of its members. Para 9 of the Guidance note reads as follows:


9. Other Engagements

9.1 In some cases, a member may be required merely to compile financial statements or to report whether the financial statements are in conformity with the books of account. **The association of the name of a member with the statements may be misconstrued by a user of the statements as the same having been audited by him. Therefore, it is essential) that the member clearly brings out the nature of his association with the financial statements. The following precautions are suggested In this regard:**

- i. **The title of the report should be 'Chartered Accountant's Report' rather than 'Auditor's Report'.**
- ii. **The report should clearly state that the statements were not audited.**
- iii. **In describing the engagement, ambiguous terms such as 'review', 'general review', 'check, etc., should be avoided.**
- iv. **The client should be requested not to use the word 'audit' in describing the nature of services of the members. Similarly, his fee should not be described as 'audit fee' in the accounts, correspondence, or any other document.**

The Committee has been pained to observe that there are a number of Chartered Accountants who have been issuing such reports and certificates with impunity which are passed off as audit reports. Instances have also come to the notice where the Chartered Accountants have issued certificates "*Compiled from the books of accounts produced before us*" but when the books of accounts were requisitioned from the schools, their representatives stated that the books were either not being maintained or were incomplete or the books produced showed different figures from those reflected in the final accounts certified by the Chartered Accountants. It is obvious that such Chartered Accountants are merely putting their initials and rubber stamps without examining the records. Irregularities observed in the financials of a vast majority of schools would not have been possible if the Chartered Accountants had exercised due diligence.

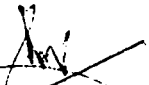
Vide letter dated 15.05.2012, the school was asked to produce its fee records, salary payment records and the books of Accounts for examination by the Committee. The school produced the desired records on 08.06.2012 through Sh. Sudhir Kumar, Principal of the school. The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee.


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE
 For Review of School Fee

The observations of the Audit Officer are that on examination of the records produced by the school, it was found that while the increased tuition and other fees was less than 10% in 2009-10, in 2010-11, the development fee had been raised by 83.8% to 133.6% bringing it equivalent to 10% of the tuition fee. She has further noted that as per information provided by the school, the school had implemented the 6th Pay Commission w.e.f. April 2010. Copy of the Pay Bill Register for the period prior to implementation and post implementation of the 6th Pay Commission has been taken on record.

The Committee in its meeting held on 11.06.2012 perused the copies of returns filed by the school under Rule 180 of Delhi School Education Rules 1973 and other records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee has observed that in the year 2009-10, the development fee charged was Rs. 470/- per annum which was increased to Rs. 800/- per annum for classes I to V, Rs. 900/- per annum for classes VI to VIII and Rs. 1000/- per annum for classes IX and X. In order to verify whether the school had fulfilled the pre-conditions for charging the development fee, the Committee examined the Balance Sheet of the school and found that neither the development fee was being capitalized and nor a Depreciation Reserve fund was being maintained. The school resorted to a weird accounting practice by which the provision for depreciation has been credited to an account styled as "Depreciation Reserve Fund" and the cost of fixed asset purchased has been debited to the same account. A negative balance of Depreciation Reserve fund have been carried to the Balance Sheet. This is merely an eye wash to appear to a gullible eye that the school maintained a Depreciation Reserve Fund. As observed earlier, the so called audit report is in fact not an audit report.

Since the pre-conditions for charging the development fee as per the law laid down by the Hon'ble Supreme Court in Modern School vs. Union of India in Appeal (Civil) 2699 of 2001 have not been fulfilled, the school was not entitled to charge any development fee. The Committee is, therefore, of the view that the school ought to refund the development fee charged from the students in 2009-10 onwards along with interest @ 9% per annum. As for the development fee charged in previous years, the


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE
 For Review of School Fee

Director of Education may take appropriate action in the matter. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

Dated: 11.6.2012

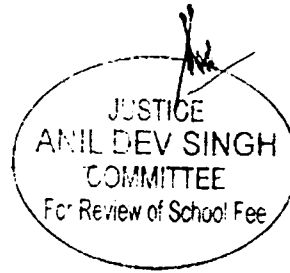
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated -11/06/2012



C-112

Puja Convent School, Hastal Road, Uttam Nagar, New Delhi-110059


The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from West –B District of the Directorate of Education. On examination of these returns, the school was put in C Category.

While forwarding the returns of the school, the District authorities had themselves noted that the Auditors report on the school's final accounts was not proper. It is however strange that in spite of noting this irregularity, the Directorate of Education has not deemed it proper to ask for an explanation either from the school or from the auditor.

On examination of the records by the Committee, it was observed that the final accounts of the school have been signed by M/s. N.K. Mahajan & Co., Chartered Accountants and the report issued by them only certifies the fact that the final accounts are in agreement with the Books maintained by the school. The report does not say that the accounts have been audited and the Income and Expenditure Account and Balance Sheet of the school reflect the true and fair view of the surplus/deficit and the state of affairs of the school as on the Balance Sheet date. It has been observed by the Committee that this firm of Chartered Accountants has issued such certificates to a very large number of schools spread all across Delhi particularly in West Delhi. Similarly, in cases of vast majority of schools, the Chartered Accountants' report merely mentions "*Compiled from books of accounts produced before us*". Such reports are obviously not audit reports which have to unambiguously express a view on the truth and fairness of the final accounts. The Institute of Chartered Accountants has also issued a **Guidance Note on Audit Reports and Certificates for Special Purposes** for the guidance of its members. Para 9 of the Guidance note reads as follows:

9. Other Engagements

9.1 In some cases, a member may be required merely to compile financial statements or to report whether the financial statements are in conformity with the books of account. **The association of the name of a member with the statements may be misconstrued by a user of the statements as the same having been audited by him. Therefore, it is**


 JUSTICE
 ANIL DEV SINGH

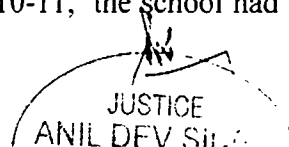
essential) that the member clearly brings out the nature of his association with the financial statements. The following precautions are suggested In this regard:

- i. The title of the report should be 'Chartered Accountant's Report' rather than 'Auditor's Report'.
- ii. The report should clearly state that the statements were not audited.
- iii. In describing the engagement, ambiguous terms such as 'review', 'general review', 'check, etc., should be avoided.
- iv. The client should be requested not to use the word 'audit' in describing the nature of services of the members. Similarly, his fee should not be described as 'audit fee' in the accounts, correspondence, or any other document.

