

Phone-23813716

JUSTICE ANIL DEV SINGH COMMITTEE FOR REVIEW OF SCHOOL FEE  
1<sup>ST</sup> FLOOR, C-BLOCK, VIKAS BHAWAN-2, UPPER BELA ROAD,  
DELHI-110 054

No: 1599/5ADSC

Dated: 12/3/13

To,  
The Registrar General,  
Delhi High Court,  
New Delhi.

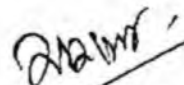
Sub.: Delhi Abhibhavak Mahasang & Ors. Vs. Govt. of NCT of Delhi & Ors.  
(Writ Petition No.7777 of 2009)

Sir,

Please find enclosed herewith the Second Interim Report of the  
Committee.

The report may kindly be laid before the Hon'ble Division Bench seized  
of the matter for its kind perusal.

  
Justice Anil Dev Singh  
Chairperson

  
Dr. R.K. Sharma  
Member

  
CA J.S. Kochar  
Member

Encl: As above

THE HIGH COURT OF DELHI (Judicial Receipt Section)
13 MAR 2013
Diary No. 8649

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**JUSTICE ANIL DEV SINGH COMMITTEE  
FOR REVIEW OF SCHOOL FEE**

**2nd Interim report**

**March 11, 2013**

**Justice Anil Dev Singh (Retd)  
Chairperson**

**CA J.S. Kochar  
Member**

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

**JUSTICE ANIL DEV SINGH COMMITTEE FOR REVIEW OF FEE HIKE**

**2<sup>nd</sup> INTERIM REPORT**

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## **CHAPTER -1**

### **Statistical Details**

- 1.1 In the 1st Interim Report dated 23/08/2012, the Committee had dealt with 200 schools. This 2<sup>nd</sup> Interim report deals with 148 schools, out of which 15 schools are in Category 'A', 21 schools are in Category 'B', 84 schools are in Category 'C' and 28 schools are in Category 'D'. The respective categories have been defined in the first Interim Report of the Committee dated 23/08/2012.
- 1.2 The Committee is in the process of examining the records of 264 more schools, out of which 220 schools fall in Categories 'A' and 'C' and 44 schools fall in Category 'B'.
- 1.21 Schools in Categories 'A' & 'C' mainly comprise of schools that have admittedly not implemented the recommendations of the Sixth Pay Commission. Vide public notices dated January 18, 2012 and March 18, 2012, the schools were required to indicate whether they would like to be heard by the Committee. Those who opted for hearing, were granted the same. Schools have rested their respective stands on their financials i.e. returns under Rule 180 of Delhi School Education Rules, 1973 and their reply to the questionnaire issued by the Committee. Consideration by the Committee of the financials, replies to the





questionnaire and verification of their accounting, fee and salary records produced by the respective schools falling in Categories 'A' & 'C', tantamount to hearing of their views in the matters and in the humble opinion of the Committee, it is not necessary to provide an oral hearing to each of such schools unless, the school opts for it or in case, the Committee feels the necessity to provide the same where it is not possible to reach a just decision. The Committee feels that oral hearing to all the schools falling in Categories 'A' & 'C' would entail delay and prolong the completion of the work entrusted to it. In the circumstances, the Committee had requested the Hon'ble High Court to treat the sittings of the committee that had taken place and that will be held for examining the records and the financials of the schools, at par with sittings during the course of which oral hearing is/was given. The recommendations in respect of the remaining schools of Categories 'A' & 'C' shall be finalised subject to the directions of the Hon'ble Court with regard to the question whether oral hearing needs to be given to each of the aforesaid schools or recommendations can be finalised by the Committee on consideration and scrutiny of

- (i) the financials submitted by the schools themselves,
- (ii) their books of accounts, fee and salary records,
- (iii) their reply to the questionnaire circulated by the Committee.

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
For Review of School Fee

- 1.3 Out of 44 schools in Category 'B', the Committee has already concluded its hearings in respect of 18 schools and the final recommendations are being deliberated upon. Besides, in respect of 6 schools in this category, the hearings are currently in progress. Hearings in respect of 20 schools falling in this category have been scheduled in the month of March, 2013



## CHAPTER -2

### Determinations

#### **2.1 Schools in respect of which the Committee has recommended refund of fee.**

The Committee has recommended refund of fee unjustly hiked by 58 schools. Among them are 11 schools, where the Committee, besides recommending the refund, has also recommended special inspection to be carried out by the Director of Education.

2.1.1. In respect of 47 schools, the Committee has found that the fee hike effected by them in pursuance of the order dated 11/02/2009 issued by the Director of Education was either wholly or partially unjustified as, either such schools had sufficient funds at their disposal out of which the additional burden imposed by the implementation of VI Pay Commission could have been absorbed, or the additional revenue generated on account of fee hike effected by the schools was more than what was required to fully absorb the impact of implementation of VI Pay Commission report. In case of a number of schools, the Committee has also found that the development fee being charged by them was not in accordance with the criteria laid down by the Duggal Committee Report which was upheld by



the Hon'ble Supreme Court in the case of Modern School vs. Union of India & ors. (2004) 5 SCC 583. While the schools were quick to recover the development fee as was permitted by the aforesaid judgement of the Supreme Court, the schools turned a blind eye to the conditions of capitalisation of such fee and setting apart funds in separate Development Fund and Depreciation Reserve Fund accounts. The detailed reasoning and calculations are given in the recommendations made in respect of each individual school which have been made a part of this report and are annexed herewith. The Committee has recommended that the unjustified or unauthorised fee charged by the schools be refunded by them alongwith interest @ 9% per annum as mandated by the decision of the Hon'ble Delhi High Court in WP(C) 7777 of 2009, Delhi Abhibhavak Mahasangh vs. Directorate of Education & ors. The list of these 47 schools where the Committee has recommended refund is as under:

<b>S.No</b>	<b>Ref. No.</b>	<b>School ID</b>	<b>Name &amp; Address of School</b>	<b>Recommendations at page no.</b>
1	A-12	1104289	Lovely Buds Public School, Johripur	19 -21
2	A-21	1104395	Diamond Public School, Yamuna Vihar	22-24
3	A-38	1412137	Sun Smile Public School, Aman Vihar	25-28
4	A-63	1925290	Vijay Bharati Public School, Badarpur	29-32
5	A-64	1925291	Glory Public School, Sarita Vihar	33-35
6	A-67	1104264	Nav Jeevan Adarsh Public School, Brij Puri	36-38



7	A-70	1104386	B.A.V Public School, Ghonda	39-41
8	A-75	1821177	R.M. Convent School, Palam	42-44
9	A-76	1821183	Prakash Model School, Mahavir Enclave	45-47
10	B-3	1001177	Dayanand Model Sec. School, Vivek Vihar	48-51
11	B-22	1309197	Goodley Public School, Shalimar Bagh	52-64
12	B-24	1309245	M.N. Convent Sec. School, Saroop Nagar	65-68
13	B-25	1310251	Jai Mann Public School, Vill, Khera Khurd	69-73
14	B-26	1310259	Jain Bharti Marigawati Vidyalaya, G.T. Karnal Road	74-87
15	B-82	1618188	Modern Era Convent Janak Puri	88-101
16	B-85	1719111	Delhi Public School, RK Puram	102-116
17	B-89	1720153	Loreto Convent School, Delhi Cantt	117-131
18	B-91	1720161	Mount St. Mary's School, Delhi Cantt	132-142
19	B-107	1923340	Red Roses Public School, Saket	143-150
20	B-116	2128121	Bhai Joga Singh Public School, Karol Bagh	151-157
21	B-143	1411182	Maharaja Agarsen Model School, CD- Block, Pitam Pura,	158-165
22	B-164	1924137	Summer Fields School, Kailash Colony	166-185
23	B-193	1309236	Tagore Modern Public School, Shalimar Bagh	186-189
24	B-219	2128134	Tagore Modern public School, Motia Khan	190-194
25	B-222	1104309	Gyandeep Vidya Bhawan Sr. Sec. School, Yamuna Vihar	195-199
26	B-228	1821155	Holy Heart Public School, Mahavir Enclave	200-204



27	B-243	1617157	Swati Modern Public Sec. school, Mundka	205-208
28	B-260	1618217	Kamal Convent Public School, Vikas Puri	209-215
29	C-121	1106207	Shiv Memorial Public School, East Gokalpur	216-218
30	C-128	1411201	Mahavira International School, Tri Nagar	219-221
31	C-135	1104286	St. James School, Yamuna Vihar	222-225
32	C-189	1105204	Vivekananad Convent School, Shahdara	226-228
33	C-200	1105199	Nalanda Public School, Shahdara	229-231
34	C-202	1411194	R.N. Public School, Rani Bagh	232-234
35	C-210	1003210	Career Public School, Jheel Khuranja	235-239
36	C-215	1003233	Tagore Public School, Jheel Kuranja	240-242
37	C-219	1104282	Luxmi Modern Public School, Karawal Nagar	243-245
38	C-230	1822182	Goodwill Public School, Najafgarh	246-248
39	C-231	1822196	Raghunath Bal Mandir School, Najafgarh	249-251
40	C-232	1822201	Holy Child Model Sec. School, Najafgarh	252-254
41	C-247	1105231	Sandhya Sr. Sec. Public School, Chauhan Bangar	255-258
42	C-248	1106234	St. Marks Sr. Sec. Public School, Harsh Vihar	259-261
43	C-273	1720122	Aravali Public School, Naraina	262-264
44	C-275	1821163	Purnima Model School, Sagarpur(W)	265-268
45	C-284	1617201	St. B.S. Public School, Shiv Ram Park, Nangloi	269-271
46	C-299	1720147	Doon Public School, Janakpuri	272-275
47	C-397	1001169	National Public School, Jhilmil Colony	276-278



2.1.2. In respect of 11 schools, the Committee found that the schools had increased the fee in pursuance of the order dated 11/02/2009 of the Director of Education but had not implemented the VI Pay Commission Report. At the same time, the financials of the schools did not inspire any confidence for a variety of reasons, which have been discussed in the recommendations in respect of each school separately. As such the Committee has not only recommended the refund of the fee hiked along with interest @ 9% per annum but has also recommended special inspection of the schools to be carried out by the Director of Education. The recommendations of the individual schools have been made a part of this report and are annexed herewith. The list of these 11 schools is given below:

S.No	Ref. No.	School ID	Name & Address of School	Recommendations at page no
1	A-41	1412152	B.M. Bharti Model School, Majri	279-282
2	A-62	1925288	New Nalanda Public School, Badarpur	283-288
3	A-127	1822197	Naveen Dabar Sec. Public School, Daulatpur	289-292
4	C-24	1515119	Sri Guru Harkrishan Model School, Tagore Garden	293-296
5	C-187	1105196	U. D. Public School, Shivaji Park Shahdara	297-300
6	C-212	1003218	S M Public School, East Krishna Nagar	301-303
7	C-229	1821138	Kennedy Public School Raj Nagar-II, Palam	304-306
8	C-233	1822212	Bholi Ram Public School, Najafgarh	307-310



9	C-285	1618202	Paradise Public School, Uttam Nagar	311-314
10	C-325	1207182	Jainmati Jain Public School, Pahari Dhiraj	315-319
11	C-384	1617168	Rose Valley Public School, Nangloi	320-323

**2.2 Schools in respect of which the Committee has not been able to take a view:**

In respect of 27 schools, the Committee has not been able to take a categorical view as, in the case of some schools, complete records were not produced by them for examination by the Committee and in the case of others, the records produced did not inspire any confidence for reasons which are discussed in the cases of each individual school. In some cases, even the records appeared to have been fabricated. Since, the Committee does not have any power to compel the schools to comply with its directions, the Committee has recommended special inspection to be carried out by the Director of Education. The recommendations of the Committee in respect of these schools have been made a part of this report and are annexed herewith. The list of these 27 schools is as given below:





S.No	Ref. No.	School ID	Name & Address of School	Recommendations at page no
1	A-40	1412148	Bal Vidya Mandir Model School, Pooth Kalan	324-326
2	A-46	1413187	Aurobindo Public School, Budh Vihar	327-329
3	A-56	1413275	G.D. Goenka Public School, Sector-9, Rohini	330-338
4	C-99	1411183	Jain Sadhvi Padma Vidya Niketan School, Shakti Nagar	339-342
5	C-126	1106257	Aman Public School, Jagat Puri Extn.	343-345
6	C-127	1411197	Indian Convent School, Pitam Pura	346-350
7	C-144	1104318	Ch. Ramphal Memorial Public School, Bhajanpura	351-353
8	C-145	1104319	Nav Bharat Adarsh Public School, Khajoori Khas	354-357
9	C-149	1104338	J.M Convent Public School, Maujpur	358-360
10	C-157	1104355	Mayur Public School, Karawal Nagar	361-364
11	C-158	1104357	Himalayan Public School, Karawal Nagar	365-367
12	C-160	1104362	Neo Evergreen Public School, Dayalpur	368-370
13	C-162	1104376	Kapil Vidya Mandir, Gamri	371-373
14	C-168	1104410	Green Vales School, Gautam Vihar	374-376
15	C-172	1104271	Holy Mothers Public School, Shanti Nagar	377-379
16	C-179	1104342	New Holy Child Middle Public School, Maujpur	380-382
17	C-184	1104387	Laxman Modern Public School, Karawal Nagar	383-385
18	C-193	1106206	Mukta Bharti Public School, Shahdra	386-388



19	C-194	1106215	Raja Model School, Mandoli Extn.	389-391
20	C-196	1310270	Jindal International School, Shahbad Daulatpur	392-395
21	C-207	1413259	Chander Bhan Memorial Public School, Budh Vihar Ph-I	396-398
22	C-222	1104314	Indraprasth Public School, Karawal Nagar	399-401
23	C-224	1104344	Vidya International Public School, West Karawal Nagar	402-404
24	C-240	1105183	Shri Sarswati Vihar Public School, Shahdara	405-408
25	C-268	1413201	Rahul Public School, Begumpur	409-411
26	C-294	1618224	Shiksha Deep Vidyalaya, Uttam Nagar	412-415
27	C-390	1617156	Rajender Lakra Model Sr. Sec.School, Mundka	416-420

**2.3 Schools in respect of which the Committee found no reason to interfere.**

In respect of 63 schools, the Committee has not recommended any intervention as the schools were found to have either not hiked the fee in pursuance of the order dated 11/02/2009 issued by the Director of Education or the fee hiked was found to be within or near about the tolerance limit of 10% or the fee hike was found to be justified, considering the additional burden on account of implementation of Sixth Pay Commission report. These 63 schools also include schools which were



granted recognition after the issue of the order dated 11/02/2009 of the Director of Education, as the fee would have been fixed for the first time after the issuance of the order. The recommendations of the Committee in respect of these schools have been made a part of this report and are annexed herewith.

Following is the list of the aforesaid 63 schools:

S.No	Ref. No.	School ID	Name & Address of the School	Recommendations at page no
1	B-215	1411216	Ravindra Public School, Pitampura	421-426
2	B-230	1412134	PSM Public Sr. Sec. School, Nangloi	427-430
3	C-90	1310275	Orion Convent School, Shahbad Daulat Pur	431-433
4	C-100	1411203	Sant Namdev Public School, Maharana Pratap Enclave	434-436
5	C-136	1104287	Krishna Bharti Model School, Karawal Nagar	437-438
6	C-138	1104297	Gyan Sarovar Bal Niketan, West Karawal Nagar	439-440
7	C-147	1104329	Raman Modern Public School, Bhagat Vihar	441-442
8	C-150	1104340	Sarvada Modern Sec. School, Karawal Nagar	443-445
9	C-153	1104349	Kalindi Bal Vidyalaya, North Ghonda	446-448
10	C-161	1104366	Arwachin Shiksha Sadan Middle School, Shahadara	449-450
11	C-169	1105237	New Bal Jyoti Public School, Braham Puri	451-452
12	C-170	1106214	Arvind Public School, Durga puri	453-454
13	C-171	1104270	Om Bharti Public School, Johripur Enclave	455-457
14	C-173	1104275	Arvind Bharti Public School, Ganga Vihar	458-459



15	C-174	1104277	Shri SR Capital School, Ganga Vihar	460-461
16	C-177	1104321	Sant Parmanand Public School, Yamuna Vihar	462-463
17	C-178	1104324	Bhartiya Vidya Public School, Sonia Vihar	464-465
18	C-180	1104343	Sun Rise Public School, Bhajan Pura	466-468
19	C-181	1104346	A.B.M Public School, Old Mustafabad	469-470
20	C-185	1104391	Laxmi Memorial Public Schol, Sonia Vihar	471-472
21	C-190	1105213	Huda Modern Public Sec. School, New Jafrabad	473-474
22	C-208	1002289	Bapu Public School, Patparganj	475-477
23	C-211	1106187	St. Andrews Public School, Dilshad Colony	478-479
24	C-214	1003225	Vardhman Shiksha Niketan, Laxmi Nagar	480-481
25	C-216	1104263	Yamuna Public School, Sonia Vihar	482-483
26	C-218	1104268	Nity Public School, Sabhapur	484-485
27	C-221	1104306	Capital Public Sec. School, Ganga Vihar	486-487
28	C-223	1104326	Al-Falah Islamic School, North Gondha	488-489
29	C-227	1104375	Ram Naresh Public School, Karawal Nagar	490-491
30	C-243	1105200	New Moon School, Jafrabad	492-493
31	C-244	1105211	Atul Shiksha Sadan, Babarpur	494-495
32	C-245	1105212	Roop Memorial Public School, Shahdra	496-498
33	C-293	1617196	B R International Public School, Nihal Vihar	499-500
34	C-295	1618230	Arihant Jain Public School, Uttam Nagar	501-502
35	C-350	1207184	C.I.E. Experimental Basic School, University of Delhi	503
36	D-75	1002369	Angels Public School, Vasundhra Enclave	504-506
37	D-76	1412251	Parkash Bharti Public School, Prem Nagar-II	504-506



38	D-77	1821224	Dwarka International School, Sector-12, Dwarka	504-506
39	D-78	1821225	Maxfort School, Sector-7, Dwarka	504-506
40	D-79	1821229	MR Vivekanand Model School, Sector-13, Dwarka	504-506
41	D-80	1821233	Adarsh World School, Sector-12, Dwarka	504-506
42	D-81	1821236	Presidium School, Sector-16, Dwarka	504-506
43	D-82	1821240	Rao Ganga Ram Public School, Kapashera	504-506
44	D-83	1617213	James Convent School, Nihal Vihar	504-506
45	D-84	1617217	R.G. Public School, Nangloi.	504-506
46	D-85	1618272	Aryan International School, Uttam Nagar	504-506
47	D-86	1822254	Arya Kumar Convent School, Najafgarh	504-506
48	D-87	1821232	Prakash Public School, Sector-7, Dwarka	504-506
49	D-88	1822241	Sunrise Public School, Village Taj Pur Khurd	504-506
50	D-89	1822243	Shanti Gyan International School, Najafgarh,	504-506
51	D-90	1309226	Upadhyay Convent School, Main Road Kadibihar	504-506
52	D-91	1822240	K.R.D. International School, Village Issapur	504-506
53	D-92	1822250	New Holy Faith Public School, Najafgarh	504-506
54	D-93	1822256	Sanskar Convent School, Najafgarh	504-506
55	D-94	1822259	C.R. Oasis Convent School, Najafgarh	504-506
56	D-95	1923350	Amity International School, Pushp Vihar	504-506
57	D-96	1821235	G.D. Goenka Public School, Dwarka	504-506
58	D-97	1821239	C.R.P.F. Public School, Dwarka	504-506
59	D-98	1822248	St. Thomas School, Goyala Vihar	504-506



60	D-99	1822239	The Dev Public School, Najafgarh	504-506
61	D-100	1310417	Tulips International School, Pooth Khurd	504-506
62	D-101	1822255	Rao Convent School, Najafgarh	504-506
63	D-102	1822252	Dagar Public School, Vill. Issapur	504-506

2.4 In respect of the following 18 schools in Category 'B', the Committee has concluded the hearings and the final recommendations are being deliberated upon. The recommendations in respect of these schools will be incorporated in the next report:

S.No	Ref. No.	Name & Address of the School
1	B-68	Holy Child Sr. Sec. School, Tagore Garden, New Delhi-27
2	B-88	Bhatnagar International School, Vasant Kunj, New Delhi-70
3	B-2	DAV Public School, Shreshta Vihar, Delhi
4	B-97	Basav International School, Dwarka, New Delhi
5	B-225	Sardar Patel Public Sr. Sec. School, Karawal Nagar
6	B-362	Adarsh Public School, Vikas Puri, New Delhi
7	B-268	Angel Public School, Uttam Nagar, New Delhi-59
8	B-218	Jeevan Public School, Dwarka, New Delhi
9	B-201	Heera Public School, Smalkha, New Delhi
10	B-182	Amity International School, Saket, New Delhi
11	B-127	Modern School, Vasant Vihar, New Delhi
12	B-83	Holy Innocents School, Vikas Puri, New Delhi
13	B-7	Bal Bhavan Public School, Mayur Vihar
14	B-125	Guru Tegh Bahadur 3 <sup>rd</sup> Centenary School, Mansarover Garden, New Delhi
15	B-165	A.S.N. Sr. Sec. School, Mayur Vihar, New Delhi



16	B-20	Mahavir Sr. Model School, G.T. Karnal Road, Delhi
17	B-38	KIIT World School, Pitam Pura, New Delhi
18	B-133	Adarsh Public School, Bali Nagar, New Delhi

## 2.5 Tolerance level

In the first Interim Report, the Committee had taken a view that where full refund of fee hiked by the schools, pursuant to the order dated 11/02/2009 of Director of Education, was recommended by the Committee, the schools may be allowed to retain fee hike upto 10% over the fee of the previous year to meet the increased expenditure on account of inflation, particularly as the Directorate of Education did not object to the fee hike to that extent. This recommendation was made in the context of schools in Category 'A' and 'C' as the first Interim Report mainly dealt with the schools in those categories. The Committee would like to repeat the same recommendation in respect of the schools falling in these two categories which are dealt with in this 2<sup>nd</sup> Interim Report. Further, during the course of hearings before the Committee, a number of schools falling in Category 'B', were found to have wrongly claimed that they had implemented the recommendations of the VI Pay Commission in order to justify the fee hiked by them, when in actual fact they had not done so. The Committee is of the view that such schools should be treated at par with the schools in Categories 'A' and 'C' for the purpose of tolerance limit.



However, in respect of the rest of the schools in Category 'B' which are relatively bigger schools and also charge relatively higher fee and have implemented the Sixth Pay Commission Report, the Committee is of the view that they may not be given the benefit of the tolerance limit, as they have been found to be in possession of surplus funds and the Committee also has recommended that they may be permitted to retain a reserve equivalent to four months' salary to meet the future contingencies.





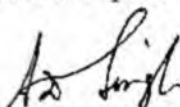
**CHAPTER 3**


**General observations**

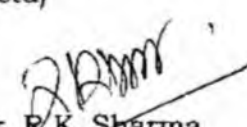
3. In the first interim report, the Committee had pointed out that several schools were functioning without having a bank account. To carry the narrative further, the following schools were also found to be operating without having a bank account, in addition to those mentioned in the first interim report:

S.NO.	Ref. no.	School ID	Name & Address of School
1	A-40	1412148	Bal Vidya Mandir Model School, Pooth Kalan
2	A-67	1104264	Nav Jeewan Adarsh Public School, Brij Puri
3	C-99	1411183	Jain Sadhvi Padma Vidya Niketan School, Shakti Nagar
4	C-135	1104286	St. James School, Yamuna Vihar
5	C-136	1104287	Krishna Bharti Model School, Karawal Nagar
6	C-149	1104338	J M Convent School, Maujpur
7	C-162	1104376	Kapil Vidya Mandir, Gamri
8	C-172	1104271	Holy Mothers Public School, Shanti Nagar
9	C-207	1413259	Chander Bhan Memorial Public School, Budh Vihar
10	C-218	1104268	Nity Public School, Sabha Pur
11	C-222	1104314	Inderprastha Public School, Karawal Nagar

End of report

  
 Justice Anil Dev Singh (Retd)  
 Chairperson

  
 CA J.S. Kochar  
 Member

  
 Dr. R.K. Sharma  
 Member



**Lovely Buds Public School, Johripur, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it prima facie appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi without implementing the VI Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 06.06.2012, was required to produce its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27.02.2012 on 14.06.2012. However, no one appeared on this date nor any record was caused to be produced. However, on 09/07/2012, Ms. Shanti Rani, Manager of the school appeared in the office of the Committee and submitted a letter dated 09/07/2012 saying that the letter of the Committee was received by them that very day as it had been delivered by the postman to somebody in the village for onward delivery to the school who had delivered it only that day. She requested and was granted another date i.e. 19/07/2012 for producing the required records. On this date, she again appeared and also produced the required records. The same were examined by Ms. Sunita Nautiyal, audit officer of



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the Committee. The Manager of the school also filed reply to the questionnaire dated 27.02.2012 as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The observations of the audit officer recorded at the time of examination of records in the presence of the representative of the school are that the school was charging tuition fee between Rs. 210 and Rs. 300 per month in 2008-09 which was increased by Rs. 80 to Rs. 100 per month in 2009-10. The annual charges were slightly reduced from Rs. 400 per annum to Rs. 300 per annum i.e. about Rs. 8 per month. In 2010-11, the tuition fee was again increased by Rs. 80 to Rs. 120 per month and annual charges were restored to Rs. 400 per annum. The final accounts of the school did not inspire any confidence as the total fee under the head annual charges did not reconcile with the figure calculated on the basis of the enrolment of students of the school.

The two members of the Committee in the meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** In spite of this, the school resorted to a fee hike bordering on the maximum hike permitted vide order dated 11.2.2009 of the Director of Education, not only in 2009-10 but also in 2010-11. Therefore the fee hike, almost to the maximum extent permitted by the aforesaid order dated 11.2.2009 had been effected by the school for two consecutive



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years without even implementing the VI Pay commission Report. They were, therefore, of the view that the fee hiked by the school in 2009-10 and 2010-11 was not justified and the same ought to be refunded along with interest @ 9% per annum with ripple effect in the subsequent years. However, since the matter was examined by the two members in the absence of the Hon'ble Chairperson of the Committee, it was decided to place the matter before him for his views when he resumed the office.

The Chairperson perused the records of the school, the observations of the audit officer and also the views of the two members of the Committee in the meeting held on 29.09.2012 and recorded his agreement with the views of his co-members. **In view of this, the Committee is of the view that the entire tuition fee hiked by the school ranging between Rs. 80/- and Rs. 100/- per month for students of different classes w.e.f. 01.04.2009 and Rs. 80/- and Rs. 120/- w.e.f. 01.04.2010 ought to be refunded along with interest @ 9% per annum. As the increased fee is also part of the fee for the subsequent years, there would be a ripple effect in the fee of the subsequent years and hence the fee hiked in the subsequent years which is relatable to the fee hikes of 2009-10 and 2010-11 ought also to be refunded along with interest @ 9% per annum. Recommended accordingly.**

Dr. R.K. Sharma  
Member

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012



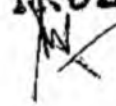
**Diamond Public School, Yamuna Vihar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it prima facie appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi without implementing the VI Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 06.06.2012, was required to produce its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27.02.2012 on 15.06.2012. However, no one appeared on this date nor any record was caused to be produced. However, a letter dated 06.07.2012 was received from the school saying that since the school was closed till 01.07.2012, the letter of the Committee could not be attended to. It was requested that another date be fixed for the purpose. Accordingly, vide letter dated 16.07.2012, another opportunity was given to the school to produce the records on 27.07.2012 on which date Sh. Vijay Gulati, Manager of the school appeared and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay



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**Secretary**

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Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations recorded at the time of examination of records in the presence of the representative of the school are that the school had increased the tuition fee by Rs. 90/- to Rs. 95/- per month in 2009-10 for different classes which worked out to an increase of 20% to 25% over that charged in the year 2008-09. Annual charges of Rs. 450/- for classes I to V and Rs. 500/- for classes VI to VIII had also been introduced from the year 2009-10. In 2010-11, the school had increased the tuition fee by Rs. 40/- to Rs. 70/- per month (i.e. by 7.69% to 15.2%) and annual charges by Rs. 50/- to 100/- per annum. The school was charging PTM fee of Rs. 40/- per annum in all the three years the records of which were examined and examination of fee Rs. 60/- to Rs. 70/- per term (thrice a year) in 2008-09 and 2009-10 which was increased to Rs. 70/- to Rs. 80/- per term in 2010-11. These charges were not included in the fee structure submitted by the school as part of annual returns under Rule 180 of Delhi School Education Rules 1973.

The two members of the Committee in the meeting held on 21.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** In spite of this, the school had increased the tuition fee to the maximum extent permitted by the order dated 11.02.2009 issued by the



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Director of Education. In view of these factual findings, they were of the view that the fee hiked by the school w.e.f. 01.04.2009 ought to be refunded along with interest @ 9% per annum with ripple effect in the subsequent years. However, since the matter was examined by the two members in the absence of the Hon'ble Chairperson of the Committee, it was decided to place the matter before him for his views when he resumed the office.

The Chairperson perused the records of the school, the observations of the audit officer and also the views of the two members of the Committee in the meeting held on 29.09.2012 and recorded his agreement with the views of the two members. **In view of this, the Committee is of the view that the tuition fee hiked by the school ranging between Rs. 90/- to Rs. 95/- per month for students of different classes w.e.f. 01.04.2009 ought to be refunded along with interest @ 9% per annum. As the increased fee is also part of the fee for the subsequent years, there would be a ripple effect in the fee of the subsequent years and hence the fee hiked in the subsequent years which is relatable to the fee hike of 2009-10 ought also to be refunded 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: 29/09/2012



**Sun Smile Public School, Aman Vihar, Delhi-110086**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi without implementing the VI Pay Commission Report.

In order to verify the correctness of these returns, the school, vide letter dated 16.07.2012, was required to produce its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. R.B. Sharma, Manager of the school appeared on 25/07/2012 and produced the required records. Reply to the questionnaire was furnished as per which the school admitted to have increased the fee in terms of order dated 11/02/2009 of the Director of Education w.e.f. 01.04.2009 but claimed to have implemented the VI Pay Commission Report w.e.f. January 2010. No arrears of salary were admittedly paid nor was any arrear fee claimed to have been recovered.



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The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that the tuition fee hiked during 2009-10 was of the order of 46.33 % and during 2010-11, it was to the tune of 11%. The school was paying the salary to the staff in cash. Further, the school was paying lesser allowances viz dearness allowance and transport allowance than those admissible.

The two members of the Committee in their meeting held on 25.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. It was observed by them that the school had admitted to have hiked the fee as per order dated 11.2.2009 w.e.f. 2009-10 i.e. w.e.f. 1.4.2009 while the VI Pay Commission was claimed to have been implemented w.e.f. January 2010. Hence in any case the fee hiked by the school during the period starting from April 2009 to December 2009 was unjustified as the school had admittedly not implemented the VI Pay Commission Report during that period. Further it was observed that the school had hiked the fee for classes I to V from Rs. 600/- per month in 2008-09 to Rs. 900/- per month in 2009-10 and for classes VI to VIII, the fee had been hiked from Rs. 650/- per month to Rs. 950/- per month during the same period. The maximum fee hike permitted for this category of school was Rs. 200/- per month whereas the school hiked the fee at the rate of Rs. 300/- per month. Thus the hike effected by the school was 50% more than



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even the maximum hike permitted vide the above said order. It was also observed that even the claim of the school of having implemented the VI Pay Commission Report w.e.f. January 2010 was highly suspect in view of the following figures which were cutled out from the returns of the school.

Particulars	F.Y. 2008-09	F.Y. 2009-10	F.Y. 2010-11
Number of students	329	283	280
Staff Strength	15	13	15
Fee collected	24,51,600/-	31,06,800/-	35,44,200/-
Salaries paid	21,45,079/-	26,37,204/-	35,94,634/-

Thus while the staff strength went down from 15 to 13 in 2009-10, the expenditure on salary went up from Rs. 21.45 lacs to Rs. 26.37 lacs. Even after giving allowance of increased salary from January 2010 to March 2010, when the school claimed to have implemented the VI Pay Commission, the figures were irreconcilable. They were therefore of the view that the records of the school appeared to be made up and no reliance could be placed on them particularly on the fact that the school had implemented the VI Pay Commission Report w.e.f. 01.01.2010. In view of the fact that the school had on its own admitted to have increased the fee w.e.f. 01.04.2009 and that too to the tune of 150% of the maximum increase permitted by the order dated 11.2.2009 of the Director and also the fact that it implemented the VI Pay Commission Report w.e.f. 01.01.2010, the school ought to



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refund the increased fee from 01.04.2009 to 31.12.2009 along with interest @ 9% per annum. For ascertaining the actual position obtaining from 01.01.2010 onwards with regard to the implementation of the VI Pay Commission Report, the Director of Education ought to conduct special inspection. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that the school ought to refund the fee hiked w.e.f. 01.04.2009 to 31.12.2009 along with interest @ 9% per annum and a special inspection be carried out by the Director of Education to ascertain the status of implementation of VI Pay Commission Report w.e.f. 01.01.2010 and if it is found that in actual fact the said report has not been implemented as claimed, the school ought to refund the increased fee w.e.f. 01.01.2010 onwards also along with interest @ 9 % per annum with ripple effect in the subsequent years. Recommended accordingly.**

Sd/-

Sd/-

Sd/-

Dr. R.K. Sharma  
MemberCA J.S. Kochar  
MemberJustice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012




**Vijay Bharati Public School, Badarpur, Delhi-110044**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it prima facie appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi without implementing the VI Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 16.07.2012, was required to produce its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27.02.2012 on 27.07.2012. In response to this letter, Sh. Shyam Kalra, Manager of the school appeared and produced the required records. The same were examined by Sh. A.K. Vij, audit officer of the Committee. The Manager of the school also filed reply to the questionnaire dated 27.02.2012 as per which the school had implemented the recommendations of the VI Pay Commission w.e.f. July 2010 but had not paid the arrears. It was also stated that the school had not increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The observations of the audit officer, recorded at the time of examination of records in the presence of the representative of the



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school, are that besides charging the tuition fee which was as per the fee structures submitted by the school, the school was also collecting annual charges, development charges which had not been mentioned in the respective fee structures. The school was also collecting donations from staff members as a fixed percentage of the salary being paid to them. In the three years 2008-09 to 2010-11, the school had collected donations amounting to Rs. 10,71,709/-, 11,76,356/- and 18,56,027/- from its staff members.

The Committee in the meeting held on 01.10.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. The Committee noted that the school claimed to have implemented the VI Pay Commission Report w.e.f. 01.07.2010 without hiking the fee. However, it was found that the school was not paying the full salary to the teachers and was recovering substantial part of the salaries as involuntary donations, which were deducted from the salary. It was noted that out of the total salary of Rs. 3,00,269/- for June 2010, a sum of Rs. 1,02,097/- was deducted as donations and only the balance of Rs. 1,98,172/- was paid to the staff. Similarly, out of total salary of Rs. 4,16,597/- for July 2010, a sum of Rs. 1,82,511/- was deducted as donations and only the balance of Rs. 2,34,086/- was paid. It was also found by the Committee that in the past also, the school was resorting to such practice and the amounts recovered as involuntary donations from the teachers from 2006-07 to 2010-11 were as follows:-



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<u>Year</u>	<u>Amount recovered</u>
2006-07	8,32,523/-
2007-08	9,26,781/-
2008-09	10,71,701/-
2009-10	11,76,356/-
2010-11	18,56,027/-

The school was also charging fee under various heads apart from tuition fee which were not declared to the Directorate of Education in the fee schedules. The school was recovering development charges and treating the same as revenue receipts. No depreciation reserve fund was being maintained by the school. The total amount recovered as development charges in the years 2006-07 to 2010-11, as reflected in the Income and Expenditure Accounts was as follows:-

<u>Year</u>	<u>Amount</u>
2006-07	94,350/-
2007-08	82,590/-
2008-09	84,270/-
2009-10	1,06,284/-
2010-11	95,490/-

As the school was not fulfilling 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 & Ors., **the Committee is of the view that the entire development fee collected by the school in 2009-10 and 2010-11 ought to be refunded along with interest @ 9% per annum. However, as the jurisdiction of the Committee does not extend to examining the fee for the years prior to 2009-10, the Director of Education may take appropriate action with regard to ordering refund of development fee charged in the years prior to 2009-10. The Committee is also of the view that the school ought**



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to pay the amounts recovered from the staff by way of involuntary donations which were deducted from their salaries. 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: 01.10.2012



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**Glory Public School, Sarita Vihar, New Delhi-110076**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it prima facie appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, without implementing the VI Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 16/07/2012, was required to produce on 27/07/2012, its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27/02/2012. In response to this letter, Sh. Bharat Aggarwal, Manager appeared alongwith Ms. Bharti Gaur, TGT of the school and produced the required records. Reply to the questionnaire dated 27/02/2012 was also furnished as per which the school claimed to have implemented the VI Pay Commission w.e.f. 1st April 2010 but denied having increased the fee in terms of order dated 11/02/2009 of the Director of Education. The records produced were examined by Sh. N.S. Batra, audit officer of the Committee and his observations were that contrary to the claim of the school, it had hiked the fee in 2009-10 for all the classes as follows:



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Class	Fee in 2008-09 (Rs.)	Fee in 2009-10 (Rs.)	Increase during 2009-10 (Rs.)	Percentage Increase
Nursery & KG	1150	1450	300	26%
I to VIII	1150	1550	300	24%
IX	1550	1950	400	25.8%
X	1650	2050	400	24.24%

It was further observed by him that the claim of the school of having implemented the VI Pay Commission w.e.f. April 2010 is also not correct as full dearness allowance was not being paid as per the recommendations of VI Pay Commission. The observations of the audit officer were duly signed by the representative of the school in token of their correctness.

**The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of records retained and the observations of the Audit Officer. Admittedly the school had not implemented the VI Pay Commission Report till March 2010. However, the Committee notes that the school had hiked the fee w.e.f. 01/04/2009 to the maximum extent which was permitted by the order dated 11/02/2009 of the Director of Education, despite claims to the contrary in the reply to the questionnaire. Hence, in any case, the fee hike of Rs. 300 per student of Nursery to class VIII and Rs. 400 per student of classes IX & X w.e.f. 01/04/2009 was wholly unjustified and ought to be refunded along with interest @ 9% per annum. Further, the Committee examined the pay bills submitted by the school for the month of March 2010 and April 2010 and has observed that the total**



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outgo on salary for March 2010 was Rs. 3,37,350 while that for April 2010 Rs. 3,86,569. Hence the observations of the audit officer with regard to non-implementation of VI Pay Commission w.e.f. 01/04/2010 is also correct. In the circumstances, the Committee is of the view that the increase in fee during 2010-11 due to the ripple effect of unjustified fee hike in 2009-10 should also be refunded 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: 28/09/2012



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**Nav Jeevan Adarsh Public School, Brij Puri, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it prima facie appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi without implementing the VI Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 16.07.2012, was required to produce its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27.02.2012 on 27.07.2012. Nobody appeared on this date nor were any records of the school caused to be produced. However, a representative of the school appeared on 24.07.2012 with a request letter from the Manager of the school to grant further time for producing the records. Accordingly the school was given a final date for doing the needful on 08.08.2012. On this date, Sh. Mukesh Kumar along with Sh. Lakshman Singh, headmaster of the school appeared and produced the required records. No categorical reply was given in respect of the queries raised in the questionnaire dated 27.02.2012. The records produced by the school were examined by Sh. A.K. Bhalla, audit officer of the Committee.



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The observations of the audit officer, recorded at the time of examination of records in the presence of the representatives of the school, are that **the school had not implemented the VI Pay Commission Report. The salary to the staff was being paid in cash. The school was not maintaining any bank account.** While the hike in fee effected by the school in 2009-10 was within or around 10%, the hike in fee in 2010-11 was excessive, in so far as, for classes I to V, the same was increased from Rs. 425/- to Rs. 500/- per month, which amounted to a hike of 17.64% and for classes VI to VIII, the fee was hiked from Rs. 475/- to Rs. 550/- per month which amounted to a hike of 15.79%. The school was showing heavy expenditure under the head repair and maintenance and white washing. The accounts of the school were prepared by Mr. S.C. Sharma, Chartered Accountant.