The Committee has been pained to observe that there are a number of Chartered Accountants who have been issuing such reports and certificates with impunity which are passed off as audit reports. Instances have also come to the notice where the Chartered Accountants have issued certificates "*Compiled from the books of accounts produced before us*" but when the books of accounts were requisitioned from the schools, their representatives stated that the books were either not being maintained or were incomplete or the books produced showed different figures from those reflected in the final accounts certified by the Chartered Accountants. It is obvious that such Chartered Accountants are merely putting their initials and rubber stamps without examining the records. In the meeting held with the Dy Directors incharge of districts on 19.01.2012, such practices adopted by the schools and Chartered Accountants were brought to their notice. The Dy Directors of the Districts as well as the officials of the headquarters have been treating the financials of the schools signed by a Chartered Accountant as an audit report. Irregularities observed in the financials of a vast majority of schools would not have been possible if the Chartered Accountants had exercised due diligence.

Vide letter dated 15.05.2012, the school was asked to produce its fee records, salary payment records and the books of Accounts for examination by the Committee. The school produced the desired records on 08.06.2012 through Sh. Sudhir Kumar, Manager of the Managing Committee running the school. The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee.

The observations of the Audit Officer are that on examination of the records produced by the school, it was found that while the increased tuition and other fees was less than 10% in 2009-10 and 2010-11, the school had introduced development fee @


 JUSTICE
 ANIL DEV SINGH

10% of tuition fee from 2010-11 which was not being hitherto charged. She has further observed that the school had implemented the 6th Pay Commission w.e.f. June 2009. As for the Books of Accounts, she has observed that the school was maintaining heavy cash in hand in all the three years which were examined.

The Committee in its meeting held on 11.06.2012 perused the copies of returns filed by the school under Rule 180 of Delhi School Education Rules 1973 and other records produced by the school and also the observation notes of Ms. Sunita Nautiyal. From the Income and Expenditure Account of the school for the year 2010-11, it is found that the school has charged total development fee of Rs. 2,31,672/- during that year. In order to verify whether the school had fulfilled the pre-conditions for charging the development fee, the Committee examined the Balance Sheet of the school and found that neither the development fee was being capitalized nor a Depreciation Reserve fund was being maintained.

Since the pre-conditions for charging the development fee as per the law laid down by the Hon'ble Supreme Court in Modern School vs. Union of India in Appeal (Civil) 2699 of 2001 have not been fulfilled, the school was not entitled to charge any development fee. The Committee is, therefore, of the view that the school ought to refund the development fee charged from the students in 2010-11 onwards along with interest @ 9% per annum. The Director of Education may examine the records of the school for the subsequent years to ascertain with the school was continuing with the practice of charging development fee. In case it is found that the school continues to charge development fee without fulfilling the pre-conditions as laid down by the Hon'ble Supreme Court, the Director may use his powers under the law to order the refund of such fee charged in the subsequent years. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER
Dated: 11.6.2012

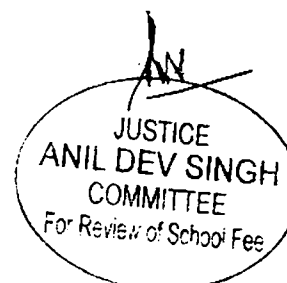
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated -11/06/2012



C-116

West Point Model School, Om Vihar, Uttam Nagar, New Delhi-110059

In response to the questionnaire sent by the Committee on 27.02.2012, the school vide letter dated 04.04.2012 replied that the school had implemented the 6th Pay Commission Report w.e.f. 01.04.2011, but the school had not increased the fee after implementation of the 6th Pay Commission report. In the mean time, the returns filed by the school under Rule 180 of Delhi School Education Rules 1973 were also received from the office of the Dy. Director of Education, West-B district. As the contention of the school was that it had not increased any fee after implementation of the 6th Pay Commission Report, the school was initially put in category C.

In order to verify the returns of the school and the reply submitted by it to the questionnaire of the Committee, the school was requested vide letter dated 15.05.2012 to produce its fee records, salary payment registers, Cash Book and Ledger and Banks statements for the years 2008-09 to 2010-11 and also to submit reply to the questionnaire. In compliance, the school produced through Sh Rajesh Tandon, Manager of the school, the required records on 11.06.2012. . The records produced were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee. She has observed that while the school claims to have implemented 6th Pay Commission Report w.e.f. 01.04.2011, the school had resorted to hiking the fee since 2009-10. She has further observed that the tuition fee was hiked by 11.11% to 33.33% in 2009-10 and by 20% to 50% in 2010-11. School also increased development fee by Rs. 60/- to Rs. 360/- in 2009-10 and by Rs. 120/- to Rs. 360/- in 2010-11. She also observed that though the school was charging development fee, no Depreciation Reserve fund was maintained by the school. The Books of accounts of the school were not in agreement with the final accounts of the school and by way of example she mentioned that the cash in hand as per Cash Book as on 31.03.2010 was Rs. 45,324/- while the same as per Receipt and Payment Account was Rs. 40,912/-.


JUSTICE
ANIL DEV SINGH

The Committee in its meeting held on 25.06.2012 perused the copies of records produced by the school, reply to the questionnaire and also the observation notes of the Audit Officer. At the instance of the Committee, the Audit Officer prepared a comparative chart showing the hike in fee (other than development fee) effected by the school in 2009-10 and 2010-11 on a consolidated basis. The comparative position as prepared by her is as follows:-

Class	Fee 2008-09	Fee 2009-10	Increase during 2009-10	Percentage increase in 2009-10	Fee 2010- 11	Increase during 2010-11	Percentage increase in 2010-11
I	492	583	91	18.49	583	Nil	Nil
II-V	492	583	91	18.49	725	142	24.35
VI- VIII	592	725	133	22.46	867	142	19.58
IX	642	967	325	50.62	1008	41	4.2
X	742	967	225	30.32	1208	271	28.02
XI	942	1408	466	49.46	1450	42	2.98
XII	1042	1408	366	35.12	1750	342	24.28

Admittedly, the 6th Pay Commission Report was not implemented by the school till March 2011. However, as revealed by the comparative table as above, the school had resorted to phenomenal increase in fee in 2009-10 and also substantial increase for some classes in 2010-11. For some of the classes, the fee hike effected in 2009-10 was even more than the maximum permitted vide order dated 11.2.2009 of the Director of Education without even implementing the 6th Pay Commission Report, The Committee is therefore of the view that the fee hike effected by the school in 2009-10 (other than development fee, which is being separately dealt with) was wholly unjustified and the same ought to be refunded along with interest @ 9% per annum. As the hiked fee in 2009-10 is also part of the fee for subsequent years, there



JUSTICE

would be a ripple effect in the fee for the subsequent years also and the same should also be refunded along with interest @ 9% per annum.

As for the development fee, the Committee has observed from the Balance Sheet of the school that the school is not maintaining any depreciation Reserve fund and the school is not treating the development fee as a capital receipt. Both these pre conditions need to be fulfilled by the school before it can charge any development fee in terms of the decision of the Hon'ble Supreme Court in the case of Modern School vs. Union of India (2004) 5 SCC 583. Therefore, the school was not entitled to charge any development fee in the first phase. For the same reason, the school was not entitled to increase any development fee which was being illegally charged. From the fee schedules of the school for the years 2008-09, 2009-10 and 2010-11, it is found that the school had been charging development fee for different classes as follows:-

Class	2008-09	2009-10	2010-11
Pre Primary			600
I	540	600	600
II to V	540	600	720
VI to VIII	660	720	840
IX	720	960	960
X	840	960	1200
XI	1080	1440	1440
XII	1200	1440	1800

The Committee is of the view that the development fee hiked by the school after 2008-09 ought to be refunded along with interest @ 9% per annum. As the matter of fee being charged prior to 2008-09 does not fall in the purview of the Committee, the Director of Education may invoke his powers under the law to issue necessary directions to the school to refund the same as


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE
 For Review of School Fee

the school is not fulfilling the pre conditions for charging the development fee.
Recommended accordingly.

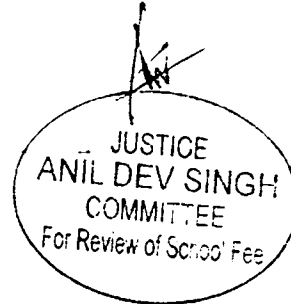
Sd/- Sd/- Sd/-

Dr. R.K. SHARMA
MEMBER

CA J.S. KOCHAR
MEMBER

JUSTICE ANIL DEV SINGH(Retd.)
CHAIRPERSON

Dated: 25.06.2012



C-117

G.P. Public School, Dilshad Colony, Delhi-110095

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East District of the Directorate of Education. The school was put in C Category as on a preliminary examination of the aforesaid returns, it appeared that the school had not increased the fee in terms of order dated 11.2.2009 issued by the Director of Education.

In order to verify the correctness of the returns, the school vide letter dated 30.5.2012 was requested to produce its account books, fee and salary records. The desired records were produced on 12.6.2012 by Sh. G.S. Chaudhary, Chairman of the Society running the school. The same were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had not yet implemented the 6th Pay Commission Report but the school had increased the tuition fee by Rs. 100/- per month as per order dated 11.2.2009 issued by the Director of Education. In 2010-11, the development charges were increased by 50%. The Books of Accounts were maintained in normal course. As regards, depreciation fund, her observations are not very intelligible.

The Committee in its meeting held on 14.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee is of the view that as the school has admittedly not implemented the 6th Pay commission Report, but had hiked the fee to the maximum extent in terms of order dated 11.2.2009 issued by the Director of Education, the school ought to refund the increased fee w.e.f. 2009-10 along with interest @ 9% per annum. As the increased fee is also part of the fee for the years subsequent to 2009-10, there would be a ripple effect in the years subsequent to 2009-10. The school should also refund the increased fee in those years. This should also be done along with interest @ 9% per annum.


JUSTICE
ANIL DEV SINGH
COMMITTEE
For Review of School Fee.

The Committee, on examination of the Income and Expenditure Account and Balance Sheet of the school has also observed that the development fee was not being treated as a Capital Receipt by the school but was credited as a revenue receipt in the accounts. The school was not maintaining any depreciation reserve fund. Hence, the school was not fulfilling 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 in Appeal (Civil) 2699 of 2001. In view of this the school was not entitled to charge any development fee. For the same reason, the school was not entitled to increase the development fee which it did in the year 2010-11. The increase was Rs. 25/- per month for all the classes. Till 2009-10, the school was charging development fee of Rs. 50/- per month which was increased to Rs. 75/- per month in 2010-11. The Committee is, therefore, of the view that the hike in development fee in 2010-11 was not justified and the same ought to be refunded to the students along with interest @9% per annum. As for the development fee charged in the years prior to 2010-11, the Director of Education may take appropriate action in accordance with law. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

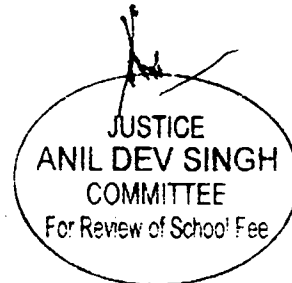
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 14/6/2012



C-118

St. Krishna Bodh Public School, Main Mandoli Road, West Nathu Colony, Delhi-110093

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East District of the Directorate of Education. The school was put in C Category as on a preliminary examination of the aforesaid returns, it appeared that the school had not increased the fee in terms of order dated 11.2.2009 issued by the Director of Education.

In order to verify the correctness of the returns, the school vide letter dated 30.5.2012 was requested to produce its account books, fee and salary records. The desired records were produced on 12.6.2012 by Sh. K.D. Sharma, Manager of the school. The same were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that in 2009-10, the school increased the tuition fee by Rs. 25 to Rs. 70 per month for different classes. Development fee was increased by Rs. 10 to Rs. 30 per month and annual charges were increased by 11.11%. In 2010-11, tuition fee was increased by 10% and annual charges by 20%. Development fee was not increased in 2010-11. The school had partially implemented the 6th Pay commission Report w.e.f. April 2010. The staff was being paid only basic pay, DA and conveyance allowance as per the 6th Pay commission Report. Grade Pay was not being paid. As regards maintenance of depreciation reserve fund, her observations are not intelligible. The Books of Accounts appeared to have been maintained in normal course.