In order to give an opportunity of being heard by the Committee, the school was sent a notice of hearing on 16.11.2012 for appearance on 20.11.2012 before the Committee. On this date, Sh. Anil Kumar Bansal, Manager appeared with Sh. Lakshman Singh, headmaster of the school. They were heard by the Committee. It was contended by them that normally the fee hike is restricted to 10% per annum but inadvertently in 2010-11, the fee was hiked by 15.79% to 17.64% for different classes. In absolute terms, the hike was to the tune of Rs. 75/- per month. On the issue of audit reports obtained from Sh. S.C. Sharma, Chartered Accountant, they stated that initially only Compilation reports were obtained but in late January 2012, they were asked by the officials of the Education Department, Zone-4 to obtain audit reports in Form 10 B for



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the back years also. They also stated that fee was collected in cash which was not deposited in any bank account. Salary was also paid to the staff in cash. The school had also got encashed the FDRs which were obtained at the time of grant of recognition.

The Committee in the meeting held on 20.11.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained, observations of the Audit Officer and also considered the oral submissions made before it by the Manager and the headmaster of the school. **The Committee is of the view that as the VI Pay Commission has not been implemented, the fee hike of 15.79% to 17.64% in 2010-11 was not justified. However, since the Committee feels that a hike to the extent of 10% per annum is reasonable, the school ought to refund the fee which was hiked in excess of 10% in 2010-11. In absolute terms, the extent of refund recommended is Rs. 32/- per month to the students of classes I to V and Rs. 27/- per month to the students of classes VI to VIII along with interest @ 9% per annum. As this fee hike would also be part of the fee for the years subsequent to 2010-11, the fee hike in the subsequent years which is relatable to the excess fee charged in 2010-11 ought also be refunded 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: 20.11.2012



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Secretary

**B.A.V. Public School, Ghonda, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it prima facie appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, without implementing the VI Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 16/07/2012, was required to produce on 27/07/2012 its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27/02/2012. In response to this letter, Sh. B.S. Tomar, Manager of the school appeared and produced the required records. He also filed reply to the questionnaire in which it stated that the school had neither implemented the VI Pay Commission Report nor increased the fee in terms of order dated 11/02/2009 of the Director of Education. The records produced were examined by Sh. A.D. Bhateja, audit officer of the Committee and his observations are that the school was charging fee in excess of that mentioned in the fee schedules submitted by the school. The school had actually charged Rs. 160 towards examination fee whereas in the fee schedule, it was mentioned

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as Rs. 50. Likewise the school collected Rs. 400 as annual charges, whereas, as per the fee schedule it could have charged only Rs. 300. The admission fee charged from the students was Rs. 500 while the maximum it could have charged on this account as per order dated 11/02/2009 was Rs. 200. The hike in tuition fee was found to be to the extent of 10%. **The school was paying salary in cash despite the fact that it was maintaining a bank account.**

The Committee in its meeting held on 28/09/2012 perused the returns of the school, reply to the questionnaire, copies of records retained and the observations of the Audit Officer. **Admittedly the school had not implemented the VI Pay Commission Report.** Although the hike in tuition fee effected by the school was restricted to 10% and no interference is called for in that matter, the recovery of fee by the school under other heads which was more than the fee statement submitted by the school is clearly illegal and violative of Section 17(3) of Delhi School Education Act 1973. Moreover, the Committee notes with surprise that the school mentioned admission fee as Rs. 500 in the fee schedule which was clearly more than the maximum it could have charged in terms of order dated 11/02/2009 as also the previous orders, yet the Directorate of Education took no notice of it and allowed the school to levy the illegal charge.

**The Committee is therefore, of the view that the school ought to refund the fee under the heads examination fee and annual charges which was more than the fee mentioned in the fee schedules submitted by the school for the years 2009-10 and 2010-11 along**



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with interest @ 9% per annum. The school ought also to refund admission fee charged in excess of Rs. 200 for all the years in which it has been so charged. This should also be refunded 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: 28/09/2012

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**Secretary**





**R.M. Convent School, West Kailash Puri, Palam Delhi-110045**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it prima facie appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, without implementing the VI Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 16/07/2012, was required to produce on 27/07/2012 its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27/02/2012. In response to this letter, Sh. Manjeet Singh Solanki, Manager appeared alongwith Ms. Sunita Solanki, Headmistress of the school and produced the required records. However, reply to the questionnaire was still not filed. The records produced were examined by Ms. Sunita Nautiyal, audit officer of the Committee and her observations were that during the course of examination of the records of the school, it was informed by the representatives of the school that the school had not implemented the VI Pay Commission till March 2011. On examination of fee receipts, it was found that the school had increased tuition fee by Rs. 100 per month for all classes in 2009-10 which was the



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maximum hike permitted vide order dated 11/02/2009 of Director of Education. In 2010-11, the fee hike was approximately 10%. **The salary to the staff was paid in cash in spite of the fact that the school had a bank account with State Bank of Patiala.** It was noted by her that the school had been asked to file reply to the questionnaire alongwith supporting documents within five days.

Subsequently, the school submitted reply to the questionnaire which was received in the office of the Committee in which it was stated that the school had implemented the VI Pay Commission w.e.f. 1<sup>st</sup> April 2011 and in support it enclosed copies of pay bills for the month of March 2011 and April 2011. However, surprisingly, the school stated that it had not increased the fee in terms of order dated 11/02/2009 of the Director of Education, inspite of the fact that it was found to have hiked the fee to the maximum extent permitted vide the aforesaid order during the course of examination of fee records. The observations recorded by the audit officer at the time of examination of records were duly signed by the representatives of the school in token of their correctness.

The Committee in its meeting held on 28/09/2012 perused the returns of the school, reply to the questionnaire, copies of records retained and the observations of the Audit Officer. **Admittedly the school had not implemented the VI Pay Commission Report till March 2011.** Without going into the merits of the claim of the school that it implemented the same w.e.f. April 2011, the Committee finds that the school had hiked the tuition fee by Rs. 100/- per month w.e.f.



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01/04/2009 which was the maximum it could have done in terms order dated 11/02/2009.

Since it is admitted that the VI Pay Commission had not been implemented till March 2011, the Committee is of the view that the fee hike amounting to Rs. 100 per month w.e.f. April 2009 was wholly unjustified and ought to be refunded along with interest @ 9% per annum. Since in 2010-11 also, the VI Pay Commission had admittedly not been implemented, the increase in fee in that year due to the ripple effect of hike in 2009-10 should also be refunded alongwith 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: 28/09/2012



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**Secretary**

**Prakash Model School, Mahavir Enclave, Part-III, New Delhi-110059**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it prima facie appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, without implementing the VI Pay Commission Report.

In order to verify the correctness of its returns, the school, vide letter dated 16/07/2012, was required to produce on 27/07/2012, its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27/02/2012. In response to this letter, Sh. Bhoop Singh, Manager of the school appeared and produced the required records. He also filed reply to the questionnaire in which it stated that the school had implemented the VI Pay Commission Report w.e.f. April 2009. However, the arrears of the salary consequent to retrospective application of VI Pay Commission were not paid. It was stated that the total outgo in salary for March 2009 was Rs. 1,56,409 while that for April 2009 when the VI Pay Commission was supposedly implemented, it rose to Rs. 1,60,615. The school also admitted to have increased the tuition



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**Secretary**

fee to the maximum extent of Rs. 100 per month as provided in the order dated 11/02/2009 but claimed not to have charged any arrears as envisaged in the aforesaid order. The records produced were examined by Sh. A.K. Vij, audit officer of the Committee and his observations were that on examination of the salary payment register, it was discernible that VI Pay Commission had not been implemented w.e.f. April 2009 as claimed by the school. During 2009-10, the school had hiked the tuition fee by 19.53% while for the other years, the hike was within 10%.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of records retained and the observations of the Audit Officer. It was noted that the school had itself admitted to have hiked the fee in accordance with order dated 11/02/2009 of the Director of Education in its reply to the questionnaire of the Committee. It also claimed that it had implemented the VI Pay Commission Report w.e.f. 01/04/2009. However, on examination of the records, this claim of the school had been found to be untrue. It was noted that the school had itself mentioned in its reply that the salary of staff for the month of March 2009 was Rs. 1,56,409 which barely increased to Rs. 1,60,615 in April 2009. This clearly showed that the school had not implemented the VI Pay Commission as was claimed by it.

**The Committee is therefore, of the view that the school ought to refund the fee of Rs. 100 per month which was hiked by it in 2009-10 to all the students, along with interest @ 9% per annum. As the fee hiked in 2009-10 also forms part of the fee for the subsequent years, the fee for the subsequent years, relatable to the**



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fee hike of 2009-10, should also be refunded 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: 03/10/2012

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**Secretary**



**Davanand Model Secondary School, Vivek Vihar, Delhi-110095**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide letter dated 05/03/2012 replied that the school had implemented the VI Pay Commission Report w.e.f. 01/04/2009. However, the arrears on account of retrospective effect of VI Pay Commission had not been paid. In the reply the school stated that the total salary payment to the staff for the year 2008-09 i.e. before implementation of VI Pay Commission was Rs. 62,52,796/- while the total salary payment to the staff in the year 2009-10 i.e. after implementation of VI Pay Commission was Rs. 75,12,366/-. With regard to the increase in fee, the school stated that it had hiked the monthly fee of classes LKG to V from Rs. 650/- to Rs. 750/- per month in the year 2009-10 and for classes VI to X, the same had been hiked from Rs. 650/- to Rs. 800/- per month. The school was also charging development fee @ Rs. 200/- per quarter in 2008-09 as well as in 2009-10. No arrear fee was charged from the students as no arrears had been paid to the staff. On the basis of this reply, the school was placed in Category 'B'.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee. As the school claimed to have implemented the VI Pay Commission Report w.e.f. 01/04/2009, the balance sheet of the school as on 31/03/2009 was taken as the basis for calculation of the



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funds available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the Committee, the funds available with the school as on 31/03/2009 were to the tune of Rs. 1,12,65,791/-. Of its own admission, the additional liability on account of increased salary for the year 2009-10 on account of implementation of VI Pay Commission was just Rs. 12,59,570/- (75,12,366 minus 62,52,796). The school was therefore served with a notice dated 08/11/2012 providing them an opportunity of being heard by the Committee on 18/12/2012 and provide justification for the hike in fee, as in the view of the Committee, no hike was required to be made in view of the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On the date fixed for hearing, Sh. Praveen Bhatia, Office Coordinator and Sh. J.C. Magu, Member of the Managing Committee of the school appeared and were provided with a copy of the preliminary calculation sheet. They were heard by the Committee. They also filed a comparative chart showing the fee structure of the school from 2006-07 to 2012-13. They stated that the calculations of funds available vis a vis the additional liability on account of VI Pay Commission, as made by the Committee, were correct but contended that the fee hiked by the school was nominal and should not be disturbed. As the school was also charging development fee, they



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were queried about the manner in which the development fee was treated in the accounts and the manner of its utilization. They replied that it was treated as revenue receipt in the accounts and was utilized for general development of the school.

**The Committee considered the contentions of the representatives of the school and is of the view that the fee hiked by the school was more than the tolerance limit of 10%. In view of the fact that the school had more than adequate funds to absorb the additional liability on account of implementation of the VI Pay Commission Report, to the extent it was implemented, the Committee is of the view that the school ought to refund the fee increased in 2009-10 in excess of 10%. That is to say that the school ought to refund Rs. 35/- per month to students of classes LKG to V and Rs. 85/- per month to students of classes VI to X charged from 01/04/2009 to 31/03/2010 along with interest @ 9% per annum. As the fee hiked in 2009-10 is also part of the fee for the subsequent years, there would be a ripple effect in the fee for the subsequent years and the fee in the subsequent years relating to the amount which is to be refunded for 2009-10 should also be refunded along with interest @ 9% per annum.**

**In so far as development fee is concerned, the school is admittedly not treating the same as a capital receipt in the accounts nor is the same being utilized for acquisition of any**



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capital asset but for "general development of the school", which is very vague term. Hence none of the pre-conditions as laid by the Hon'ble Supreme Court in case of Modern School vs. Union of India (2004) 5 SCC 583, is being fulfilled.

The Committee is therefore, of the view that the school ought to refund the development fee of Rs. 200/- per quarter also charged for the year 2009-10 and the actual development fee charged in the subsequent years along with interest @ 9% per annum. As the jurisdiction of the Committee does not extend to the fee charged in the years prior to 2009-10 and as per fee structure submitted by the school during the course of hearing from 2006-07 to 2012-13 shows that the development fee was charged in 2007-08 and 2008-09 also, the Director of Education may take appropriate action in the matter as per law with regard to the years prior to 2009-10. Recommended accordingly.

Sd/-

Sd/-

Sd/-

Dr. R.K. Sharma  
Member

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 18/12/2012



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Secretary

**Goodley Public School, Shalimar Bagh, New Delhi-110088**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide reply dated 28/02/2012, stated that the school had implemented the VI Pay Commission Report and the school was paying increased salary w.e.f. February 2009. It was stated that salary paid before implementation of VI Pay Commission was Rs. 14,76,870 (per month) which increased to Rs. 21,02,780 (per month) after such implementation. It was also stated that the arrears of VI Pay Commission had been partially paid to the tune of Rs. 78,21,326 in four installments while the balance of Rs. 37,31,906 was yet to be paid. With regard to the increase in fee, the school stated that it had hiked the fee of the students w.e.f. 01/09/2008 and also gave details of fee received pre-increase and post increase, class-wise. It was mentioned that the fee had been hiked @ Rs. 300 per month per student for all the classes. It was also mentioned that the school had charged arrears from the students for the purpose of implementation of VI Pay Commission and the total collection on this account was Rs. 67,68,000. On the basis of this reply, the school was placed in Category 'B'.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee. As the school claimed to have increased the tuition fee w.e.f. 01/09/2008, the balance sheet of the school as on 31/03/2008



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was taken as the basis for calculation of the funds available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the Chartered Accountants detailed with this Committee, the funds available with the school as on 31/03/2008 were to the tune of **Rs. 3,70,17,300**. The arrears of VI Pay Commission payable to the staff were **Rs.1,25,53,323**. The additional burden on account of increased salary due to implementation of VI Pay Commission from 01/04/2009 to 31/03/2010 was **Rs. 87,62,740**. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing by the Committee and for enabling it to provide justification for the hike in fee.

On 20/12/2012, the date fixed for hearing, Sh. S.C. Goel, Accounts Assistant and authorized representative appeared with an authority letter of the Principal of the School, along with Ms. Kamlesh Shokeen, Administration personnel and Shri Vasudev Sharma, part time accountant of the school. They were provided with a copy of the preliminary calculations prepared by the Chartered Accountants and were partly heard by the Committee on such calculations. It was contended on behalf of the school that the entire funds available as worked out were not available for discharge of the liability on account of implementation of VI Pay Commission as the school had to maintain funds in reserve for payment of three months' salary, gratuity and leave encashment. The school filed details of such



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liabilities i.e. three months salary of Rs. 69,33,159, liability for gratuity of Rs. 73,12,896 and liability for leave encashment of Rs. 32,58,840. With regard to development fee, it was contended that the same had been treated as a revenue receipt in the accounts of the school and utilized for purchase, repair and maintenance of fixed assets. A chart showing development fee received, depreciation charged, fixed assets purchased and amount spent on repair and maintenance was filed. It was also contended on behalf of the school that arrears of fee actually recovered was Rs. 1.20 crores but had been erroneously mentioned as Rs. 67.68 lacs in the reply to the questionnaire. At their request, the hearing was adjourned to 04/01/2013 for filing written submissions with regard to the calculation sheet, the receipt of arrears of fee and incremental fee consequent to order dated 11/02/2009. During the course of hearing, the Committee also observed that the liabilities for gratuity and leave encashment had apparently been overstated as provision has also been shown in respect of employees who were not entitled to these benefits. The school was asked to give justification for the same.

On 04/01/2013, Sh. S.C. Goel appeared along with Sh. N.K. Mahajan, Chartered Accountant and Sh. Vasudev Sharma. Detailed written submissions were filed by the school and the representatives of the school were heard.

It was contended by the school in their written submissions that there was no possibility for the school to utilize the existing reserve



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funds to meet shortfall in the payment of salary and allowances on account of implementation of VI Pay Commission. The tuition fee was increased with the approval of Parent Teacher Association and the nominee of the Director of Education. No complaint had been filed by any parent before the Grievance Redressal Committee. Only reserves out of tuition fee could be utilized for payment of increased salary on account of implementation of VI Pay Commission while the reserves generated out of fee on other heads like development charges, annual charges, sports, co-curricular activities etc. could not be utilized. The savings out of tuition fee of the school from 2003-04 to 2007-08 were just Rs. 1,48,42,963 while the amount that was required to be set apart to meet three months salary and liabilities and leave encashment etc. were Rs. 2,02,37,562. Thus there was actually a shortfall of Rs. 53,94,599. It was further mentioned in the written submissions that the arrear fee collected from the students was **Rs.67,68,000** for the period 01/01/2006 to 31/08/2008, **Rs.47,75,700** for the period 01/09/2008 to 31/03/2009. The incremental tuition fee for 2009-10 was **Rs. 87,26,400**. It was further stated that salary arrears paid by the school for the period 01/01/2006 to 31/08/2008 were **Rs. 1,25,53,323**, arrears for the period 01/09/2008 to 31/03/2009 were **Rs. 12,51,820** and the incremental salary for the year 2009-10 was **Rs. 95,71,023**. With regard to development fee, it was stated that the total development fee received from 2007-08 to 2009-10 was Rs. 1,29,57,462. Fixed assets purchased out of such development fee were to the tune of



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Rs.74,50,903 and expenses on renovation of fixed assets were Rs. 88,99,011. It was thus contended that there was actually a deficit of development fee. It was mentioned that the school was established in 1979 and the school building needed renovation. As such, the expenditure on renovation of the building had been met out of the development fee from the students.

The Committee examined the financials of the school, reply to the questionnaire and the preliminary calculations sheet prepared by the Chartered Accountants and also considered written submissions and contentions of the representatives of the school and the additional documents filed by them during the course of hearings.

The Committee notes that the school has not disputed the figure of funds available with it as 31/03/2008 which had been worked out on the basis of the balance sheet of the school submitted by it. The only contentions of the school are that the funds available have been generated under fee heads other than tuition fee and they should not be considered as available for the purpose of payment of increased salaries as per VI Pay Commission. Another contention of the school is that substantial amount of funds have to be kept in reserve for three months salary and for meeting liabilities which will arise in future on account of gratuity and leave encashment.



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**Discussion**

The contentions of the school need to be examined first. For this purpose, it will be profitable to refer to sub rules 3 & 4 of the Rule 177 of the Delhi School Education Rules, 1973, which read as under:

**177 (1)**.....

(2).....

(3) Funds collected for specific purposes, like sports, co curricular activities, subscriptions for excursions or subscriptions for magazines, and annul charges, by whatever name called, shall be spent solely for the exclusive benefit of the students of the concerned school and shall not be included in the savings referred to in sub-rule (2).

(4) The collections referred to in sub-rule (3) shall be administered in the same manner as the monies standing to the credit of the **Pupils Fund as administered.**

The manner of administration of Pupils fund is given in Rule 171 which reads as follows:

**171. Pupils' Fund Advisory Committee-**

(1) The administration and expenditure of the Pupil's Fund in all recognized schools shall vest in the head of the school, who



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shall be assisted and advised by a committee, to be called the "Pupils' Fund Advisory Committee".

(2) The Pupils' fund Advisory Committee shall consist of:

- (a) the head of the school;
- (b) at least two teachers employed in the school to be nominated by the head of the school;
- (c) two students of the classes in the Secondary and Senior Secondary stage to be nominated by the head of the school.

(3) One of the teacher members of the Pupils' Fund Advisory committee shall function as the secretary of the Committee and shall maintain the minutes of the decision taken at the meetings of the Committee in a properly maintained Minutes Book.

(4) The Minutes Book of the Pupils' Fund Advisory Committee shall be liable to inspection the Director or any officer authorized by him in this behalf or by any officer of the office of the Accountant General, Central Revenues.

(5) The function of the Pupils' Fund Advisory Committee shall be -

- (a) to discuss and pass budget for expenditure from the Fund;
- (b) to deal with all other matters relating to the proper

utilization of the Pupils' Fund

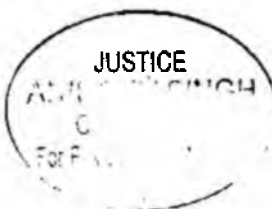


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(6) the Pupils' Fund Advisory Committee may also give advice with regard to—

- (a) applications from the students, parents, or guardians for exemption from the payment of any fee, subject to such limit, as may be specified by the Director; or
- (b) any other matter which may be referred to it by the head of the school.

It is apparent from a combined reading of Rules 171 and 177 that in order that the school may claim that funds received on account of fee heads like annual charges, fee for excursions etc. may be kept apart, the school ought to maintain earmarked funds for these accounts and the administration of such funds has to be in accordance with the provisions of Rule 171. No claim has been made before the Committee that the school was fulfilling the rigorous requirements of administration of such funds as mandated under Rule 171. Moreover, the balance sheets of the school do not even show any such funds separately and the entire amount is clubbed under one head i.e. Capital fund. The very fact that the school is claiming that funds to the tune of 1.48 crores are attributable to savings from tuition fee out of the total funds of 3.70 crores implies that the fee structure of the school was distorted and a substantial part of it was recovered by way of fee, other than tuition fee, when it is a fact that almost 70% of the entire expenditure of the school is on account of salaries. When the school was not complying with the



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requirements of Rule 171, the distinction between the tuition fee and the fee under the other heads loses significance. Therefore the contention of the school that funds generated out of fee heads other than tuition fee should not be considered for payment of increased salary as per VI Pay Commission is rejected.

In so far as the argument that the school has to keep certain funds in reserve for meeting liabilities on account of gratuity and leave encashment and also funds equivalent to three months salary, is concerned, the Committee accepts the same. The Committee is of the view that the school should also be allowed to keep in reserve one month's salary over and above three months salary claimed by the school to meet any future eventualities. Thus, the school can be allowed to keep in reserve funds equivalent to four months' salary.

**Determination**

**Tuition Fee:**

The Committee has determined that the school had funds to the tune of Rs. 3,70,17,300 as on 31/03/2008 which has not been disputed by the school. The school made a provision of Rs. 76,24,537 for gratuity in its balance sheet as on 31.03.2010. However, employee wise statement of accrued liability of gratuity filed on 20/12/2012, the school shows the liability to be Rs. 73,12,896. On perusal of the statement, the Committee notes that the school had also included employees with less than five years of service, who were not entitled to



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gratuity. The amount of gratuity in respect of the qualifying employees is found to be Rs. 69,05,810. As for leave encashment, the school did not make any provision in the balance sheet but claimed a sum of Rs. 32,58,840 to be due on this account. On verification, it is observed that the correct figure is Rs. 32,55,733. Since these are statutory liabilities, they have to be accounted for while working out funds available for the purpose of implementation of VI Pay Commission report. As per the above discussion, a sum equivalent to four months salary ought also be kept in reserve. The same works out to Rs. 64,47,069 based on the annual expenditure on this account in the year 2008-09. Therefore, the funds that were available with the school for the purpose of implementation of VI Pay Commission Report were Rs. 2,04,08,688 as worked out below:-

Net Current Assets + Investments (not disputed by the school )		Rs.3,70,17,300
Less amounts set apart for :		
Gratuity	69,05,810	
Leave encashment	32,55,733	
4 months salary	<u>64,47,069</u>	Rs.1,66,08,612
<b>Funds available for implementation of VI Pay Commission</b>		<b>Rs.2,04,08,688</b>

The school in its written submissions has claimed that the arrears paid to the staff for the period 001/01/2006 to 31/08/2008 were Rs. 1,25,53,323. This additional expenditure could have been easily paid from the available funds with the school and there was no

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need to recover the fee for payment of such arrears. **Admittedly the total amount recovered by the school from the students for meeting this liability was Rs. 67,68,000 which, for the reasons aforestated, was not justified. The same ought to be refunded along with interest @ 9% per annum. Recommended accordingly.**

After payment of the arrears as aforesaid out of the available funds, the school would have been left with **Rs. 78,55,365**. The arrears of salary pertaining to the period 01/09/2008 to 31/03/2009 were **Rs. 12,51,820** as stated by the school in its written submissions. This liability could also have been met out of the funds available with the school and there was absolutely no need to recover the arrears from the students which the school admittedly did. **But the school recovered an amount of Rs. 47,75,700, as stated by the school itself. The Committee is of the view that this recovery was also unjustified and the same ought to be refunded along with interest @ 9% per annum. Recommended accordingly**

After payment of the aforestated arrears, the school would have been left with **Rs. 66,03,545** out of its own funds which should have been utilized for payment of increased salary to the staff. The school has stated in its written submissions that the total additional expenditure on account of salary for the year 2009-10 was **Rs.95,71,023**. After utilizing the funds available with it, the school would have been short of funds amounting to **Rs. 29,67,478** which alone should have been recovered by way of increased fee for 2009-10.



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Secretary

However, the school of its own showing, recovered a sum of **Rs.87,26,400** by way of increased fee in 2009-10. Thus the school recovered a sum of **Rs. 57,58,922** in excess of its requirements. **The Committee is of the view that the school ought to refund such excess recovery of Rs. 57,58,922 along with interest @ 9% per annum. Recommended accordingly.**

**Development Fee:**

During the course of hearing on 20/12/2012, the school filed a chart pertaining to development fee, in which it was fairly stated that the school was **charging development fee to its revenue account.** Perusal of its balance sheets shows that the school was not maintaining any separate development fund or depreciation reserve fund accounts in the bank. Moreover, as per the aforesaid chart, the school also stated that the total development fee recovered in 2009-10 was Rs. 62,77,691 out of which only Rs. 13,73,793 was utilized for purchase of assets while the remaining amount was utilized for repairs and maintenance. Similarly, during 2010-11, the school recovered a total amount of Rs. 63,59,949 towards development fee out of which just Rs. 9,94,450 was utilized for purchase of assets. The rest of the amount was utilized for repair and maintenance. Thus the school was not fulfilling any of the pre-conditions laid down by the Hon'ble Supreme Court in the case of Modern School vs. Union of India (2004) 5 SCC 583. **Thus, in this view of the matter, the school was not justified in recovering development fee of Rs.**



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62,77,691 in 2009-10 and Rs. 63,59,949 in 2010-11 and the same ought to be refunded 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: 18/02/2013



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**Secretary**

**M.N. Convent Secondary School, Saroop Nagar, Delhi-110042**

In reply to the questionnaire dated 27/02/2012 sent by the Committee, the school submitted the reply which was received in the office of the Committee on 06/03/2012 in which it claimed to have implemented the recommendations of VI Pay Commission w.e.f. 01/07/2010 but admitted to have increased the fee in accordance with the order dated 11/02/2009 of the Director of Education w.e.f. 01/04/2009. Along with the reply, the school submitted details of salary paid in 2009-10 amounting to Rs. 25,52,151/- and for 2010-11 amounting to Rs. 28,96,793/-. The school also enclosed details of fee charged in 2008-09, 2009-10, 2010-11 and 2011-12. As per details submitted by the school, the school had been charging tuition fee, development charges, annual charges and examination fee. **There was increase in tuition fee to the extent of Rs. 100/- per month for classes I to VI and Rs. 200/- per month for classes VII to X. The development charges were also increased between Rs. 15/- per month to Rs. 35/- per month for different classes.** On the basis of this reply, the school was placed in category 'B'.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee and as per the preliminary calculations made by them, the school had funds available to the tune of Rs. 5,34,838/- as on 31/03/2009 but during 2009-10, admittedly the school had not

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implemented the VI Pay Commission Report. Hence, the school did not incur any additional liability towards implementation of 6<sup>th</sup> Pay Commission in 2009-10. However, as stated by the school itself in the reply to the questionnaire, the school had increased the fee w.e.f. 01/04/2009. Development fee charged by the school was being treated as a revenue receipt in the accounts of the school which was used for meeting day to day revenue expenses. Hence, the development fee was also to be treated at par with the tuition fee. The preliminary calculations submitted by the Chartered Accountants were checked by the office of the Committee and were apparently found to be correct. The school was therefore served with a notice dated 08/11/2012 providing them an opportunity of being heard by the Committee on 05/12/2012 and provide justification for the hike in fee, as in the view of the Committee, no hike was required to be made in view of the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On the date fixed for hearing, Sh. R.S. Hooda , Chairman of the society running the school appeared along with Sh. Raj Kumar, Accountant and Sh. Pradeep Kumar, Member of the Managing Committee. The accounts and the salary records produced by the school were examined by the Committee and the representatives of the school were heard. **On examination of the salary records, it transpired that even the claim of the school of having**



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implemented the VI Pay Commission w.e.f. 01/07/2010 was a sham. It was found by the Committee that the school had resorted to window dressing as from July 2010 onwards when the school claimed to have implemented the VI Pay Commission Report, it resorted to showing 50% of the teachers to be on leave without pay and the salary of remaining 50% was shown to have increased in line with the VI Pay Commission. The salary was claimed to be paid in cash. The school was maintaining heavy cash balances and even when cash was deposited in bank, a substantial amount was shown to remain in hand. For example, the cash in hand as on 29/04/2010 was Rs. 5.86 lacs but only Rs. 0.48 lacs was deposited in the bank leaving a cash balance of Rs. 5.38 lacs in hand. Hence the claim of the school of having implemented the VI Pay Commission w.e.f. 01/07/2010 can only be taken with a pinch of salt.

The Committee is therefore of the view that the school had in fact not implemented the VI Pay Commission Report and has only fabricated the documents showing its implementation w.e.f. 01/07/2010. For this reason, the Committee is of the view that the fee hike effected by the school w.e.f. 01/04/2009 was wholly unjustified and ought to be refunded along with interest @ 9% per annum. In so far as development fee is concerned, since the school was treating it as a revenue receipt and was not maintaining any depreciation reserve fund, the school was not entitled to charge the same on the first place. The same charged



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from 2009-10 onwards ought to be refunded along with interest @ 9% per annum. Since the fee hiked in 2009-10 is also part of the fee for the subsequent years, there would be a ripple effect in the subsequent years and the fee of the subsequent years to the extent it is relatable to the fee hiked in 2009-10 ought also be refunded 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: 04/12/2012



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**Jai Mann Public School, Village Khara Khurd, Delhi-110082**

In reply to the questionnaire dated 27/02/2012 sent by the Committee, the school vide reply dated 28/02/2012 submitted that the school had implemented the recommendations of the VI Pay Commission Report w.e.f. 01/04/2009. It also stated that the salary for the month of March 2009 i.e. before implementation was Rs. 5,62,650 while that for April 2009, it was Rs. 7,23,145. The school also stated that it had paid arrears amounting to Rs. 19,68,000 to the staff on account of retrospective application of the recommendations of the VI Pay Commission. With regard to hike in fee, the school stated that it had increased the fee in terms of order dated 11/02/2009 w.e.f. 01/04/2009. Schedule of fee for 2008-09 and 2009-10 were filed to show the extent of increase. The school also stated that it had recovered arrears of fee amounting to Rs. 17,03,820 from the students. On the basis of this reply, the school was placed in Category 'B'.

The school was served with a notice dated 24/12/2012 providing them an opportunity of being heard by the Committee on 09/01/2013 and provide justification for the hike in fee, as the financials of the school did not inspire confidence and it was felt by the Committee that the school had not come out with the correct facts with regard to implementation of VI Pay Commission report. The school was also asked to produce all its accounting, fee and salary



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records for the years 2006-07 to 2010-11 so that the factum of implementation of VI Pay Commission could be verified.

On the appointed date of hearing, Sh. Sanjay Singh Mann appeared with an authorization from the Manager of the school. However, he did not produce either the books of accounts or the fee or salary records. He stated that there was a theft in the school and the records were stolen. In support of his contention, he filed copy of an FIR dated 27/11/2011 lodged by another school namely Sukriti World School. When questioned about any FIR filed by the school, he contended that the FIR was filed by aforesaid school as the same was also functioning from the same campus. He confirmed that the school had increased the tuition fee w.e.f. 01/04/2009 and also filed a copy of the Circular dated 02/03/2009 issued to the parents of the students intimating them of the increased fee and the arrears payable by them.

He was heard by the Committee in support of his contentions. During the course of hearing, he was queried about the bank statements as the duplicate copy of the same could have been procured even if the records of the school were stolen, he stated that it would have served no purpose as **the increased salary to the staff as also the arrears were paid in cash.**

The Committee has considered the reply to the questionnaire, the returns of the school filed under Rule 180 of the Delhi School Education Rules 1973, the documents filed by the authorized



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representative and his contentions. The Committee is of the view that the school has not come out with the correct facts with regard to implementation of VI Pay Commission Report for the following reasons:

- (a) The total expenditure on salary and bonus for the year 2009-10 is Rs. 1.01 crores, the entire amount of which is stated to have been paid in cash. This is incredible. The salaries of teachers after implementation of VI Pay Commission and arrears are quite substantial and there could have been no justification whatsoever, to pay such high salaries in cash.
- (b) The gross revenue receipts of the school in 2009-10 were Rs. 1.06 crores, but the balance in its bank account was just Rs. 12,645.
- (c) The financials of the school do not show that any income tax was deducted at source from the salaries.
- (d) The financials of the school are never audited. The report of the Chartered Accountants merely states "***the balance sheet and the Income & Expenditure account dealt with by the report are in agreement with the books of accounts.***" There is no expression of opinion on the truth and fairness of the accounts by the Chartered Accountants.
- (e) No FIR was lodged by the school to report theft of its records. The FIR was lodged by another school i.e. Sukriti World School which is reported to be operating from the same campus.



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Further the FIR filed by the said school merely states that the theft was in respect of 11 computers from its computer lab. There is no mention of any records of the school being stolen. In the list of records stolen which was submitted subsequent to the filing of FIR, there seems to be an interpolation which is clearly apparent from the photocopy submitted to the Committee. The interpolation is to the effect that 18 years salary and attendance register + staff service files of Jai Mann Public School contained in 8 bags were also stolen. The representative of the school was asked to file the original of this list but he expressed his inability to file the same.

In the circumstances, the Committee is of the view that the school has tried to merely create an alibi for not producing the records pertaining to payment of increased salaries and arrears consequent to purported implementation of VI Pay Commission. **The school has of its own admitted that it had not only increased the monthly fee consequent to the issue of order dated 11/02/2009 by the Director of Education but had also recovered arrear fee amounting to Rs. 17,03,820. The monthly tuition fee has been reported to have been increased by Rs. 200 per month for classes I to VIII and by Rs. 300 per month for classes IX & X. Since the school has failed to prove its claim of having implemented the VI Pay Commission Report, the Committee is of the view that the school was not justified in increasing the fee w.e.f. 01/04/2009**



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and in recovering the arrears of Rs. 17,03,820. The same ought to be refunded along with interest @ 9% per annum. As the increased monthly fee is also part of fee for subsequent years, there would be a ripple effect in the fee for the subsequent years and the fee for such subsequent years as is relatable to the increased fee for 2009-10 ought also be refunded 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: 28/02/2013



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B-26**Jain Bharti Mrigavati Vidyalaya, G.T. Karnal Road, Delhi-110036**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide reply dated 02/03/2012, stated that the school had implemented the VI Pay Commission Report w.e.f. 01/01/2006 (sic) and also paid arrears on account of retrospective application of VI Pay Commission. The arrears amounting to **Rs. 81,39,604** were stated to have been paid. In the reply, the school also stated that salary for the month of February 2009 i.e. before implementation of VI Pay Commission Report was **Rs. 11,53,369** and for the month of March 2009 i.e. after implementation, it was **Rs. 16,98,641**. With regard to the increase in fee, the school stated that it had hiked the fee of the students w.e.f. 01/09/2008 and also gave details of fee received pre-increase and post increase, class-wise. For classes I to VIII, it was stated that the fee was hiked @ **Rs. 300** per month per student. However, for classes IX to XII, the hike was to the tune of **Rs. 400/-** per month per student. The school also gave details of arrear fee charged from the students. On the basis of this reply, the school was placed in Category 'B'.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants ( CAs) detailed with this Committee. As the school claimed to have increased the tuition fee w.e.f. 01/09/2008, the balance sheet of the school as on 31/03/2008 was taken as the basis for calculation of the funds available with the

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school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the CAs, the funds available with the school as on 31/03/2008 were to the tune of **Rs. 1,62,86,677**. The arrears of VI Pay Commission paid to the staff were **Rs. 81,39,604**. The additional burden on account of increased salary due to implementation of VI Pay Commission from 01/09/2008 to 31/03/2010 was **Rs.70,88,536**. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing on 21/11/2012 which date was postponed to 07/12/2012 by the Committee on account of certain exigencies. The Committee received a request from the school vide letter dated 21/11/2012 to postpone the hearing further as on 07/12/2012, the Chartered Accountant of the school would not be available on account of marriage of his daughter. The hearing was accordingly refixed for 21/12/2012.

On the date fixed for hearing, Ms. Anupama Bhardwaj, Principal of the school appeared along with Sh. Dharmpal Jain, Secretary of the trust and Sh. M.K. Madan, Chartered Accountant. They were provided with a copy of the preliminary calculations prepared by the CAs and were partly heard by the Committee on such calculations. They requested for some time to be given for making submissions on the preliminary calculations. Accordingly, the hearing was adjourned to 11/01/2013 as per their request. They were also required to file a detail of development fee, its utilization, earmarked investments and

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depreciation reserve fund and its investments. On 11/01/2013, Ms. Anupama Bhardwaj, Principal of the school appeared and requested for a short adjournment. The request was acceded to by the Committee and the hearing was adjourned to 16/01/2013. Today, the representatives of the school appeared and filed written submissions dated 11/01/2013 along with annexures. They were heard at length by the Committee.

At the outset, it was contended that the calculations made by the school were at variance with those made by the CAs. For ready reference of such variances, the school filed a comparative statement of their calculations vis a vis the calculations of the Committee. On going through the comparative statement, it is observed by the Committee that:

(a) The school has disputed the threshold figure of funds available as on 31/03/2008 which the CAs had taken at Rs. 1,62,86,677. However as per the contention of the school, the same was Rs. 1,21,91,686. This difference of Rs. 40,94,991, according to the school, is on account of the following omissions from the calculations of the Committee:

(1) As per the contention of the school, the following funds are blocked funds which cannot be utilized for payment of increased salaries on account of VI Pay Commission.



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<b>Particulars</b>	<b>Amount (Rs.)</b>
Fixed deposit with Directorate of Education and CBSE	4,00,000
Building material in hand	69,000
Security deposits	15,550
Vidyalaya Library fund	52,937
Scout & Guide fund	60,333
Pupil fund	75,497
PTA fund	2,00,368
Student endowment fund	21,725
<b>Total</b>	<b>8,95,410</b>

(2) On account of implementation of VI Pay Commission Report, there had been a consequential increase in gratuity liability of Rs. 25,74,317 as on 31/03/2008 over and above the liability considered by the Committee viz. Rs. 39,26,655. Similarly, there is an increased liability of Rs. 3,87,834 on account of leave encashment and EPF of Rs. 6,686.

(3) The Committee had not considered the following liabilities while working out the funds available :

Electricity Charges Rs. 82,520

Sanitation & area maintenance Rs. 1,48,224.

(b) The figure of arrear fee recovered by the school for implementation of VI Pay Commission Report was also contested. As against Rs. 78,16,246 taken by the Committee, the school contended that the same was Rs.

30,86,508 only.



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- (c) The school has disputed the figure of the increased fee from 01/09/2008 to 31/03/2010. The CAs had taken the figure at Rs. 91,04,000 while the school contends that the same was Rs. 88,12,616.
- (d) The incremental salary on account of implementation of VI Pay Commission for the period 01/09/2008 to 31/03/2010 had been taken by the CAs as Rs. 70,88,536. As per the school the same was Rs. 1,26,66,924.
- (e) The school also made submissions with regard to development fee which we will discuss later.

The Committee has examined the financials of the school, reply to the questionnaire and the preliminary calculations sheet prepared by the Chartered Accountants and also considered written and oral submissions and contentions of the representatives of the school and the additional documents filed by them during the course of hearing. The contentions of the school in so far as they dispute the figures taken by the Chartered Accountants detailed with the Committee, need to be examined first.