The Committee in its meeting held on 14.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school and also the observation notes of Ms. Sunita Nautiyal. In order to see whether 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 in Appeal (Civil) 2699 of 2001, were being fulfilled by the school, the committee examined the Balance Sheets of the school and observed

JUSTICE
ANIL DEV SINGH
COMMITTEE
For Review of School Fee

that the development fee and depreciation reserve have not been funded in earmarked investments or bank accounts. In view of this the school was not entitled to charge any development fee. For the same reason, the school was not entitled to increase the development fee which it did in the year 2009-10. The increase was Rs. 30/- per month for class I, Rs. 25/- per month for class II, Rs. 10/- per month for class III. However for classes IV to VIII, the development fee was reduced from the level it was being levied in 2008-09. The Committee is therefore of the view that the hike in development fee for classes I to III in 2009-10 was not justified and the same ought to be refunded to the students along with interest @9% per annum. As for the development fee charged in the years prior to 2009-10, the Director of Education may take appropriate action in accordance with law. Recommended accordingly.

Sd/- -/PS

Dr. R.K. SHARMA
MEMBER

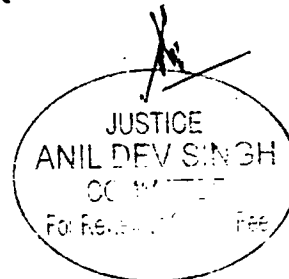
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH
CHAIRPERSON

Dated: 14/6/2012



C-129

Arwachin Shiksha Sadan Public School, Shanti Nagar, Karawal Nagar Extn., Delhi-110094

The school had not responded to the questionnaire sent by the Committee on 27.2.2012 which was followed by a reminder dated 27.03.2012. However the returns filed by the school under Rule 180 of Delhi School Education Rules 1973 have been received from the office of the Dy. Director of Education, North East district. On a preliminary examination of the returns, the school was put in C Category as it appeared that the school had not increased the fee in terms of the order dated 11.2.2009 of the Director of Education.

In order to verify the returns of the school, the school was requested vide letter dated 30.05.2012 to produce its fee records, salary payment registers, Cash Book and Ledger and Banks statements for the years 2008-09 to 2010-11 and also to submit reply to the questionnaire. In compliance, the school produced through Sh Ashutosh Sharma, Asstt. teacher of the school, the required records on 19.06.2012. The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee.

As per the reply to the questionnaire, the school stated that it had neither implemented the recommendations of the 6th Pay Commission Report nor increased the fee in terms of order dated 11.2.2009 issued by the Director of Education. The Audit Officer observed that the school does not maintain any date-wise fee register and the entry of total cash receipts towards fee is made on 10th of every month irrespective of the date when the fee is actually received. She has also observed that during 2009-10, the fee hike effected by the school was Rs. 50/- per month which was less than 10%. However, in 2010-11, the school increased the tuition fee by Rs. 50/- per month for students upto class VIII but for students of classes IX & X, the fee was increased by Rs. 250/- per month which represented a hike of 33.33% over the fee for the last year. The Books of Accounts appeared to be maintained in normal course.

The Committee in its meeting held on 25.06.2012 perused the copies of the Returns and documents filed by the school as also the reply to the questionnaire and the


 JUSTICE
 ANIL DEV SINGH
 COMMITTEE
 For Review of Schools

observations of the Audit Officer. Admittedly the school has not implemented the 6th Pay Commission Report. The Committee is of the view that the fee hiked by the school in 2009-10 was reasonable. In 2010-11 also, the fee hiked by the school for students upto class VIII was reasonable. However, for the students of classes IX & X, the fee hike of Rs. 250/- per month was effected for no justifiable reason. The Committee is therefore of the view that the school ought to refund Rs. 200/- per month to students of classes IX & X out of the total fee hike of Rs. 250/- per month in the year 2010-11 with ripple effect in the subsequent year along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

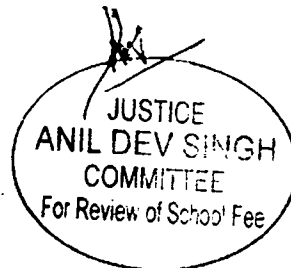
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH(Retd.)
CHAIRPERSON

Dated: 25.06.2012




C-130

Rose Garden Public School, West Ghonda, Delhi-110053

The school had not responded to the questionnaire sent by the Committee on 27.02.2012 which was followed by reminder dated 27.03.2012. However the returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received by the Committee from North East District of the Directorate of Education. The school was put in C Category as on a preliminary examination of the aforesaid returns, it appeared that the school had not increased the fee in terms of order dated 11.2.2009 issued by the Director of Education nor had implemented the 6th Pay Commission Report.

In order to verify the correctness of the returns, the school vide letter dated 30.5.2012 was requested to produce its account books, fee and salary records. The desired records were produced on 19.6.2012 by Sh. Siya Ram Sharma, , Manager of the school. The same were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the school had not yet implemented the 6th Pay Commission Report. The school had increased the tuition fee by Rs. 50/- to Rs. 70/- per month in 2009-10 and annual charges by Rs. 100/- . The increase worked out to 14 to 25% over that of the previous year. In 2010-11, the tuition fee had been increased by Rs. 100/- per month and annual charges by Rs. 200/-. The Books of Accounts maintained by the school appeared to be in order.

The Committee in its meeting held on 22.06.2012 perused the copies of returns filed by the school under Rule 180, records produced by the school and also the observation notes of Ms. Sunita Nautiyal. The Committee is of the view that though the fee hiked by the school in 2009-10 was more than 10% , in absolute terms it was not excessive. However, the school hiked the fee by Rs. 100/- per month in 2010-11, which was the maximum permissible hike for the category in which the school fell as per the order dated 11.2.2009 issued by the Director of Education. The school appears to have adopted a stratagem by not fully increasing the fee in 2009-10 but increasing the same in 2010-11 without implementing the 6th Pay Commission report. In view of this, the Committee is of the view that the school ought to refund the fee hiked by it w.e.f.


JUSTICE
ANIL DEV SINGH
COMMITTEE

1.4.2010 with ripple effect in the subsequent years along with interest @ 9% per annum.
Recommended accordingly.

Sd/-

**Dr. R.K. SHARMA
MEMBER**


Sd/-

**CA J.S. KOCHAR
MEMBER**

Sd/-

**JUSTICE ANIL DEV SINGH
CHAIRPERSON**

Dated: 22/6/2012


JUSTICE
ANIL DEV SINGH
COMMITTEE
For Review of School Fee

C-142

Adarsh Bharti Public School, Brijpuri, Delhi-110094

The school had not responded to the questionnaire sent by the Committee on 27.2.2012 which was followed by a reminder dated 27.03.2012. However the returns filed by the school under Rule 180 of Delhi School Education Rules 1973 have been received from the office of the Dy. Director of Education, North East district. On a preliminary examination of the returns, the school was put in C Category as it appeared that the school had not increased the fee in terms of the order dated 11.2.2009 of the Director of Education.

In order to verify the returns of the school, the school was requested vide letter dated 05.06.2012 to produce its fee records, salary payment registers, Cash Book and Ledger and Banks statements for the years 2008-09 to 2010-11 and also to submit reply to the questionnaire. In compliance, the school produced through Sh Raman Kant Sharma, Headmaster of the school, the required records on 28.06.2012 and also submitted the reply to the questionnaire. The records produced were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee.

In the reply to the questionnaire, the school submitted that it had neither implemented the recommendations of the 6th Pay Commission Report nor had it increased the fee in terms of the order dated 11.2.2009 of the Director of Education.

The Audit Officer has observed that the school did not have any bank account till 2009-10. The same was opened only in 2010-11. The entire fee is received in cash and salary is also paid in cash. During 2009-10, the school increased tuition fee by Rs. 75/- per month which amounted to an increase of 17.6 % to 20% over the fee of the previous year, annual charges were increased by 10%, a new levy in the shape of examination charges was introduced @ Rs. 250/- to Rs. 350/- per annum. During 2010-11, the school increased fee under


JUSTICE
ANIL DEV SINGH
COMMITTEE

all the Heads by approximately 10%. The Cash Book and Ledger were found to be maintained in normal course.

The Committee in its meeting held on 04.07.2012 perused the copies of records produced by the school, reply to the questionnaire and also the observation notes of Ms. Sunita Nautiyal. As the school had increased the fee in different heads, the auditor officer was requested to prepare a statement showing total fee increase in the year 2009-10 and 2010-11. This exercise was done by her and it was found that for classes Ist to V, that total fee was increased from Rs. 417/- per month in 2008-09 to Rs. 516/- per month in 2009-10. Thus the increase was Rs. 99/- per month for these classes. In respect of classes VI to VIII, the total fee was increased from Rs. 471/- per month in 2008-09 to Rs. 579/- per month in 2009-10. Thus the increase was Rs. 108/- per month. The fee increase in 2010-11 was within the tolerance limit of 10%. Thus the school had infact increased the fee in 2009-10 in accordance with the order dated 11.2.2009 issued by the Director of Education without implementing the recommendations of the 6th Pay Commission.

It was also observed by the Committee that the auditor of the school Sh. S.C. Sharma, Chartered Accountant had initially given a compilation report only but it appears that after the meeting of the Committee with the Dy. Directors of Education of the Districts held on 19.01.2012, the school was advised to obtain audit report in Form 10 B of the Income Tax Rules and the school got the same signed by Mr. S.C. Sharma for the previous years. The auditor's report does not even contain the address or telephone number of the auditor nor is it on the printed stationery of the auditor. The format used by auditor is the same as the one which was given to the Dy. Directors by the Committee on 19.01.2012 downloaded from the website www.taxmann.com. for their future guidance as to the contents of the audit reports. All these facts show that no reliance can be placed on the accounts produced by the school.

Further the Committee is at a loss to understand as to how the school was granted recognition when the school did not even have a bank account


JUSTICE
ANIL DEV SINGH

which every recognized unaided school has to maintain in terms of the mandate of Rule 173 (4) of the Delhi School Education Rules 1973. The Committee also fails to understand as to how this fact did not come to the notice of the Directorate during the course of inspections of the school which have to be mandatorily carried out at least once in each financial year as per the mandate of section 24 (1) of the Delhi School Education Act 1973. Obviously either no inspection was carried out by the Directorate after the grant of recognition or they were carried out in a perfunctory manner.

The Committee is of the view that the school resorted to unjustified increase in fee w.e.f. 1.4.2009 without implementing the 6th Pay Commission Report and as such the school ought to refund the increased monthly fee w.e.f. 1.4.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

Sd/-

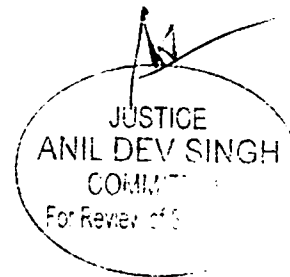
Sd/-

Dr. R.K. SHARMA
MEMBER

CA J.S. KOCHAR
MEMBER

JUSTICE ANIL DEV SINGH(Retd.)
CHAIRPERSON

Dated: 04.07.2012



C-156


Shibbon Modern Public School, Vijay Colony, Delhi-110053

The school had not responded to the questionnaire sent by the Committee on 27.2.2012 which was followed by a reminder dated 27.03.2012. However the returns filed by the school under Rule 180 of Delhi School Education Rules 1973 have been received from the office of the Dy. Director of Education, North East district. On a preliminary examination of the returns, the school was put in C Category as it appeared that the school had not increased the fee in terms of the order dated 11.2.2009 of the Director of Education.

In order to verify the returns of the school, the school was requested vide letter dated 11.06.2012 to produce its fee records, salary payment registers, Cash Book and Ledger and Banks statements for the years 2008-09 to 2010-11 and also to submit reply to the questionnaire. In compliance, the school produced through Sh Narender Singh, Manager of the school, the required records on 04.07.2012 and also submitted the reply to the questionnaire. The records produced were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee.

In the reply to the questionnaire, the school submitted that it had neither implemented the recommendations of the 6th Pay Commission Report nor had it increased the fee in terms of the order dated 11.2.2009 of the Director of Education.