### **Discussion**

#### **Re.: Funds available as on 31/03/2008**

The Committee has given its earnest consideration to the submissions made by the school on this account and is of the view that

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- (1) In so far as fixed deposits with Directorate of Education and CBSE amounting to **Rs. 4,00,000** are concerned, the contention of the school is accepted. The CAs should not have taken this as part of funds available as in the audited balance sheet itself, it was clearly mentioned that the said FDRs were held by the school in joint names with Secretary, CBSE and Dy. Director, Directorate of Education.
- (2) Regarding building material in hand amounting to **Rs. 69,000**, the Committee is of the view that the same also ought to be excluded from the calculations of funds available.
- (3) Regarding security deposit of **Rs. 15,550**, no explanation has been given as to why it should be excluded. These are current assets and have been rightly included in the calculations of available funds.
- (4) Regarding Vidyalaya Library fund (**Rs. 52,937**), Scout and Guide fund (**Rs. 60,333**), Pupil fund (**Rs. 75,497**), PTA fund (**Rs. 2,00,368**) and Student endowment fund (**Rs. 21,725**) which are claimed to be specific funds, no submissions had been made that these funds are maintained in separate bank accounts to be utilized for specific purposes. On perusal of the audited balance sheet of the school, only a sum of **Rs. 90,000** is found to be held in PTA account in fixed deposit with Vijaya Bank. The Committee is therefore of the view that only the sum of **Rs. 90,000** qualifies to be excluded from the calculation of funds available.



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- (5) Regarding the increased liability of gratuity amounting to **Rs. 25,74,317** on account of implementation of VI Pay Commission, the Committee finds that the school has given detailed calculations for such increased liability and the contention of the school on this score is accepted. Similarly, the increased liability on account of leave encashment (**Rs. 3,87,834**) and EPF (**Rs. 6,686**) are accepted.
- (6) With regard to non consideration of outstanding Electricity charges (**Rs. 82,250**) and sanitation & area maintenance charges (**Rs. 1,48,224**), the representatives of the school have not been able to point out as to where, in the balance sheet, these liabilities are reflected. As such the contentions of the school on this ground are rejected.

**Re.: Arrear fee recovered**

The school has contested the figure of **Rs. 78,16,246** taken by the CAs attached with the Committee and has stated that the amount of arrear fee that was recoverable was **Rs. 35,82,285** while the amount actually recovered was **Rs. 30,86,508**. On examination of the calculations of the CAs vis a vis those of the school, the Committee has observed that while the number of students has been correctly reflected in the calculation sheet but while calculating the figure of arrear fee, the student strength has been taken at twice the actual number by the CAs attached with the Committee. Therefore the claim of the school with regard to arrear fee recoverable is accepted and the



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same is taken at **Rs. 35,82,285** in the final determination. The amount supposedly short recovered by the school cannot be excluded from the calculations as the school still can recover the same any time before the students pass out.

**Re.: Increased fee from 01/09/2008 to 31/03/2010**

The school has disputed the figure of the increased fee from 01/09/2008 to 31/03/2009. The CAs attached to the Committee had taken the figure at Rs. 91,04,000 on the assumption that all the students would have paid the full amount. However, the school has stated that out of the number of students, 207 students either enjoyed fee concession or paid short or left the school. As per the school, the total recovery of incremental fee was Rs. 88,12,616. This contention of the school is accepted by the Committee and the figure of **Rs. 88,12,616** will be taken in the final determination.

**Re.: Incremental salary on account of implementation of VI Pay Commission Report.**

The school has contended that the incremental salary for the period 01/09/2008 to 31/03/2010 on account of implementation of VI Pay Commission report amounted to Rs. 1,26,66,924 and not Rs.70,88,536 as taken by the CAs. Further elaborating the submission, the school has contended that the CAs have taken the incremental salary for the period 01/09/2008 to 31/03/2009 at Rs. 5,45,272 only which was the increase for one month while the same



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should have been multiplied by 7 for seven months. The Committee has examined this contention and finds the same to be correct. Therefore the arugment of the school is accepted. The incremental salary for the period 01/09/2008 to 31/03/2009 is taken at **Rs. 32,05,093** which is the amount actually paid as per details provided by the school.

It has next been contended that for the period 01/04/2009 to 31/03/2010, the Committee has taken the incremental amount at Rs. 65,43,264 by multiplying the monthly increase by 12. However, the same should have been taken at Rs. 89,16,559 which would have taken care of the annual increment and hike in DA during the year 2009-10. However, the Committee is of the view that in such cases where the accounts are duly audited and inspire confidence, the figures as reflected in the audited Income & Expenditure account of the school would be more reliable than the figures arrived at by extrapolating monthly differences, as they would also take into account the annual increments and the increase in DA and would be based on actuals. On examination of the Income & Expenditure account for the year 2009-10 and 2008-09, the following position emerges:

<b>Financial Year</b>	<b>Salary to teaching staff (Rs.)</b>	<b>Salary to non teaching staff (Rs.)</b>	<b>Total salary (Rs.)</b>
2009-10	2,10,11,690	17,84,850	<b>2,27,96,540</b>
2008-09	1,59,67,669	13,58,439	<b>1,73,26,108</b>
<b>Increase in 2009-10</b>			<b>54,70,432</b>

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Hence the Committee is of the view that the total incremental salary for the period 1/09/2008 to 31/03/2010 is **Rs. 86,75,525** i.e. Rs. 32,05,093 + Rs. 54,70,432.

**Determination**

The threshold funds available with the school as on 31/03/2008 are determined at **Rs. 1,27,58,840** as follows:

<b>Particulars</b>		<b>Amount (Rs.)</b>
Funds available as per preliminary calculations		1,62,86,677
Less exclusions as per the above discussion		
FDRs in joint names with CBSE and DOE	4,00,000	
Building material in hand	69,000	
Fixed deposit against PTA fund	90,000	
Increased liability on account of gratuity & leave encashment etc.	<u>29,68,837</u>	35,27,837
<b>Funds available</b>		<b>1,27,58,840</b>

Although the school has not put forth any contention regarding the funds to be kept in reserve, the Committee has taken a view that the entire funds available ought not be used for implementation of VI Pay Commission but the school should keep in reserve funds equivalent to four months' salary for meeting any future eventuality. The total salary for the year ending 31<sup>st</sup> March 2009 was Rs. 1,73,26,108. Four months' salary based on this figure would be Rs.



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57,75,369. Therefore, the Committee is of the view that the school had funds to the tune of **Rs. 69,83,471** which could be used for the purpose of implementation of VI Pay commission report. The total arrears of salary paid by the school on account of retrospective application of VI Pay Commission was **Rs. 81,39,604** as admitted by the school. Therefore, the school was short of funds to the extent of **Rs. 11,56,133**. The school ought to have recovered arrears of fee to this extent only. However, the arrears of fee admittedly recovered by the school was **Rs. 30,86,508**. Besides a further sum of **Rs. 4,95,777** was admittedly short recovered.

**Thus the school recovered a sum of Rs. 19,30,375 in excess of its requirements. The committee is of the view that such excess recovery was unjustified and ought to be refunded along with interest @ 9% per annum. Further the school should refrain from recovering Rs. 4,95,777 which it claims to have short recovered. Recommended accordingly.**

As for the incremental fee for the period 01/09/2008 to 31/03/2010, the school has admittedly recovered a sum of **Rs. 88,12,616** by way of increased monthly fee. As against this, the incremental salary of the school for this period on account of implementation of VI Pay Commission report has been determined at **Rs. 86,75,525** as per the foregoing discussion. Thus there was an excess recovery of **Rs. 1,37,091** on this account which in view of the Committee was not justified.



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**The Committee is of the view that the school ought to refund the aforesaid sum of Rs. 1,37,091 along with interest @ 9% per annum. Recommended accordingly.**

**Development fee**

The school, vide written submissions dated 11/01/2013, has filed details of development fee recovered from the year 2000-01 to 2009-10. It is contended that over this period of 10 years, the school recovered a total amount of Rs. 1,95,98,445 by way of development fee and spent a sum of Rs. 1,56,51,579 leaving a balance of Rs. 39,06,865 which was available in the shape of FDRs. The school relied upon the judgement of the Hon'ble Supreme Court in the case of Action Committee unaided private school & ors vs. Director of Education and quoted excerpts from the judgment of Hon'ble Justice S.B. Sinha to buttress the argument that no restriction could be placed on the school for the manner of utilization of development fee.

It is observed from the statement of utilization of development fee filed by the school that out of a total amount of Rs. 1.56 crores, a sum of Rs. 1.17 crores was utilized for development of real estate of the school like building roads and parking facilities. Further, not a word has been said about maintenance of depreciation reserve fund account. Although in a statement filed, the school claims to have a depreciation reserve fund to the tune of Rs. 97,30,699, on perusal of its balance sheet as on 31/03/2010, it is evident that this amount is the accumulated depreciation on all the fixed assets of the school and



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no part of it has been kept aside in a separate fund account. In view of the law laid down by the Hon'ble Supreme Court in the case of Modern School vs. Union of India & ors ( 2004) 5 SCC 583, the school was not entitled to charge any development fee on account of its failure to maintain an earmarked depreciation reserve fund account. Further, the school has utilized the development fee collected in the past mainly for the purpose of development of real estate which was not permitted as per the aforesaid judgment of the Hon'ble Supreme Court. The development fee could only be utilized for purchase of furniture & fixture & equipments. The reliance placed by the school on the judgment of Hon'ble Justice S.B. Sinha in the case of Action Committee is misplaced as that judgment represents the minority view of the Court. The majority judgment was delivered by Hon'ble Justice S.H. Kapalia and Hon'ble Justice Cyriac Joseph. Moreover, the ratio of this judgment was to the effect that the school could transfer funds to another school under the same management but not to the society owning the school. This question has no relevance in the case of this school.

On perusal of the balance sheet of the school for the year 2009-10 and 2010-11, the Committee finds that the school recovered a sum of **Rs. 33,18,635** towards development fee in 2009-10 and **Rs.51,38,290** in 2010-11.

**The Committee is of the view that since the school was not fulfilling one of the mandatory pre conditions for recovery of**



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development fee and was not utilizing the same for the permitted purposes, the collections by the school under this head were not justified. The development fee collected in 2009-10 and 2010-11, therefore, ought to be refunded 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: 28/02/2013

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**Modern Era Convent, Janak Puri, New Delhi - 110 058**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school wide reply dated 01/03/2012, stated that the school had implemented the VI Pay Commission Report w.e.f. 01/04/2009 and also paid arrears on account of retrospective application of VI Pay Commission. The arrears amounting to **Rs. 18,04,150/-** were stated to have been paid. In the reply, the school also stated that salary for the month of March 2009 i.e. before implementation of VI Pay Commission Report was **Rs. 7,17,013/-** and for the month of April 2009 i.e. after implementation, it was **Rs. 9,02,034/-**. With regard to the increase in fee, the school stated that it had hiked the fee of the students w.e.f. 01/09/2008 and also gave details of fee received pre-increase and post increase, class-wise. For classes pre-school to V, it was stated that the fee was hiked @ **Rs. 200/-** per month per student. However, for classes VI & XII, the hike was to the tune of **Rs. 300/-** per month per student. The school also enclosed a copy of circular issued to the parents intimating them of the payment to be made towards arrears of fee, as per which arrear amount of **Rs.3,900/-** per student for classes pre-school to V was demanded from the parents while **Rs.5,100/-** per student was demanded from students of classes VI to XII. It was also stated that a large number of parents had not paid the arrears. On the basis of this reply, the school was placed in Category 'B'.



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Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee. As the school claimed to have increased the tuition fee w.e.f. 01/09/2008, the balance sheet of the school as on 31/03/2008 was taken as the basis for calculation of the funds available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the Chartered Accountants, the funds available with the school as on 31/03/2008 were to the tune of **Rs.69,13,651.90**. The arrears of VI Pay Commission paid to the staff were **Rs.18,04,150**. The additional burden on account of increased salary due to implementation of VI Pay Commission from 01/04/2009 to 31/03/2010 was **Rs. 22,20,252**. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing by the Committee and for enabling it to provide justification for the hike in fee.

On 18/12/2012, the date fixed for hearing, Sh. K.C. Arora, authorized representative, appeared with an authority letter of the Manager of the School, along with Ms. Pratima, Fee Accountant and Shri Loknath Sharma, Accountant of the school. They were provided with a copy of the preliminary calculations prepared by the Chartered Accountants detailed with the Committee and were partly heard by the Committee on such calculations. They requested for some time to be given for making submissions on the preliminary calculations.



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Accordingly, the hearing was adjourned for 27/12/2012 at their request. They were also required to specifically state in their submissions as to how the development fee was treated in its accounts and for what purpose it was utilized. They were also asked to state whether separate development fund and depreciation reserve fund were maintained in the Bank.

On 27/12/2012, the aforesaid representatives of the school again appeared and filed written submissions dated 26.12.2012 along with annexures. They were heard by the Committee and since it was claimed by the school that payment of arrear fee had not been received from all the students, many of whom were exempt from making payment thereof, they were asked to file the details of such students along with basis of exemption.

It was contended by the school in their written submissions that it was not correct that the school had surplus fund in any form as worked out under Rule 177 (2)(c) of Delhi School Education Rules, 1973. It was further contended that as against the figure of Rs.31,41,000 taken by the Committee as arrears of fee recovered from the students, the correct figure was Rs.13,27,714 as there were a number of defaulters or helpless students who were not in a position to pay the arrears. It was stated that the collection towards arrears was Rs.4,67,370 in 2008-09, Rs.7,64,470 in 2009-10 and Rs.95,874 in 2010-11, thus, totaling Rs.13,27,714. It was, thus, contended that

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the Committed had accounted for excess arrears as recovered from the students to the tune of Rs.18,13,286.

It was further contended that the increased fee for the period 01.09.2008 to 31.03.2009 was actually RS.10,00,165 as against Rs.20,24,400 taken by the Committee as a number of students belonging to EWS and other exempted categories were not supposed to pay the fee. However, the figure of arrear payment of salary to staff amounting to Rs.18,04,150 as taken by the Committee was not disputed by the school.

As regards the additional liability on account of implementation of VI Pay Commission for the year 2009-10, it was claimed by the school that the Committee should have taken the differential in the salaries for the months of March, 2009 and March, 2010 and multiplied it by 12 to arrive at the correct amount of additional liability. The school contended that the additional liability on this account was Rs.41,75,244 instead of Rs.22,20,252 taken by the Committee. The school contended that taking its calculations into account, the total amount available with the school was only Rs.14,13,321.92 which was hardly sufficient to meet liability of gratuity, leave enhancement etc., besides maintenance of deposits for procurement of more land as mandated by CBSE in its letter no.83551/4/ dt.05-09-2007, a copy of which was enclosed with the written submissions.

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As regards development fee, the school asserted that the same had been utilized for repair and maintenance of building, purchase of generator set, installation of fire fighting system, purchase of school van and for emergency situations. It was canvassed that a separate depreciation reserve fund had been made functional **w.e.f. 26-12-2012** in IDBI Bank, Janakpuri, New Delhi.

Vide further submissions dt. 02-1-2013, the school provided details of students from whom tuition fee / arrears of tuition fee could not be recovered. As per the details submitted, a sum of Rs.6,27,644 was not recovered as tuition fee. Besides, another sum of Rs.12,85,892 was not recovered as arrears of tuition fee. It was also stated that the total liability towards gratuity provided by the school in its balance sheet as on 31-03-2010 was Rs. 22,36,905 which should be deducted from the funds available.

The Committee has examined the financials of the school, reply to the questionnaire and the preliminary calculations sheet prepared by the Chartered Accountants and also considered written submissions and contentions of the representatives of the school and the additional documents filed by them during the course of hearing. The contention of the school in so far as they dispute the figures taken by the Chartered Accountants detailed with the Committee, need to be examined first. The Committee notes that the school has not disputed the figure of **Rs. 69,13,652** which were the total funds available with it as on 31/03/2008. However, the school has disputed



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the figures of arrear fee recovered from the students, increased fee for the period 01/09/2008 to 31./03/2010 and the increased salary for the year 2009-10 on account of implementation of VI Pay Commission Report.

**Re.: Arrear fee recovered from the students**

The Chartered Accountants detailed with the Committee, had taken the arrear fee recovered at Rs. 31,41,000 which was based on the reply given by the school to the questionnaire issued by the Committee. The figure was worked out based on the assumption that all the students who were required to pay the arrears had duly paid the same, as the school did not provide any details of the number of students who were not required to pay the arrears. However, in the written submissions dated 26/12/2012 filed by the school, the school gave details of recovery of arrears spanning over the years 2008-09 to 2010-11 as per which the school claimed that it had recovered arrears only to the tune of Rs. 13,27,714 as against Rs. 31,41,000 taken by the CAs. The school was asked to provide details of the students from whom arrears had not been recovered and the reasons for such non recovery. Vide submissions dated 02/01/2013 the school gave details relating to the aforesaid sum of Rs. 12,85,892 which, according to it was not recovered from the students. As per the school, the aforesaid sum of Rs. 12,85,892 has been bifurcated as follows:



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Arrears not collected from the students on account of their reluctance to pay	7,43,307
Arrears not recovered from EWS students	1,78,500
1/3 of arrears not recoverable from students admitted in 2007-08	1,35,469
2/3 of arrears not recoverable from students admitted in 2008-09	2,28,616
Total	12,85,892

With regard to the sum of Rs. 7,43,307 as aforementioned, it was claimed by the school that the students were reluctant to pay and the recovery was not made in order to maintain cordial relation with them. The school also submitted that it was not advisable to put pressure on the parents in view of the orders of Department of Education, issued after 11/02/2009, that no harassment should be caused to the parents on this account

The Committee has considered these contentions. In so far as the explanation of the school relating to the sums of Rs. 1,78,500, Rs. 1,35,469 and Rs. 2,28,616 is concerned, the same are accepted. However, with regard to the sum of Rs. 7,43,307, the contention of the school cannot be acceded to. It is merely ipso dixi of the school that the amount was not recovered as the students were reluctant to pay. The aforesaid sum is recoverable when the students pass out or leave the school. assuming that the school has not recovered the aforesaid amount from the students for the time being, it only means that the recovery is deferred and not written off as a irrecoverable. Therefore this amount cannot be ignored and needs to be added to the amount



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actually recovered by the school as arrears of fee which works out to Rs. 20,71,021 as per the following details:

Amount actually recovered as admitted by the school	Rs. 13,27,714
<b>Add</b> amount recoverable but not recovered yet	Rs. 7,43,307
<b>Total</b>	<b>Rs. 20,71,021</b>

**Re.: Increased fee for the period 01/09/2008 to 31/03/2010**

The school has disputed the figure of fee 20,24,400 which the CAs had worked out for the period 01/09/2008 to 31/03/2009. As per the school, the correct figure is Rs. 10,00,165 which was actually recovered and is reflected in the accounts of the school. The school was asked to give the details of students from whom the fee was not recovered and the reasons therefor. Vide submissions dated 02/01/2013, the school gave the detail as per which a sum of Rs. 5,14,254 was not paid by the students and the school did not insist for the same in the interest of maintaining harmonious relations. Further, a sum of Rs. 1,13,400 was not payable by students of EWS category. However, the school has not disputed the additional fee recovery for the year 2009-10 which the CAs had taken at Rs. 34,70,400.



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The Committee has considered the submissions of the school and is of the view that so far as amount attributable to EWS category students is concerned, the submission of school is acceptable. However, with regard to the sum of Rs. 5,14,254, the submission of the school is not acceptable as the recovery of the same is only postponed to such time the students leave the school. The figure of arrears pertaining to this period is taken at Rs. 15,14,419, which is worked out as follows:

Amount actually recovered as admitted by the school	Rs. 10,00,165
<b>Add</b> amount recoverable but not recovered yet	Rs. 5,14,254
<b>Total</b>	<b>Rs. 15,14,419</b>

Added to this figure, the additional fee recovered for the year 2009-10 i.e. Rs. 34,70,400, the total additional recovery of increased fee would be **Rs. 49,84,819.**

**Re.: Increased salary for the year 2009-10 paid on account of implementation of VI Pay Commission.**

The CAs detailed with the Committee had taken the figure on this account at Rs. 22,20,252 on the basis of the salary differential for the month of March 2009(pre-implementation) and April 2009 (post implementation). However, the school in its written submissions dated 26/12/2012 stated that the differential should be calculated on the basis of salary for the month of March 2009 and March 2010 as

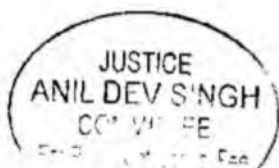


that would take care of the increase in DA and annual increment during the year 2009-10 also. The school stated that salary paid in March 2009 was Rs. 7,17,013 while that paid in April 2010 was Rs. 10,64,950. The monthly differential being Rs. 3,47,937, the differential for 12 months would be Rs. 41,75,244.

The Committee has considered this submission of the school and is of the view that instead of extrapolating the monthly difference, the more reliable figure would be the total expenditure on salary as reflected in the financials of the school for the years 2008-09 and 2009-10. The Committee notes that the total expenditure on salaries as per the Income and Expenditure Account for the year 2008-09 was Rs. 1,01,79,678 + Rs. 2,23,465 on account of provident fund, totaling Rs. 1,04,03,143. The corresponding figures for 2009-10 were Rs. 1,14,72,257 and Rs. 2,02,003, totaling Rs. 1,16,74,260. Thus the increased salary in 2009-10 when the VI Pay Commission was implemented works out to Rs. 12,71,117. The Committee thus finds that the extrapolated figures taken both by the Chartered Accountants as well as the school are not correct. Therefore, the additional burden on account of implementation of VI Pay Commission for the year 2009-10 is to be taken at **Rs. 12,71,117.**

**Re.: Accrued liability of gratuity and leave encashment.**

The school vide written submissions dated 26/12/2012 has claimed that the accrued liability for gratuity and leave encashment should also be deducted from the funds available. However, no details



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were provided as to how much is the accrued liability of gratuity and how it has been worked out. Again when an opportunity was afforded to the school to provide details of accrued liability of gratuity, the school vide written submissions dt. 02/01/2013 merely stated that *"it is on record that the school is functioning for the last 22 years as recognized institution under the Directorate of Education and thus has to abide by all the rules and regulations given under Delhi School Act & Rules 1973. Accordingly going by the figures, it may kindly be seen in the Balance sheet of 2009-10 that the opening balance under the head of gratuity was Rs. 17,65,127 in which a sum of Rs. 4,71,778 was further added during the year 2009-10. Thus accumulated figure came to Rs. 22,36,905 as on 31/03/2010"*.

Nothing can be made out from the above explanation. The basis of making provision in the Balance Sheet has not been disclosed. No actuarial evaluation or details of employee wise accrued liability have been provided. The mere fact that the school is in existence for more than 22 years is not sufficient for assessing the correctness of the provision made in the accounts, particularly when the balance sheets of the school are not audited. The auditors' report on the balance sheet and Income & Expenditure account merely states ***"Completed from the books of accounts"***. This cannot be taken as an audit report as there is no expression of opinion by the auditors on the truth and fairness of the financial statements. Hence the Committee is inclined to give an allowance for only 50% of the amount of



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provision for gratuity as on 31/03/2010 in the absence of any reliable figures. The figure reflected in the Balance sheet is Rs. 22,36,905. The Committee makes an allowance of Rs. 11,18,452 on this account.

Rest of the submissions made by the school are not relevant to the issue for determination before the Committee.

#### **Discussion and determination**

The school has not disputed the funds available with it as on 31/03/2008 which have been taken as **Rs. 69,13,652**. As per the above discussion, an allowance to the tune of **Rs. 11,18,452** is required to be made for estimated liability on account of gratuity. The Committee is also of the view that the school ought to preserve reserves equivalent to four months' salary for meeting any future contingencies and eventualities. The salary for the year 2009-10 as noted above was Rs. 1,16,74,260. Four months' salary based on this figure would be **Rs. 38,91,420**. Deducting the two highlighted figures from the aforesaid sum of Rs. 69,13,652, the funds available with the school as on 31/03/2008 would be **Rs. 19,03,780**. Admittedly, the arrears of salary paid by the school on account of retrospective application of VI Pay Commission were **Rs. 18,04,150**. **Therefore, the funds available with the school were adequate to meet this additional liability to pay arrears and there was no need for the school to recover arrear fee which the school recovered to the tune of Rs. 13,27,714. The school ought to refund this unjustified recovery along with interest @ 9% per annum.**



**Further, the school has not recovered Rs. 7,43,307, which the school should refrain from the recovering. Recommended accordingly.**

After payment of arrears of salary from the available funds, the school would have been left with **Rs. 99,630**. The additional fee recovered by the school at the increased fee scale is **Rs. 49,84,819**. Thus the total funds available with the school for payment of increased salary for the year 2009-10 would have been **Rs. 50,84,449**. As against this, the total increased liability of salary was **Rs. 12,71,117**. Thus the school recovered a sum of **Rs. 38,13,332** in excess of the amount that was required. The Committee is of the view that such excess recovery was unjustified and the same ought to be refunded along with interest @ 9% per annum. Recommended accordingly.

**Development fee**

As per the statement filed by the school, the school recovered a sum of **Rs. 2,09,420** towards development fee in 2009-10 and a sum of **Rs. 2,16,480** in 2010-11. On 18/12/2012, the school was specifically asked to state as to how the development fee was treated by the school in its accounts and whether separate development fund and depreciation reserve fund were maintained by the school as mandated by the Hon'ble Supreme court in Modern School vs. Union of India & ors.



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The school, vide its written submissions dated 26/12/2012, stated that the development fee has been utilized for repair and maintenance of building, purchase of generator set, installation of fire fighting system and purchase of school van. No mention was made about maintenance of separate development fund account. However, with regard to depreciation reserve fund, it was stated that the school had opened such an account with IDBI Janakpuri on 26/12/2012. Further, it was observed from the Income & Expenditure accounts of the school that development fee was being treated as a revenue receipt in the books.

In view of the submissions of the school and position emerging from the financial statements, it is apparent that the school was not fulfilling any of the pre-conditions laid down by the Hon'ble Supreme Court for charging development fee. **The Committee is therefore of the view that the school ought to refund the development fee charged by it in the year 2009-10 and 2010-11 amounting to Rs. 2,09,420 and Rs. 2,16,480 respectively 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: 23/01/2013



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B-85**Delhi Public School, R.K. Puram, New Delhi-110022**

The Committee had requested the school to furnish documents evidencing implementation of VI Pay Commission and the details of arrears of salary paid to the staff consequent to such implementation and also the details of fee hiked by the school in terms of order dated 11/02/2009 issued by the Director of Education. In response, the school submitted the required documents under cover of its letter dated 27/01/2012. Again in response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide reply dated 01/03/2012 reconfirmed that the school had implemented the VI Pay Commission Report and salary was paid to the eligible staff in accordance therewith w.e.f. January 2006 and the school had also increased the fee in accordance with the aforesaid order dated 11/02/2009 w.e.f. 1st September 2008. Based on the replies submitted by the school, it was placed in Category 'B'.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee. As the school claimed to have implemented the VI Pay Commission Report and also increased the tuition fee w.e.f. 01/09/2008, the audited balance sheet of the school as on 31/03/2008 was taken as the basis for calculation of the funds available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by



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the Chartered Accountants, the funds available with the school as on 31/03/2008 were to the tune of Rs. 37,35,97,562. The arrears of VI Pay Commission paid to the staff were Rs. 5,73,94,363. The additional burden on account of increased salary due to implementation of VI Pay Commission from 01/04/2009 to 31/03/2010 was Rs. 10,13,61,992. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing by the Committee and for enabling it to provide justification for the hike in fee, as prima facie, no hike was required to be made having regard to the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On 22/11/2012, the date fixed for hearing, Dr. D.R. Saini, Principal cum Manager of the school appeared along with Sh. A. Das, Additional Secretary of DPS Society and Sh. D.K. Garg, Bursar of the school. They were provided with the preliminary calculations prepared by the Chartered Accountants and were partly heard by the Committee on such calculations. They sought time to respond to the calculations. As per their request, the next hearing was fixed for 05/12/2012.

On 05/12/2012, the representatives of the school again appeared and filed written submissions dated 27/11/2012 along with supporting documents. It was claimed that the calculations made by the Committee were erroneous. Details of the supposed errors were



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given and the school also gave its own calculation sheet of the funds available. During the course of discussions and hearing with the representatives of the school on the calculations submitted by it, certain discrepancies were noticed in the sheet for provision of gratuity. The school was asked to file the corrected statements by 10/12/2012. No further hearing was claimed by the school. The required corrected statements were submitted by the school on 10/12/2012.

The Committee has examined the financials of the school, reply to the questionnaire, the preliminary calculations sheet prepared by the Chartered Accountants detailed with the Committee, the additional documents filed by the school during the course of hearing on 10/12/2012 and the calculation sheet prepared by the school. The Committee has considered the submissions advanced on behalf of the school.

As per the calculation sheet filed by the school, it has claimed that the net current assets + investments (i.e. funds) available with the school as on 31/03/2008 were Rs. 5,97,57,302 as against Rs. 37,35,97,562 taken by the Committee. There is also a difference of Rs. 1,59,42,250 in the current assets as taken by the school from the figure taken by the Committee. This amount represents the balance due to the school from other schools in the group. It was claimed by the school that the said amount was not immediately available with it as it had been outstanding for the last 16 years.



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It is observed that the school had reduced a figure of Rs. 21,16,837 which it claimed was liability on account of time barred cheques. The school submitted that the said cheques were issued in discharge of liabilities but had not been encashed by the payees and merely because of non-encashment of cheques, the liability did not cease. Further, the school claimed that it had liability of Rs. 10,18,64,820 towards accrued gratuity and leave encashment ( gratuity Rs. 7,62,60,897 + leave encashment Rs. 2,56,03,923 ) which should also be reduced from the funds available. It also needs to be noted that the school has claimed that funds to the tune of Rs. 19,39,16,353 available with it are to be kept as reserve against the following:

Development fund	Rs. 17,74,55,392
Memorial fund (Prantik )	Rs. 3,00,000
Students Welfare fund	Rs. 56,12,687
PTA Association fund	Rs. 92,29,001
Scholarship fund	Rs. 13,19,273
<b>Total</b>	<b>Rs. 19,39,16,353</b>

The contentions of the school need to be considered before proceeding to determine the justifiability of fee hike.



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**Re.: Balance of Rs. 1.59.42.250 due to the subject school from other schools run by DPS Society**

As regards the balance of Rs. 1,59,42,250 due from other DPS schools of the Society, the contention of the school is devoid of any merit. The aforesaid amount has remained outstanding for 16 years because the school chose not to recover the same. In fact interest due on this amount for 16 years should also have been added to the funds available with the school. However, for want of details of yearwise figures, the Committee refrains from adding the interest that would have accrued on the aforesaid amount. In case the logic of the school that the amount was not immediately available and as such ought not to be considered as part of funds available with the school were to be accepted, on parity of reasoning, the school would be precluded from claiming any deduction for accrued liability of gratuity and leave encashment which are not immediately payable. In fact the auditors have also given a qualification in the report that such advances to other schools are not in accordance with the provisions of Delhi School Education Act 1973

**Re.: Liability of time barred cheques**

As regards the liability of Rs. 21,16,837 on account of time barred cheques is concerned, the argument of the school is acceptable that the amount does not cease to be a liability and should be reduced from the figure of funds available.



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**Re.: Accrued liability on account of gratuity and leave encashment**

As regards the claim of accrued liability on account of gratuity and leave encashment is concerned, in principle, the argument of the school is acceptable that funds to the extent of accrued liability on these counts should be kept earmarked and reserved. However, as far as the quantum of accrued liability is concerned, the Committee observes that the school has overstated its liability towards gratuity by also including the figures for the staff who had not completed 5 years of service. Excluding the liability of such staff, the correct figure of accrued liability for gratuity is Rs. 7,45,50,841.

In so far as the accrued liability for leave encashment of Rs. 2,56,03,923 as provided by the school is accepted.

**Re.: Development fund**

As regards the contention of the school that funds to the tune of Rs. 19,39,16,353 are held against earmarked reserves, the Committee notes that a major chunk of these funds is development fund amounting to Rs. 17,74,55,392. The school has contended that as per the recommendations of the Duggal Committee, funds collected as development fund can only be utilised for development and infrastructure facilities of the school. The school has specific development projects under consideration/implementation and has given a detail of such projects by way of annexure to the written



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submissions dated 27/11/2012. On perusal of the details of development projects under contemplation of the school, the Committee notes that the school wants to utilize development funds for construction of multipurpose hall and ground parking, reconstruction of synthetic surface of the tennis court, development of open air theatre, covering of basket ball court, providing over head covering of swimming pools, replacement and addition of fitness equipments, covering of assembly area, construction of foot overbridge between school and sport complex, construction/modernization of main entrance of the school and reception area, fire safety measures, renovation and carpeting of internal roads, renovation and development of boundary wall of school, hostel and swimming pool, development of other infrastructure facilities in school campus and hostel, borewell and water harvesting at school premises and sports complex, M.S. Grill and fixing of aluminium windows, reconstruction of school boundary wall, gritwash of school building, renovation and fixing of kota stones in class rooms, development and renovation of main entrance gate of girls hostel, fixing of MS railing on terrace of boys hostel, covering of open court yard at terrace level, installation of lift for audio-video hall, installation of intercom system, installation of latest computers and servers, installation of more halogen lights in school. Similar plans for the two junior schools at Vasant Vihar and East of Kailash are also given.



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The stated purpose of keeping the development fund by the school is not in keeping with the recommendations of the Duggal Committee report nor with the judgment of the Hon'ble Supreme Court in the case of **Modern School vs. Union of India (2004) 5 SCC 583** in which the recommendations of the Duggal Committee report were endorsed. The relevant portion of the judgment in the aforesaid case reads as follows:

*"If one goes through the Report of the Duggal Committee, one finds absence of non-creation of specified earmarked fund. On going through the Report of the Duggal Committee, one finds further that **depreciation has been charged without creating a corresponding fund.** Therefore, Direction No. 7 seeks to introduce a proper accounting practice to be followed by non-business organisations/not-for-profit organisations. With this correct practice being introduced, **development fees for supplementing the resources for purchase, upgradation and replacements of furniture and fixtures and equipments is justified.**"*

It would be apparent that the development fund contemplated by the Duggal committee report was meant for purchase, upgradation and replacement of furniture and fixture and equipments as distinct from their application for buildings, auditoriums and swimming pools. Moreover, the condition precedent for charging development fee is maintenance of a depreciation reserve fund equivalent to the amount charged as depreciation in the accounts. From the written submissions dated 27/11/2012 filed by the school, it is apparent that the school was not maintaining any depreciation reserve fund. Further perusal of balance of the school as on 31/03/2008 shows that the school is maintaining a separate account of fixed assets acquired out of development fund, and accumulated depreciation thereon was Rs.



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1,84,10,842. However, the said amount was not kept in a separate depreciation reserve fund account. The same position prevailed as on 31/03/2009, 31/03/2010 and 31/03/2011. As on 31/03/2011, the accumulated depreciation on assets acquired out of development fund was Rs. 4,04,76,029 but the same had not been put in a separate fund. In fact the school in the year 2010-11 changed the presentation of accumulated depreciation in its balance sheet to make it appear that it was maintaining a depreciation reserve. Upto 2009-10, the depreciation was being shown as a deduction from fixed assets but in 2010-11, the accumulated depreciation was shown on the liability side as a reserve and fixed assets were shown at the gross amount. Shifting accumulated depreciation from one side of the balance sheet to another does not meet with the requirement of law. The accumulated depreciation has to be put in a separate fund. In view of these facts, the contention of the school that amount equivalent to the development fee has to be set apart and not considered for availability of funds for implementation of VI Pay Commission is not tenable.

**Re.: Memorial Fund**

With regard to Memorial fund (Prantik) amounting to Rs. 3,00,000, it has been contended that the same represents donation by parents to be used for award of scholarship to meritorious students. The Committee is of the view that this amount should not be included in the quantum of funds available with the school for implementation



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of VI Pay Commission and the contention of the school on this account is accepted.

**Re.: Old Students Welfare Fund**

With regard to Old Students Welfare Fund amounting to Rs. 56,12,687, the Committee notes that the same was recovered from the students. However, during 2007-08 and 2008-09, no amount has been utilized out of this fund for welfare of students. During 2009-10 and 2010-11, there was meager spending out of this fund. The accumulated balance of the fund actually goes on increasing every year. From Rs. 56,12,687 as on 31/03/2008, the accumulated fund in this account arose to Rs. 95,14,277 as on 31/03/2011. In view of the Committee, the balance in this fund could be considered to be available for implementation of VI Pay Commission. The same is true of **PTA fund** whose balance arose from Rs. 92,29,001 as on 31/03/2008 to Rs. 1,43,73,714 as on 31/03/2011. In fact, the interest earned on this fund is more than the amount utilized out of this fund. The same position holds true for **scholarship fund**, the balance of which rose from Rs. 13,19,273 as on 31/03/2008 to Rs. 2,51,55,914 as on 31/03/2011. The meager spending out of this fund is more than offset by the interest earned on this fund.

**Discussion & Conclusion**

Hence, out of the total earmarked funds amounting to Rs. 19,39,16,353 claimed by the school to be not available for



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implementation of VI Pay Commission report, the Committee is of the view that only Memorial fund (Prantik) amounting to Rs. 3,00,000 which has not been collected from the students by way of fee, qualifies to be deducted.

In view of the foregoing discussion, the Committee has arrived at the conclusion that as on 31/03/2008 the school had funds amounting to **Rs. 27,10,25,970** available for the purpose of discharge of additional liability arising on account of implementation of VI Pay Commission Report. The funds available have been worked out as below:

<b>Current Assets + Investments</b>		<b>Amount</b>
Bank balances	4,19,42,772	
Investment in FDRs	35,98,43,054	
Other current assets	72,77,144	
Stationary and stores	1,93,113	
Loans and advances	4,39,969	
Net recoverable from other DPS schools	1,59,42,259	<b>42,56,38,311</b>
<b>Less Current liabilities + funds set apart</b>		
Current liabilities ( other than sundry creditors )	27,22,944	
Time barred (stale ) cheques	21,16,837	
Sundry Creditors	40,36,898	
Audit fees payable	99,630	
Statutory dues	31,69,562	
Caution Money	2,05,84,585	
Advance fee	1,53,55,000	
Students credit balances	60,72,121	
Memorial Fund (Prantik)	3,00,000	
Accrued liability for gratuity and leave encashment	10,01,54,764	<b>15,46,12,341</b>
<b>Net current assets + Investments i.e. funds available</b>		<b>27,10,25,970</b>



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The Committee is of the view that the school ought not to apply the entire funds available with it for payment of additional salary and arrears on account of implementation of VI Pay Commission. **The school should preserve an amount equivalent to four months of salary to meet any future eventuality or contingencies.** As per the audited Income and Expenditure Account of the school for 2007-08, the total annual expenditure on salary + PF contribution was Rs. 14,36,39,516. Four months' salary on this basis works out to **Rs. 4,78,79,839** which the school ought to preserve out of the funds available. Hence, the total funds available which could be availed to discharge the additional burden on account implementation of VI Pay Commission with the school were to the tune of **Rs 22,31,46,131.**

The school also claimed that the figures of incremental and arrear fee and salary have also been incorrectly taken by the Committee in its calculations. It has given the correct figures in its own calculations.

The Committee has verified the contention of the school and has found the same to be correct. The Chartered Accountants detailed with the Committee who made the preliminary calculations did so only for the school at R.K. Puram while the school also has two junior wings at East of Kailash and Vasant Vihar. The figures pertaining to the junior wings were inadvertently omitted by the Chartered



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Accountants on the presumptions that they were different schools.

The correct position as brought out by the school is as follows:

**Salary**

Arrear of salary from 01/01/2006 to 31/08./2008	Rs. 8,46,96,050
Incremental salary as per VI Pay Commission From 01/09/2008 to 28/02/2009	Rs. 3,11,84,345
Incremental salary for F.Y. 2009-10	Rs. 8,00,98,220
Employer's share of Provident fund on Arrears	Rs. 1,01,63,527

**Tuition Fee**

Arrears from 01/01/2006 to 31/08/2008	Rs. 2,78,05,500
Incremental tuition fee from 01/09/2008 To 31/03/2009	Rs. 2,49,14,500
Incremental tuition fee for F.Y. 2009-10	Rs. 4,28,73,800

As worked out in the preceding paragraphs, the total funds available with the school as on 31/03/2008 which were free to be utilized for meeting the additional liability on account of implementation of VI Pay Commission report were **Rs 22,31,46,131**. These were more than adequate to meet the additional liability of arrears payable to staff for the period 01/01/2006 to 31/08/2008 on



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account of implementation of VI Pay Commission which amounted to **Rs. 8,46,96,050**. Hence, the Committee is of the view that the school was not justified at all to recover the arrear of tuition fee from 01/01/2006 to 31/08/2008 from the students. The amount collected on this count which works out to be **Rs. 2,78,05,500** ought to be refunded to the students along with interest @ 9% per annum. Recommended accordingly.