The Audit Officer has observed that the school was charging development fee which was not reflected in the fee structure filed by the school as part of returns under Rule 180 of Delhi School Education Rules, 1973. Such development fee was also reflected in the final accounts of the school for 2009-10 and 2010-11. Tuition fee was found to have been increased by the school to the tune of Rs. 75/- to Rs. 100/- per month in 2009-10 which worked out to an increase of 14% to 20% for different classes. Annual charges and development fee had also been increased by Rs. 100/- per annum. The school


NARENDER SINGH

was not maintaining development fund but depreciation fund was reflected in the Balance Sheet. The Books of Accounts appeared to have been maintained in normal course.

The Committee in its meeting held on 12.07.2012 perused the copies of records produced by the school, reply to the questionnaire and also the observation notes of the audit officer. The Committee observed that till 2008-09, the school was not charging any development fee. Although the fee structure for 2009-10 and 2010-11 did not disclose any development fee, in actual fact it was found that the school charged development fee of Rs. 400/- per annum in 2009-10 which was increased to Rs. 500/- per annum in 2010-11. The same are also reflected in the Income and Expenditure Accounts for both the years. However, instead of capitalizing the development fee, the school treated it as a revenue receipt. Although depreciation reserve has shown in the Balance Sheets, the same has not been funded in earmarked deposits/investments. As the school does not fulfill the pre-conditions for charging 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, the Committee is of the view that the school was not entitled to charge the development fee. The same ought to be refunded for both the years 2009-10 and 2010-11 along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. SHARMA
MEMBER

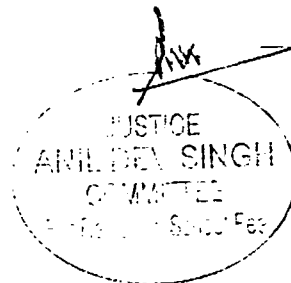
Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH(Retd.)
CHAIRPERSON

Dated: 12.07.2012




C-164

Nitya Nand Memorial Public School, Ghonda, Delhi-110053

The school had not responded to the questionnaire sent by the Committee on 27.2.2012 which was followed by a reminder dated 27.03.2012. However the returns filed by the school under Rule 180 of Delhi School Education Rules 1973 have been received from the office of the Dy. Director of Education, North East district. On a preliminary examination of the returns, the school was put in C Category as it appeared that the school had not increased the fee in terms of the order dated 11.2.2009 of the Director of Education.

In order to verify the returns of the school, the school was requested vide letter dated 11.06.2012 to produce its fee records, salary payment registers, Cash Book and Ledger and Banks statements for the years 2008-09 to 2010-11 and also to submit reply to the questionnaire. In compliance, the school vide letter dated Nil which was received in the office of the Committee on 28.06.2012 filed reply to the questionnaire vide which it stated that it had not implemented the recommendations of the 6th Pay Commission. As regards the increase in fee in terms of order dated 11.02.2009 of the Director of Education, the school replied that it had not increased the fee in terms of the order but had increased the fee from Rs. 400/- to Rs. 550/- w.e.f. 01.04.2010 in routine to meet the rising expenses caused due to inflation as no fee was increased since 2005-06. On 09.07.2012, Sh. Harish Sharma, Principal of the school appeared and produced the required records. The records produced were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee.

The Audit Officer has observed that while the fee structure of the school for the year 2009-10 (filed as part of annual returns under Rule 180), showed no increase in fee as compared to the fee for the year 2008-09, examination of fee receipts and registers showed that the school had actually increased the tuition fee by Rs. 100/- per month w.e.f. July 2009 i.e. in the middle of the session. Prior to the increase, the school was charging a tuition


JUSTICE
ANIL DEV SINGH
COMMITTEE

fee of Rs. 400/- per month while post increase, the school was charging tuition fee of Rs. 500./- per month. The fee was further increased by Rs. 50/- per month in 2010-11 thus making it Rs. 550/- per month. She further observed that the Cash Book and Ledger of the school appeared to be maintained in normal course but the school was not maintaining any bank account.

The Committee in its meeting held on 12.07.2012 perused the copies of records produced by the school, reply to the questionnaire, further documents filed by the school during the course of verification and also the observation notes of the audit officer. The Committee noted that the audit reports had been signed by Sh. S.C. Sharma, Chartered Accountant, who had initially given a compilation report only but it appears that after the meeting of the Committee with the Dy. Directors of Education of the Districts held on 19.01.2012, the school was advised to obtain audit report in Form 10 B of the Income Tax Rules and the school got the same signed by Mr. S.C. Sharma for the previous years. The auditor's report does not even contain the address or telephone number of the auditor nor is it on the printed stationery of the auditor. The format used by auditor is the same as the one which was given to the Dy. Directors by the Committee on 19.01.2012 downloaded from the website www.taxmann.com. All these facts show that no reliance can be placed on the accounts produced by the school.

Further the Committee is at a loss to understand as to how the school was granted recognition when the school did not even have a bank account which every recognized unaided school has to maintain in terms of the mandate of Rule 173 (4) of the Delhi School Education Rules 1973. The Committee also fails to understand as to how this fact did not come to the notice of the Directorate during the course of inspections of the school which have to be mandatorily carried out at least once in each financial year as per the mandate of section 24 (1) of the Delhi School Education Act 1973. Obviously either no inspection was carried out by the Directorate after the grant of recognition or they were carried out in a perfunctory manner.


JUSTICE
ANIL DEV SINGH
COMMITTEE

As for the increase in fee, the Committee has noted that the school gave a false reply to the questionnaire that no fee was increased in terms of the order dated 11.2.2009 of the Director of Education when it had actually increased the fee to the maximum permissible extent as per the aforesaid order and that too during the mid session without obtaining specific approval of the Director as mandated under section 17(3) of the Delhi School Education Act 1973. The increase in fee was resorted to when admittedly the school had not implemented the 6th Pay Commission Report. The Committee is therefore of the view that the increase in fee effected by the school w.e.f. 01.07.2009 was wholly unjustified and the school ought to refund increased monthly fee w.e.f. 1.7.2009 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2009-10. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

Dr. R.K. SHARMA
MEMBER

Sd/-

CA J.S. KOCHAR
MEMBER

Sd/-

JUSTICE ANIL DEV SINGH(Retd.)
CHAIRPERSON

Dated: 12.07.2012



C-195

Shiva Model Public School , Shahbad Daulatpur, Delhi-110042

The school had not responded to the questionnaire sent by the Committee on 27.2.2012 which was followed by a reminder dated 27.03.2012. However the returns filed by the school under Rule 180 of Delhi School Education Rules 1973 have been received from the office of the Dy. Director of Education, North West –A district. On a preliminary examination of the returns, the school was put in C Category as it appeared that the school had not increased the fee in terms of the order dated 11.2.2009 of the Director of Education.