After meeting the arrear liability, the school would have been left with a sum of **Rs. 13,84,50,081** out of its accumulated funds. This was more than adequate to pay the incremental salary for the period 01/09/2008 to 28/02/2009 which amounted to **Rs. 3,11,84,345**. Hence, the school was not justified at all to recover the arrear fee pertaining to this period which amounted to **Rs. 2,49,14,500**. The Committee is of the view that this amount also ought to be refunded alongwith interest @ 9% per annum. Recommended accordingly.

After meeting the aforesaid liability upto 28/02/2009, the school would have been left with accumulated funds amounting to **Rs. 10,72,65,736**. This was more than adequate to meet the incremental salary for the year 2009-10 and the PF contribution on the incremental salary. The total liability on this account was **Rs. 9,02,61,747** ( i.e. Rs. 8,00,98,220 + Rs. 1,01,63,527 ). Hence the Committee is of the view that the school was not justified in increasing the monthly tuition fee during the year 2009-10 for



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paying the enhanced salaries on account of implementation of VI Pay Commission Report. The incremental fee recovered by the school for this period amounted to Rs. 4,28,73,800 which in the opinion of the Committee ought to be refunded along with interest @ 9% per annum. Recommended accordingly.

**Development Fee**

Perusal of balance sheet of the school as on 31/03/2010 and 31/03/2011 reveals that the school has received fee towards development fund amounting to Rs. 4,90,42,039 in 2009-10 and Rs. 4,82,69,746 in 2010-11. However, as discussed in the foregoing paragraphs, the school was not setting apart any funds by way of depreciation reserve fund which is a condition precedent to charging development fee as per the prescription of Duggal Committee which was upheld by the Hon'ble Supreme Court in the case of Modern School (supra) . Hence, the Committee is of the view that the school ought to refund the development fee charged as aforesaid in 2009-10 and 2010-11 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: 23/01/2013



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**Loretto Convent School, Delhi Cantt.**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide reply dated 03/03/2012, stated that the school had implemented the VI Pay Commission Report and the school was paying increased salary w.e.f. September 2009. It was stated that salary paid before implementation of VI Pay Commission was Rs. 12,36,283 (for August 2009) which increased to Rs. 21,36,163 ( for September 2009 ) after such implementation. It was also stated that the arrears of VI Pay Commission had also been paid to the tune of Rs. 1,10,76,604. With regard to the increase in fee, the school stated that it had hiked the fee of the students w.e.f. September 2008 but the same was collected from the students from April 2009. From the Annexure attached to the reply giving the fee structure for 2008-09 and 2009-10, it was apparent that the school had hiked the fee of students of all the classes @ Rs. 300 per month. It was also mentioned that the school had charged arrears from the students for the purpose of implementation of VI Pay Commission @ Rs. 3000 per student. However for students admitted in 2007-08, the arrears were recovered @ Rs. 2000 per student and for the students admitted in 2008-09, the arrears were recovered @ Rs. 1000 per student. On the basis of this reply, the school was placed in Category 'B'.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this



Committee. As the school claimed to have increased the tuition fee w.e.f. 01/09/2008, the balance sheet of the school as on 31/03/2008 was taken as the basis for calculation of the funds available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the CAs detailed with this Committee, the funds available with the school as on 31/03/2008 were to the tune of **Rs. 3,83,07,251**. The arrears of VI Pay Commission payable to the staff were **Rs. 1,10,76,604**. The additional burden on account of increased salary due to implementation of VI Pay Commission from 01/04/2009 to 31/03/2010 was **Rs. 62,99,160**. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing by the Committee and for enabling it to provide justification for the hike in fee.

On 04/12/2012, the date fixed for hearing, Sh. M.C. Joseph and Sh. Sandeep Kumar Keshri appeared with an authority letter of the Principal of the School. They were provided with a copy of the preliminary calculations prepared by the Chartered Accountants and were partly heard by the Committee on such calculations. However, they sought time to respond to the preliminary calculations. At their request, the hearing was adjourned to 20/12/2012. It was observed by the Committee that, besides charging tuition fee, the school was also charging development fee. With regard to development fee, the representatives of the school were asked to specifically state



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(a) whether development fee was treated as capital receipt in the accounts of the school and kept in an earmarked bank account,?

(b) whether depreciation reserve fund was kept in an earmarked bank account, and

(c) for what purpose development fee was utilized.

On 20/12/2012, a request was received on behalf of the school for adjournment of hearing as their auditor was indisposed. Accordingly the hearing was adjourned to 04/01/2013.

On 04/01/2013, the school filed its own computation of funds available with it for the purpose of implementation of VI Pay Commission Report, in which certain figures taken by the CAs detailed with the committee were disputed. The details of such differences are as follows:-

Particulars	Figures taken by CAs detailed with the Committee (Rs.)	Figures taken by the school (Rs.)	Difference (Rs.)
Funds available as on 31/03/2008	3,83,07,251	3,65,85,251	17,22,000
Recovery of arrear fee from the students	43,77,000	26,63,000	17,14,000
Payment of increased salary upto 31/03/2010	62,99,160	1,86,70,719	1,23,71,559

Besides, the school also claimed that out of the funds available, a sum of Rs. 64,08,489 which was equivalent to three months salary



should be kept apart and a sum of Rs. 2,07,49,494 comprising of Special Development Fund- Rs. 41,86,451 for construction of auditorium, Reserve fund - Rs. 92,90,262 for payment of salary arrears for VI Pay Commission and Depreciation Reserve Fund- Rs. 72,72,781 for replenishment of depreciated/worn out assets should also be kept apart. It was contended on behalf of the school that if the above figures were taken and funds, as set out above, were set apart, the school would be in deficit so far as the funds available for implementation of VI Pay Commission were concerned. During the course of hearing on 04/01/2013 after discussions with the Committee, the school sought further time of one week for filing details of incremental gratuity and incremental leave encashment paid to the staff on implementation of VI Pay Commission report and also for filing details of development fee, assets acquired out of development fee and accumulated depreciation on such assets. The school was given liberty to file the same within one week.

On 10/01/2013, the school filed a revised computation of funds available for the purpose of implementation of VI Pay Commission along with certain other details which will be adverted to by us at the appropriate place. Basically two figures were sought to be revised by the school in the fresh computation filed by it. Firstly the increased salary paid upto 2009-10 was revised from Rs. 1,86,70,719 to Rs. 1,76,01,883. Secondly the school claimed that the funds earmarked for specified reserves should be taken at Rs. 1,14,59,232 and not Rs.



2,07,49,494 as earlier claimed. Besides revising these two figures, the school claimed a further setting apart of Rs. 44,80,884 for accrued liability of gratuity and leave encashment. However, the school did not respond to any of the specific queries with regard to development fee.

The contentions of the school in so far as they dispute the figures taken by the CAs attached with the Committee need to be examined first.

**Re.: Funds available as on 31/03/2008**

The CAs detailed with the Committee had worked out the figure of Rs. 3,83,07,251 to be available with the school as on 31/03/2008 by taking net current assets + investments as on the said date as per the audited balance sheet of the school. The school has disputed only one figure of security deposit and other advances. The school has claimed that a sum of **Rs. 17,22,200** paid to M/s. Space Contractor was under litigation and as such should not be treated as part of the funds available. The school further stated that till 26/11/2012, the school had recovered only **Rs. 5,00,000** out of the aforesaid amount. This contention of the school has been examined and the Committee is of the view that only **Rs. 5,00,000** which has actually been recovered should be considered as part of the funds available and not the entire amount of Rs. 17,22,200 as the recovery of the same is doubtful, being under litigation.





**Re.: Recovery of arrear fee from the students**

The school has contended that the actual recovery effected by it on account of arrears is Rs. 26,63,000 only as against the figure of Rs. 43,77,000 taken by the CAs. The school has contended that the CAs have presumed that the entire amount of Rs. 3,000 has been charged from all the 1459 students whereas in actual fact, only 591 students were required to pay the full amount of arrears of Rs. 3,000. 295 students who were admitted in 2007-08 were required to pay only Rs. 2,000 and 300 students who were admitted in 2008-09 were required to pay arrears @ Rs. 1,000 only while 273 students who were newly admitted in 2009-10 were not required to pay any arrears at all. Thus the arrears which were actually recoverable from the students and which were actually recovered were **Rs. 26,63,000** only.

The Committee has examined the contention of the school on this score. It was observed that the Chartered Accountants in the preliminary calculations had taken the full amount of arrears @ Rs. 3,000 per student as recovered as the school in the reply to the questionnaire did not specify the number of students which were admitted in 2007-08, 2008-09 and 2009-10. The school gave this information only during the course of hearing by the Committee, which we accept and the recovery of arrear fee is taken at **Rs. 26,63,000.**



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**Re.: Payment of increased salary upto 31/03/2010**

The CAs detailed with the Committee had taken the arrears of salary paid by the school on implementation of VI Pay Commission at Rs. 62,99,160. However, the school claimed the increased liability at Rs. 1,86,70,719 in its computation filed on 04/01/2013 which was revised to **Rs. 1,76,01,883** in the computation dated 09/01/2013 filed on 10/01/2013. On comparison of the computation of this figure made by the CAs and by the school, it is found that the figure of Rs. 62,99,160 taken by the CAs was the incremental salary for the period 01/09/2009 to 31/03/2010 as the school claimed to have implemented the VI Pay Commission Report only w.e.f. 01/09/2009. However, the computation filed by the school covers the period of 01/09/2008 to 31/03/2010. The school claims that the figure of arrears of Rs. 1,10,76,604 given in the reply to the questionnaire was upto August 2008. Thus the period of 01/09/2008 to 31/08/2009 was left out by the CAs. This contention of the school appears to be correct. Another fact that has been brought on record by the school is that the gratuity and leave encashment of the employees who had retired between 2006 and 2010 had been paid at the rates prevailing prior to implementation of VI Pay Commission and after such implementation, the difference, representing the short payment, was paid to them. The amount paid on these accounts was Rs. 11,87,552. The school has also filed details of such payments supported by its ledger accounts. Since this figure was also provided by the school



only during the course of hearing and was neither discernible from its financial statements nor from the reply to the questionnaire, this could obviously not have been taken by the Chartered Accountants. However, since the Committee has found this contention of the school to be correct, it will be taken into consideration while making the determination.

**Re.: Reserve equivalent to three months' salary**

The school contended that it ought to retain an amount equivalent to three months salary as reserve. The amount claimed on this count was Rs. 64,08,489 . This amount has been worked out on the basis of the salary for the month of September 2009 which aggregated to Rs. 21,36,163. In fact the Committee is of the view that the schools which have implemented the recommendations of the VI Pay Commission, in so far as they are applicable to them should be permitted to retain one month's salary over and above the three months salary to meet any future eventuality. Therefore, the Committee is inclined to allow a sum of **Rs. 85,44,652**, which is equivalent to four months' salary to be retained as reserve.

**Re.: Claim for setting apart Rs. 1,14,59,232 as reserves.**

In the revised computation filed by the school on 10/01/2013, the school has claimed that a sum of Rs. 41,86,451 representing Special Development Fund which is to be utilized for construction of auditorium and a sum of Rs. 72,72,781 representing depreciation



reserve fund, should be set apart and should not be considered as available for implementation of VI Pay Commission report.

In so far as the Special Development Fund is concerned, the school has stated that it is required for construction of an auditorium. However, in view of the decisions rendered by the Hon'ble Delhi High Court in **Delhi Abibhavak Mahasangh Vs. Union of India and others AIR 1999 Delhi 124** and the Hon'ble Supreme Court in **Modern School vs. Union of India (2004) 5 SCC 583**, the schools cannot fix the fee keeping in mind the capital expenditure to be incurred by the school. Capital expenditure can only come out of incidental or accidental savings. Savings cannot be consciously generated to meet the capital expenditure. When the funds are required for giving increased salary to the staff which is a revenue expenditure, the same must have precedence over the capital expenditure like construction of auditorium. Therefore, the Committee is of the view that an amount of Rs. 41,86,451 cannot be set apart for the purpose of construction of auditorium, when the more pressing liability of payment of increased salary stares in the face.

So far as the claim for setting apart Rs. 72,72,781 as depreciation reserve fund is concerned, it is observed from the balance sheet of the school as on 31/03/2008 that this amount is the total accumulated depreciation on all the fixed assets of the school. Out of the total amount of Rs. 72,72,781, depreciation on the fixed assets,



that cannot be acquired out of the development fee, like buildings and vehicles amount to Rs. 42,00,181. Despite pointed queries in respect of the development fee, the school did not give any reply thereto. It is observed from the balance sheets of the school that development fee although capitalized and credited to special development fund account, the stated purpose of accumulating the special development fund namely, construction of an auditorium, does not qualify for such utilization. The depreciation reserve fund is linked to the assets acquired out of development fund and as such no allowance can be made for the depreciation reserve fund as claimed by the school.

**Re.: Reserve for accrued liability of gratuity and leave encashment.**

In the revised computation filed by the school on 10/01/2013, the school made a claim that an amount of **Rs. 44,80,884** representing accrued liability of gratuity and leave encashment should be set apart. The school also furnished details of employee wise liabilities on these accounts as on 30/09/2009. This contention of the school is acceptable and will be duly considered while making the final determination.

**Determination**

Having dealt with all the contentions of the school and after consideration of the calculations made by the Chartered Accountants attached with the Committee, the financials of the school and the oral



and written submissions, the following determination is made with regard to justifiability or otherwise of the fee hiked by the school for the purpose of implementation of VI Pay Commission Report.:

**Tuition Fee:**

Based on the following details, the Committee is of the view that the school had funds to the tune of **Rs. 2,40,59,715** for the purpose of implementation of VI Pay Commission.

<b>Net current assets + investment</b> exclusive of advance to M/s. Space Contractor as admitted by the school	3,65,85,251	
Add amount recovered from space contractor as admitted by the school	<u>5,00,000</u>	3,70,85,251
<b>Less funds set apart as per the above discussion</b>		
(a) Amount equivalent to four months' salary	85,44,652	
(b) Amount set apart for gratuity and leave encashment	<u>44,80,884</u>	1,30,25,536
Net funds available for implementation of VI Pay Commission		2,40,59,715

The liability for payment of arrears salary from 01/01/2006 to 31/08/2008 as per the computation filed by the school was **Rs. 1,10,76,604**. This liability could have been met by drawing from the



funds available with the school itself and there was no need to hike the fee for meeting this liability. However, the school recovered a sum of Rs. 26,63,000 from the students by way of arrear fee for meeting this liability which in view of the Committee was not justified. **The Committee is therefore of the view that the school ought to refund the aforesaid sum of Rs. 26,63,000 to the students along with interest @ 9% per annum. Recommended accordingly.**

After payment of the arrears as above, the school would have been left with funds amounting to **Rs. 1,29,83,111**. The burden of increased salary payable to the staff on account of implementation of VI Pay Commission for the period 01/09/2008 to 31/03/2010 was to the tune of **Rs. 1,76,01,883**. Thus the school was short by **Rs. 46,18,772**, which amount alone should have been recovered from the students by way of increased fee. However, the school recovered a sum of **Rs. 83,16,300** by way of increased fee pursuant to order dated 11/02/2009 issued by the Director of Education. Thus the school recovered a sum of **Rs. 36,97,528** in excess of what was required by it to give effect to the VI Pay Commission Report. **The Committee is of the view that this excess recovery of Rs. 36,97,528 by the school was not justified and ought to be refunded along with interest @ 9% per annum. Recommended accordingly.**



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**Development Fee:**

During the course of hearing on 04/12/2012, the Committee posed the following questions to be answered by the school:

- (a) Whether development fee is treated as capital receipt in the accounts and kept in an earmarked bank account?
- (b) Whether depreciation reserve fund is kept in an earmarked bank account?
- (c) For what purpose development fee was utilized?

The representatives of the school appeared on 04/01/2013 along with detailed computations and calculations but the aforesaid queries of the Committee were not even adverted to. Again the school availed of an opportunity to file revised computation on 10/01/2013 but refrained from giving replies to the queries of the Committee. However, on examination of the financials of the school for different years, the following position emerges:

- (a) Development fee is capitalized by the school by crediting it to Special Development Fund. However, no earmarked bank account is discernible for maintenance of development fund.
- (b) Special development fund in which development fee is credited is being accumulated from year to year and no utilizations have been made there from. From an amount of Rs. 41,86,451 as on 31/03/2008, the Special Development Fund swelled to Rs. 1,24,08,986 as on 31/03/2011.



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(c) As per the computations filed by the school on 20/12/2012 and 10/01/2013, the stated purpose of accumulating Special Development Fund is construction of auditorium and not acquisition of any furniture, fixture or equipments.

Thus, it is evident that the school was charging development fee without fulfilling the pre-conditions prescribed by the Hon'ble Supreme Court in the case of **Modern School vs. Union of India (supra)**. Even the purpose for which development fee was charged, was not one of the permitted purposes as per the aforesaid decision.

**In view of the foregoing discussion, the Committee is of the view that the school was not justified in charging development fee. Perusal of the fee structure of the school for 2009-10 reveals that development fee was charged at the rates varying between Rs. 200 per month to Rs. 225 per month for different classes. The same for 2010-11 was charged at rates varying between Rs. 220 per month and Rs. 245 per month for different classes. The balance sheet of the school for 2009-10 shows a total recovery of Rs. 38,03,400 towards admission fee and development fee. The figure for the year 2010-11 is Rs. 42,49,250. The Committee is of the view that the school ought to refund these amounts for 2009-10 and 2010-11 after retaining the amount of admission fee which has been legitimately charged. These refunds should also**



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be made 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:18/02/2013



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B-91**Mount Saint Mary's School, Delhi Cantt, New Delhi-110010**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide reply dated 29/02/2012, stated that the school had implemented the VI Pay Commission Report. The school furnished details of salary for the month of August 2008 i.e. for the period before implementation of VI Pay Commission and for the month of September 2008 after implementation of VI Pay Commission report. The School also furnished details of arrears of salary paid to the staff for the period 01/01/2006 to 31/08/2008. The aggregate salary for the month of August 2008 was stated to be Rs. 16,37,372 while that for September 2008, it was stated to be Rs. 25,77,711. The arrears of salary from January 2006 to August 2008 was stated to be Rs. 1,38,88,799. With regard to the increase in fee, the school stated that it had hiked the fee of the students w.e.f. September 2008. The details of fee for the period 01/04/2008 to 31/08/2008 and from 01/09/2008 to 31/03/2009 were also furnished. The school also stated that it had recovered arrear fee also. The hike in monthly tuition fee was stated to be Rs. 300 per month for all the classes with a corresponding hike in the development fee. The arrear fee recovered was stated to be Rs. 45,86,000. On the basis of this reply, the school was placed in Category 'B'.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this



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Committee (CAs). As the school claimed to have increased the tuition fee w.e.f. 01/09/2008, the balance sheet of the school as on 31/03/2008 was taken as the basis for calculation of the funds available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the CAs, the funds available with the school as on 31/03/2008 were to the tune of **Rs.3,22,77,635**. The arrears of VI Pay Commission payable to the staff were **Rs.1,38,88,799**. The additional burden on account of increased salary due to implementation of VI Pay Commission from 01/08/2008 to 31/03/2010 was **Rs.1,78,66,441**. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing by the Committee and for enabling it to provide justification for the hike in fee.

On 04/12/2012, the date fixed for hearing, Sh. T.L. Pious Accounts Officer appeared with an authority letter of the Principal of the School along with Sh. K.K. George, CA presenting the auditors M/s. M. Thomas & Co.. They were provided with a copy of the preliminary calculations prepared by the Chartered Accountants and were partly heard by the Committee on such calculations. It was contended on behalf of the school that besides the increased salary on account of implementation of VI Pay Commission, there had also been an increase in DA from 01/09/2008 to 31/03/2010 and the same should also be considered. It was also contended that the school had created depreciation reserve fund but **development fee had been**

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**treated as a revenue receipt in the accounts.** Further they sought some time to respond to the preliminary calculations and at their request, the hearing was adjourned to 18/12/2012. The school was also asked to file the detail of fee received from 2006-07 to 2010-11 as the figures appearing in the Income & Expenditure Account were only consolidated figures and did not give head wise detail. On 18/12/2012, a request letter was received from the school, seeking another date as their Chartered Accountant was indisposed. The hearing was accordingly adjourned to 27/12/2012.

On 27/12/2012, the school filed written submissions as also a calculation sheet giving its own calculations vis a vis the calculations made by the CAs. The school also sought time to file the soft copy of calculations. The hearing was therefore adjourned to 11/01/2013 as requested by the school. However, the meeting of the Committee scheduled for 11/01/2013 was cancelled due to indisposition of a member and the school was advised to do the needful on 16/01/2013. On this date, the school furnished the information required by the Committee and the representatives of the school were heard by the Committee.

#### **Submissions of the School**

Vide written submissions dated 27/12/2012, the school contended as follows:-



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- (a) The preliminary calculations as made by the CAs had included scholarship fund deposit ( Rs. 7,99,548 ) also as part of funds available when the same were deposited by the benefactors with the specific direction that only interest on the same should be utilized for the purpose of granting scholarship to the students. Art & Craft/Activity fund (Rs. 3,99,674) and poor student fund (Rs. 96,721) representing specific liabilities had also been wrongly included.
- (b) Depreciation Reserve fund (Rs. 2,78,51,017) representing the fund for replenishing the assets of the school was an earmarked fund and should not have been included in the funds available.
- (c) The school was following a cash system of accounting and was accounting for gratuity and leave encashment only on payment basis. However, the school had accrued liabilities on these accounts which should have been deducted from the funds available.
- (d) The increased salary from 01/09/2008 to 31/03/2009 was Rs.66,40,910 instead of Rs. 65,82,373 taken by the CAs.
- (e) The increased salary from 01/04/2009 to 31/03/2010 was Rs. 1,31,52,348 as against Rs. 1,12,84,068 taken by the CAs.

It was contended that if these figures were taken into account instead of an excess, there would actually be a short fall on account of implementation of VI Pay Commission. It was thus



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contended that the school was justified in hiking the fee and no interference should be made.

**Discussion**

The contentions of the school in so far as they dispute the figures taken by the CAs attached with the Committee need to be examined first.

**Re.: Earmarked funds**

It is observed that the CAs had not deducted the following amounts from the funds available which were clearly evincible from the audited balance sheet of the school:

Art & Craft/Activity fund	Rs. 7,99,548
Scholarship Fund	Rs. 3,99,674
Poor Student fund	Rs. 96,721
	<hr/>
	Rs. 12,95,943
	<hr/>

The Committee is of the view that these should have been deducted from the funds available.

**Re.: Depreciation Reserve Fund**

The claim of the school that depreciation reserve amounting to Rs. 2,78,51,017 should be excluded from the funds available is fanciful. Firstly, a glance at the schedule of the fixed assets of the school shows that this is the total amount of depreciation on all the



fixed assets of the school. A sum of Rs. 1,25,14,441 is the accumulated depreciation on buildings and swimming pool. Further, a sum of Rs. 24,08,358 is the accumulated depreciation on vehicles. Thus a total sum of Rs. 1,49,22,799 is the depreciation on buildings and vehicles, i.e. on assets which do not qualify as eligible assets to be acquired out of development fund. Earmarking of Depreciation Reserve fund is linked to the collection of development fee and its utilization for acquiring eligible fixed assets i.e. furniture & fixture and equipments. The depreciation on assets which cannot even be acquired out of development fund can by no stretch of imagination be left out of reckoning the funds available. Further, even the remaining depreciation of Rs. 1,29,28,218 also cannot be set apart as the school is admittedly treating the development fee as a revenue receipt and no earmarked development fund account has been maintained in the bank. In these circumstances, even the collection of development fee was not authorized and therefore, no part of depreciation reserve can be deducted from the funds available.

**Re.: Accrued Liability of Gratuity and Leave Encashment**

The contention of the school that despite maintaining the accounts on cash basis, the accrued liabilities of the school for meeting gratuity and leave encashment should be deducted, is accepted by the Committee as these are statutory liabilities and their accrual would not be affected by the method of accounting adopted by the school. The school has claimed that the accrued liability of





gratuity was **Rs. 1,14,59,822** as on 31/03/2008. An employee wise detail of such liability was furnished as Annexure -2 to written submissions dated 27/12/2012. On examination of the same, the Committee finds that the school had included the gratuity of 11 staff members who had not completed 5 years of service. However, since the liability has to be reckoned as on 31/03/2010, the Committee is not inclined to disturb the calculations of the school as by that date, such staff members would have completed 5 years of service. The school has also furnished employee wise detail of accrued liability for leave encashment of staff as Annexure -3 to written submissions dated 27/12/2012 which works out to **Rs. 51,28,831**. These liabilities would be considered by the Committee in its final determination.

**Re: Increased salary from 01/09/2008 to 31/03/2009**

The contention of the school that the figure of increased salary for the above mentioned period was Rs. 66,40,910 instead of Rs. 65,82,373 taken by the CAs has been examined. The CAs had multiplied the difference of monthly salary for pre implementation period and post implementation period by 7. The school has filed month wise detail of salary paid from September 2008 to March 2010 and has arrived at the differential figure on the basis of actuals, as recorded in its financials. As the figures taken by the CAs were on an estimated basis, the contention of the school is accepted.



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**Re.: Increased salary from 01/04/2009 to 31/0-3/2010**

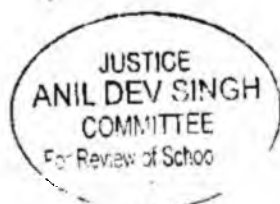
The contention of the school that the increased salary for the above mentioned period was Rs. 1,31,52,348 as against Rs. 1,12,84,068 taken by the CAs has been examined. The CAs had multiplied the difference of monthly salary for pre implementation period and post implementation period by 12. The school has filed month wise detail of salary paid from September 2008 to March 2010 and has arrived at the differential figure on the basis of actuals, as recorded in its financials. As the figures taken by the CAs were on an estimated basis, the contention of the school is accepted.

**Determination**

Having dealt with all the contentions of the school and after consideration of the calculations made by the Chartered Accountants attached with the Committee, the financials of the school and the oral and written submissions, the following determination is made with regard to justifiability or otherwise of the fee hiked by the school for the purpose of implementation of VI Pay Commission Report.

**Tuition Fee:**

Before we make the final calculations, it would be worthwhile to mention that although the school has not made any claim for keeping any amount in reserve for future contingencies, the Committee has taken a view that the school should not use up the entire funds available with it for payment of increased salary and arrears



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consequent to implementation of VI Pay Commission Report but should keep in reserve, funds equivalent to four months' salary. The total salary for the year 2008-09 as reflected in the Income & Expenditure Account was Rs. 1,97,09,688. Based on this, four months' salary is determined to be **Rs. 65,69,896** which, in the opinion of the Committee, the school should set apart for any future eventualities.

Based on the following determination, the Committee is of the view that the school had funds to the tune of **Rs. 78,23,143** for the purpose of implementation of VI Pay Commission.

<b>Net current assets + investment as per preliminary calculation sheet</b>		<b>3,22,77,635</b>
<b>Less funds set apart as per the above discussion</b>		
(a) Amount equivalent to four months' salary	65,69,896	
(b) Earmarked funds	12,95,943	
(c) Amount set apart for gratuity and leave encashment	<u>1,65,88,653</u>	2,44,54,492
<b>Net funds available for implementation of VI Pay Commission</b>		<b>78,23,143</b>

The liability for payment of arrears salary from 01/01/2006 to 31/08/2008 as per the computation filed by the school and accepted by the Committee was **Rs. 1,38,88,799**. Thus the school was short of



funds for payment of arrears to the extent of Rs. 60,65,656 which should have been recovered. The school recovered a sum of Rs. 45,86,000 from the students by way of arrear fee. **Thus, the school did not fully recoup the additional burden on account of payment of arrears consequent to implementation of VI Pay Commission. The short fall was to the tune of Rs. 14,79,656.**

As for the recovery of increased monthly fee from 01/09/2008 to 31/03/2010, the Committee finds that the additional liability due to increased salaries on account of implementation of VI Pay Commission was Rs. 1,97,93,258 while the additional recovery on account of increased monthly tuition fee for this period was Rs. 1,01,56,800. **Thus there was a shortfall to the tune of Rs. 96,36,458 on this account also.**

**Development Fee:**

During the course of hearing on 04/12/2012, the representatives of the school fairly conceded that the school had been treating development fee as a revenue receipt in its accounts. Further in the statement filed by the school along with its written submissions dated 21/01/2013, the development fee was shown to be a part of total fee which was credited to Income & expenditure Account and hence shown as a revenue receipt. The school was also found not to be maintaining a separate development fund account. Thus, it is evident that the school was charging development fee without fulfilling the pre-conditions prescribed by the Hon'ble Supreme Court



in the case of **Modern School vs. Union of India (2004) 5 SCC 583**. Therefore, the recovery of development fee, per se, was not justified. In the statement of fee filed by the school, it has been shown that the school charged development fee to the tune of **Rs. 67,08,037** in 2009-10 and **Rs. 56,60,559** in 2010-11. **The Committee is of the view that the school ought to refund these amounts.**

**In view of the foregoing determination, the Committee is of the view that the school ought to refund fee to the tune of Rs. 12,52,482 along with interest @ 9% per annum. The aforesaid amount of Rs 12,52,482 is worked out as follows:**

<b>Particulars</b>		<b>Amount(Rs.)</b>
Unauthorised collection of development fee For 2009-10 and 2010-11		1,23,68,596
Less (a) shortfall in payment of arrears	14,79,656	
(b) shortfall in payment of increased monthly salary	<u>96.36.458</u>	1,11,16,114
<b>Net amount refundable</b>		<b>12,52,482</b>

**Recommended accordingly.**

**Sd/-**

Dr. R.K. Sharma  
Member

**Sd/-**

CA J.S. Kochar  
Member

**Sd/-**

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated:27/02/2013



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**Secretary**

B-107**Red Roses Public School, Saket, New Delhi-110017**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide reply dated nil received in the office of the Committee on 06/03/2012 stated that the school had implemented the VI Pay Commission Report w.e.f. 01/04/2009 and also paid arrears on account retrospective application of VI Pay Commission. The arrears amounting to **Rs. 18,21,533/-** were stated to have been paid in F.Y. 2009-10 and **Rs. 54,64,635/-** in F.Y. 2010-11. In the reply, the school also stated that salary for the month of March 2009 i.e. before implementation of VI Pay Commission Report was **Rs. 7,63,559/-** and for the month of April 2009 i.e. after implementation, it was **Rs. 11,32,801/-**. With regard to the increase in fee, the school stated that it had hiked the fee of the students w.e.f. 01/04/2009 and also gave details of fee received pre-implementation and post implementation class-wise. For classes I to X and XI to XII with commerce, it was stated that the fee was hiked @ **Rs. 300/-** per month per student. However, for classes XI & XII with science, the hike was to the tune of **Rs. 400/-** per month per student. It was also stated that the school had recovered arrears of increased tuition fee amounting to **Rs. 17,84,575/-** during F.Y. 2009-10 and **Rs. 54,60,348/-** during F.Y. 2010-11. On the basis of this reply, the school was placed in Category 'B'.

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Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee. As the school claimed to have implemented the VI Pay Commission Report w.e.f. 01/04/2009 and also increased the tuition fee w.e.f. 01/04/2009, the balance sheet of the school as on 31/03/2009 was taken as the basis for calculation of the funds available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the Chartered Accountants, the funds available with the school as on 31/03/2009 were to the tune of Rs. 2,31,57,632/-. The arrears of VI Pay Commission paid to the staff were Rs. 72,86,168/-. The additional burden on account of increased salary due to implementation of VI Pay Commission from 01/04/2009 to 31/03/2010 was Rs. 44,30,904/-. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing by the Committee and for enabling it to provide justification for the hike in fee, as in the view of the Committee, no hike was required to be made having regard to the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On 22/11/2012, the date fixed for hearing, Sh. Hirdesh Bedi, General Secretary of Sh. R. R.Mehta Education Trust, the owners of the school, appeared with an authority letter of the Manager of the School. Sh. S.K. Nayyar, President of the Trust and Sh. Rajesh



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Sharma, Senior Accounts Officer of the school also appeared. They were provided with the preliminary calculations prepared by the Chartered Accountants and were partly heard by the Committee on such calculations. They contended that the school had not provided for certain statutory and necessary liabilities/provisions in their balance sheet which should be taken into account while working out the funds available with the school. Further they also needed to keep certain reserves for meeting future contingencies and for future development of school. They requested for time to be given for making submission on these aspects. Accordingly, the hearing was adjourned for 21/12/2012 at their request. On 21/12/2012, the aforesaid representatives of the school again appeared and filed a calculation sheet showing additional liabilities which were not provided in the balance sheet as well as the funds required to be kept in reserve for meeting future contingencies and cost of expansion of school building etc. along with supporting documents. It was admitted by them that the school was not maintaining any earmarked bank accounts for development fund and depreciation reserve fund. The representatives of the school were heard by the Committee.

The Committee examined the financials of the school, reply to the questionnaire and the preliminary calculations sheet prepared by the Chartered Accountants and also considered contentions of the representatives of the school and the additional documents filed by them during the course of hearing. The Committee has noted that



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the school, as per the calculation sheet filed by it, has not disputed the funds available with the school amounting to Rs. 2,31,57,633 as on 31/03/2009. However, the school has claimed that out of available funds, the following have to be kept earmarked for meeting the liabilities/contingencies;

Salary for six months	Rs. 99,59,428
Operational expenses for six months	Rs. 31,85,694
Gratuity	Rs. 78,63,747
Leave encashment	Rs. 24,48,219
For expansion of building	Rs. 4,53,00,000
For other fixed assets	Rs. 15,00,000

Total	Rs. 7,02,57,088
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Thus the school has claimed that the funds available with it were actually short of its requirements and hence the fee hike was inevitable.

The Committee has considered the submissions of the school and also examined the documents submitted by it. The Committee is of the view that so far as the claim for provision of gratuity amounting to Rs. 78,63,747 and Leave encashment of Rs. 24,48,219 are concerned, the same are unexceptionable as the same are duly supported by report of Sh. Ashok Kumar Garg, Actuary. Also, the school is entitled to keep reserve equivalent to three months salary as against six months claimed by it. This amounts to Rs. 47,95,512 on the basis of the actual salary expenditure of F.Y. 2009-10. The school may also retain an amount equivalent to one month salary for meeting



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any other contingency. This would amount to Rs. 15,98,504. However, no deduction is permissible on account of future expansion of building and acquisition of other fixed assets as the school cannot fix its fee structure keeping in mind such capital expenditure in terms of the judgment of Hon'ble Delhi High Court in **Delhi Abibhavak Mahasangh Vs. Union of India and others AIR 1999 Delhi 124** and of the Hon'ble Supreme Court in **Modern School vs. Union of India (2004) 5 SCC 583**. Thus the funds available with the school as on 31/03/2009 are worked out as under:

<b>Current Assets + Investments</b>		<b>2,57,95,910</b>
<b>Less Current liabilities</b>	26,38,377	
Earmarked for gratuity	78,63,747	
Earmarked for leave encashment	24,48,219	
Earmarked for three months salary	47,95,512	
Earmarked for operational expenses (equivalent to one month salary )	15,98,504	1,93,44,359
<b>Funds available for implementation of VI Pay Commission</b>		<b>64,51,551</b>

As against the available funds amounting to Rs. 64,51,551 as on 31/03/2009, the liability of the school for payment of arrears of VI Pay Commission was Rs. 72,86,168. Thus the school was short by Rs. 8,34,617 for payment of arrears which it should have recovered by way of arrears of tuition fee. However, the school of its own accord has admitted that it recovered arrears of tuition fee amounting to Rs.72,44,923. **Thus the school recovered a sum of Rs. 64,10,306 in excess of its requirement for payment of arrears on account of implementation of VI Pay Commission Report. The Committee is**



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of the view that such excess recovery was unjustified and the school ought to refund the same along with interest @ 9% per annum. Recommended accordingly.

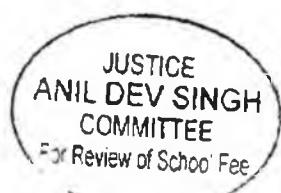
In so far as the increase of monthly tuition fee w.e.f. 01/04/2009 is concerned, the school has stated that the same was hiked by Rs. 300 to Rs. 400 for different classes. The number of students for whom the fee was hiked by Rs. 300/- per month was 1336 while number of students for whom the fee hiked was Rs. 400 per month was 77. Thus the total additional revenue accruing to the school by way of monthly fee hike during the 2009-10 would work out as follows:

Number of students	Monthly fee hike	Total additional revenue on account of fee hike for the year 2009-10
1336	300	48,09,600
77	400	3,69,600
	<b>Total</b>	<b>51,79,200</b>

As against above, the additional recurring annual expenditure on account of implementation of VI Pay Commission is worked out as follows:

Salary for April 2009 (post implementation)	Rs. 11,32,801
Salary for March 2009 (pre implementation)	Rs. 7,63,559
Additional monthly expenditure	Rs. 3,69,242

**Additional annual expenditure** Rs. 44,33,904



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**Therefore, the school recovered Rs. 7,45,296 (51,79,200-44,33,904) in excess of its requirements for meeting the recurring additional expenditure on account of implementation of VI Pay Commission Report. This excess recovery works out to 14.39% of the fee hiked. Thus the students who suffered a fee hike of Rs. 300 per month would be entitled to a refund of Rs. 43 per month (Rs. 516 for full year) along with interest @ 9% per annum and the student who suffered a fee hike of Rs. 400 per month would be entitled to a refund of Rs. 58 per month (Rs. 696 for the full year ) along with interest @ 9% per annum. Recommended accordingly.**

**As the monthly fee hikes in 2009-10 would also form part of fee for subsequent years, there would be a ripple effect in the subsequent years and the fee for such subsequent years as is relatable to the fee hike of 2009-10 ought also be refunded along with interest @ 9% per annum.**

Perusal of the fee schedule for 2009-10 and 2010-11 shows that the school was also charging, inter alia, development fee at varying rates for different classes. Further perusal of balance sheet of the school as on 31/03/2010 reveals that the school collected **Rs. 17,97,195 on this account in 2009-10.** During the course of hearing on 21/12/2012, the school admitted that no earmarked accounts were maintained for development fund and depreciation



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reserve fund. In view of the judgment of the Hon'ble Supreme Court in the case of Modern School (supra), the school was not entitled to recover any development fee without maintaining such separate accounts. **The Committee is therefore of the view that the school also ought to refund the development fee of Rs. 17,97,195 collected from its students in the year 2009-10 and the subsequent years 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: 21/12/2012



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Secretary

**Bhai Joga Singh Public School, Karol Bagh, New Delhi-110005**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide letter dated 01/03/2012 replied that the school had implemented the VI Pay Commission Report w.e.f. 01/10/2009. However, no information was given with regard to payment of arrears on account of retrospective effect of VI Pay Commission. In the reply the school also gave details of salary paid to the staff before implementation of VI Pay Commission Report as well as after its implementation. With regard to the increase in fee, the school stated that it had hiked the fee of the students w.e.f. 01/04/2009 and also gave details of fee received pre-implementation and post implementation class-wise. For all the classes, it was stated that the fee was hiked @ Rs. 200/- per month. It was also stated that the school had recovered arrears of increased tuition fee from Sept. 2008 to March 2009 from 306 out of 325 students @ 1400/- per student. 19 students were unable to pay tuition fee arrears. On the basis of this reply, the school was placed in Category 'B'.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee. As the school claimed to have implemented the VI Pay Commission Report w.e.f. 01/10/2009 but had increased the tuition fee w.e.f. 01/09/2008, the balance sheet of the school as on 31/03/2008 was taken as the basis for calculation of the funds

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**Secretary**

available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the Chartered Accountants, the funds available with the school as on 31/03/2008 were to the tune of Rs. 34,45,921/-. The additional burden on account of increased salary due to implementation of VI Pay Commission from 01/10/2009 to 31/03/2010 was Rs. 9,95,838/- only. The school was therefore served with a notice dated 08/11/2012 for providing it an opportunity of hearing by the Committee and for providing justification for the hike in fee, as in the view of the Committee, no hike was required to be made having regard to the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On 20/12/2012, the date fixed for hearing, Smt. Anoop Kaur Kamal, Manager cum Principal of the school appeared with Smt. Jatinder Ahuja, Accountant of the school. They were heard by the Committee on the preliminary calculations of funds available with the school vis a vis the additional liability on account of VI Pay Commission. During the course of hearing, they stated that the school had implemented the VI Pay Commission w.e.f. 01/10/2009 but the fee had been hiked w.e.f. 01/04/2009. On the issue of recovery of arrears, they were non-committal. They contended that instead of balance sheet as on 31/03/2008, the balance sheet as on 31/03/2009 should be considered as the base document for



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calculation of available funds. With regard to an advance of Rs. 2,80,463/- appearing in the name of Ms. Manmohan Kaur in the current assets in the balance sheet, they contended that this was an amount embezzled by Ms. Manmohan Kaur who was one of the employees and the same has ultimately been settled at Rs. 95,000/-. The Manager of the school also filed a letter dated 20/12/2012 giving details of fee structure of the school for different classes from 2007-08 to 2009-10. On examination of the same, it was observed that besides the monthly fee, the school was also charging development fee @ Rs. 500/- per annum in 2007-08 and 2008-09 and Rs. 1100/- per annum in 2009-10. When queried about the manner of utilization of development fee, the Manager stated that the same was utilized for school functions, maintenance of building, general maintenance, home science workshops, maintenance of computers, computer education and music and art. It was contended that the hike in fee was not excessive and was required to meet the increased salary on account of VI Pay Commission Report.

The Committee examined the financials of the school, reply to the questionnaire and the preliminary calculations sheet prepared by the Chartered Accountants and also considered contentions of the representatives of the school. The Committee noted that the school in the reply to the questionnaire admitted that it had received arrear fee from 306 students @ Rs. 1400/- . This works out to Rs. 4,28,400/-. However, the Income and Expenditure account of the school for the



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year 2008-09 shows the following receipts towards arrear of tuition fee:

September 2008 to March 2009	Rs. 3,40,200/-
Ist Installment from January 2006	Rs. 3,03,750/-
IInd Installment from January 2006	Rs. 45,000/-

The Income and Expenditure Account for 2009-10 also shows recovery of arrears of tuition fee to the tune of Rs. 1,69,450/-. Hence the financials of the school for the two years show a recovery of Rs. 8,58,400/- towards arrears of tuition fee. As the financials are duly audited by M/s. P.S. Kohli & Company, Chartered Accountants, which is a renowned firm of auditors, the figures reflected in the Income & Expenditure Accounts cannot be doubted and the contention of the school in the reply to the questionnaire that it received Rs. 1400/-per student from 306 students towards arrears which works out to Rs. 4,28,400/- is rejected. **Further, since no arrears of salary have been paid to the staff on account of implementation of VI Pay Commission, the school was not justified at all to recover any fee towards arrears from the students. The Committee is, therefore of the view, that the school ought to refund the arrear fee to the tune of Rs. 8,58,400/- to the students along with interest @ 9% per annum.**

In so far as the hike of Rs. 200/- per month in the monthly tuition fee is concerned, the Committee finds that as per the



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calculations made by the Chartered Accountants, the aggregate of net current assets and investments i.e. the funds available with the school, as on 31/03/2008 were Rs. 34,45,921/-. However, on reviewing the same, the Committee finds that the calculations made by the Chartered Accountants were not correct. The correct calculations of funds available as on 31/03/2008 are as follows:

<b>Current Assets and Investments</b>		<b>Amount</b>
Cash in hand	12,672	
Balance with Punjab & Sind Bank In Saving and current Accounts	3,55,403	
Fixed deposit with Punjab & Sind Bank	13,37,068	
Due from Ms. Manmohan Kaur	2,80,463	
TDS recoverable	5,283	
Gas security	<u>1,800</u>	19,92,689
<b>Less current liabilities</b>		
Security deposits	<u>4,22,500</u>	<u>4,22,500</u>
<b>Net current assets + investments</b>		<b>15,70,189</b>

Having worked out the funds available with the school as on 31/03/2008, the Committee is required to consider the funds that were available for the purpose of paying increased salary to the staff on account of implementation of VI Pay Commission. For arriving at the availability of funds for the said purpose, the following deductions need to be made from the aforesaid sum of Rs. 15,70,189:

(a) Reserve equivalent to 4 months salary	Rs. 12,73,504
(b) Loss arising on account of Irrecoverability of amount due from Ms. Manmohan Kaur	Rs. 1,85,463

Total

**Rs. 14,58,967**



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**Secretary**

The school is not making any provision for gratuity and leave encashment payable to the staff in its accounts nor it has made any such claim before the Committee. Presumably the school is accounting for gratuity and leave encashment on payment basis and not on accrual basis. Therefore, the same would be met from the current revenues of the school in the year of payment.

After the aforesaid deductions, the funds available with the school for the purpose of implementation of VI Pay Commission worked out to Rs. 1,11,222/-. As per the information provided by the school in reply to the questionnaire, the gross monthly salary prior to implementation of VI Pay Commission was Rs. 2,56,025/- and post such implementation, it was Rs. 3,83,708. Thus the additional monthly expenditure on salary was Rs. 1,27,683/- per month. The school implemented the VI Pay Commission w.e.f. 01/10/2009. Hence the additional expenditure that befell on the school was Rs. 1,27,683/- x 6 = Rs. 7,66,098 upto 31/03/2010. Therefore, the school was in requirement of funds to the tune of Rs. 6,54,876/- ( Rs. 7,66,098 - Rs. 1,11,222 ). The number of students enrolled with the school were 336 in 2009-10 as per the information furnished in reply to the questionnaire. Thus the school ought to have recovered a total sum of Rs.1,949 from each student during the year by way of monthly fee hike in 2009-10. However the school recovered a sum of Rs. 2,400/- i.e Rs. 200/- per month from each student. **Thus the school ought to refund a sum Rs. 451/- to each student out of the**



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monthly fee hiked in 2009-10 along with interest @ 9% per annum. However, since the implementation of VI Pay Commission would have impact for the full 12 months w.e.f. 2010-11, the Committee is not recommending any refund on account of ripple effect in the fee for the subsequent years.

In so far as development fee is concerned, admittedly, the school is utilizing it for meeting its revenue expenditure and not for acquisition of any capital assets. Hence, the same is not being charged for the specified purposes as laid by the Hon'ble Supreme Court in case of Modern School vs. Union of India (2004) 5 SCC 583. The Committee is therefore, of the view that the school ought to refund the development fee of Rs. 1,100/- per annum charged for the year 2009-10 and the actual development fee charged in the subsequent years along with interest @ 9% per annum. As the jurisdiction of the Committee does not extend to the fee charged in the years prior to 2009-10, the Director of Education may take appropriate action in the matter as per law with regard to the years prior to 2009-10. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 20/12/2012



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**Maharaja Agarsen Model School, Pitampura, Delhi-110034**

The school had not responded to the questionnaire sent by the Committee by email on 27/02/2012. A reminder was sent on 27/03/2012, in response to which the school, vide reply dated 29/03/2012, stated that the school had implemented the VI Pay Commission Report w.e.f. 01/04/2009 and also paid arrears on account of retrospective application of VI Pay Commission. As per the information supplied along with the reply, the school had paid arrears amounting to **Rs. 1,80,51,631** for the period 01/01/2006 to 31/03/2009 (Rs. 1,18,16,822 for the period 01/01/2006 to 31/08/2008 and Rs. 62,34,809 for the period 01/09/2008 to 31/03/2009 ). The school also provided information with regard to monthly salary of staff for the month of March 2009 i.e. before implementation of VI Pay Commission Report. The same was stated to be **Rs. 17,27,654.00** . For the month of April 2009 i.e. after implementation, it was stated to be **Rs. 26,18,341.00** .

With regard to the increase in fee, the school stated that it had hiked the fee of the students w.e.f. 01/09/2008 @ Rs. 300 per month. In addition, it had also recovered arrears for the period 01.01.2006 to 31.08.2008 @ Rs. 3,000 per student. Taking into account the number of students, the arrear fee upto 31/08/2008 worked out to Rs.72,51,000.00 while that for the period 01/09/2008 to 31/03/2009 amounted to Rs. 49,32,900.00 . The incremental fee for



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the year 2009-10 charged by the school amounted to Rs. 87,01,200.00.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee. As the school claimed to have implemented the VI Pay Commission Report w.e.f. 01/04/2009 and increased the tuition fee w.e.f. 01/09/2008, the balance sheet of the school as on 31/03/2008 was taken as the basis for calculation of the funds available with the school for the purpose of implementation of the VI Pay Commission Report.

As per the preliminary calculations made by the Chartered Accountants, the funds available with the school as on 31/03/2008 were to the tune of **Rs. 3,93,33,368**. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing by the Committee and for enabling it to provide justification for the hike in fee, as prima facie, no hike was required to be made having regard to the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On 18/12/2012, the date fixed for hearing, Sh. U.C. Garg, Administrative Officer of the school appeared along with Sh. Narinder Gupta, Chartered Accountant and Ms. Babita Pahuja, Accountant. They were provided with the preliminary calculations prepared by the Chartered Accountants and were partly heard by the Committee on such calculations. They contended that certain additional liabilities



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which arose on account VI Pay Commission like Gratuity/Leave encashment had been provided by the school in the subsequent year's balance sheet and they ought to be reduced from the figure of available funds. They sought time to provide such figures along with supporting documents. At their request, the hearing was adjourned to 27/12/2012 to enable them to provide the necessary figures. They were also asked to specifically state whether they were fulfilling the pre-conditions for charging of development fee as it was observed that besides tuition fee, the school was also charging development fee.

On 27/12/2012, the aforesaid representatives of the school again appeared and filed written submissions dated 26/12/2012 along with details of provisions of Gratuity and Leave encashment made in the balance sheet as on 31/03/2010. The submissions of the school were discussed with them and the representatives of the school were also orally heard.

In their submissions, they stated that the surplus of the school was kept as reserve for retirement benefits etc. They also disputed certain figures taken by Chartered Accountants to work out the surplus. With regard to increase salary in 2009-10, it was stated that the correct figure was **Rs. 1,89,72,333** instead of Rs. 1,69,23,053 taken by the Chartered Accountants. It was submitted that while working out the incremental salary, the Chartered Accountants had not taken into account the increase in DA and annual increment during the year 2009-10. With regard to the arrear fee recovered from the students for the period 01/01/2006 to 31/08/2008, the actual



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figure was **Rs. 54,71,000** and not Rs. 72,51,000 as the figures taken by the Chartered Accountants did not account for the fact that no arrears were recovered from students of EWS category and wards of staff. With regard to the increased fee from 01/09/2008 to 31/03/2010, it was stated that the correct figure was **Rs. 1,27,26,000** as against Rs. 1,36,34,100 taken by the Chartered Accountants as in this case also the fee pertaining to students of EWS category and wards of staff were not excluded. Breaking up this figure for different periods, the figure for the period 01/09/2008 to 31/03/2009 would be **Rs. 46,88,526** and for the period 01/04/2009 to 31/03/2010 it would be **Rs. 80,37,474**. It was further stated that reserve for retirement benefits like gratuity and leave encashment amounting to Rs. 249.25 lacs had to be kept and was not available for implementation of VI Pay Commission. It was contended that if all these figures were considered, the school would be left with a meager surplus of Rs. 13,84,680 and hence the fee hike effected by the school was justified.

With regard to development fee, a note was appended to the written submissions stating that prior to 2005-06, no development fee was recovered from the students and capital expenditure was met from the revenue receipts. In 2006-07 and 2007-08, development fee @ 10 % was recovered from new students only and it was treated as a revenue receipt. From 2008-09, development fee is recovered @ 10% from all the students and the same is capitalized and utilized for



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capital expenditure. The school was maintaining a depreciation reserve fund from the year 2010-11.

The Committee examined the financials of the school, reply to the questionnaire and the preliminary calculations sheet prepared by the Chartered Accountants and also considered contentions of the representatives of the school and the written submissions and supporting documents filed by them during the course of hearing.

The Committee notes that the school, as per the calculation sheet filed by the school, **it has not disputed the figure of funds available with the school amounting to Rs. 3,93,33,368 as on 31/03/2008.** Considering the contentions of the school, the Committee is of the view that the school ought to preserve funds to meet the retirement benefits of staff like gratuity and leave encashment. In the details submitted by the school as per Annexure-D to the written submissions dated 26/12/2012, the school has claimed that its liability towards gratuity as on 31/03/2010 was Rs. 1,20,56,060 and its liability towards leave encashment was Rs. 21,72,043. The school has also filed detailed calculations of these liabilities employeewise. The Committee has also noted that the school has provided for with for these liabilities in its balance sheet as on 31/03/2010 which has been audited by M/s. Serva Associates, Chartered Accountants, which is a reputed firm of auditors. Therefore, funds to the tune of **Rs. 1,42,28,103** had to be kept earmarked. Allowing deduction for this, the funds available with the school would be **Rs.2,51,05,265.** The Committee is also of the view



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that the school ought to keep funds equivalent to four months salary to meet any future contingency and eventuality. As per the Income & Expenditure Account of 2008-09, the total salaries allowances and employers contribution to P.F. for the whole year amounted to Rs. 2,96,90,537. Four months salary based on this would amount to **Rs. 98,96,845**. Deducting this figure also from the available funds, the school would be left with **Rs. 1,52,08,420**. The school has also claimed that FDR for **Rs. 4,31,920** was pledged with CBSE and as such was not available with it. This contention of the school is backed up by the audited balance sheet and as such, is accepted. That leaves the school with available funds of **Rs. 1,47,76,500**.

As against the available funds amounting to Rs. 1,47,76,500 as on 31/03/2008, the liability of the school for payment of arrears of VI Pay Commission for the period 01/01/2006 to 31/08/2008 was **Rs. 1,18,16,822**. Thus the school could easily pay the arrears for this period from its own resources. **Therefore, there was no need to recover the arrears @ Rs. 3,000 per student aggregating Rs. 54,71,000 which was unjustly recovered and ought to be refunded.** Even after paying arrears of salary from its own resources, the school would have been left with a sum of **Rs. 29,59,678**.

In so far as the increase of monthly tuition fee w.e.f. 01/09/2008 is concerned, the school has stated that it recovered a total sum of **Rs. 46,11,600** towards incremental fee for the period 01/09/2008 to 31/03/2009. Added to this, the surplus of **Rs. 29,59,678** left with the school after payment of arrears, the school



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had a total sum of **Rs. 75,71,278**. The incremental salary payable for this period was **Rs. 62,34,809**. Thus a surplus to the extent of **Rs. 13,36,469** remained with the school after paying incremental salary upto 31.03.2009.

For the period 01/04/2009 to 31/03/2010, the incremental fee recovered by the school was **Rs. 81,14,400**. Added to this the surplus of **Rs. 13,36,469** as determined above, the total funds available for payment of incremental salary for this period were **Rs.94,50,869**. The incremental salary for this period was **Rs. 1,27,37,524**. Thus there was a shortfall to the tune of **Rs. 32,86,655** in so far as meeting the regular incremental liability of salary upto 31.03.2010 is concerned. The school would be entitled to recover this shortfall from the students.

**The shortfall of Rs.32,86,655, as determined above, may be adjusted by the school against the refund on account of excess recovery of arrears to the tune of Rs. 54,71,000 due to the students. The net excess recovery of Rs. 21,84,345 ought to be refunded to the students along with @ 9% per annum. Recommended accordingly.**

**Development fee**

Perusal of the fee schedules for 2009-10 and 2010-11 shows that the school was also charging, inter alia, development fee @ 10% of tuition fee. Further perusal of balance sheets of the school as on 31/03/2010 and 31/03/2011 reveals that the school collected **Rs.**



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**40,53,641 on this account in 2009-10 and Rs. 38,94,265 in 2010-11.** The balance sheets also show that no earmarked bank accounts were maintained for development fund and depreciation reserve fund. In the hearing held on 18/12/2012, the school was specifically asked to state whether separate development fund account and depreciation reserve fund accounts were maintained in the bank. However, in the note submitted along with the written submissions dated 26/12/2012, the school has merely stated "school is also maintaining depreciation reserve fund as required from the year 2010-11". However, the balance sheets of the school belie this statement. In view of the judgment of the Hon'ble Supreme Court in the case of Modern School vs Union of India, the school was not entitled to recover any development fee without maintaining such separate accounts.

**The Committee is therefore of the view that the school also ought to refund the development fee of Rs. 40,53,641 in 2009-10 and Rs. 38,94,265 in 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

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Dated: 23/01/2013



**Summer Fields School, Kailash Colony, New Delhi-110048**

A complaint dated 11/01/2012 was received from Summer Fields School Parents' Association (Regd.) in the office of the Committee on 18/01/2012 which was mainly in relation to alleged unlawful takeover of the school by Gupta Family in violation of the rules. One of the grievances of the parents was in relation to the fee hike effected by the school since the takeover by the said Gupta Family. A comparative chart was submitted showing the fee charged by the school from 2005-06 to 2011-12.

While the grievances in relation to the alleged takeover of school are not in the purview of the Committee, the Committee is required to examine the matter regarding fee hike effected by the school particularly in the year 2009-10 consequent to the implementation of VI Pay Commission Report in terms of its mandate. From the chart submitted by the parents' Association, it was observed that fee under the following heads was hiked in 2009-10

Fee Head	Annual Fee 2008-09	Annual Fee 2009-10	Increase in Annual Fee in 2009-10
Tuition fee	21,300	25,200	3,900
Development charges	3,000	3,720	720

The fee hiked under the other heads was nominal and they do not merit a mention.



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In order to examine the justifiability of the fee hike, the Committee, vide its letter dated 25/01/2012, called for the relevant records from the school. The school vide letter dated 06/02/2012 submitted the required records.

The Committee also circulated a questionnaire dated 27/02/2012 to all the schools for submitting specific replies to the questions raised therein. Reply to this questionnaire was received in the office of the Committee on 19/03/2012. As per the said reply, the school claimed that it had implemented the VI Pay Commission Report w.e.f. 01/01/2006. But that was not a fact. The actual implementation took place w.e.f. 01/04/2009. The arrears on account of retrospective application of VI Pay Commission from Jan 2006 to March 2009 were paid in 2009-10 and 2010-11. A total sum of **Rs. 3,08,06,899** was paid as arrears for the aforesaid period. According to the school, the total salary of the staff before implementation of VI Pay Commission Report was **Rs.34,81,910 per month** and after such implementation, it swelled to **Rs.51,34,936 per month**. With regard to the increase in fee, the school stated in its reply that it had hiked the fee of the students w.e.f. 01/09/2008. It also gave details of the fee received pre-increase and post increase, class-wise. It alluded to the fact that the total fee charged per month for pre-implementation period was **Rs. 54,96,925** while that charged for post implementation period was **Rs. 68,43,850** per month. The school also averred that it had charged arrear fee amounting to **Rs.**



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**1,14,48,500.** On the basis of this reply, the school was placed in Category 'B'.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants (CAs) detailed with this Committee. As the school claimed to have increased the tuition fee w.e.f. 01/09/2008, the balance sheet of the school as on 31/03/2008 was taken as the basis for calculation of the funds available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the CAs, the funds available with the school as on 31/03/2008 were to the tune of **Rs.5,58,72,556**. The arrears of VI Pay Commission paid to the staff were **Rs.1,94,29,301**. The additional burden on account of increased salary due to implementation of VI Pay Commission from 01/09/2008 to 31/03/2010 was **Rs.3,14,07,794**. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing on 21/11/2012. However, the Committee received a request from the school vide letter dated 16/11/2012 to postpone the hearing as the official dealing with the school accounts was on leave. The hearing was accordingly refixed for 07/12/2012.

On the date fixed for hearing, Sh. Yash Dev Gupta, Vice Chairman of the school appeared along with Sh. R.G. Luthra, Chartered Accountant and Sh. Rahul Jain, Chartered Accountant. They were provided with a copy of the preliminary calculations prepared by the CAs attached with the Committee and were partly



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heard by the Committee on such calculations. They requested that some time be provided to them for making submissions with regard to the preliminary calculations. In order to give them sufficient time, the hearing was fixed for 26/12/2012. As the school was found to be charging development fee also, the representatives of the school were also requested to specifically respond to the following queries posed by the Committee:

- (a) Whether development fee had been treated as a capital receipt or as a revenue receipt in the accounts?
- (b) Whether separate development fund account had been maintained in the bank?
- (c) Whether separate depreciation reserve fund had been maintained in the bank?
- (d) How development fee had been utilized in the years 2006-07, 2007-08 and 2008-09?

On 26/12/2012, the school again sought time as it had to compile and finalize the data to be submitted to the Committee. As per the request of the school, the matter was directed to be listed for 04/01/2013. On this date, the school filed written submissions and the representatives were partly heard as the school wanted to submit further written submissions. At its request, the hearing was fixed for 18/01/2013. On this date, the school filed further written submissions dated 18/01/2013 as also a copy of the balance sheet of the school as on 31/03/2012. The representatives of the school were



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finally heard in the matter. However, after the conclusion of the hearing, the school filed further written submissions dated 24/01/2013.

**Submissions**

Vide submissions dated 04/01/2013, the school contended as follows:-

- (a) The school did not have any surplus funds on 11/02/2009. On the contrary, the unreasonable and unlawful sealing on fee imposed by the DOE's order dated 11/02/2009 resulted in the school facing a situation of deficit on implementation of VI Pay Commission Report. The judgment of the Hon'ble Delhi High Court in CWP No. 8147/2009,10801/2009 dated 12/08/2011 was relied upon to contend that where the school was able to make out a case for fixation of higher fees, it would be permissible for such school to recover from the students over and above the fee fixed in compliance with the order of the DoE dated 11/02/2009.
- (b) The Committee's office, in its preliminary calculations, had omitted the school's current liability on account for provision of gratuity and leave encashment amounting to Rs. 2,74,35,237, which was duly reflected in the balance sheet for 2007-08. The provision was not merely an estimate but was made on the basis of actual calculations enclosed with the written



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submissions. It was contended that the same should have been deducted while working out the available funds.

- (c) The preliminary calculation sheet was based on the balance sheet for 2007-08 and hence the same did not take into consideration the expenditure incurred from 01/04/2008 to 11/02/2009. Therefore, the surplus funds indicated in the calculation sheet were not a true indicator of the financial position as on 11/02/2009.
- (d) The balance sheet of the school as on 31/03/2009 indicated the fund position to be in negative.
- (e) A provisional balance sheet as on 11/02/2009, a copy of which was submitted, also showed that there was no surplus available as on that date.
- (f) Based on the financial statements for 2008-09 and 2009-10, there was a huge deficit and the fee hike permitted by the Directorate i.e. Rs. 460 per month was not sufficient to bridge the deficit and the school needed to hike the fee further by Rs. 360 per month, taking the total hike to Rs. 820 per month.
- (g) The additional burden of annual increment w.e.f. 01/07/2009 and the additional instalments of DA w.e.f. 01/01/2009, 01/07/2009 and 01/01/2010 should also have been taken in account as no further fee hike was permitted up to 31/03/2010. The deficit on these accounts was Rs. 97,41,335 and to cover this deficit, a further fee hike of Rs 250 per month would be required. Taking these into account, the school



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should have been allowed an aggregate fee hike of Rs. 1,070 per month against which the hike allowed was only Rs. 460 per month. The school should also be allowed to increase development fee by 15% (i.e. Rs. 160 per month) over and above the incremental fee of Rs. 1,070 per month in terms of the judgment of the Hon'ble Supreme court in case of Modern School Vs. Union of India.

(h) With regard to development activities, it was submitted that the school building was very old and had become unsafe. Therefore, it required major upgradation and renovation. The school constructed 60,000 sq. ft. of new built up area. The development works started in late 2007 and continued till 11/02/2009 and thereafter. It was submitted that the school was functioning from a nicely upgraded building with 'A' class construction having more than 100 class rooms to cater to about 3500 students. Science Labs and computer Labs and a well equipped library had also been provided. In a bid to provide global standards, a concept of virtual school had been developed. 2 acres of land constituting integral part of the school complex had been purchased in 2006-07 at a cost of Rs. 5.12 crores.

(i) With regard to development fee, it was submitted that the same is treated as a capital receipt in the balance sheet. Though no separate bank account was maintained for development fund receipts, they were clearly segregated, containing a separate



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bank account was more for administrative convenience. Otherwise the development fund like any other receipts forms part of unaided school fund created under section 18 (4) of Delhi School Education Act 1973 which was maintained with the Nationalized Bank. The Directorate of Education, inspite of mentioning in orders dated 10/02/2005 and 11/02/2009 that the formats of Balance Sheet, Profit & Loss account and Receipt and Payment account were under process, had not come out with any formats till date. It was also contended that separate bank account for depreciation reserve fund was not maintained. However, it might not have any effect on the assets getting depreciated every year. A table showing receipt and expenditure of development fee from 2006-07 to 2008-09 that was furnished is as follows:-

Year	Receipts	Expenditure
2006-07	41,14,864	7,11,340
2007-08	57,81,600	33,98,062
2008-09	99,07,460	1,31,44,623
Total	1,98,03,924	1,72,54,025

- (j) It was submitted that the Hon'ble Supreme Court in the case of Modern School vs. Union of India, while analyzing the provisions of Delhi School Education Act and Rules and had laid down that the income by way of fee could be utilized only for such educational purposes as may be prescribed and other



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charges and contributions received by the school were required to be utilized for the purpose for which they had been received. The rules permit appropriation of savings from fee for capital development and not vice versa i.e. capital account funds could not be diverted for payment of salary. Salary expenses are invariably to be met from fee. The law permits use of a part of tuition fee being spent on fixed assets. The funds for specific purpose are spent in full for the specified purpose only. In the case of Action Committee of Unaided Private Schools & ors., the Supreme Court clarified that Rule 177 permitted unaided school fund could be even transferred to any other institution under the management of the same society.

(k) On a representation from a few parents, the Director of Education also examined the issue relating to fee by the school. The senior officers of the Department personally inspected and verified to their satisfaction the facilities and infrastructural development undertaken by the school and were satisfied that no action was warranted to be taken by the department.

Vide written submissions dated 18/01/2013, the school argued as to why provision for gratuity and leave encashment should be deducted while arriving at the funds available with the school for implementation of VI Pay Commission report. The school also justified the provision for gratuity made for employees who had not yet



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completed 5 years of service. However, the school also submitted a revised statement of gratuity excluding such employees.

**Discussion**

**Re.: Whether the school was entitled to make out a case that it should have been allowed a higher fee hike.**

It is undisputed that if the school makes out a case that the fee hike permitted by the Director of Education vide order dated 11/02/2009 was not sufficient to fully compensate it for the additional liability that befell on account of implementation of VI Pay Commission, after considering the funds already available in its kitty, the school may be permitted to hike the fee over and above the hike permitted by the Director of Education. This is clearly laid down in the judgment of the Hon'ble Delhi High Court in WP(C) 7777 of 2009 dated 12/08/2011.

**Re.: Deduction for provision of gratuity and leave encashment**

The contention of the school that the provision of accrued liability of gratuity and leave encashment ought to be deducted while working out the funds available for implementing the VI Pay Commission is accepted by the Committee as these liabilities are statutory in nature. The only issue to be considered by the Committee is the quantum of such liability. The Committee does not agree with the contention of the school that provision for gratuity of even staff members who had not completed the mandatory period of 5 years of



service should also be deducted, for the reason that the liability in respect of such staff members does not accrue till they complete 5 years of service. Were they to leave the school before completing 5 years, they would not be entitled to any gratuity. As per the details submitted by the school, as Annexure B to written submissions dated 18/01/2013, the accrued liability on account of gratuity as on 31/03/2009 of the employees who had completed 5 years of service was **Rs. 2,12,78,074**. A further sum of **Rs. 77,06,484** was stated to be the accrued liability for leave encashment as on that date. These would be considered while making the final determination.

**Re.: Whether the audited balance sheet as on 31/03/2008 should be taken as the basis for determining the funds available or the provisional unaudited balance sheet as on 11/02/2009.**

The Committee has considered this issue and is of the view that the audited balance sheet as on 31/03/2008 would be a more reliable indicator of the funds available with the school for the purpose of implementation of VI Pay Commission Report for the following reasons:

- (i) The audited balance sheet as on 31/03/2008 had already been prepared without the knowledge on part of the school about the impending VI Pay Commission report and the orders of the Directorate of Education regarding fee hike and the subsequent judgment of Delhi High Court setting out the parameters on which such hike was to be tested. Therefore there was no room



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for manipulation/fanciful presentation of the figures. On the other hand, the balance sheet as on 11/02/2009 was presented by the school during the course of hearing after becoming wiser of the aforesaid orders and the judgment.

- (ii) The provisional balance sheet as on 11/02/2009 is not audited and as such does not inspire confidence.
- (iii) Perusal of the provisional balance sheet as on 11/02/2009 shows that between 01/04/2008 and 11/02/2009, the school had spent Rs. 4,08,39,603 on building, Rs. 57,85,093 on electric installations and Rs. 31,14,895 on car. This shows that a total of Rs. 4,97,39,591 had been spent by the school for construction of buildings and buying a car and on this basis, the school was claiming that as on 11/02/2009, it did not have sufficient funds for implementation of VI Pay commission Report. The school has only itself to blame for its predicament. When the VI Pay Commission report had already been out and the school very well knew that in consonance with the mandatory provisions of section 10 of Delhi School Education Act 1973 it would have to implement the VI Pay Commission Report, a question arises as to why it expended the aforesaid huge sums of money on the aforesaid items. In view of the impending expenditure, the school should have preserved its funds rather than invest them in the development of its real estate. It would not be out of place to mention here that even though Rule 177 of Delhi School Education Rules 1973 permits



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the incidental or accidental savings to be spent for meeting certain capital expenditures, such expenditures have to come out of 'savings' which are to be calculated after meeting the pay allowances and other benefits admissible to the employees of the school. Hence, the pay and allowances payable to the employees are a first charge on the resources of the school and only if some 'savings' remain after meeting such expenses, the school can incur certain capital expenditure. What the school did was that it exhausted its resources by incurring capital expenditure and that too on its real estate and then raised the fee to meet its liabilities arising out of implementation of VI Pay Commission Report. The balance sheet as on 31/03/2008 is therefore, more indicative of the funds available with the school as the bulk of the capital expenditure was incurred between 01/04/2008 and 11/02/2009.

**Re.: Whether the incremental salary in 2009-10 on account of annual increment and increase in DA ought to be considered while working out the additional burden on account of salary.**

The Committee is of the view that since the order dated 11/02/2009 of the Director of Education did not permit any further increase in fee in the year 2009-10 apart from the increase permitted for implementation of VI Pay Commission Report, the additional expenditure on salary on account of the increments and additional DA paid in 2009-10 ought to be



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taken into account. However, in view of the Committee, the figures for such increases ought to be taken from the audited Income and Expenditure accounts if the same are clearly discernible therefrom. The piecemeal calculations as resorted to by the school and the preliminary calculations made by the CAs detailed with the office of the Committee, should be discarded particularly when the school disputes such figures. The total expenditure on account of salary as per audited Income & Expenditure Account of the school for year 2008-09 was Rs. 4,09,53,582 while the same for 2009-10 was Rs. 6,73,35,896. The figure for 2009-10 accounted for the increased salary on account of VI Pay Commission Report as well as annual increment and additional DA in 2009-10. Therefore, the additional expenditure on account of salary that has to be taken into consideration is **Rs. 2,63,82,314.**

**Re: Funds to be kept in reserve**

Although the school has not made any claim that it should be allowed to keep some funds in reserve to meet any future eventuality, in the considered opinion of the Committee, the entire funds available with the school should not be used up for meeting its liability for implementation of VI Pay Commission Report. It should keep in reserve funds equivalent to 4 months salary. The total expenditure on salary for 2009-10, as evincible from its Income & Expenditure account for the full year 2008-09 was Rs. 4,09,53,582. Based on this,

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salary for 4 months works out to **Rs. 1,36,51,194**. The Committee is of the view that this sum should be kept in reserve by the school.

The submissions of the school regarding development fee and development expenditure will be considered later when we discuss the issue of development fee.

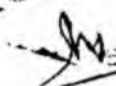
### **Determination**

#### **Tuition Fee**

The threshold funds available with the school as on 31/03/2008 are determined at **Rs. 6,06,59,123** as follows:

<b>Particulars</b>		<b>Amount (Rs.)</b>
<b>Current Assets + Investments</b>		
Fixed Deposits + Interest accrued	6,55,55,811	
Balances with banks	51,34,076	
Cash in hand	49,461	
Loans & advances	74,40,365	7,81,79,713
<b>Less Current liabilities &amp; Provisions</b>		
Expenses payable	62,20,025	
Caution money	47,86,937	
Advance fee	52,04,962	
Other liabilities	13,08,666	1,75,20,590
<b>Funds available</b>		<b>6,06,59,123</b>

In view of the foregoing discussion, the school can set apart funds to the tune of **Rs. 2,12,78,074** for meeting its accrued liability on account of gratuity and a sum of **Rs. 77,06,484** for leave encashment. Further a sum of **Rs. 1,36,51,194** ought to be kept in reserve for meeting any future contingency. Thus out of a total of Rs. 6,06,59,123, funds to be tune of **Rs. 1,80,23,370** were available for

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meeting the liabilities on account of implementation of VI Pay Commission. The total arrears of salary which were provided by the school in its balance sheet as on 31/03/2009 were Rs. 3,05,01,916. Out of this a sum of Rs. 23,48,983 was still outstanding as on 31/03/2012. Obviously, there was excess provisioning by the school towards this liability. Hence the Committee is of the view that the arrears which were actually paid by the school i.e. Rs. 2,81,52,933 was its correct liability. As against this, the funds available with the school for implementation of VI Pay Commission have been determined to be Rs. 1,80,23,371 . **Thus there was a short fall to the tune of Rs. 1,01,29,562. The school ought to have recovered the arrear fee only to this extent. However the school recovered arrear fee to the tune of Rs. 1,14,48,500. Thus there was an excess recovery to the tune of Rs. 13,18,938.**

As for the incremental fee for the period 01/09/2008 to 31/03/2010, the school has not disputed the figure of **Rs. 2,52,93,200** taken by the CAs attached with this Committee. Thus the same is deemed to have been accepted. The incremental salary as determined by the Committee, as per the foregoing discussion, is **Rs.2,63,82,314. Thus there was a shortfall to the tune of Rs. 10.89.114.**

**In view of the foregoing determinations, the Committee is of the view that the school ought to refund a sum of Rs. 2,29,824**



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**(13,18,938 minus 10,89,114), along with interest @ 9% per annum. Recommended accordingly.**

**Development fee**

The school, vide written submissions dated 04/01/2013, contended that it had not maintained separate bank accounts for development fee and depreciation reserve fund. It was further submitted that maintenance of separate account for development fund was merely for administrative convenience otherwise development fund is like any other receipt which forms part of unaided school fund created under Section 18 (4) of Delhi School Education Act 1973 which is maintained with a nationalized bank. With regard to depreciation reserve fund, it was submitted that non maintenance a separate bank account for depreciation reserve fund would not have any effect.

The Committee has given its earnest consideration to the submissions of the school and is of the view that the contentions advanced by it cannot be accepted. Firstly, development fund is not like any other fee so as to be part of unaided school fund. The concept of development fee was introduced for the first time by the Duggal Committee to enable the schools to be able to incur capital expenditure **for purchase and upgradation of furniture & fixture and equipments.** While recommending the development fee, the



Committee had also laid down conditions that a separate development fund be maintained and a separate depreciation reserve fund be also maintained in which amount equivalent to depreciation charged on fixed assets may be transferred . This was done with a view to earmarking funds for these specific purposes. The aforesaid recommendations were upheld by the Hon'ble Supreme Court in the case of Modern School vs. Union of India & ors. (2004) 5 SCC 583.

The relevant part of the judgment reads as follows:

*"25. In our view, on account of increased cost due to inflation, the management is entitled to create Development Fund Account. For creating such development fund, the management is required to collect development fees. In the present case, pursuant to the recommendation of Duggal Committee, development fees could be levied at the rate not exceeding .10% to 15% of total annual tuition fee. Direction no.7 further states that development fees not exceeding 10% to 15% of total annual tuition fee shall be charged for supplementing the resources for purchase, upgradation and replacement of furniture, fixtures and equipments. It further states that development fees shall be treated as Capital Receipt and shall be collected only if the school maintains a depreciation reserve fund. **In our view, direction no.7 is appropriate. If one goes through the report of Duggal Committee, one finds absence of non-creation of specified earmarked fund. On going through the report of Duggal Committee, one finds further that depreciation has been charged without creating a corresponding fund. Therefore, direction no.7 seeks to introduce a proper accounting practice to be followed by non-business organizations/not-for-profit organization. With this correct practice being introduced, development fees for supplementing the resources for purchase, upgradation and replacements of furniture and fixtures and equipments is justified.** Taking into account the cost of inflation between 15<sup>th</sup> December, 1999 and 31<sup>st</sup> December, 2003 we are of the view that the management of recognized unaided schools should be permitted to charge development fee not exceeding 15% of the total annual tuition fee."*

(emphasis supplied)



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 Secretary

Moreover, the school itself has relied upon Section 18 (4) of Delhi School Education Act which for the sake of convenience is reproduced as follows:

(4) (a) Income derived by unaided schools by way of fees shall be utilized only for such educational purposes as may be prescribed; and

(b) Charges and payments realized and all other contributions, endowments and gifts received by the school shall be utilized only for specific purpose for which they were realized or received.

A bare reading of the aforesaid provisions of law would show that the fee or charges realized can be utilized only for such educational purposes as may be prescribed. The prescription in case of development fee is for purchase and upgradation of furniture and fixture & equipments. In the teeth of Supreme Court judgment, the contention of the school that separate bank accounts (fund accounts) need not be maintained for development fund and depreciation reserve fund cannot be accepted. They fly in the face of the law laid down by the Apex Court. Even in accounting parlance, the word 'fund' cannot be used unless the amount is set apart in specified earmarked bank account or investments. Moreover, as per the submissions of the school and also as per the findings of the Committee, the bulk of funds have been invested in the real estate of the school and not for purchasing or buying furniture & fixture and equipments which are



the only permitted purposes for utilization of development fee. Hence, in the opinion of the Committee the school was not justified at all in charging any development fee, much less, increasing it.

**Perusal of the balance sheets of the school for the year 2009-10 and 2010-11 shows that the school collected a sum of Rs. 1,27,42,780 towards development fee in 2009-10 and Rs. 1,43,69,420 in 2010-11. The Committee is, therefore, of the view that the development fee charged by the school in 2009-10 and 2010-11 was not justified and ought to be refunded 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: 01/03/2013



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Secretary



**Tagore Modern Public School, Shalimar Bagh, New Delhi-110088**

The school had not responded to the questionnaire sent by the Committee on 27/02/2012. As such a reminder was sent to the school on 27/03/2012 in reply to which, the school vide letter, which was received in the office of this Committee on 03/04/2012, submitted that the school had implemented the recommendations of the VI Pay Commission Report w.e.f. March 2010 but had not paid any arrears consequent to retrospective application of the recommendations of the report. The school further stated that it had increased the fee in terms of order dated 11/02/2009 ranging between Rs. 150/- to Rs. 200/- per month. On the basis of this reply, the school was placed in Category 'B'.

Preliminary examination of the financials of the school was done by the Chartered Accountants detailed with this Committee and as per the preliminary calculations made by them, the school had funds available to the tune of Rs. 2,56,034/- as on 31/03/2009 while the additional liability that befell on the school on implementation of VI Pay Commission was just Rs. 64,031/-. The preliminary calculations submitted by the Chartered Accountants were checked by the office of the Committee and were apparently found to be correct. The school was therefore served with a notice dated 08/11/2012 providing them an opportunity of being heard by the Committee on 26/11/2012 and provide justification for the hike in fee, as in the view of the



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Secretary

Committee, no hike was required to be made in view of the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On the appointed date of hearing, Sh. Ravinder Singh Jain, Honorary Secretary of the school appeared along with Sh. Vikram Dureja, accountant. He was heard by the two Committee members as the Chairperson could not attend the meeting due to some personal difficulty. He also produced the books of accounts, fee records and salary records of the school. On examination of the salary records by the Committee members and during the course of discussion with Sh. Jain, it became apparent that the school had not implemented the VI Pay Commission Report. Thereupon, Sh. Jain stated that he wished to file a letter explaining the reply to the questionnaire submitted by the school and requested the Committee members to take the decision on the basis of the said letter which he proposed to file. He claimed no further hearing in the matter. The Committee members permitted him to file the letter as mentioned above.