In order to verify the returns of the school, the school was requested vide letter dated 03.07.2012 to produce its fee records, salary payment registers, Cash Book and Ledger and Banks statements for the years 2008-09 to 2010-11 and also to submit reply to the questionnaire. In compliance, the school produced through Ms. Manisha Sharma, Chairperson of the school, the required records on 11.07.2012 and also submitted the reply to the questionnaire. The records produced were examined by Sh. N.S. Batra, Audit Officer of the Committee.

In the reply to the questionnaire, the school submitted that it had neither implemented the recommendations of the 6th Pay Commission Report nor had it increased the fee in terms of the order dated 11.2.2009 of the Director of Education.

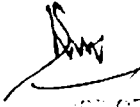
The Audit Officer has observed that while during 2009-10 the school nominally hiked the fee, in 2010-11 the fee hiked was between 12.3% and 13.9% which was slightly above 10%. He also observed that the cash book and ledger had not been maintained and produced. As such the figures appearing in Income and Expenditure Accounts Balance Sheet could not be verified.


JUSTICE
ANIL DEV SINGH
COMMITTEE

The Committee in its meeting held on 19.07.2012 perused the copies of records produced by the school, reply to the questionnaire and also the observation notes of the audit officer. As the committee felt that certain aspects had been left unnoticed by the audit officer, the same were pointed out to him and on reexamination of the records the audit officer vide note dated 19.07.2012 observed that as per the Income and Expenditure Accounts for the years 2009-10 and 2010-11 on the development fee to the extent of fee Rs. 34,650/- and Rs. 1, 16,000/- stood credited but the same had not been shown in the fee structure filed by the school. He further observed that till 31.03.2010 the school did not have any bank account. The Committee has also noticed that the school was treating development fee as revenue receipt and no depreciation reserved fund was being maintained.

The Committee is at a loss to understand as to how the school was granted recognition when the school did not even have a bank account which every recognized unaided school has to maintain in terms of the mandate of Rule 173 (4) of the Delhi School Education Rules 1973. The Committee also fails to understand as to how this fact did not come to the notice of the Directorate during the course of inspections of the school which have to be mandatorily carried out at least once in each financial year as per the mandate of section 24 (1) of the Delhi School Education Act 1973. Obviously either no inspection was carried out by the Directorate after the grant of recognition or they were carried out in a perfunctory manner. The Committee further notes that while the school claims to be not maintaining any cash book and ledger, the balance sheet etc. of the school carries certification from the chartered accountants ***"Compiled from the books of account produced before us and found correct therewith"***. Obviously either the school or the chartered accountants are taking liberty with the truth.

As for the fee, the Committee is of the view that the school was unauthorisedly recovering the development fee as neither it had included the same in the fee structure of the school which is required to be submitted to the


 DIRECTOR
 DELHI SCHOOL EDUCATION
 DEPARTMENT

Director of Education u/s 17(3) of the Delhi School Education Act, 1973 before the start of the academic session nor it fulfills the preconditions prescribed by the Hon'ble Supreme Court for charging the development fee in the case of Modern School versus Union of India (2004) 5 SCC 583. The school therefore ought to refund the development fee charged in the years 2009-10 and 2010-11 alongwith interest @ 9% per annum. As the records for the years subsequent to 2010-11 are not before the committee, the Director of Education should verify the factum of charging the development fee in these years and if it is found to be charged in these years also without fulfilling the preconditions, the same should also be ordered to be refunded. As for development fee charged in the years prior to 2009-10, the Director of Education may take appropriate action under the law. Recommended accordingly.

Sd/-

Dr. R.K. Sharma
Member

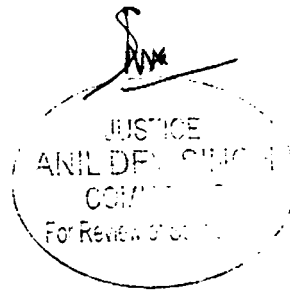
Sd/-

CA J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh (Retd.)
Chairperson

Dated: 19.07.2012



C-228


Prakash Deep Saraswati Vidya Mandir, Panchal Vihar, Delhi-110094.

The school had not responded to the questionnaire sent by the Committee on 27.2.2012 which was followed by a reminder dated 27.03.2012. However the returns filed by the school under Rule 180 of Delhi School Education Rules 1973 have been received from the office of the Dy. Director of Education, North East district. On a preliminary examination of the returns, the school was put in C Category as it appeared that the school had not increased the fee in terms of the order dated 11.2.2009 of the Director of Education.

In order to verify the returns of the school, the school was requested vide letter dated 05.07.2012 to produce its fee records, salary payment registers, Cash Book and Ledger and Banks statements for the years 2008-09 to 2010-11 and also to submit reply to the questionnaire. In compliance, the school produced through Sh. V.K. Sharma, Headmaster of the school, the required records on 16.07.2012 but did not submit the reply to the questionnaire. The records produced were examined by Sh. A.K. Bhalla, Audit Officer of the Committee.

The Audit Officer has observed that the school did not have any bank account and did not have any FDRs. The entire fee is received in cash and salary is also paid in cash. The School had not implemented the 6th Pay Commission Report. The fee hiked by the school in 2009-10 was less than 10% however the fee hiked during 2010-11 was to the tune of 56.72%.