Accordingly, he filed a letter dated 26/11/2012 vide which he stated that on reviewing the position, the reply in response to the questionnaire sent by the Committee, stating that **the school had implemented the VI Pay Commission w.e.f. March 2010 was not very accurate. The school had only partially implemented the VI Pay Commission w.e.f. March 2010.**

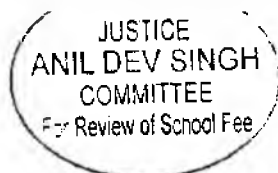


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We have considered the original reply to the questionnaire, the subsequent letter dated 26/11/2012, the calculations of funds availability with the school for the purpose of partial implementation of the VI Pay Commission Report, the salary records produced by the school and the oral submissions made by Sh. Ravinder Singh Jain. We have noted that w.e.f. 2009-10, the school had hiked the fee in the following manner:

Class	Tuition fee in 2008-09 (Monthly)	Tuition fee in 2009-10 (Monthly)	Fee Increase in 2009-10 (Monthly)
Pre-Primary	850	1050	200
I to V	850	1050	200
VI to VIII	925	1075	150

We are of the view that, in view of the fact that the school only nominally implemented the VI Pay Commission Report, which fact is also apparent from the calculations of the incremental salary on account of the purported implementation of the VI Pay Commission Report and which is also admitted by the Honorary Secretary of the school, and also the fact that the school had sufficient funds available with it to absorb the incremental salary, the fee hiked by the school for the purported implementation of the VI Pay Commission was wholly unjustified and ought to be refunded along with interest @ 9% per annum. Since the fee hiked in 2009-10 is also part of the fee for the subsequent years, there would be a ripple effect in the subsequent years and the fee of the subsequent years, to the extent it is relatable



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to the fee hiked in 2009-10, ought also be refunded along with interest @ 9% per annum.

*Dr. R.K. Sharma*

Dr. R.K. Sharma  
Member

*CA J.S. Kochar*

CA J.S. Kochar  
Member

Dated: 26/11/2012

*I agree  
As Singh  
4/12/2012*



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*[Signature]*  
Secretary

**Tagore Modern Public School, Motia Khan, New Delhi-110055**

The school had not responded to the questionnaire sent by the Committee on 27/02/2012. As such a reminder was sent to the school on 27/03/2012 in reply to which, the school vide letter dated 30/03/2012 submitted that the school had implemented the recommendations of the VI Pay Commission Report w.e.f. 01/03/2010 but had not paid any arrears consequent to retrospective application of the recommendations of the report. The school further stated that it had not increased the fee in terms of order dated 11/02/2009 on the ground that most of the parents of the students were financially weak. However, a routine increase of Rs 100/- per month was effected w.e.f. 01/04/2009. No arrears of fee were stated to have been recovered. On the basis of this reply, the school was initially placed in Category 'C'.

In order to verify the contentions of the school that it had not increased the fee in accordance with order dated 11/02/2009 of the Director of Education, the school, vide letter dated 16/04/2012, was required to produce its fee and accounting records on 30/04/2012. On the appointed date, Sh. Ravinder Singh Jain, Honorary Secretary of the School appeared and produced copies of annual returns under Rule 180 of Delhi School Education Rules 1973, fee structures, fee registers, cash books and ledgers for the years 2008-09 to 2010-11. The records were examined by Ms. Sunital Nautiyal, Audit Officer of



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Secretary

the Committee and her observations were that the school had actually increased the fee of the students by Rs. 150/- to Rs. 200/- per month (and not Rs. 100/- per month as stated in the reply to the questionnaire). Further the school was charging annual charges of Rs. 1500/- per annum in 2008-09 and 2009-10 and Rs. 1800/- per annum in 2010-11. However these annual charges were not reflected in the fee structures filed by the school as part of returns under Rule 180. As the school was found to have increased the fee in terms of the order dated 11/02/2009 of the Director of Education and it also claimed to have implemented the VI Pay Commission Report, the school was transferred to category 'B' for examination of the funds available with it to meet the increased liability on account of implementation of VI Pay Commission Report.

Preliminary examination of the financials of the school was done by the Chartered Accountants detailed with this Committee and as per the preliminary calculations made by them, the school had funds available to the tune of Rs. 3,05,477/- as on 31/03/2009 while the additional liability that befell on the school on implementation of VI Pay Commission was just Rs. 1,39,576/-. The preliminary calculations submitted by the Chartered Accountants were checked by the office of the Committee and were apparently found to be correct. The school was therefore served with a notice dated 08/11/2012 providing them an opportunity of being heard by the Committee on 05/12/2012 and provide justification for the hike in fee, as in the view

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Secretary

of the Committee, no hike was required to be made in view of the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On 26/11/2012, which was the date of hearing fixed for another school i.e. Tagore Modern Public School, Shalimar Bagh, Delhi, Sh. Ravinder Jain, Honorary Secretary of the school who was representing that school stated that he was also the Honorary Secretary of this school and had been served with a notice of hearing for appearance on 05/12/2012. He stated that he wished to file a letter explaining the reply to the questionnaire submitted by the school and requested the Committee members to take the decision on the basis of the said letter which he proposed to file. He claimed no further hearing in the matter. The Chairperson of the Committee could not attend the meeting on account of some personal difficulty and the matter was considered by the two members of the Committee. The Committee members permitted him to file the letter as mentioned above.

Accordingly, he filed a letter dated 26/11/2012 vide which he stated that on reviewing the position, the reply dated 30/03/2012 in response to the questionnaire, stating that **the school had implemented the VI Pay Commission w.e.f. March 2010 was not very accurate. The school had only partially implemented the VI Pay Commission w.e.f. March 2010.**



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**Secretary**

The Committee members have heard the Honorary Secretary of the school and considered the original reply dated 30/03/2012 to the questionnaire, the subsequent letter dated 26/11/2012, the observations of the audit officer of the Committee and the calculations of funds availability with the school for the purpose of partial implementation of the VI Pay Commission Report. It is noted that the school had hiked the fee w.e.f. 01/04/2009 as per details below.

<b>Class</b>	<b>Tuition fee in 2008-09 (Monthly)</b>	<b>Tuition fee in 2009-10 (Monthly)</b>	<b>Fee Increase in 2009-10 (Monthly)</b>
Nursery to I	750	900	150
II to V	800	1000	200
VI to VIII	850	1000	150
IX & X	1000	1200	200

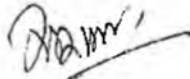
The Committee members are of the view that, in view of the fact that the school only nominally implemented the VI Pay Commission Report which fact was apparent from the calculations of the incremental salary on account of the purported implementation of the VI Pay Commission Report and which was also admitted by the Honorary Secretary of the school and also the fact that the school had sufficient funds available with it to absorb the incremental salary, the fee hiked by the school for the purported implementation of the VI Pay Commission was wholly unjustified and ought to be refunded along with interest @ 9% per annum. Since the fee hiked in 2009-10 was



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also part of the fee for the subsequent years, there would be a ripple effect in the subsequent years and the fee of the subsequent years to the extent it is relatable to the fee hiked in 2009-10 ought also be refunded along with interest @ 9% per annum.



Dr. R.K. Sharma  
Member



CA J.S. Kochar  
Member

Dated: 26/11/2012



I agree  
to sign  
4/12/2012

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Secretary

**Gvandeep Vidya Bhawan Sr. Sec. School, Yamuna Vihar, Delhi-110053**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide letter dated 29/02/2012 replied that the school had implemented the VI Pay Commission Report w.e.f. February 2010. However, the arrears on account of retrospective effect of VI Pay Commission had not been paid. Along with the reply the school also enclosed details of salary for the month of January 2010 and February 2010 i.e. the salary paid before and after implementation of VI Pay Commission. With regard to increase in fee, the school replied that it had not increased the fee of the students consequent to implementation of VI Pay Commission in terms of order dated 11/02/2009 of the Director of Education. On the basis of this reply, the school was placed in Category 'C'. Vide letter dated 23/03/2012, the school was required to produce its fee and salary records as well as its books of accounts on 12/04/2012. On this date, Sh. Shashi Shekhar, UDC of the school appeared and filed another letter dated 11/04/2012 signed by the Manager of the School in which it was reiterated that the school had not increased the fee consequent to the order dated 11/02/2009 of the Director of Education. The required records produced by the aforesaid Sh. Shekhar were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations were that contrary to the claim of



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*Secretary*

the school, the school had in fact hiked the fee by Rs. 150/- per month to Rs. 200/- per month for different classes. She also observed that **while the school had increased the fee w.e.f. April 2009, the school claimed to have implemented the VI Pay Commission only w.e.f. February 2010.** The additional expenditure on salary was Rs. 1,49,753/- per month on account of increased salary due to VI Pay Commission while the additional funds that accrued to the school on account of increased fee were Rs. 1,14,340/- per month on account of tuition fee and Rs. 2,54,570/- on account of annual charges.

The Committee in its meeting held on 01/05/2012 perused the reply to the questionnaire and the subsequent letter submitted by the school, returns of the school under Rule 180, copies of documents retained and the observations of the audit officer and in view of the factual finding that the school had increased the fee consequent to order dated 11/02/2009 of the Director of Education and also claimed to have implemented the VI Pay Commission Report, it was of the view that the position of funds availability with the school prior to hike in fee had to be ascertained and therefore the school was shifted to category 'B'.

Subsequently, preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee and as per the preliminary calculations made by them, the school had funds available to the tune of Rs. 17,84,972/- as on 31/03/2009 while the additional liability that befell on the school



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Secretary

on implementation of VI Pay Commission was Rs. 4,49,782/- only upto 31/03/2010 as the school had implemented the VI Pay Commission only with effect from February 2010. Besides, the school had also incurred capital expenditure to the tune of Rs. 2,15,884/- from 2006-07 to 2008-09 out of the revenue surplus arising out of the fee. The preliminary calculations submitted by the Chartered Accountants were checked by the office of the Committee and were apparently found to be correct. The school was therefore served with a notice dated 08/11/2012 providing them an opportunity of being heard by the Committee on 05/12/2012 and provide justification for the hike in fee, as in the view of the Committee, no hike was required to be made in view of the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On the date fixed for hearing, Sh. P. Garg, Manager of the school appeared and was provided with a copy of the preliminary calculation sheet. He was heard by the Committee. He did not dispute the calculations of funds available vis a vis the additional liability on account of VI Pay Commission but contended that the funds had been kept in reserve for construction of school building and for full implementation of the VI Pay Commission as it had only been partially implemented.

The Committee considered the contentions of the Manager of the school and is of the view that the stated purpose for preserving



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**Secretary**

funds for construction of school building is not tenable as in view of the law laid down by the Hon'ble Supreme Court in case of Modern School vs. Union of India (2004) 5 SCC 583, capital expenditure cannot form part of the fee structure. The sequitor of this is that the schools cannot incur capital expenditure out of the surplus generated out of fee charged from the students. As for full implementation of VI Pay Commission, the Committee is of the view that this is a mere pretence as had the school intended to fully implement the VI Pay Commission, it would have done so by now as more than three years have elapsed since the fee was increased. **However, the Committee is of the view that the school should not be made to exhaust its entire reserve funds for implementation of VI Pay Commission Report and a sum equal to three months salary should always be available with the school to meet any future contingencies.** On examination of the Income and Expenditure account of the school for the year 2009-10, it is observed that the total outgo on salary was Rs. 52,29,125/- for the full year. For three months, the figure comes to Rs. 13,07,281/-. Therefore, the fund available with the school for implementation of VI Pay Commission has to be reckoned as Rs. 4,77,691/- i.e. Rs. 17,84,972 minus Rs. 13,07,281. However, even the remainder fund of Rs. 4,77,691 as arrived at in the above manner, is more than adequate to meet the additional liability on account of implementation of VI Pay Commission in 2009-10 to the extent it has been implemented. The Committee is therefore of the view that the school had sufficient funds available with it for implementation of the



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VI Pay Commission to the extent that it has been implemented and there was no need to hike the fee.

On examination of the fee schedules submitted by the school, the Committee has observed that the fee hike effected by the school for various classes w.e.f. 01/04/2009 was as follows:

Class	Tuition fee in 2008-09	Tuition fee in 2009-10	Fee Increase in 2009-10
Pre Primary	650	800	150
I-III	700	850	150
IV-V	700	900	200
VI-VIII	770	950	180
IX	900	1100	200
X	950	1150	200

The Committee is of the view that the fee hiked by the school in 2009-10 was not justified and ought to be refunded along with interest @ 9% per annum. The Committee is not recommending refund the fee hike in the subsequent years as the same would be offset by the impact of increased salaries for full 12 months in the subsequent years. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member  
Dated: 05/12/2012

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson



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Secretary

**Holy Heart Public School, Mahavir Enclave, New Delhi-110045**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide email dated 05/03/2012 replied that the school had partially implemented the VI Pay Commission Report w.e.f. 01/04/2010. However, the arrears on account of retrospective effect of VI Pay Commission had not been paid. In the reply the school stated that the total salary payment to the staff for March 2010 i.e. before implementation of VI Pay Commission was Rs. 2,64,228/- while the total salary payment to the staff for April 2010 i.e. after partial implementation of VI Pay Commission was Rs. 2,79,510/-. With regard to the increase in fee, the school stated that it had not hiked the tuition fee for implementation of VI Pay Commission. No arrear fee was charged from the students as no arrears had been paid to the staff. On the basis of this reply, the school was initially placed in Category 'C'.

Vide notice dated 27/03/2012, the school was required to produce on 04/04/2012 its fee, salary records and books of accounts for verification by the Committee. The school sought an adjournment on the ground that it was preoccupied with the start of the new session and requested for two weeks time. Accordingly the school was asked to produce the required records on 20/04/2012 on which date Sh. B.R. Sharma, Manager of the school appeared and produced the required records. The records were examined by Ms. Sunita Nautiyal,

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Secretary

Audit Officer of the Committee and she observed that the school had increased the tuition fee by 10% in 2009-10 while annual charges had not been increased. However, the school had increased the development charges between Rs. 100/- to Rs. 400/- per annum for different classes.

The Committee in its meeting held on 02/05/2012 considered the reply to the questionnaire, observations of the audit officer and the returns under Rule 180 received from district South West-B of the Directorate of Education and decided to transfer the file to category 'B' for greater scrutiny as the issue of development fee had to be examined in the light of judgment of the Hon'ble Supreme Court in the case of Modern School.

Examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee. As per the calculation sheet prepared by the Chartered Accountants, the school was charging development fee and treating the same as revenue receipt in its accounts. Further, the school was not maintaining any depreciation reserve fund. The school was therefore served with a notice dated 08/11/2012 providing them an opportunity of being heard by the Committee on 22/11/2012 and for providing justification for the hike in fee, as in the view of the Committee, the school was not entitled to charge any development fee as it was not fulfilling the pre-conditions as laid down by the Hon'ble Supreme Court in the case of Modern School.



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On the date fixed for hearing, Sh. B.R. Sharma, Manager of the school appeared and was partly heard by two members of the Committee as the Hon'ble Chairperson could not attend the meeting on account of some personal difficulty. During the course of hearing, Sh. Sharma filed a summary of Income and Expenditure, Capital Expenditure, tuition fee, establishment expenditure and depreciation for the last five years. He also filed a certificate issued by Oriental Bank of Commerce, Najafgarh Road, New Delhi to the effect that the school had opened a depreciation reserve fund account on 21/11/2012. He stated that inadvertently, the school had treated development fee as a revenue receipt in the accounts and the school was not aware of the requirement of maintaining a depreciation reserve fund and on being advised, the school had opened a depreciation reserve fund on 21/11/2012. As the hearing had been held in the absence of the Chairperson, a fresh hearing was fixed for 21/12/2012 when Sh. B.R. Sharma appeared again and was heard by the full Committee. Sh. Sharma also filed a statement showing development fee charged, utilized and depreciation charged in the accounts for 2006-07 to 2010-11. The sum and substance of the submissions of Sh. Sharma was that development fee had been shown as a revenue receipt in the accounts on account of ignorance. However the same had been utilized for acquisition of capital assets and the school should not be put to jeopardy on account of an accounting mistake.



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The Committee considered the contentions of Sh. B.R. Sharma, the Manager of the school and is of the view that even if for the sake of argument, it is accepted that the school had treated development fee as revenue receipt out of ignorance, the fact remains that the school had not complied with substantive requirement of maintenance of depreciation reserve fund. Hence the substantive pre-condition as laid by the Hon'ble Supreme Court in case of Modern School vs. Union of India (2004) 5 SCC 583, was not being fulfilled. The depreciation reserve fund was opened only on 21/11/2012 and the same can be considered only for development fee charged in 2012-13 onwards while the Committee is seized of the matter of development fee in 2009-10. On examination of fee schedule of the school for 2009-10, the Committee has noted that the school was charging development fee of Rs. 300/- per annum from students of class I to V, Rs. 500/- per annum from students of class VI to VIII and Rs. 700/- per annum from students of classes IX & X. In 2010-11, the figure for development fee charged is not reflected in the fee structure of that year but in the schedule to Income and Expenditure account, a sum of Rs. 1,62,920/- is shown as recovered on account of development fee.

The Committee is therefore, of the view that the school ought to refund the development fee actually charged in 2009-10 and subsequent years upto 2011-12 along with interest @ 9% per



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annum. As the jurisdiction of the Committee does not extend to the fee charged in the years prior to 2009-10 and as the fee structure submitted by the school shows that the development fee was charged in 2007-08 and 2008-09 also, the Director of Education may take appropriate action in the matter as per law with regard to the years prior to 2009-10. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 21/12/2012

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Secretary



**Swati Modern Public Sec. School, Mundka, Delhi-110041**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, in response to a letter dated 23/01/2012 sent by the Education Officer, Zone-17 of the Directorate of Education, the school, under cover of letter dated 31/01/2012, submitted copies of its annual returns with proof of submission to the Directorate and Fee structures for the years 2006-07 to 2010-11, details of salary paid to the staff before and after implementation of VI Pay Commission and also mentioned by way of information that no fee was hiked by the school for the purpose of implementation of the VI Pay Commission. The records and details submitted by the school were transmitted to the Committee. On the basis of the information provided vide this letter, the school was placed in Category 'B' for detailed examination as contrary to the claim of the school of not having hiked the fee for implementation of VI Pay Commission, the school was found to have hiked the fee in 2009-10 to the maximum extent permitted by the order dated 11/02/2009 of the Director of the Education on examination of the fee schedules submitted by the school.

Preliminary examination of the financials of the school was done by the Chartered Accountants detailed with this Committee and as per the preliminary calculations made by them, the school had funds

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**Secretary**

available to the tune of Rs. 6,35,715/- as on 31/03/2009 while the additional liability that befell on the school on implementation of VI Pay Commission was just Rs. 83,728/-. The preliminary calculations submitted by the Chartered Accountants were checked by the office of the Committee and were apparently found to be correct. The school was therefore served with a notice dated 08/11/2012 providing them an opportunity of being heard by the Committee on 04/12/2012 and provide justification for the hike in fee, as in the view of the Committee, no hike was required to be made in view of the fact that the school had sufficient funds available with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On the date fixed for hearing, Sh. Rajinder Singh, Manager of the school appeared along with Sh. Rajesh Kumar, PRT and they were heard by the Committee. On probing by the Committee, they admitted that the school had only partially implemented the VI Pay Commission Report and that too w.e.f. March 2010. They stated that only the basic salary and 9% D.A. were being paid to the staff in the name of implementation of the VI Pay Commission Report. They also admitted that the school had increased the fee by Rs. 100/- per month to Rs. 200/- per month for different classes w.e.f. April 2009. The Manager of the school also submitted a letter to this effect during the course of hearing.



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Secretary

On examination of the fee schedules submitted by the school, the Committee found that the fee hike effected by the school for various classes was as follows:

Class	Tuition fee in 2008-09	Tuition fee in 2009-10	Fee Increase in 2009-10	Percentage Increase
Pre Primary to V	500	600	100	20%
VI to VIII	650	850	200	30.76%
IX - X	800	1000	200	25%

The fee hiked by the school as per details given in the above table was the maximum hike permitted vide order dated 11/02/2009 of the Director of Education for the purpose of implementation of VI Pay Commission Report.

**In view of the admission made by the Manager of the school that fee was hiked by the school w.e.f. April 2009 and the fact that the school had only nominally implemented the VI Pay Commission for namesake, the Committee is of the view that the fee hiked by the school to the maximum extent permitted by the order dated 11/02/2009 of the Director of Education was wholly unjustified as the underlying purpose of fee hike i.e. implementation of VI Pay Commission was not fulfilled. The order of the Director of Education was taken undue advantage of by the school for unjust enrichment. The fee hiked in 2009-10 for different classes ought to be refunded along with interest @ 9%**



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**Secretary**

per annum. Since the fee hiked in 2009-10 is also part of the fee for the subsequent years, there would be a ripple effect in the subsequent years and the fee of the subsequent years to the extent it is relatable to the fee hiked in 2009-10 ought also be refunded 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: 04/12/2012

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Secretary



B-260

**Kamal Convent School, Vikas Puri, New Delhi-110018**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, in response to a letter dated 23/01/2012 sent by the Dy. Director of Education, West B District of the Directorate of Education, the school, under cover of its letter dated 03/02/2012, submitted copies of its annual returns with proof of submission to the Directorate and Fee structures for the years 2006-07 to 2010-11, details of salary paid to the staff before and after implementation of VI Pay Commission as well as details of arrears of salary paid and outstanding. The records and details submitted by the school were transmitted to the Committee. On the basis of the information provided vide this letter, the school was placed in Category 'B'.

Preliminary examination of the financials of the school was done by the Chartered Accountants detailed with this Committee and as per the preliminary calculations made by them, the school had funds available to the tune of Rs. 11,78,623 as on 31/03/2008. The school had recovered arrear fee to the tune of Rs. 6,10,000 while it had paid arrears only to the tune of Rs. 1,31,223. The additional fee accruing to the school as a result of hike effected in terms of order dated 11/02/2009 of the Director of Education amounted to Rs. 8,24,850 but there was no additional liability by way of increased salary on



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account of implementation of VI Pay Commission. The school was, therefore, served with a notice dated 08/11/2012 providing them an opportunity of being heard by the Committee on 20/12/2012 and provide justification for the hike in fee.

On the date fixed for hearing, Sh. R.K. Tandon, Manager of the school appeared along with Sh. Sanjeev Kumar, Accountant and they were heard by the Committee. On examination of the accounts and salary registers of the school, it was observed by the Committee that the salary to the staff was either being paid in cash or by bearer cheques. The school was receiving donations from its parent society in cash. The cheques which were issued to the teachers for purported payment of arrears had apparently been made in November 2011 but were encashed from the bank in March 2012. On account of these inconsistencies and discrepancies, the Committee was of prima facie view that the claim of the school of having implemented the VI Pay Commission was just a façade. Therefore, the school was asked to specifically reply to the questionnaire dated 27/02/2012. The school sought time for submitting reply as well as responding to the calculations made by the Chartered Accountants. At their request, the hearing was adjourned to 04/01/2013.

The representatives of the school again appeared on 04/01/2013 and presented written submissions and also reply to the questionnaire. In the reply submitted by the school, it was asserted that the school had implemented the VI Pay Commission w.e.f. April



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2009. It was stated that the expenditure on salary for the month of March 2009 (pre-implementation period) was Rs. 2,48,289 while that for April 2009, it was Rs. 2,52,276. The school also filed copies of salary sheets of these two months. It was also mentioned that the school had paid arrears of salary to the tune of Rs. 1,31,223. With regard to increase in fee, the school stated that it had recovered arrear fee amounting to Rs. 1,21,317. As regards the recurring tuition fee, the school stated that it had hiked the tuition fee in terms of order dated 11/02/2009 issued by the Director of Education. However, the total tuition fee for the year 2009-10 came down to Rs. 25,24,089 from Rs. 30,03,456 in 2008-09 due to reduction in number of students to 249 from 304.

With regard to the calculations of available funds for the purpose of implementation of VI Pay Commission, it was submitted in the written submissions dated 04/01/2013 that in the past, every year, there was a deficiency in tuition fee which was not even sufficient to meet the establishment expenses. The deficiency was made good by taking aid from the society. Further the school was required to keep three months salary intact and also to keep reserves for gratuity and leave encashment. If these were taken into account, the school would be left with no funds to implement the VI Pay Commission Report. Hence the hike in fee was justified.

The Committee has examined the returns of the school filed under Rule 180 of Delhi School Education Rules, 1973, the



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statements filed by the school showing the impact of implementation of VI Pay Commission Report, reply to the questionnaire, books of accounts of the school, calculations made by the Chartered Accountants detailed with this Committee, the documents filed by the school during the course of hearings and the written submissions dated 04/01/2013.

Perusal of the fee schedules for 2008-09 and 2009-10 shows that **the school had hiked the tuition fee by Rs. 150 per month for classes pre-primary to IX and by Rs. 200 per month for class X w.e.f. 01/04/2009.** The hike in fee amounted to an increase of around 20% for all the classes which is almost twice the tolerance limit of 10%. The school was also charging development fund @ Rs. 50 per month.

The Committee is not convinced with the claim of the school that it had implemented the VI Pay Commission Report w.e.f. 01/04/2009 for the following reasons:

- (a) The school had recovered arrears of fee to the tune of Rs. 1,21,317 in 2008-09 itself. However, the same were not paid to the staff. It appears that when the constitution of this Committee was notified in Sept. 2011, the school made feeble attempts to show that it had paid arrears by issuing cheques on 10/11/2011. However, the cheques issued were not made over to the employees. After the school got a questionnaire from the Committee and after it got instructions from the district office of



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the Directorate of Education to submit details of implementation of VI Pay Commission, the school got the cheques encashed from the bank in March 2012. Further, examination of bank pass book of the school showed that the cheques were bearer cheques. It is any body's guess as to how cheques issued in November 2011 could be encashed in March 2012 when the validity of cheques is only 3 months.

- (b) The school pays salary in cash or by bearer cheques as a matter of practice.
- (c) The school receives aid from its parent society in cash running into lacs of Rupees year after year. The aid received by the school from the society over a period of 5 years as discernible from its accounts is as follows:-

Financial Year	Donation from Society
2006-07	4,70,000
2007-08	7,47,000
2008-09	3,30,000
2009-10	8,55,000
2010-11	14,75,000

It seems that part of the salary paid to the teachers in cash/by bearer cheques, is taken back from them and shown as donations from the society. No society would be so charitable



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as to be funding a school which is perennially in loss. Further, there is no compelling reason for the society to be giving donations in cash to the school and that too for such large sums.

(d) The accounts of the school are never audited. For all the 5 years for which they have been examined, the auditor's report merely states that "*the final accounts are in agreement with the books maintained by the school.*" There is no expression of opinion on the truth and fairness of the accounts.

(e) The school claims that its total expenditure on salary increased by a mere Rs. 4,000 per month on account of implementation of VI Pay Commission which is a highly unlikely scenario.

With regard to development fee, we need to observe that neither the same is capitalized nor separate development fund and depreciation reserve fund are maintained in the bank.

**In view of the foregoing facts, the Committee is of the view that the fee hiked by the school w.e.f. April 2009 was not justified as the school had not implemented the VI Pay Commission Report. The same ought to be refunded along with interest @ 9% per annum. Since the fee hiked in 2009-10 is also part of the fee for the subsequent years, there would be a ripple effect in the subsequent years and the fee of the subsequent**



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years to the extent it is relatable to the fee hiked in 2009-10 ought also be refunded along with interest @ 9% per annum. Recommended accordingly.

**Development Fee**

With regard to development fee, since the school was not fulfilling any of the pre-conditions as laid down by the Hon'ble Supreme Court in the case of Modern School vs Union of India, the same ought to be refunded 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: 04/01/2013



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Secretary

**Shiv Memorial Public School, East Gokulpur, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 14.06.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Ratan Singh, Manager of the school appeared on 19/07/2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school 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. 40 to Rs. 80



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per month which worked out to a hike of 11.11% to 20% for different classes in 2009-10. In 2010-11, the hike was to the tune of 10%. The school did not charge any development fee. The books of accounts produced were examined and found to be maintained in normal course. However, the school was having a cash balance of Rs. 1.37 lacs on 31.03.2010 which was quite high.

The two members of the Committee in the meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, it was observed by them that the fee hike effected by the school during 2009-10 was Rs. 40 per month for classes I to V and Rs. 80 per month for classes VI to VIII. While the hike for classes I to V was 11.11% which was slightly above the tolerance limit of 10%, for classes VI to VIII the hike was Rs. 80 per month which worked out to 20% more than the fee for the previous year. They were of the view that the hike for classes VI to VIII should also have been restricted to the same percentage by which the fee for classes I to V was hiked. Hence a part of the hike in fee for classes VI to VIII i.e. Rs. 33 per month ought to be refunded along with interest @ 9% per annum. However, since the matter was considered by the two members of the Committee in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed the office.



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The Chairperson examined the records of the school, observations of the audit officer and the views of the two co-members of the Committee on 29.09.2012 and recorded his agreement with their views.

**The Committee is, therefore, of the view that the tuition fee hiked by the school w.e.f. 01.04.2009 for classes VI to VIII was excessive and a portion of the same i.e. Rs. 33 per month ought to be refunded 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: 29/09/2012

11/09/2012



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**Mahavira International School, Tri Nagar, Delhi-110035**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C'.

In order to verify the records of the school, the school, vide letter dated 30.05.2012, was required to produce on 18.06.2012, copies of its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. However, no body appeared on this date. Another letter dated 10/07/2012 was sent by the Committee to produce the required records on 19/07/2012. Again no body appeared. However on 24/07/2012, Ms. Shalini Jain appeared on behalf of the school and requested for another date to be given as the earlier letters of the Committee were misplaced due to negligence of the staff of the school. Accordingly, a final date was given for 01.08.2012 on which date Ms. Shalini Jain appeared and produced the required records. Reply to the questionnaire was also furnished as per which the school stated that neither it had implemented the recommendations of the VI Pay

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**Secretary**

Commission nor had it increased any fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that w.e.f. 01.04.2009, the school had increased the tuition fee by Rs. 100/- per month for classes I to V which amounted to a hike of 12.12% to 12.5% for different classes. For classes VI to VIII, the tuition fee was hiked by Rs. 125/- per month which amounted to a hike of 14.70%.

In 2010-11, the hike effected for different classes was Rs. 75/- per month (8.33%) for class I, Rs. 150/- per month ( 16.67%) for class II, Rs. 175/- per month ( 18.92%) for classes III to V and Rs. 225/- per month (23.08%) for classes VI to VIII. The books of accounts appeared to have been maintained in normal course.

The school was given an opportunity of being orally heard by the Committee on 12/11/2012. On this date, Ms. Shalini Jain, Office Incharge of the School appeared and stated that the Manager of the school had expired in the month of April 2012 and ever since she was discharging the functions of the Manager. She was heard by the Committee. During the course of hearing, she fairly conceded that the hike in fee in some classes in 2010-11 was excessive. As the VI Pay Commission had not been implemented, the order dated 11.02.2009 of the Director of Education was not even applicable.




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The Committee perused the records of the school as well as the observations of the audit officer. It also considered the oral submissions of the representative of the school. The Committee is of the view that the fee hike effected in 2009-10, although was more than the tolerance limit of 10%, no intervention was required in view of the same being marginally higher. However, as admittedly VI Pay Commission had not been implemented, the fee hike effected by the school in 2010-11 was excessive except for class I students. The fee hike for other classes was between 16.67% and 23.08%. As the school charged fee between Rs. 900/- and 975/- per month which cannot be considered as low, the hikes effected by the school in excess of 10% in 2010-11 ought to be refunded along with interest @ 9% per annum. In absolute terms, the amount of refund recommended by the Committee is Rs. 60/- per month for class II, Rs. 82/- pr month for classes III to V and Rs. 127 per month for classes VI to VIII. As the increased fee in 2010-11 would also form part of fee for the subsequent years, the Committee is of the view that such increase in the subsequent years relatable to the increase in 2010-11 be also refunded along with interest @ 9% per annum.

Recommended accordingly.

  
Dr. R.K. Sharma  
Member

  
CA J.S. Kochar  
Member


  
Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 12/11/2012



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Secretary

**St. James School, Viiav Park, Yamuna Vihar, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C'.

In order to verify the records of the school, the school, vide letter dated 05.06.2012, was required to produce on 22.06.2012 its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. However, on this date no body appeared nor any records were caused to be produced before the Committee. Another letter dated 10.07.2012 was sent to the school giving final opportunity to produce the records on 20.07.2012. On this date, Ms. Archana Pandey Headmistress of the school appeared and requested for another date to be given due to some problems in the school. Accordingly she was advised to appear and produce the records on 01.08.2012. On this date, she appeared along with the required records. She also furnished reply to the questionnaire vide which **it was admitted that the school had not implemented the VI Pay Commission Report but had increased the fee in terms of order dated 11.02.2009 of**



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**the Director of Education w.e.f. 01.04.2009.** The school also gave comparative chart of its fee structure for 2008-09 and 2009-10 as per which the school had increased fee of classes I & II by Rs. 100/- per month, classes III to V by Rs. 75/- per month and classes VI to VIII by Rs. 50/- per month.

The records produced were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that besides the increase in tuition fee as per details in the reply to the questionnaire, the school was also charging annual charges @ Rs. 500/- per annum which had not been mentioned in the fee structure of the school submitted as part of its annual returns. The school was also charging admission fee @ Rs. 500/- which was more than that stipulated in the order dated 11.02.2009 of the Director of Education. The Headmistress of the school also gave a letter confirming the levy of these charges. During 2010-11, the fee hike was found to be nominal and around 10% over the fee for the year 2009-10. The books of accounts were found to be maintained in normal course. **However, the school was not maintaining any bank account and the entire operations of the school were being conducted in cash. The accounts of the school were audited by Sh. S.C. Sharma, CA.**

The school was given an opportunity of being orally heard by the Committee on 16/11/2012. On this date, Sh. Banwari Lal, Teacher of the School appeared with authorization from the Manager. He was heard by the Committee. He stated that the findings of the



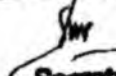
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audit officer as confirmed by Ms. Archana Pandey, Headmistress of the school on 01.08.2012 were correct and he had nothing more to say in the matter. **On the issue of audit reports signed by Sh. S.C. Sharma, CA on Form 10 B, he stated that initially these reports were not obtained but in January 2012, they were provided with formats of Form 10 B by the Education Officer, Zone-4, North East District of the Directorate of Education with the direction to get them signed from the auditors. Thereupon, they requested their auditor Sh. S.C. Sharma who signed them in back date. The same were then submitted to the Education Officer.**

The Committee perused the records of the school as well as the observations of the audit officer. It also considered the oral submissions of the Manager of the school. The Committee has noted that the school, of its own, has admitted to hiking the fee in accordance with order dated 11.02.2009 of the Director of Education without implementing the VI Pay Commission Report. However, the Committee also finds that in respect of classes VI to VIII, the fee hike effected was only Rs. 50/- per month which amounts to a hike of 11.1%. Since the hike upto 10% is considered reasonable by the Committee, no intervention is required in respect of the fee for these classes. On the other hand, the fee hike effected for classes I & II was Rs. 100/- per month, which is the maximum permissible hike as per order dated 11.02.2009, and for classes III to V, it was Rs. 75/- per month which was 20% more than the fee for 2008-09. The



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Committee is of the view that the hike for these classes was not justified as the school had admittedly not implemented the VI Pay Commission Report. Hence, the hike in fee for classes I to V effected w.e.f. 01.04.2009 ought to be refunded along with interest @ 9% per annum. As the fee hiked in 2009-10 is also a part of the fee for the subsequent years, there would be a ripple effect of the hike in the subsequent years and the hike in the subsequent years in so far as it is relatable to the hike in 2009-10 ought also be refunded along with interest @ 9% per annum. The admission fee which is being charged by the school @ Rs. 500/- per student as against the stipulated amount of Rs. 200/- per student is also excessive and the excess amount also ought to be refunded 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: 16/11/2012



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**Vivekanand Convent School, Shahdara, Delhi-110032**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 19/06/2012, was required to produce on 26/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Sh.Kapil Upadhyay, Accountant and authorized representative of the school appeared and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Vijh, Audit Officer of the Committee and his observations were that



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during the year 2009-10, the school hiked tuition fee between Rs. 76 per month and Rs. 166 per month for different classes. In percentage terms, the hike worked out to 15.48 % to 23.18%. He further observed that the school was charging admission fee between Rs. 250 and Rs. 300 from the new students. (As per norms, it could not be charged in excess of Rs. 200.) The Committee reviewed the observations of the audit officer in its meeting held on 25/09/2012 and was of the view that the observations were perfunctorily recorded by the audit officer on the basis of fee structure submitted by the school and not on the basis of examination of actual fee charged as per the fee records of the school. Therefore, the fee records of the school needed to be re-examined as the audit officer had not recorded as to how much fee was being actually charged. Accordingly, the records of the school were called for again on 10/10/2012 and the same were examined by Ms. Sunita Nautiyal, Audit Officer. Her observations were that the tuition fee was being charged by the school as per the fee structure submitted by the school. However, the annual charges and admission fee was not being charged. The Income and Expenditure Account also did not show any receipt under these heads. It was observed that during 2008-09, the school was charging tuition fee @ Rs. 390 per month for classes I to V and Rs. 525 per month for classes VI to VIII which was hiked to Rs. 470 per month and Rs. 695 per month respectively during 2009-10. This resulted in a hike of 20.51% for classes I to V and 32.38% for classes VI to VIII. It was also observed by her that during 2010-11, no hike in fee was effected.



The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the two Audit Officers. **Admittedly, the school had not implemented the VI Pay Commission Report.** In spite of this, the school resorted to a hike of Rs. 80 per month (20.51%) for classes I to V and Rs. 170 per month (32.38%) for classes VI to VIII. The fee hike is much more than the tolerance limit of 10%. **In view of these facts, the Committee is of the view that the tuition fee hiked by the school w.e.f. 01.04.2009 for all the classes was unjustified and the same ought to be refunded along with interest @ 9% per annum. However, since the school did not hike any fee in 2010-11, the Committee is not recommending any refund of fee for that year due to ripple effect. Recommended accordingly.**

Sd/-

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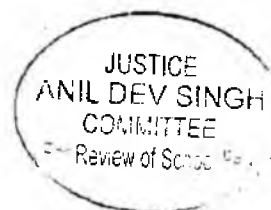
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Dr. R.K. Sharma  
MemberCA J.S. Kochar  
MemberJustice Anil Dev Singh (Retd.)  
Chairperson

Dated: 17/10/2012

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**Nalanda Public School, Shahdara, Delhi-110093**

In response to the questionnaire sent by the Committee to the school by email on 27/02/2012, the school vide email dated 03/03/2012 replied that as the parents had not approved of the proposed fee hike, the school had not implemented the VI Pay Commission Report. However, the school was evasive about the extent of fee hike effected by it w.e.f. 01/04/2009. The annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared on the first shy that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 03/07/2012, was required to produce on 11/07/2012 its fee records, books of accounts, bank statements, salary payment register and also to furnish specific reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, it received a request from the school vide letter dated 11/07/2012 to give another date as the time available with the school was too short to arrange for all the documents/information called for



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**Secretary**

by the Committee. Accordingly the school was given another opportunity to comply on 30/07/2012. On this date, Sh. Rajat Gupta, Headmaster of the school appeared along with Sh. Ankur Verma, Chartered Accountant, and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations were that the school had hiked tuition fee by 13.75% in 2009-10 and 19.25% in 2010-11. **The school was paying salary in cash in spite of maintaining the bank account.** No major discrepancy was observed in maintenance of accounts.

The Committee in its meeting held on 28.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** It was observed by the Committee that w.e.f 01.04.2009, the tuition fee for classes I to IV was hiked by Rs. 50 per month, for class V by Rs. 60 per month and for class VI to VIII by Rs. 70 per month. The Committee feels that though statistically the fee hike is more than 10%, in absolute terms the hike is not very significant. As such no intervention is required in so far as the fee hike in 2009-10 is



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concerned. However, the Committee finds that during 2010-11, the fee hike effected by the school was of the order of Rs. 90 per month for classes I to V and Rs. 100 for classes VI to VIII. The average hike in this year is to the tune of about 20% which the Committee feels was not justified as the school had admittedly not implemented the VI Pay Commission Report.

**Therefore, the Committee is of the view that the school ought to refund the fee hiked by it in 2010-11 along with interest @ 9% per annum with ripple effect 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: 28/09/2012



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**Secretary**

**R.N. Public School, Rani Bagh, Delhi-110034**

In reply to the questionnaire sent by the Committee to the school on 27/02/2012, the school replied by email dated 02/03/2012 that the school had not implemented the VI Pay Commission Report nor had it increased any fee in accordance with the order dated 11/02/2009 of the Director of Education. The annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of the reply to the questionnaire and preliminary examination of the returns, the school was put in Category 'C'.

In order to verify the contention of the school of not having hiked any fee in accordance with the aforesaid order of the Director of Education, the school, vide letter dated 03/07/2012, was required to produce on 11/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Sh. G.D. Chanan, Chairman and Sh. Vishal, Manager of the school appeared and produced the required records.

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations were that in 2009-10, the school had hiked tuition fee by 21.42 %. During



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2010-11, the hike in tuition fee was less than 10%. No particular discrepancies were observed in maintenance of books of accounts.

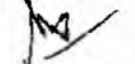
The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, it was observed by the Committee that w.e.f 01.04.2009, the school had increased the tuition fee by Rs. 100 per month for all the classes. The fee charged by the school during 2009-10 vis a vis that charged for 2008-09 for different classes was as follows:

Class	Tuition fee for 2008-09 (Rs.)	Tuition fee for 2009-10 (Rs. )	Increase during 2009-10 (Rs.)	Percentage increase
I & II	325	425	100	30.77%
III	350	450	100	28.57%
IV	375	475	100	26.67%
V	400	500	100	25.00%
VI	450	550	100	22.22%
VII	500	600	100	20.00%
VIII	550	650	100	18.18%

It is apparent from the above table that the fee hiked by the school is much more than the tolerance limit of 10%. Since the school has not implemented the VI Pay Commission Report, the fee hike to the above mentioned extent was unjustified. **In view of these facts,**



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the Committee is of the view that the tuition fee hiked by the school w.e.f. 01.04.2009 for all the classes was unjustified and the same ought to be refunded along with interest @9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also refunded along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

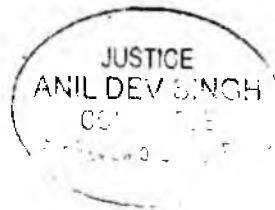
CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 31/08/2012

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Secretary



**Career Public School, Jheel Khurenja, Delhi-110031**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

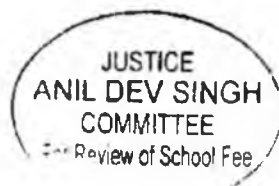
In order to verify the correctness of these returns, the school, vide letter dated 04.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Ms. Ranju Ghai, Principal of the school appeared on 12.07.2012, and produced some of the records which were required vide the aforesaid letter. Reply to the questionnaire was also furnished as per which the school claimed to have partly implemented the recommendations of VI Pay Commission and admitted to have increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Vijh, Audit Officer of the Committee. The records of the school as also



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the observations of the audit officer were examined by the Committee in its meeting held on 04.09.2012. However, as the examination by the Audit Officer was found to be perfunctory, the Committee directed that the records of the school be re-examined by Ms. Sunita Nautiyal, Audit Officer. Accordingly vide letter dated 05.09.2012, the school was again required to produce the records on 18.09.2012. The same were produced by the school on the said date and were examined by Ms. Sunita Nautiyal. It was observed by her that the school did not issue fee receipts to the students but issued them a fee card at the beginning of session in which entries of receipt of fee are made during the year. A sample of such a fee card was placed in the file. So far as the hike in fee is concerned, she observed that the school had increased monthly fee by Rs. 100/- w.e.f. 01.04.2009, the maximum as per the order dated 11.02.2009 of the Director of Education. In 2010-11, the hike in fee was less than 10%. There was a marginal increase in the other fee in both the years. However the other fee included development charges of Rs. 300/- per annum in 2008-09, Rs. 350/- per annum in 2009-10 and Rs. 400/- per annum in 2010-11. The school was not maintaining any development fund or depreciation reserve fund as none was reflected in its balance sheets. The books of accounts of the school were not maintained in the name of the school but were maintained in the name of Nagrik Kalyan Avum Shiksha Prasar Samiti (Regd.) which is running the school. However, it was informed that the society did not have any activity other than running of the school. The books of accounts were found to be



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maintained in normal course. So far as development fee is concerned, she observed that the school was maintaining a separate bank account in which the development fee received from the students was deposited. The capital assets which were acquired by the school were paid for from this account. A separate cash book of development fee was being maintained but neither the development fee nor the bank account of development fund nor were the assets acquired out of development fund reflected in the balance sheet of the school. The school had partially implemented the VI Pay Commission w.e.f. July 2009 which resulted in additional burden of Rs. 47,430/- per month. The incremental fee on account of hike in tuition fee was Rs. 33,400/- per month.

The two members of the Committee in the meeting held on 21.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. They were of the view that the hike in fee to the extent of Rs. 100/- per month was justified in view of the fact that the hike in salary consequent to partial implementation of VI Pay Commission was not fully absorbed by the hike in fee. However, with regard to development fee, they were of the view that the school was keeping the development fee in a separate designated bank account but the receipts of development fee or the designated bank account were not brought in the books on the mistaken belief of the school that the development fund had to be kept separately from the

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accounts of the school. In view of this they felt that it was a unique case and was different from other cases in which the Committee had recommended refund of development fee as the collection and proper utilization of development fund was not in doubt. They recommended that the Director of Education might give a direction to the school to bring the development fund account as also the capital assets acquired out of it and the separate bank account in the books of school. However, since the records of the school were examined by the two members of the Committee in the absence of the Hon'ble Chairperson, it was decided to place the matter before him when he resumed the office.

The Chairperson in the meeting held on 01.10.2012 examined the records of the school, the observations of the audit officer and the views of the two members of the Committee. He was of the view that since the school was not maintaining the depreciation reserve fund, the school could not be treated on a different footing from the schools following the same pattern. The issue was therefore, re-examined by the Committee and the other two members of the Committee recorded their approval with the view of the Chairperson.

**The Committee is therefore of the view that the school was not entitled to charge any development fee as the pre conditions prescribed for charging such fee were not being fulfilled by the school. Hence, the same charged for the years**



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**2009-10 onwards ought to be refunded 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: 01.10.2012

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**Secretary**



**Tagore Public School, Jheel Kurania, Delhi-110051**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Chander Kant Arora, Manager of the school appeared on 13/07/2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that



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the school had hiked tuition fee by 19.52% in respect of English Medium students and 17.64% in respect of Hindi Medium students in 2009-10. The books of accounts were being maintained in normal course.

The Committee in its meeting held on 03.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, it was observed by the Committee that w.e.f 01.04.2009, the tuition fee for classes I to V was raised from Rs. 500/- to Rs. 600/- per month which was the maximum hike allowed by the Director of Education vide order dated 11.02.2009. For classes VI to VIII (English Medium), the fee was hiked from Rs. 525/- to Rs. 625/- per month which amounted to a hike of 19% and for Hindi Medium students, it was hiked from Rs. 425/- to Rs. 500/- per month which was a hike of 17.6%. Hikes of 17.6% and 19% are much above the tolerance level of 10% and the same are also considered to be unjustified. In view of these facts, the Committee is of the view that the tuition fee hiked by the school w.e.f. 01.04.2009 for all the classes was unjustified and the same ought to be refunded along with interest @9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years



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relatable to the fee hike of 2009-10 be also refunded 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: 03/09/2012



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**Secretary**

**Luxmi Modern Public School, Karawal Nagar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as, prima-facie, it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05.07.2012, was required to produce on 13.07.2012 its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. However, no body appeared nor the records were caused to be produced on this date. On 16.07.2012, Sh. Rajesh Kumar, Manager of the school appeared and stated that the compliance could not be made on 13.07.2012 as the letter of the Committee was received by the school on 14.07.2012. The school was advised to produce the required records on 20.07.2012. The Manager produced the required records on this date which were examined by Sh. A.K. Bhalla, Audit Officer of the Committee. Reply to the questionnaire

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was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education. The observations of the audit officer are that the school stopped operating the bank account after 2006-07 and **all the transactions of the school, including payment of salary, were being done in cash.** A comparative statement of fee for 2008-09, 2009-10 and 2010-11 was prepared by him which reflected an average fee hike of 29.08 % in 2009-10 and 12.81% in 2010-11.

The two members of the Committee in the meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. They were of the view that contrary to the contention of the school, it was apparent from the fee schedules of 2008-09 and 2009-10 that the school had, not only effected a hike in fee of Rs. 100/- per month for all the classes across the board which was the maximum hike permitted by the order dated 11.2.2009 issued by the Director of Education, the school had also hiked annual charges by 60% and examination fee by 50% in the year 2009-10. **The school had admittedly not implemented the VI Pay Commission Report.** In view of this, they were of the view that the fee hiked by the school w.e.f. 01.04.2009 for all the classes was unjustified and ought to be refunded along with interest @ 9% per annum. They were also of the view that as the fee hiked in 2009-10 would also be a part of the fee



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Secretary

for the years subsequent to 2009-10, there would be a ripple effect in the fee for the subsequent years and the increased fee in the subsequent years relatable to the fee hike of 2009-10 should also be refunded along with interest @ 9% per annum. However, since the matter was examined by the two members in the absence of the Hon'ble Chairperson, it was decided to place the same before him when he resumed office.

The Chairperson perused the records of the school, the observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with their views.

**The Committee is therefore, of the view that the school ought to refund the fee of Rs. 100/- per month hiked by it for all the classes w.e.f. 01.04.2009 alongwith interest @ 9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also refunded 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: 29/09/2012



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**Goodwill Public School, Najafgarh, New Delhi-110043**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012. However, in response to the reminder dated 27/03/2012, the school sent a reply dated 16/05/2012 by Speed Post in which it was claimed that the school had implemented the recommendations of VI Pay Commission Report w.e.f. April 2011 but had not increased the fee in accordance with order dated 11/02/2009 of the Director of Education. The annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-B district of the Directorate of Education. On the basis of the reply to the questionnaire and the preliminary examination of the returns, the school was put in Category 'C'.

In order to verify the correctness of the contention of the school of not having increased the fee in accordance with the aforesaid order dated 11/02/2009, the school, vide letter dated 05/07/2012, was required to produce on 16/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Sh.Pritam Rishi, Manager of the school appeared along with Sh. Jai Gopal, Consultant and produced the required records.

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The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations were that w.e.f. April 2009, the school had hiked tuition fee from Rs. 300 per month to Rs. 400 per month for classes I to V; from Rs. 340 per month to Rs. 440 per month for classes VI to VIII and from Rs. 500 per month to Rs. 600 per month for classes IX & X. Besides tuition fee, the activity fee had also been hiked from Rs. 80 per month to Rs. 100 per month for classes I to V and from Rs. 100 per month to Rs. 150 per month for classes VI to VIII. For classes IX & X, hitherto no activity fee was being charged but in 2009-10 the same was introduced at Rs. 200 per month. Thus effectively, the fee for classes I to V was hiked from Rs. 420 to Rs. 540 per month, for classes VI to VIII, it was hiked from Rs. 600 to Rs. 750 per month and for classes IX & X, it was hiked from Rs. 500 to Rs.800 per month. During 2010-11, the hike effected was to the tune of 10%. It was also observed that **despite maintaining a bank account, the school was paying salary in cash.**

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. Of its own admission, **the school had implemented the VI Pay Commission Report w.e.f. April 2011 only.** However, the school resorted to hike in fee w.e.f. 1st April 2009 and that too in excess of the maximum hike permitted by the Director of Education. **In view of these facts, the Committee**



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is of the view that the tuition fee + activity fee hiked by the school w.e.f. 01.04.2009 for all the classes was unjustified and the same ought to be refunded along with interest @9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also refunded 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: 31/08/2012

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**Raghu Nath Bal Mandir School, Najafgarh, Delhi-110043**

In reply to the questionnaire dated 27/02/2012 sent by the Committee to the school, it furnished its reply under cover of letter dated 17/05/2012 stating that the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education. On the basis of this reply, the school was put in Category 'C'. The annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-B district of the Directorate of Education.

In order to verify the correctness of these returns and reply to the questionnaire, the school vide letter dated 05/07/2012, was required to produce on 16/07/2012, its fee records, books of accounts, bank statements, salary payment register. However, the Committee received a letter from the school on 11/07/2012 requesting for another date to be given. The school was given a final opportunity to produce the records on 30/07/2012. On this date, Sh. J.C. Arora, Chairman of the school appeared and produced the required records.

The records produced by the school were examined by Sh. A.K.Vij, Audit Officer of the Committee and his observations were that during the year 2009-10, the school hiked tuition fee to the tune of 27.22% despite the fact that it had not implemented the VI Pay

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Commission Report. It was further observed by him that the school was not getting its accounts audited as required by law.

The Committee in its meeting held on 28/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** The observation of the audit officer that the school had hiked tuition fee to the extent of 27.22 % in 2009-10 was taken note of by the Committee. However, on examination by the Committee, it was observed that the school had hiked tuition fee by Rs. 100 per month for all the classes except class I for which the hike was Rs. 80 per month. In percentage terms, the hike amounted to 36.36% for class I, 43.48% for class II, 41.67% for class III, 40% for class IV, 38.46% for class V, 36.36% for class VI, 33.33% for class VII and 30.76% for class VIII. The hike was the maximum permitted by the Directorate of Education vide order dated 11/02/2009 except for class I where the hike was Rs. 80 per month but in percentage terms, it was 36.36%. **In view of these facts, the Committee is of the view that the tuition fee hiked by the school w.e.f. 01.04.2009 for all the classes was unjustified and the same ought to be refunded along with interest @ 9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also**



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refunded along with interest @ 9% per annum. Recommended accordingly.

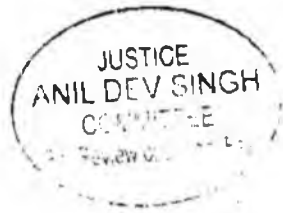
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Dr. R.K. Sharma  
Member

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 28/09/2012



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**Holy Child Model Sec. School, Najafgarh, New Delhi-110043**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/07/2012, was required to produce on 16/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, on 13/07/2012, Sh. Vinod Jain, Accountant of the school appeared and filed a request letter to extend the date of compliance by about 20 days. The school was given final opportunity for production of records on 30/07/2012. On this date, Ms. Raj Dulari, Accounts clerk and Ms. Sunita Sehrawat, General Secretary of the school appeared and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.



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The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations were that the school had hiked the tuition fee during 2009-10 by Rs. 100 per month to Rs. 200 per month which in percentage terms amounted to 20 to 29%. Annual charges had been hiked between 33% and 44%. No particular discrepancy was observed in the maintenance of books of accounts. **However, the school was paying salary in cash despite the fact that the school had a bank account.**

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, it was observed by the Committee that w.e.f 01.04.2009, the tuition fee for classes I to IV was raised from Rs. 400/- to Rs. 500/- per month, for class V, no fee was hiked which remained at Rs. 500 per month. For classes VI to VIII, the fee was hiked from Rs. 500/- to Rs. 600/- per month and for classes IX & X, it was hiked from Rs. 700 per month to Rs. 900 per month. Thus, except for class V, the fee was hiked to the maximum extent as envisaged by the order dated 11/02/2009 of the Director of Education when the school had admittedly not implemented the VI Pay Commission Report. **The Committee is, therefore, of the view that the fee hiked by the school w.e.f. 01/04/2009 was wholly unjustified and ought to be refunded along with interest @9% per annum. As the fee hiked in**



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2009-10 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 increased fee in the subsequent years relating to the fee hike of 2009-10 be also refunded 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: 03/10/2012

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**Sandhya Senior Secondary Public School, Chauhan Bangar, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 10.07.2012, was required to produce on 18/07/2012 its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. However, no body appeared on the said date nor any records were caused to be produced. However, on 23/07/2012 Ms. Sandhya Devi, Principal of the school appeared and stated that the letter of the Committee was received by the school on 23.07.2012 and requested for another opportunity to be given. As per the request, the school was given another opportunity to produce the records on 31.07.2012. Accordingly, on 31.07.2012, Sh. Vinay Kumar, Manager of the school appeared along with Ms. Neha Mishra, clerk and produced the required records. Reply to the questionnaire was also



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furnished as per which the school claimed to have implemented the recommendations of the VI Pay Commission w.e.f. 01.04.2008. However, the school claimed that it had not increased any fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. ~~M.S.~~ Batra, Audit Officer of the Committee and his observations are that during 2009-10, the school had increased the fee to the extent of Rs. 100/- per month for classes I to X. For classes XI & XII, the fee was increased to the extent of Rs. 200/- per month. This was the maximum permissible hike as per the order dated 11.02.2009 of the Director of Education. Books of accounts appeared to have been maintained in normal course. However, the school did not produce the salary records for 2009-10. Salary records for 2010-11 were produced which showed implementation of VI Pay Commission w.e.f. 01.04.2010. However, they did not produce any pay bill vide which arrears of VI Pay Commission from 01.04.2008 to 31.03.2010 were paid. The Manager of the school stated that they had wrongly stated in the reply to the questionnaire that the VI Pay Commission had been implemented w.e.f. 01.04.2008. In actual fact, it had been implemented w.e.f. 01.04.2010.

The Committee in its meeting held on 03.10.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. On examination of the financial statements of the school, the Committee observed that



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these were not consistent with the claims of the school. It therefore directed the audit officer to re-examine the entire records in a more holistic manner.

On 19.10.2012, the Manager of the school appeared but could not produce the documents called for and requested for another opportunity to be given. The same was granted and the school was required to produce the records on 23.10.2012. On this date also, the Manager appeared and requested for another opportunity which was again granted in the interest of justice. On 08-11-2012, the Manager produced the required records. However, the school changed its stand and produced records showing implementation of VI Pay Commission w.e.f. 01.04.2009. However, the fee as calculated by taking into account the number of students and the per head fee did not match with the aggregate fee shown in the Income and Expenditure Account of the school. The total fee as per calculation worked out to Rs. 26,33,700/- while the fee shown in the Income and Expenditure Account was Rs. 42,70,475/-.

The school was given an opportunity of being orally heard by the Committee on 12/11/2012. On this date, Sh. Vinay Kumar Huda, Manager of the School appeared with Ms. Sandhya Devi, Principal, Sh. Ramakant, Accountant and Ms. Neha Mishra, clerk. They were heard by the Committee.

When confronted with the apparent contradictions in the stand taken by the school vis a vis the figures appearing in the financial



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statements of the school, it was contended on behalf of the school that in actual fact VI Pay Commission had not been implemented. **The staff is apparently paid salary by cheques as per the VI Pay Commission but a major part is paid back by them in cash which is then redeposited in the bank by showing inflated fee from the students.** With their assistance, the Committee has examined the financials of the school particularly to verify this aspect and it has been found that these contentions are corroborated.

**In view of the admission by the school that VI Pay Commission has, in actual fact, not been implemented, the Committee is of the view that the fee hike effected by the school i.e. Rs. 100/- per month for classes I to X and Rs. 200/- per month for classes XI and XII which was the maximum extent to which the fee could be hiked as per order dated 11.02.2009 of the Director of Education was not justified and the same ought to be refunded along with interest @ 9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relating to the fee hike of 2009-10 ought also be refunded 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: 12/11/2012

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**Secretary**

**St. Marks Senior Sec. Public School, Harsh Vihar, Delhi-110093**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 10.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Ms. Suman Singh, Principal of the school appeared on 18.07.2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that the school had hiked the tuition fee to the extent of 10%. However,

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Secretary

the school was charging development fee but the school had neither capitalized the development fee nor was maintaining a depreciation reserve fund.

The two members of the Committee in the meeting held on 14.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** Further, it was observed by them that the school had introduced a new levy w.e.f. 01.04.2010 in the shape of development fee which was being charged on monthly basis. From the fee structure for 2010-11, it was observed that the development fee was being charged @ Rs. 75/- per month for classes Nursery and Upper KG, Rs. 65/- per month for class I, Rs. 70/- per month for class II, Rs. 80/- per month for classes III & IV, Rs. 90/- per month for class V, Rs. 95/- per month for classes VI to VIII, Rs. 100/- per month for classes IX & X, Rs. 140/- per month for class XI and Rs. 180/- per month for class XII. On examination of the financials of the school for 2010-11, it was observed that the total development fee collected during the year amounted to Rs. 6,82,490/- and the same had been treated as a revenue receipt and credited to Income and Expenditure account. The school did not maintain any depreciation reserve fund.

In view of this, since the school was not fulfilling the pre-conditions for charging development fee as per the judgment of the



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Hon'ble Supreme Court in the case of **Modern School Vs. Union of India & Ors. (2004) 5 SCC 583**, they were of the view that the school ought to refund the development fee charged in 2010-11 along with interest @ 9% per annum. However, since the records of the school were examined by the two members of the Committee in the absence of the Hon'ble Chairperson, it was decided to place the matter before him when he resumed the office.

The Chairperson in the meeting held on 29.09.2012 examined the records of the school, the observations of the audit officer and the views of the two members of the Committee and recorded his agreement with their views.

**The Committee is therefore of the view that the school was not entitled to charge any development fee as the pre conditions prescribed for charging such fee were not being fulfilled by the school. Hence, the same charged for the years 2010-11 onwards ought to be refunded 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: 29/09/2012

11/10/2012  
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**Aravali Public School, Naraina, New Delhi-110028**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-A district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as, prima-facie, it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Ms. Bharti Khurana, Headmistress of the school appeared on 23/07/2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education. The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that during 2009-10, the school had hiked tuition fee



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ranging between 19.4% and 28.5% for different classes while the fee hiked in 2010-11 was around the tolerance level of 10%. **Although the school was maintaining a bank account, salary to the staff was being paid in cash.** Discrepancies were also observed between the balances as appearing in the books of accounts and those appearing in the final account statements.

The two members of the Committee in the meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. They were of the view that besides the preparation of wrong financial statements as observed by the audit officer, the school had hiked the fee in 2009-10 by Rs. 100/- per month for all the classes which was the maximum hike permitted by the order dated 11.2.2009 issued by the Director of Education. **The school had admittedly not implemented the VI Pay Commission Report.** In view of this, they were of the view that the fee hiked by the school w.e.f. 01.04.2009 for all the classes was unjustified and ought to be refunded along with interest @ 9% per annum. They were also of the view that as the fee hiked in 2009-10 would also be a 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 should also be refunded along with interest @ 9% per annum. However, since the matter was examined by the two members in the absence of the



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Hon'ble Chairperson, it was decided to place the same before him when he resumed office.

The Chairperson perused the records of the school, the observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with their views.

**The Committee is therefore, of the view that the school ought to refund the fee of Rs. 100/- per month hiked by it for all the classes w.e.f. 01.04.2009 alongwith interest @ 9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also refunded along with interest @ 9% per annum. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

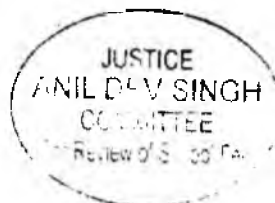
Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

11/9/2012

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Secretary



**Purnima Model School, Sagar Pur West, New Delhi-110046**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as, prima-facie, it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Ms. Sarojini, Manager of the school appeared on 24/07/2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education. The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations are that the school was actually charging more fees in



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*[Signature]*  
**Secretary**



the years 2009-10 and 2010-11 than those shown in the fee structures submitted as part of the returns under Rule 180. If the actual fee charged in 2009-10 and 2010-11 was considered, the position that emerged was that in 2009-10 the fee was hiked by 20% and in 2010-11 by 10%. The books of accounts of the school were also not maintained properly. **Although the school had a bank account, the salary was being paid to the staff in cash.**

The two members of the Committee in the meeting held on 21.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. It was observed by them that the position that emerged considering the actual fee charged by the school was as follows:-

Class	Actual tuition fee	Actual tuition fee	Actual tuition fee
	2008-09	2009-10	2010-11
I	300	400	410
II	320	420	430
III	340	430	440
IV	360	450	450
V	380	470	480
VI	400	500	500
VII	440	550	550
VIII	480	600	600



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The tuition fee charged by the school in 2008-09 was less than Rs. 500/- per month and therefore as per the order dated 11.2.2009 of the Director of Education, the maximum hike permitted to it was Rs. 100/- per month if it had implemented the VI Pay Commission Report. **However, the school had admittedly not implemented the VI Pay Commission Report.** Yet the school had hiked the fee to the maximum extent as per the aforesaid order for classes I, II & VI and in respect of classes VII and VIII, the hike was even more than the maximum hike permitted vide the aforesaid order. For classes III, IV & V, the hike was to the tune of Rs. 90/- per month which was also way above the tolerance limit of 10%. Moreover, the school had tried to mislead the authorities firstly by submitting false fee schedules for 2009-10 and 2010-11 and secondly, by giving a false reply to the questionnaire of the Committee. They were, therefore, of the view that the fee hiked by the school w.e.f. 01.04.2009 for all the classes was unjustified and ought to be refunded along with interest @ 9% per annum. They were also of the view that as the fee hiked in 2009-10 would also be a 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 should also be refunded along with interest @ 9% per annum. However, since the matter was examined by the two members in the absence of the Hon'ble Chairperson, it was decided to place the same before him when he resumed office.



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Secretary

The Chairperson perused the records of the school, the observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with their views.

**The Committee is therefore, of the view that the school ought to refund the fee hiked by it for all the classes w.e.f. 01.04.2009 alongwith interest @ 9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also refunded 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: 29/09/2012

11/10/2012

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Secretary



**St. B.S. Public School, Shiv Ram Park, Nangloi, Delhi-110041**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as, prima-facie, it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Sushil Kumar, Manager of the school appeared on 24/07/2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education. The records produced by the school were examined by Sh. A.K. Vijh, Audit Officer of the Committee and his observations are that the fee hiked by the school in 2009-10 was 19.04% but the hike effected in 2010-11 was within 10%.



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**Secretary**

The two members of the Committee in the meeting held on 21.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. They were of the view that contrary to the contention of the school, it was apparent from the fee schedules of 2008-09 and 2009-10 that the school had effected a hike in fee of Rs. 100/- per month for all the classes across the board. This was the maximum hike permitted by the order dated 11.2.2009 issued by the Director of Education. **The school had admittedly not implemented the VI Pay Commission Report.** In view of this, they were of the view that the fee hiked by the school w.e.f. 01.04.2009 for all the classes was unjustified and ought to be refunded along with interest @ 9% per annum. They were also of the view that as the fee hiked in 2009-10 would also be a 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 should also be refunded along with interest @ 9% per annum. However, since the matter was examined by the two members in the absence of the Hon'ble Chairperson, it was decided to place the same before him when he resumed office.

The Chairperson perused the records of the school, the observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with their views.



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The Committee is therefore, of the view that the school ought to refund the fee of Rs. 100/- per month hiked by it for all the classes w.e.f. 01.04.2009 alongwith interest @ 9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also refunded 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: 29/09/2012

11/9/2012

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**Doon Public School, D Block, Janak Puri, New Delhi-110058**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-A district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C'.

In order to verify the records of the school, the school, vide letter dated 19/07/2012, was required to produce on 06/08/2012 its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. On the appointed date, Sh. Arun Kumar, Manager of the school appeared along with the required records. He also furnished reply to the questionnaire vide which **it was stated that the school had neither implemented the VI Pay Commission Report nor had it increased the fee in terms of order dated 11.02.2009 of the Director of Education w.e.f. 01.04.2009.**

The records produced were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that during 2009-10, the school had increased tuition fee @ Rs. 120/-



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from Rs. 645/- per month to Rs. 765/- per month for classes VI to VIII. In percentage terms, the hike in 2009-10 was 18.60 % to 19.20% as compared to 2008-09. During the same period, annual charges were increased by Rs. 300/- per annum which in percentage terms amounted to an increase of 8.11%. During 2010-11, the fee hike was within 10%. Besides annual charges, the school was also charging maintenance charges.

The school was given an opportunity of being orally heard by the Committee on 20/11/2012 vide email dated 16/11/2012. On the date of hearing, Ms. Simmi, a TGT of the School appeared and informed that the Manager Sh. Arun Kumar was out of station and would be back only in the 3<sup>rd</sup> week of December 2012 and requested for adjournment of hearing accordingly. However, after discussion, the hearing was adjourned to 26/11/2012 when the principal of the school had agreed to be present in the absence of Manager. On 26/11/2012, Sh. Arun Kumar, Manager of the school appeared along with Ms. Simmi Setia, TGT. They also produced the fee, salary and accounting records of the school. They were heard by the two members of the Committee as the Chairperson could not attend the meeting due to some personal difficulty. During the course of hearing, Sh. Arun Kumar reiterated that the school had not implemented the VI Pay Commission Report as the school did not have adequate resources. However with regard to the fee hike in 2009-10, he contended that the same was not excessive as the strength of the



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**Secretary**



students of the school was depleting every year. The school had just about 90 students. A chart showing the fee from 2008-09 to 2011-12 was also filed.

We have perused the records of the school, reply to the questionnaire, the comparative chart of fee submitted by the school and the observations of the audit officer. We have also considered the oral submissions of the Manager of the school. **It is noted that the school had admittedly not implemented the VI Pay Commission Report.** The hike in fee effected by the school in 2009-10 to the tune of 18.6% for classes VI to VIII and 19.2% for classes I to V was not justified being in excess of the tolerance limit of 10%. Further, it cannot be said that in absolute terms, the hike was nominal. The contention of the school that the strength of the students was depleting cannot be a ground for putting additional burden on the students who continue to remain in the school. If the economics of running the school is not viable, the school has to take a call in terms of continuing or closing it down.

We are, therefore of the view, that out of the fee hiked in 2009-10, the school ought to refund a sum of Rs. 57/- per month to students of classes I to V and Rs. 55/- per month to students of classes VI to VIII which represents the excess fee hiked over 10% tolerance limit, along with interest @ 9% per annum. As the fee hiked in 2009-10 is also a part of the fee for the subsequent years, there would be a ripple effect of the hike in the subsequent years and the

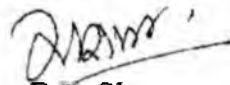


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hike in the subsequent years in so far as it is relatable to the hike in 2009-10, ought also be refunded along with interest @ 9% per annum.



Dr. R.K. Sharma  
Member




CA J.S. Kochar  
Member

Dated: 26/11/2012

*I agree  
to sign  
4/12/2012*



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**Secretary**

**National Public School, Jhilmil Colony, Shahdara, Delhi-110095**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, some incomplete annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C'.

In order to verify the records of the school, the school, vide letter dated 22.10.2012, was required to produce on 09.11.2012 copies of its complete annual returns, fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to this letter, Sh. Nitender Kunwar, Manager of the school appeared and produced the required records. Reply to the questionnaire was also furnished as per which the school stated that neither it had implemented the recommendations of the VI Pay Commission nor had it increased any fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that w.e.f. 01.04.2009, the school increased the tuition fee by Rs. 60/- per month for students of all the classes. Till 2008-09, the school was not charging any annual charges. However, from 2009-10, annual charges



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of Rs. 600/- per annum were introduced and if such charges were calculated on monthly basis, the same would be Rs. 50/- per month and the aggregate hike in fee during 2009-10 would be Rs. 110 per month for all the classes which in percentage terms amounted to a hike of 25.88 % to 33.33 %. He further observed that during 2010-11, no fee was hiked.

The school was given an opportunity of being orally heard by the Committee on 12/11/2012. On this date, Sh. Nitender Kunwar, Manager of the School appeared. He was heard by the Committee. He contended that the hike in tuition fee in 2009-10 was just Rs. 60/- per month which was 14% to 18% more than the fee for 2008-09 for different classes. He also contended that annual charges are only to cover administrative cost and should not be treated as part of the fee. No annual charges were charged till 2008-09 but in 2009-10, they were introduced @ Rs. 600/- per annum to cover the increased administrative cost. He also submitted that in the subsequent years, except for nominal increase of Rs. 30/- per month for class VII and Rs. 10/- per month for class V, the school had not hiked any fee.

**The Committee perused the records of the school as well as the observations of the audit officer. It also considered the oral submissions of the Manager of the school. The Committee does not find any substance in the contention of the school that annual charges should not be considered as part of the fee. No doubt, annual charges are levied to cover the overheads of the**



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**Secretary**

school but on examination of the financials of the school, the Committee found that the total overhead expenditure of the school in 2008-09 was Rs. 2.34 lacs which nominally increased to Rs. 2.48 lacs in 2009-10. Thus the incremental overhead expenditure in 2009-10 was just Rs. 0.14 lacs. As against this, the total accretion on account of introduction of annual charges in 2009-10 was Rs. 1.76 lacs. Thus in the garb of increasing the annual charges, the school had actually increased the tuition fee. In view of these findings, the Committee is of the view that the fee hike effected by the school i.e. Rs. 110/- per month, which was more than even the maximum permitted vide order dated 11.02.2009 of the Director of Education, was not justified and the same ought to be refunded along with interest @ 9% per annum. However, the Committee is of the view that since in the subsequent years, the school did not increase the fee, ripple effect need not be given. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 12/11/2012



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Secretary

**B.M. Bharti Model School, Mairi, Delhi-110081**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi without implementing the VI Pay Commission Report.

In order to verify the correctness of these returns, the school, vide letter dated 16.07.2012, was required to produce its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Rakesh Kumar, Manager of the school appeared on 25/07/2012 and produced the required records except fee receipts books for 2008-09, 2009-10 and 2010-11 which were claimed to have been weeded out and destroyed. Reply to the questionnaire was furnished as per which the school claimed to have implemented the VI Pay Commission Report w.e.f. April 2010 and in respect of the query regarding hike in fee, the school gave a vague reply that fee was not increased in 'mid-session' due to VI Pay Commission.



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The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations were that in the absence of fee receipt books, the fee hiked, if any, by the school could not be verified. It was observed by him on examination of the annual returns of the school that the school appeared to have hiked the fee by Rs. 150/- to Rs. 175/- per month in 2009-10 which amounted to an increase of 30% to 43% for different classes. It was also observed that the salary register was not being maintained properly and no break up of salary was available therein. It was informed by the Manager of the school that only the basic salary was being paid.

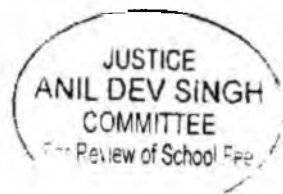
The two members of the Committee in their meeting held on 25.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. It was observed by them that it was apparent from the fee schedules filed by the school as part of annual returns that the school, w.e.f. 01.04.2009, had hiked tuition fee from Rs. 350/- to Rs. 500/- per month for classes I to V, from Rs. 425/- per month to Rs. 600/- per month for classes VI to VIII and from Rs. 575/- per month to Rs. 750/- per month for classes IX & X. **The hikes for classes I to VIII were more than even the maximum permitted hike for this category of the school.** Further the school on its own claims to have implemented the VI Pay Commission Report w.e.f. 01.04.2010 but the hike was effected w.e.f. 01.04.2009. Thus at any



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rate, the fee hiked by the school for the year 2009-10 for all the classes was unjustified and they were, therefore of the view, that the same ought to be refunded along with interest @ 9% per annum. It was also observed that the school had been charging development fee even before 2009-10. In 2008-09, it was being charged @ Rs. 260/- per annum which was increased to Rs. 280/- per annum in 2009-10 and further to Rs. 300/- per annum in 2010-11. The Balance Sheets of the school showed that neither development fee was being treated as a capital receipt nor any depreciation reserve fund was being maintained. Thus none of the preconditions laid down by the Hon'ble Supreme Court in the case of Modern School Vs. Union of India & Ors. was being fulfilled. The school, therefore, was not entitled to charge any development fee in the first place. For the same reason, it was not entitled to increase the same in 2009-10 or 2010-11. They were therefore of the view that the school ought to refund the development fee charged in 2009-10 and 2010-11 along with interest @ 9% per annum. In respect of the development fee charged in the prior years, the Director of Education might take appropriate action under the law. They were also of the view that the claim of the school of having implemented the VI Pay Commission Report w.e.f. April 2010 was highly suspect in view of the irreconcilable figures thrown up by the financial statements of the school and therefore the Director of Education ought to conduct inspection of the school particularly to ascertain the status of implementation of the VI Pay Commission Report. However, since the meeting of the Committee was held in



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Secretary



the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that the school ought to refund the fee hiked w.e.f. 01.04.2009 to 31.03.2010 along with interest @ 9% per annum. The school also ought to refund the development fee charged in 2009-10 and 2010-11 along with interest @ 9% per annum. A special inspection be carried out by the Director of Education to ascertain the status of implementation of VI Pay Commission Report w.e.f. 01.04.2010 and if it is found that in actual fact the said report has not been implemented as claimed, the school ought to refund the increased fee w.e.f. 01.04.2010 onwards also along with interest @ 9 % per annum with ripple effect 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: 29/09/2012

11/10/2012

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Secretary



**New Nalanda Public School, Molarbund Extn., Badarpur, New  
Delhi-110044**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns submitted by the school under Rule 180 of Delhi School Education Rules 1973 were received from the office of South District of Directorate of Education. On a preliminary examination of these returns, the school was placed in category 'A' as the school had apparently increased the fee in accordance with the order dated 11/02/2009 issued by the Director of Education without implementing the VI Pay Commission Report.

In order to verify the correctness of the returns submitted, the school, vide letter dated 16/07/2012, was required to produce the fee receipts and salary payment registers and to furnish reply to the questionnaire dated 27/02/2012 along with detail of arrears of fee received from the students on 27/07/2012. On this date, Sh. Deep Singh, Secretary of the Society running the school appeared and submitted reply to the questionnaire vide which it claimed that the school had implemented the VI Commission Report w.e.f. April 2011. On the other hand, the school claimed to have increased fee to the extent of 10% to 20% in 2009-10. The Secretary did not produce its fee receipts books for verification on the ground that the same were



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**Secretary**

stolen from his car on 31/01/2012 and in support of his contention, he filed a copy of FIR lodged with police station Sarita Vihar. As the school claimed to have implemented the VI Pay Commission Report w.e.f. April 2011, the school was asked to produce its fee receipts and salary payment registers for the financial year 2010-11 and 2011-12 on 03/08/2012. On this date, Sh. Ravi, Cashier of the school appeared on authorization of the Manager and produced the desired records. The records produced were examined by Sh. A.D. Bhateja, audit officer of the Committee and his observations were that though the school claimed to have implemented the VI Pay Commission Report w.e.f. April 2011, as per the fee schedules filed as part of annual returns, the school had increased the fee w.e.f. 2009-10 by Rs. 100/- per month for all the classes which was the maximum permissible hike as per the order dated 11/02/2009 of the Director of Education.

In order to afford an opportunity of being heard, the Committee issued notice of hearing dated 09/11/2012 for hearing on 16/11/2012. On this date, Sh. Deep Singh, Secretary of the Society running the school appeared and was heard by the Committee. He admitted that the school had increased the fee by Rs. 100/- per month w.e.f. 01/04/2009 which was the maximum permissible hike as per order dated 11/02/2009 of the Director of Education. He was also confronted with the fee structures submitted by the school for the years 2008-09 and 2009-10 which, besides showing an increase of Rs.



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Secretary

100/- per month in tuition fee, also showed that w.e.f. 2009-10, the school had also introduced annual charges of Rs. 1200/- per annum which amounted to Rs. 100/- per month. Thus the school had actually hiked the fee by Rs. 200/- per month i.e. Rs. 100/- towards tuition fee and Rs. 100/- per month towards annual charges. He contended that there was no hike in the annual charges as the same were also being charged in the year 2008-09 but were inadvertently omitted from the fee schedule of 2008-09. On the issue of implementation of VI Pay Commission, initially he maintained that the same was implemented w.e.f. 01/04/2011 but on prodding by the Committee as to how such heavy payments could be made in cash, he admitted that in actual fact the VI Pay Commission had not been implemented. He undertook to produce and file on 20/11/2012 copies of fee receipts of 2008-09 showing receipt of annual charges in that year and the detail of actual salary being paid to the staff w.e.f. 01/04/2011. He did not claim any further hearing. However, on 20/11/2012, instead of producing the fee receipts and salary registers, he filed a letter dated 20/11/2012 vide which he maintained that the same cannot be produced as all the records for the years 2007-08 to 2011-12 had been stolen from his car. As regards the implementation of VI Pay Commission Report, he made a volte face and stated that the VI Pay Commission had been implemented w.e.f. April 2011 and the salary was being paid in cash.

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**Secretary**



The Committee has perused the returns filed by the school under Rule 180 and the observations of the audit officer and has considered the oral submissions made by the Secretary of the Society running the school. The Committee is of the view that the story put up by the Secretary regarding the theft of school records from his car is nothing but a cock and bull story. Firstly the Secretary of the Society had no business to be carrying the records of the school in his car. He stated that the records were being taken to the auditor of the school. Had it been so, the records of the current year only would have been taken. There was no reason for records of five years to be taken to the auditor when the balance sheets of those years had already been audited and the income tax returns had also been filed. The date when the FIR was lodged i.e. 31/01/2012 is very significant. It was around this date that the schools had been instructed by the District officials of the Directorate of Education to submit the records required by the Committee. The most convenient way for avoiding examination of records by the Committee was to lodge an FIR stating that the records have been stolen. Further, the claim that even the increased salaries after implementation of VI Pay Commission were being paid in cash does not stand to reason as after such implementation, salaries ranging between Rs. 30,000/- and Rs. 40,000/- are shown to be paid and monthly salary bill would be around Rs. 5.00 lacs. The Income Tax Rules do not permit an expenditure exceeding Rs. 20,000/- in cash. Further, during the course of hearing on 16/11/2012, in the face of searching questions put by the Committee, the Secretary of the



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Secretary

school admitted that the VI Pay Commission had not been implemented. As such the contentions of the school in the letter dated 20/11/2012 can only be termed as an afterthought to avoid an adverse recommendation by the Committee.

**The Committee is therefore of the view that the school had infact hiked the tuition fee by Rs. 100/- per month w.e.f. 01/04/2009 which even the school does not deny. The Committee is also of the view that the school had introduced a new levy in the shape of annual charges of Rs. 1200/- per annum w.e.f. 01/4/2009 and thus the fee hike was to the tune of Rs. 200/- per month. The Committee is also of the view that the school has not implemented the VI Pay Commission w.e.f. 01/04/2011. At any rate, the school does not even claim to have implemented the VI Pay Commission report w.e.f. 01/04/2009 when the fee was hiked and that too to the extent of twice the amount which the school was permitted to hike in terms of order dated 11/02/2009 of the Director of Education for implementation of VI Pay Commission Report which was never implemented. In light of these facts, the Committee is of the view that the school ought to refund the tuition fee hike of Rs. 100/- per month w.e.f. 01/04/2009 and the annual charges introduced @ Rs. 1200/- per annum w.e.f. 01/04/2009 along with interest @ 9% per annum. As the fee hiked in 2009-10 is also part of the fee hiked in the subsequent years, the hike in the**



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**Secretary**

subsequent years relatable to the fee hike of 2009-10 ought also be refunded along with interest @ 9% per annum. As the school has not come out with its true financials, the Director of Education should order a special inspection of the school in order to ascertain the true state of its affairs. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 04/12/2012



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Secretary

**Naveen Dabar Sec. Public School, Daulatpur, New Delhi-110043**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it prima facie appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, without implementing the VI Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 08/08/2012, was required to produce on 28/08/2012 its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27/02/2012. In response to this letter, the Committee received a letter dated 28/08/2012 from the Vice Principal of the school in which it was stated that the school had not implemented the VI Pay Commission due to paucity of funds as the school is located in a remote village. It was further stated that the school was charging a low fee. It was also stated that the records of the school had been lost on account of some mischief played by the previous Vice Principal. An FIR was lodged but even the police has not been able to trace the records and has given a non-traceable report. A request was made that the school may be given sufficient time to reconstruct the old record. Along with this

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A handwritten signature in black ink, appearing to be "Ajay", written over the printed word "Secretary".

**Secretary**



letter, the school also furnished reply to the questionnaire dated 27/02/2012 in which it was stated that the school had not increased any fee consequent to order dated 11/02/2009 of the Director of Education.

On perusal of the aforesaid letter alongwith its enclosures, it was observed that in the report lodged with the police on 10/07/2012, the reason given for misplacement of records is different from what is stated in the letter. In the report to the police, it is stated that the records were lost while they were being shifted to the Manager's residence on account of some painting work in the school. Further, the report does not state that even the fee receipt books and registers were lost. The so-called non-traceable report is actually a report by the police that nobody had deposited any of the lost records with the police. Moreover, the Committee felt that no useful purpose would be served by giving time to the school to reconstruct its 'lost' records as such records are incapable of being reconstructed. Therefore, the Committee advised its audit officer to put up a note on the facts emerging by examining the annual returns submitted by the school under Rule 180 of Delhi School Education Rules 1973.

Accordingly, the returns were scrutinized by Ms. Sunita Nautiyal, Audit Officer of the Committee who put up a note dated 26/09/2012 stating the following:

- (i) The final accounts of the school were not audited.
- (ii) The Receipt and Payment Account of any of the five years i.e. 2006-07 to 2010-11 was not available.



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Secretary

- (iii) As per fee structure, the school was charging development fee but no development fund or depreciation reserve fund was maintained.
- (iv) During 2009-10, the Income and Expenditure Account of the school reflected receipts under various heads like I-Card & Dairy, medicine fee, pupil fund, science fee, scout & guide fee whereas the fee structure for that year did not show any fee being charged under these heads.
- (v) Aggregating the fee under all heads, there was a hike of 31.89% in the fee for classes IV & V (fee was hiked from Rs. 417 to Rs. 550), 25.7% for classes VI to VIII (fee hiked from Rs. 517 to Rs. 650) during the year 2009-10.
- (vi) Similarly, during the year 2010-11, the fee was hiked by 66% for classes I to III (fee hiked from Rs. 450 to Rs. 747), 54% for classes IV to V (fee hiked from Rs. 550 to Rs. 847), 41.07% for classes VI to VIII (fee hiked from Rs. 650 to Rs. 917), 55.6% for classes IX & X (fee hiked from Rs. 750 to Rs. 1167).
- (vii) The income from fee as reflected in the Income and Expenditure Accounts for the year 2008-09, 2009-10 and 2010-11 did not reconcile with the number of students enrolled during those years. While the number of students enrolled in 2009-10 was 114, the income from fee reflected in the accounts was Rs. 15.49 lacs. However in 2010-11, while the number of students increased to 121 and the fee per student also increased exorbitantly as mentioned above,

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**Secretary**

the total income from fee came down drastically to Rs. 6.56 lacs.

The Committee in its meeting held on 28/09/2012 perused the returns of the school, reply to the questionnaire, letter submitted by the school and the observations of the Audit Officer. **Admittedly the school had not implemented the VI Pay Commission Report.** However, the school resorted to exorbitant fee hike in 2009-10 for some classes and 2010-11 for all the classes. The hike in fee particularly in 2010-11 was much more than the maximum hikes permitted vide order dated 11/02/2009 of the Director of Education when the VI Pay Commission had not even been implemented. Further, the story put up by the school of having lost its records is a cock and bull story as is evidenced by the inconsistency in the stand of the school as well as its financial statements.

**The Committee is therefore, of the view that the school ought to refund the fee hiked by it both in 2009-10 and 2010-11 with ripple effect in the subsequent years along with interest @ 9% per annum. The Committee is also of the view that the Director of Education may conduct a special inspection in order to ascertain the true state of affairs of the school. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 28/09/2012

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Secretary



**Sri Guru Harkrishan Model School, Tagore Garden, New Delhi-110027**

In reply to the questionnaire dated 27/02/2012 sent by the committee by email, the school vide letter dated 28/02/2012 submitted that it had neither implemented the VI Pay Commission Report nor hiked the fee as per order dated 11/02/2009 of the Director of Education. On the basis of this reply, the school was put in Category 'C'. The annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the West-A district of the Directorate of Education.

In order to verify the correctness of these returns and reply to the questionnaire, the school, vide letter dated 27/03/2012, was required to produce on 03/04/2012, its fee records, books of accounts, bank statements, salary payment register. However, no one appeared on behalf of the school on this date nor the records were caused to be produced before the Committee. A reminder was sent to the school on 17/04/2012, providing it a final opportunity to produce the records on 01/05/2012. However, on this date also, neither any communication was received from the school nor any records were caused to be produced. In fact, no communication was received by the Committee for the next one month.

The audit officer of the Committee Ms. Sunita Nautiyal was asked to examine the returns of the school received from the office of



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the Dy. Director and vide note dated 06/06/2012, it was observed by her **that the school had admitted in reply to the questionnaire that it had not implemented the VI Pay Commission Report.** It was also observed that as per the fee schedule submitted by the school as part of its annual returns, the fee charged by the school in 2008-09 was less than Rs. 500 per month and as such the school could have increased the fee upto a maximum of Rs. 100 per month as per the order dated 11/02/2009 of the Director of Education had it implemented the VI Pay Commission report. However, the school without implementing the VI Pay Commission Report had hiked the fee by Rs. 135 to Rs. 140 for different classes.

The Committee in its meeting held on 11/06/2012 perused the returns of the school as also the observations of the audit officer and noted that as per reply to the questionnaire submitted by the school, it had admitted that it had not implemented the VI Pay Commission Report. However, in so far as the hike in fee was concerned, the Committee noted that contrary to its reply, the school had hiked the tuition fee even more than that was permitted to it, if it had implemented the VI Pay Commission Report. The Committee also noted that the amount of fixed deposit and bank balances as reflected in the balance sheets of the school also showed a phenomenal hike. The position that emerged from the balance sheet of the school was noted as follows:

JUSTICE  
ANIL DEV SINGH  
C. J.

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Particulars	As on 31/03/2009	As on 31/03/2010	As on 31/03/2011
Fixed deposits	1,70,89,820	2,20,56,377	2,72,10,032
Cash and Bank Balances	13,07,036	18,78,012	19,58,728

It was also observed by the Committee that the school had been receiving huge contributions towards building fund. The details of such contributions were noted as follows:

Received during 2008-09	19,06,090
Received during 2009-10	37,33,473
Received during 2010-11	23,83,875

The Committee noted that the school appeared to be purposely evading production of its records to hide the sources of its funds. Hence, initially, the Committee was of the view that it should depute one of its officers to the school to verify the sources of huge accretion to the building fund. However, the Committee in today's meeting reconsidered the matter and has come to the conclusion that it has no power to conduct inspection of the school, as the same vests with the Director of Education.

**The Committee, therefore, recommends that the Director of Education may conduct special inspection of the school particularly to ascertain the source of receipt of building fund.**

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Secretary

It may be possible that the school was recovering it from the students as fee and camouflaging it as building fund in its accounts. As for the hike in tuition fee of Rs. 135 to Rs. 140 per month w.e.f. 01/04/2009, which is apparent from the fee schedules filed by the school, the school ought to refund the same along with interest @ 9% per annum as the same was wholly unjustified in view of the fact that the school had not implemented the VI Pay Commission Report. As the fee hiked in 2009-10 would also be a 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 should also be refunded along with interest @ 9% per annum. If on inspection, the Director of Education finds that the building fund was collected from the students, it ought to direct the school to refund the same 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: 08/10/2012

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*[Signature]*  
Secretary



**U.D. Public School, Shivaji Park, Shahdara, Delhi-110032**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as, prima-facie, it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 19.06.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Kapil Upadhyay, Accountant of the school appeared on 24/07/2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education. The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that **the school was not having any bank account.** The acquittance roll of the staff appeared to be suspicious. The fee



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Secretary



actually received by the school did not tally with the fee structures filed as part of returns under Rule 180. The average fee hike in 2009-10 was 12.99% and in 2010-11, it was 14.1%. The closing balance of cash in hand as per cash book did not agree with the cash balance shown in the balance sheet in respect of all the three years which were examined i.e. 2008-09, 2009-10 and 2010-11.

The two members of the Committee in the meeting held on 21.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. They were of the view that the financial records of the school did not inspire confidence and needed to be inspected, inter-alia, as it had been found that the fee receipts did not match with the fee structures filed by the school. **The school had admittedly not implemented the VI Pay Commission Report.** On examination of fee structure for 2008-09 and 2009-10, it was observed by them that the fee hike effected for classes I to V w.e.f. 01.04.2009 was unjustified as the same had been hiked by Rs. 100/- per month which was the maximum hike permitted vide order dated 11.2.2009 of the Director of Education. It was also observed by them that though the school had shown development fee of Rs. 100/- in the fee structures of 2008-09, 2009-10 and 2010-11, the Receipt and Payment accounts and Income and Expenditure accounts of these years did not show any receipt under this head. In view of this, they were of the view that the fee hiked by the school w.e.f. 01.04.2009 for



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classes I to V was unjustified and ought to be refunded along with interest @ 9% per annum. They were also of the view that as the fee hiked in 2009-10 would also be a 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 increased fee in the subsequent years relating to the fee hike of 2009-10 should also be refunded along with interest @ 9% per annum. Besides, a special inspection should also be conducted by the Director of Education to ascertain the actual fee charged by the school, as on a test check, discrepancies were found by the audit officer. The special inspection should also cover the aspect of charging development fee and if it was found that the school was charging such a fee, the same should also be refunded along with interest @ 9% per annum as the school was not maintaining any depreciation reserve fund. However, since the matter was examined by the two members in the absence of the Hon'ble Chairperson, it was decided to place the same before him when he resumed office.

The Chairperson perused the records of the school, the observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with their views.

**The Committee is therefore, of the view that the school ought to refund the fee of Rs. 100/- per month hiked by it for classes I to V w.e.f. 01.04.2009 alongwith interest @ 9% per**

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JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School Fees

annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relating to the fee hike of 2009-10 be also refunded along with interest @ 9% per annum. Besides, a special inspection be also conducted by the Director of Education to ascertain the actual fee charged by the school and also the development fee charged. In case the school was found to be charging more fee than that shown in the fee structure and was also charging development fee, to order their refund. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

11/9/2012



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Secretary

**S.M Public School, East Krishna Nagar, Delhi-110051**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 04.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Dr. Nisha Bhatnagar, Manager of the school appeared on 12/07/2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school had not implemented the recommendations of VI Pay commission and the fee was increased as a routine yearly increase and not in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that

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**Secretary**

the school had hiked tuition fee classes I to V by 22.7 % and for classes VI to VIII 20.2% in the year 2009-10. The books of accounts were found to be maintained in normal course.

The Committee in its meeting held on 03.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, it was observed by the Committee that the tuition fee for classes I to V was raised from Rs. 440/- to Rs. 540/- per month and for classes VI to VIII it was raised from Rs. 495/- to Rs. 595/- per month. Thus, there was a hike of Rs. 100/- per month across the board for all the classes which was the maximum hike allowed vide order dated 11/02/2009 issued by the Director of Education. Further the committee has also observed that the even prior to 01.04.2009, the school was charging development fee. During 2009-10, the same was increased from Rs. 500/- to Rs. 550/- per annum and for classes VI to VIII, it was increased from Rs. 575/- to Rs. 600/- per annum. It was also observed that development fee was being treated as a revenue receipt. The depreciation reserve was created but not put in a separate fund account. Hence none of the pre conditions for charging development fee as per the judgment of the Hon'ble Supreme Court in the case of **Modern School Vs. Union of India & Ors. (2004) 5 SCC 583** was being fulfilled. The Committee is therefore of the view that the tuition fee hike effected by the school in 2009-10 was wholly

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JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of Schools

unjustified and ought to be refunded along with interest @ 9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relating to the fee hike of 2009-10 be also refunded along with interest @ 9% per annum. The Committee is also of the view that the school was not entitled to charge any development fee in any of the years as the pre conditions prescribed for charging such fee were not being fulfilled by the school. Hence, the same charged for the years 2009-10 onwards ought also to be refunded along with interest @ 9% per annum. As the jurisdiction of the Committee is limited to examine the fee hike in 2009-10 onwards, the Director of Education may take appropriate action in respect of the development fee charged in the years prior to 2009-10. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 03/09/2012

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**Secretary**



**Kennedy Public School, Raj Nagar -II, Palam Colony, New Delhi-110077**

In response to the questionnaire dated 27/02/2012 sent by the Committee, the school vide letter dated 21/05/2012 stated that it had implemented the VI Pay Commission Report w.e.f. 01.07.2009 but had not increased the fee in accordance with the order dated 11.2.2009 issued by the Director of Education. On this basis, the school was put in 'C' Category for verification of its records. The returns of the school under Rule 180 had been received from the office of the Dy. Director of Education, South West-B District.

In order to verify the correctness of the aforesaid returns, the school, vide letter dated 05.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register etc. In response to the letter of the Committee, Mr. Bhim Singh, Physical Education Teacher of the school appeared on 20/07/2012, and produced the required records.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that the school had hiked the fee within the tolerance limit of 10% per annum in the years 2008-09 and 2009-10. However, the school was charging development fee which was less than 15% of the tuition fee. The school had made provision for depreciation in its accounts. The books of accounts were found to be maintained in normal course.



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The two members of the Committee in the meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. It was observed by them that the school had been charging development fee in all the five years for which the financial returns were examined i.e. 2006-07 to 2010-11. The development fee charged in different years was as follows:-

Year	Development fee per annum per student (Rs.)	Total development fee collected (Rs.)
2006-07	350	2,90,500/-
2007-08	385	3,19,550/-
2008-09	420	3,49,020/-
2009-10	460	3,95,600/-
2010-11	500	3,69,000/-

However, the school was found to be treating development fee as a normal revenue receipt which was being utilized for meeting day today expenses of the school. In view of this, the school was not fulfilling the pre-conditions for charging development fee as per the judgment of the Hon'ble Supreme Court in the case of **Modern School Vs. Union of India & Ors. (2004) 5 SCC 583** as one of the pre-conditions laid down by the Hon'ble Supreme Court is that the development fee should be treated as a capital receipt to be utilized specifically for purchase and upgradation of furniture and fixture and



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equipments. Therefore, they were of the view that the school ought to refund the development fee charged in 2009-10 and 2010-11 along with interest @ 9% per annum. As for the development fee charged in the prior years, the Director of Education might take appropriate action under the law. However, since the records of the school were examined by the two members of the Committee in the absence of the Hon'ble Chairperson, it was decided to place the matter before him when he resumed the office.

The Chairperson in the meeting held on 29.09.2012 examined the records of the school, the observations of the audit officer and the views of the two members of the Committee and recorded his agreement with their views.

**The Committee is therefore of the view that the school was not entitled to charge any development fee in any of the years as the pre conditions prescribed for charging such fee were not being fulfilled by the school. Hence, the same charged for the years 2009-10 onwards ought to be refunded along with interest @ 9% per annum. As the jurisdiction of the Committee is limited to examine the fee hike in 2009-10 onwards, the Director of Education may take appropriate action in respect of the development fee charged in the years prior to 2009-10.**

Recommended accordingly.

Sd/-  
Dr. R.K. Sharma  
Member

Dated: 29/09/2012

Sd/-  
CA J.S. Kochar  
Member

Sd/-  
Justice Anil Dev Singh (Retd.)  
Chairperson



11/9/2012  
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Secretary

**Bholi Ram Public School, Najafgarh, New Delhi-110043**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the South West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 10.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Ram Chander Tehlan, Manager of the school appeared on 20/07/2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school claimed to have implemented the recommendations of the VI Pay Commission w.e.f. October 2009 without payment of arrears and also claimed not to have increased the fee in terms of order dated 11/02/2009 of the Director of Education. The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations are that contrary to the claim of the



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Secretary

school, the school had increased the tuition fee by Rs. 100/- per month in the year 2009-10 which amounted to an increase of 22% to 33% for different classes. **The school was found to be paying salary in cash.** The balance sheets of the school were audited by M/s. A.K. Garg & Associates, Chartered Accountants for some years but their address or contact details were not mentioned in the reports. It was also observed that the school was receiving huge amount of aid from its owner society.

The two members of the Committee in the meeting held on 21.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. It was observed by them that the school claimed to have implemented the VI Pay Commission Report w.e.f. October 2009. However, the financials of the school did not inspire any confidence in such claim as the following figures culled out from them show this to be a highly unlikely scenario:

Particulars	F.Y. 2008-09	F.Y. 2009-10	F.Y. 2010-11
Revenue from fees (A)	9,45,100	21,62,200	14,52,700
Total salary paid (B)	25,00,466	32,82,511	43,42,024
Shortfall ( C ) = (B)-(A)	15,55,366	11,20,311	28,89,324
Aid from Society	15,96,000	11,75,000	29,80,000
Number of students	Not available	228	428

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**Secretary**



With just 228 students in 2009-10, the school had a fee revenue of Rs. 21.62 lacs while with 428 students in 2010-11, the fee revenue dropped to Rs. 14.52 lacs when there was no change in fee in 2010-11 from that in 2009-10. Thus the members were of the view that the accounts were thoroughly unreliable. It was also observed that the same were not even audited and only compilation reports had been obtained from the Chartered Accountants. The society could not be expected to be running an open charity giving more aid to the school than the fee revenue of the school. They were of the view that the school was recording exaggerated salary in its accounts then it was actually paying. In light of these, they were of the view that the claim of the school of having implemented the VI Pay Commission Report was not tenable and therefore the school ought to refund the fee of Rs. 100/- per month hiked by the school w.e.f. 01.04.2009 (maximum permissible for this category) alongwith interest @ 9% per annum. As the fee hiked in 2009-10 would also be a 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also refunded along with interest @ 9% per annum. Besides, a special inspection be also conducted by the Director of Education to ascertain the actual state of affairs with regard to implementation of VI Pay Commission report. However, since the matter was examined by the two members in the absence of the Hon'ble Chairperson, it was decided to place the same

before him when he resumed office



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The Chairperson perused the records of the school, the observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with their views.

**The Committee is therefore, of the view that the school ought to refund the fee of Rs. 100/- per month hiked by it w.e.f. 01.04.2009 alongwith interest @ 9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also refunded along with interest @ 9% per annum. Besides, a special inspection be also conducted by the Director of Education to ascertain the actual state of affairs with regard to implementation of VI Pay Commission report. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012



11/9/2012  
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Secretary

**Paradise Public School. Kiran Garden. Uttam Nagar. New Delhi-110059**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Smt. Sarita Bhatia, Headmistress of the school appeared on 24/07/2012, and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that



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the school had hiked the tuition fee marginally i.e. 5 to 7% in 2009-10 and 2010-11. However, the school was charging development fee of Rs. 200/- per annum from the students without maintaining any depreciation reserve fund. Books of accounts were found to be maintained in normal course.

The two members of the Committee in the meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** Further, it was observed by them that the school had been charging development fee @ Rs. 200/- per month in all the five years, the accounts of which were examined. Over the years, the development fee collected by the school as appears from their financials was as follows:-

Year	Amount of development fee collected (Rs.)
2006-07	40,630
2007-08	40,200
2008-09	36,600
2009-10	30,200
2010-11	35,200

It was also observed by them that besides not maintaining the depreciation reserve fund, the school was also treating the development fee as a revenue receipt and using it for meeting normal



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revenue expenses. In view of this, since the school was not fulfilling the pre-conditions for charging development fee as per the judgment of the Hon'ble Supreme Court in the case of **Modern School Vs. Union of India & Ors. (2004) 5 SCC 583**, they were of the view that the school ought to refund the development fee charged in 2009-10 and 2010-11 along with interest @ 9% per annum. As for the development fee charged in the prior years, the Director of Education might take appropriate action under the law. However, since the records of the school were examined by the two members of the Committee in the absence of the Hon'ble Chairperson, it was decided to place the matter before him when he resumed the office.

The Chairperson in the meeting held on 29.09.2012 examined the records of the school, the observations of the audit officer and the views of the two members of the Committee and recorded his agreement with their views.

**The Committee is therefore of the view that the school was not entitled to charge any development fee in any of the years as the pre conditions prescribed for charging such fee were not being fulfilled by the school. Hence, the same charged for the years 2009-10 onwards ought to be refunded along with interest @ 9% per annum. As the jurisdiction of the Committee is limited to examine the fee hike in 2009-10 onwards, the Director of Education may take appropriate action in respect of the**



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**Secretary**



development fee charged in the years prior to 2009-10.

Recommended accordingly.

Sd/-

Sd/-

Sd/-

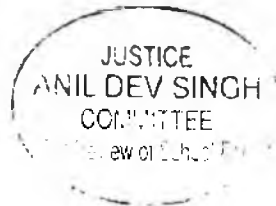
Dr. R.K. Sharma  
Member

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

11/9/2012



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Secretary

**Jainmati Jain Public School, Pahari Dhiraj, Delhi-110006**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 19/07/2012, was required to produce on 07/08/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Ms. Sunita Khurana, a TGT of the school appeared and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor was the fee increased in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that the school was recovering fee under different heads like tuition fee,



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computer fee, pupil fee and annual charges. The total monthly fee (i.e. excluding annual charges) in 2008-09 was Rs. 750/- per month for classes I to V and Rs. 800/- per month for classes VI to VIII. The same were hiked to Rs. 925/- per month and Rs. 975/- per month respectively. Annual charges were hiked from Rs. 900/- per annum in 2008-09 to Rs. 1200/- per annum in 2009-10. The school was also charging development fee.

In order to provide an opportunity of being heard to the school, the Committee vide email dated 16/11/2012 sent a notice fixing the hearing on 20/11/2012. On the appointed date, Ms. Sunita Khurana, TGT of the school appeared with Sh. Nikhil Jain, Computer Teacher. They were heard by the Committee. They contended that in 2009-10, the school hiked the fee to the extent of Rs. 150/- per month. However the VI Pay Commission had not been implemented. They also contended that separate accounts for pupil fund and development fund were maintained and their separate balance sheets were prepared but due to oversight they had not been filed. At her request, the hearing was adjourned to 26/11/2012 to enable them to file the balance sheets of the aforesaid two funds.

On 26/11/2012, Sh. V.K. Jain, Manager of the school appeared with Sh. Nikhil Jain Computer Teacher. They were heard by two members of the Committee as the Chairperson could not attend the meeting on account of some personal difficulty. They also filed complete balance sheets of the school, development fund and pupil



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fund. They stated that besides tuition fee and pupils fee, the school was also charging development fee which was increased from Rs. 600/- per annum in 2008-09 to Rs. 900/- per annum in 2009-10. When queried about maintenance of depreciation reserve fund, they admitted that the same was not being maintained. As for the utilization of development fund, they stated that the same was being used for computer education and dance-drama activities etc. They also contended that the school was trying to implement the VI Pay Commission Report but the funds did not permit that.

The Committee members have perused the returns of the school, reply to the questionnaire, records produced by the school, copies of documents retained and the observations of the Audit Officer. **It is noted that admittedly, the school had not implemented the VI Pay Commission Report.** So the question before the Committee is whether the fee hiked by the school is justified or not. As against the observation of the audit officer of the Committee that the school had hiked monthly fee by Rs. 175/- in 2009-10, the contention of the school is that the fee hike was to the tune of Rs. 150/- per month. It is observed that the audit officer had also included pupils' fee while working out the monthly fee hike. On examination of the financials of the school, it is noted that the school was maintaining separate accounts for pupils fund and preparing separate balance sheets for the same. The school was authorized to charge pupils fund as per Rule 171 of Delhi School Education Rules



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**Secretary**

1973. It is observed that the utilization of pupils fund was in accordance with the mandate of law. Hence pupils fund is not required to be considered while working out the fee hike and the contention of the school that the fee hike was Rs. 150/- per month in 2009-10 is acceptable. Excluding the pupils' fund, it is observed that the aggregate of monthly tuition fee and the computer fee was hiked from Rs. 700/- per month to Rs. 850/- per month for classes I to V and from Rs. 750/- per month to Rs. 900/- per month for classes VI to VIII in 2009-10. Hence there was a fee hike of Rs. 150/- per month across the board. In percentage terms the hike was to the tune of 21.42% for classes I to V and 20% for classes VI to VIII. These hikes were in excess of the tolerance limit of 10% and could not be considered as nominal in absolute terms. Therefore, we are of the view that the school ought to refund the excess over 10% out of the total hike in 2009-10 i.e. Rs. 80/- per month for classes I to V and Rs. 75/- per month for classes VI to VIII along with interest @ 9% per annum. As the fee hiked in 2009-10 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 increased fee in the subsequent years relatable to the fee hike of 2009-10 be also refunded along with interest @ 9% per annum.

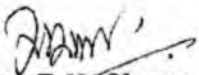
It is also observed that the school was charging development fee @ Rs. 900/- per annum in 2009-10 and Rs. 1100/- per annum in 2010-11. Though the school was maintaining a separate fund for

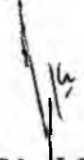
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Secretary



development fee, the Manager of the school during the course of hearing stated that the same was being utilized for computer education and for dance drama activities. The examination of balance sheet of development fund also did not reflect acquisition of any capital asset for which development fee could be collected in terms of the judgment of the Hon'ble Supreme Court in the case of Modern School Vs. Union of India & Ors. (2004) 5 SCC 583. We are, therefore, of the view that the school was not entitled to charge any development fee in any of the years as the pre conditions prescribed for charging such fee were not being fulfilled by the school. Hence, the same charged for the years 2009-10 onwards ought also to be refunded along with interest @ 9% per annum. As the jurisdiction of the Committee is limited to examine the fee hike in 2009-10 onwards, the Director of Education may take appropriate action in respect of the development fee charged in the years prior to 2009-10.

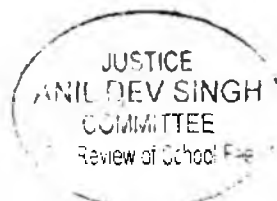
  
Dr. R.K. Sharma  
Member

  
CA N.S. Kochar  
Member

Dated: 26/11/2012

*I agree.*  
*As per*  
*4/12/2012*

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**Secretary**



**Rose Valley Public School, Nathan Vihar, Nangloi, New Delhi-41**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. Apparently the school had also not been submitting the annual returns under Rule 180 of Delhi School Education Rules 1973. However, under cover of an undated letter, the school submitted copies of its Receipt and Payment Accounts, Income & Expenditure accounts and Balance Sheets for the financial years 2007-08, 2008-09 and 2009-10 to the Education Officer, Zone-17 of the Directorate of Education. These were forwarded to the Committee. As the records were incomplete, the school was, vide letter dated 27/10/2012, required to file copies of complete annual returns, fee statements and produce fee registers, fee receipts, cash book and ledger, bank statements, salary payment registers and to file reply to the questionnaire dated 27/02/2012 on 07/11/2012. However, neither anybody appeared nor any records were caused to be produced on the said date. Therefore, a final notice dated 12/11/2012 was sent to the school to produce the required records on 23/11/2012. On this date, Sh. Vijay Arora, LDC of the school appeared and filed reply to the questionnaire, photocopies of salary registers for 2008-09, 2009-10, 2010-11 and 2011-12, bank statements and fee schedules. However, copies giving details of enrolment were not filed nor any fee records or books of accounts were produced. Instead, copy of a complaint filed with the police station



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Nihal Vihar, New Delhi was filed stating that the records of the school were destroyed in a fire that took place on 05/10/2012 in one of the rooms of the school which was extinguished by the watchman.

On 04/12/2012, Sh. Vijay Arora again appeared and was heard by the Committee. He filed a letter dated 03/12/2012 requesting for further time to be given for recasting cash book, ledgers and fee registers. The Committee is of the view that no useful purpose would be served by giving further time to the school as the school collects the fee in cash, pay salaries in cash and major expenses are also incurred in cash as is apparent from examination of their bank passbook and financial statements. As such the books of accounts cannot be recasted in the absence of the primary records like fee receipts and cash vouchers etc. In reply to the questionnaire dated 27/02/2012, which was filed on 23/11/2012, the school claims to have implemented the VI Pay Commission w.e.f. 01/04/2012 without payment of arrears. The school also claims not to have charged any arrears of fee from the students for the purpose of implementation of VI Pay Commission. As for the increase in monthly tuition fee, the school was evasive in giving a specific reply. However, on examination of the fee schedules filed by the school, it is apparent that the school had increased tuition fee in 2009-10 as compared to the fee charged in 2008-09 to the extent mentioned in the following table:

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Class	Tuition fee 2008-09	Tuition Fee 2009-10	Increase during 2009-10	Percentage Increase
I	435	500	65	14.94%
II	435	500	65	14.94%
III	495	595	100	20.20%
IV	495	595	100	20.20%
V	515	650	135	26.21%
VI	540	675	135	25%
VII	540	675	135	25%
VIII	580	700	120	20.69%
IX	750	900	150	20%
X	800	950	150	18.75%

**Admittedly the school had not implemented the VI Pay Commission till 31.03.2012.** However, as per the above table, the school had increased tuition fee in 2009-10 much above the tolerance limit of 10%. In view of these facts, the Committee is of the view that the fee hiked effected by the school in 2009-10 was not justified and ought to be refunded along with interest @ 9% per annum. As the fee hiked in 2009-10 is also part of the fee of the subsequent years, there would be a ripple effect in the fee of the subsequent years. Therefore, the fee hike in subsequent years relatable to the fee hike of 2009-10 ought also be refunded along with interest @ 9% per annum. Since the school did not produce its primary records like fee receipts and registers nor produced its books of accounts, the fee schedules as

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produced by the school could not be verified and it cannot be said that the school hiked the fee only to the extent mentioned in the fee schedules. The Committee is therefore of the view that besides refunding the fee as recommended above, the Director of Education should conduct a special inspection to ascertain true state of affairs of the school and if it is found that the school had charged more fee than that indicated in the fee schedules, the same also ought to be refunded 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: 04/12/2012

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*[Signature]*  
Secretary



**Bal Vidya Mandir Model School, Pooth Kalan, Delhi-110086**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi without implementing the VI Pay Commission Report.

In order to verify the correctness of these returns, the school, vide letter dated 16.07.2012, was required to produce its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Bhoop Singh, Principal of the school appeared on 25/07/2012 and produced the required records except fee receipts and fee registers. Reply to the questionnaire was furnished as per which it was claimed that the school had implemented the recommendations of VI Pay commission w.e.f. 01.01.2006 and had also increased the fee in terms of order dated 11/02/2009 of the Director of Education.

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A handwritten signature in black ink, appearing to be "N.W.", written over the printed word "Secretary".  
**Secretary**

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that the school has claimed to have implemented the VI Pay Commission w.e.f. 01.04.2009 and also to have paid arrears arising due to implementation of VI Pay Commission Report retrospectively. However, the financials of the school show very illogical figures. The salary outgo for 2008-09 has been shown at Rs. 28,84,278/- which increased to Rs. 41,84,212/- supposedly on account of implementation of VI Pay Commission report. On the other hand, the total receipt on account of fee increased from Rs. 30,57,920/- in 2008-09 to Rs. 85,60,580/- in 2009-10 whereas the number of students declined from 464 in 2008-09 to 447 in 2009-10. **The school did not produce the fee receipt books for any of the three years which were examined i.e. 2008-09, 2009-10 and 2010-11.**

The two members of the Committee in their meeting held on 25.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. It was additionally observed by them that the school had also shown payment of arrears of VI Pay Commission amounting Rs. 41.61 lacs in 2009-10 and **it was apparent from the balance sheet of the school that the school did not even have a bank account.** Arrears paid to individual employees ranged between Rs. 1.50 lacs and Rs. 4.81 lacs. It was well nigh impossible to pay such huge sums in cash. They were therefore of the view that the entire



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records of the school appeared to be fabricated and could not be relied upon. They, therefore recommended, that a special inspection be carried out by the Director of Education to ascertain the actual state of affairs. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. In view of this, the Committee is of the view that a special inspection be carried out by the Director of Education to ascertain the actual state of affairs. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

11/09/2012

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Secretary



**Aurobindo Public School, Budh Vihar, Delhi-110086**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'A' as it appeared that the school had hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi without implementing the VI Pay Commission Report.

In order to verify the correctness of these returns, the school, vide letter dated 16.07.2012, was required to produce its fee records, salary payment registers and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Naresh Kumar, Manager of the school appeared on 25/07/2012 and produced the required records. Reply to the questionnaire was also furnished as per which it was claimed that the school had implemented the recommendations of VI Pay commission w.e.f. 01.09.2009 but had not paid arrears of salary as per VI Pay Commission. The school also claimed not to have increased the fee in terms of order dated 11/02/2009 of the Director of Education.

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**Secretary**

The records produced by the school were examined by Sh. A.K. Vij, Audit Officer of the Committee and his observations are that contrary to the claim of the school, the school had not implemented the VI Pay Commission Report. There were vast differences in the figures of salary as per salary register produced and as per the Income and Expenditure Accounts of all the three years that were examined i.e. 2008-09, 2009-10 and 2010-11. Similar differences were observed in respect of the fee received. The Income and Expenditure Accounts for the years 2008-09 and 2009-10 were not even signed by the auditor.

The two members of the Committee in their meeting held on 25.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. It was additionally observed by them that the financials of the school had not even been audited and in place of Income and Expenditure Account, only budgeted Income and Expenditure Accounts were submitted by the school. The records appeared to be fabricated and no reliance could be placed on them. They, therefore recommended, that a special inspection be carried out by the Director of Education to ascertain the actual state of affairs. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.



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The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. In view of this, the Committee is of the view that a special inspection be carried out by the Director of Education to ascertain the actual state of affairs. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochhar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

11/1/2012



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Secretary



**G.D.Goenka Public School. Sector-9, Rohini, Delhi-110085**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On preliminary examination of the returns, it appeared that during the year 2009-10, i.e. after the issue of order dated 11.02.2009 by the Director of Education, the school increased the fee exorbitantly. As against the fee of Rs. 3450/- per month for classes pre-school to V for 2008-09, the school hiked the same to Rs. 4500/- per month. Similarly for classes VI to VIII, the fee was hiked from Rs. 3600/- to Rs. 4650/- per month, for classes IX & X, the fee was hiked from Rs. 3500/- to Rs. 5000/- per month and for classes XI & XII, the same was hiked from Rs. 4000/- to Rs. 5200/- per month. Apparently, the hike in fee effected for different classes was in the range of Rs. 1050 to Rs. 1500 per month. The maximum fee hike permitted vide order dated 11.02.2009 if the school had implemented the VI Pay Commission was Rs. 500/- per month. The school also submitted a copy of resolution dated 23.03.09 of the Managing Committee of the school authorising the fee hike as above. Annual charges were also hiked from Rs. 4000/- per annum to Rs. 6500/-

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School Fees

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Secretary

per annum. On the basis of such preliminary examination, the school was placed in Category 'A' as the school did not seem to have implemented the VI Pay Commission Report.

In order to verify the correctness of the returns, the school, vide letter dated 16.07.2012, was required to produce on 25.07.2012 its fee records, salary payment records and also to file reply to the questionnaire dated 27.02.2012. However, neither anybody appeared nor any records were caused to be produced before the Committee. Therefore, a final opportunity was given to the school to produce the required records on 23.08.2012. Again, nobody appeared nor any records were caused to be produced. However, on 19.09.2012, a representative of the school appeared of his own accord and filed a copy of letter dated 17.09.2012 regretting the non production of records on the earlier dates and requested for further time to be given. The school was given a final opportunity to do the needful on 24.09.2012. Again nobody appeared on this date nor were any records produced. On 25.09.2012, Sh. Ranjit Kumar Jha, Accountant of the school appeared and produced only the salary payment records. On examination of the salary records, it became evident that the school had not implemented the VI Pay Commission Report. No fee records were produced for which again further time was sought. The Committee was not inclined to give further time. However, at the persistent request of the Accountant, the school was given liberty to produce its fee records within one week.

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On 05.10.2012, Sh. Ranjeet Kumar Jha, Accountant of the school appeared and filed reply to the questionnaire in **which the school claimed to have implemented the VI Pay Commission Report only w.e.f. 01.07.2011.** However, with regard to the fee hike, the school stated that it had not increased the fee in accordance with the order dated 11.02.2009 of the Director of Education. When confronted with the fee structure filed by the school as part of its annual returns under Rule 180 for financial year 2009-10 on 31.07.2010 and again submitted on 24.05.2012, the school changed its stand saying that the said fee structure was wrongly filed as the Parent Teacher Association had not approved the same. However, no resolution of the Parent Teacher Association was filed in support of this contention. The school produced copies of fee receipts which appeared to have been freshly prepared