The Committee in its meeting held on 19.07.2012 perused the copies of records produced by the school, reply to the questionnaire and also the observation notes of the Audit Officer. The Committee observed that the school had not been filing its returns u/r 180 annually but had filed the same for five years together on 24.01.2012. The Receipt and Payment Accounts, Income and Expenditure Accounts and Balance Sheets for all the five years



JUSTICE
ANIL DEV SINGH

appeared to be made recently. The certification of the Chartered Accountants on the financial of the School was ***“Complied from books of accounts and information supplied to us”***. However, it appears that subsequently the audit report was obtained from the Chartered Accountants. The school was not maintaining any bank account and also did not have any FDRs. The committee is at a loss to understand as to how the school was granted recognition in the first place and how these deficiencies never came to the notice of the Director of Education during its annual inspection. The school had admittedly not implemented the 6th Pay Commission Report, yet the school had increased the fee in 2010-11 which was in excess of 2009-10 by as much as 56%. The fee hiked by the school in 2010-11 for different classes was observed as follows:

Class	Fee for 2009-10 (Rs.)	Fee for 2010-11 (Rs.)	Increase during 2010-11 (Rs.)
I	200	325	125
II	225	350	125
III	225	375	150
IV	250	400	150
V	250	425	175
VI	300	450	150
VII	325	475	150
VIII	350	500	150

It was thus observed by the Committee that the hike effected by the school was even more than the hike permitted to the schools in terms of the order dated 11.02.2009 issued by Director of Education when the 6th Pay Commission had not even been implemented by school.

The Committee is of the view that the school resorted to unjustified increase in fee w.e.f. 1.4.2010 without implementing the 6th Pay Commission Report and as such the school ought to refund the increased monthly fee w.e.f.


 JUSTICE
 ANIL DEV SINGH
 (C.M.)

1.4.2010 till the date of actual refund along with interest at the rate of 9% per annum. Since the annual fee of the school is increased by about 10% every year, there would be a ripple effect in the fee for the years subsequent to 2010-11. The school should also refund the additional fee for the subsequent years calculated at a percentage at which the fee for the subsequent years has been increased. This should also be refunded along with interest @ 9% per annum.

Sd/-

Dr. R.K. Sharma
Member

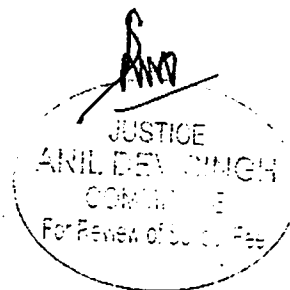
Sd/-

CA J.S. Kochar
Member

Sd/-

Justice Anil Dev Singh (Retd.)
Chairperson

Dated: 19.07.2012



8. In respect of the below mentioned* schools, the Committee after examining their records has concluded that no intervention was required in their cases as the hike in fee effected by the schools were not significant, although they had not implemented the recommendations of 6th Pay Commission Report. Since the hike in fee to the extent of 10% per annum is not objected to by the Directorate so as to cover the increased cost due to inflation. Either these school effected no hike in fee or the hike effected by these schools was not much in absolute terms.

*

S.No	File No.	Name of School & Address
1	C-2	Henry Dunant Public School, Jhilmil colony, Delhi-95
2	C-5	East Delhi Public School, Pandav Nagar, Delhi-91
3	C-12	Deep Public School, Ashok Nagar, Shahdra, Delhi-93
4	C-15	Junior Model School, Badli, Delhi-42
5	C-18	Spring Field School, FD Block, Pitampura, New delhi-88
6	C-20	Rose Merry public School, Pitampura, Delhi-34
7	C-25	Blooming Buds Public School, New Moti Nagar, New Delhi-15
8	C-28	St. Michell Public School, B-Block, Janakpuri, New Delhi-58
9	C-34	Sulabh Public School, Mahavir Enclave, New Delhi-45
10	C-40	KVM Model School
11	C-41	K.D. Field Public School, Naveen Shahdra, Delhi
12	C-42	S.R. Capital Public School, Naveen Shahdra, Delhi-32

13	C-43 & 79	J.N. Modern Public School, Rani Bagh, Delhi-34
14	C-45	Mata Sukhdevi Public School, Nangl Poona, Delhi-36
15	C-54	Shankar Public School, Mandawali, Delhi-92
16	C-56	Vivek Modern School, Ghonda, Delhi-53
17	C-57	Gyan Sarovar Sec. Bal Vidyalaya, Ganwari Marginal Bandh, Delhi-53
18	C-58	Budh Singh Memorial Public School, Timarpur, New Delhi-36
19	C-67	Priya Adarsh Public School, Saboli, Delhi-93
20	C-69	Evergreen Public School, Vinoba Enclave, New Delhi-72
21	C-73	Guru Nanak Convent School, Sham Nagar Extn. New Delhi-18
22	C-75	Guru Harkishan Model School, Raj Nagr, Part-II, Palam Colony, New Delhi-45
23	C-78	S.K. Payal Public School, Kasna Colony, Badarpur Border, New Delhi-44
24	C-82	Amrita Vidyalayam, pushp Vihar, Saket, New Delhi-17
25	C-85	Greenway Modern School, Jhilmil Colony, Delhi-95
26	C-101	New St. Micheal Academy, Rishi Nagar, Shakur Basti, Delhi-34
27	C-102	S.D. Public School, Moti Nagar, New delhi-15
28	C-107	Mata Savitri Devi Sanjeevani Public School, Mohan Garden, New Delhi-59
29	C-108	Sanjeevani Public school, Uttam Nagar, New Delhi-59
30	C-110	Red Rose Model School, Mohan Garden, New Delhi-59
31	C-114	Gyan Varsha Public School, Uttam Nagar, New Delhi-59
32	C-120	Monarch Public School, Harsh Vihar, Delhi-93
33	C-122	City Convent Sec. School, New Modern Shahdra, Delhi-32
34	C-123	K.V. Vidya Mandir, Mansarovar Park, Shahdra, Delhi-32

35	C-124	Shri Saraswati Vihar Public School, Saboli, Delhi-93
36	C-131	Vishwa Bharti Public School, Ganga Vihar, Delhi-94
37	C-139	Shiv Shakti Public School, Lok Vihar, Karawal Nagar, Delhi-94
38	C-140	Lovely Flowers Public School, West Jyoti Nagar, Delhi-94
39	C-141	Vishwa Bharti School, Brahampuri, Delhi-53
40	C-148	Golden Star public School, Nehru Vihar, Delhi-94
41	C-151	Green Garden Public School, Ghonda, Delhi-53
42	C-155	Shibban Modern Public School, Brij Puri, Delhi-94
43	C-163	Pt. Diwan Chand Public School, North Ghonda, Delhi-53
44	C-165	Arvind Public School, Johripur Extn. Delhi-94
45	C-255	Amar Jyoti School, Karkardooma, Vikas Marg, Delhi-92

The reports recording the reasons of the Committee for the view taken by it are placed in the pages that follow: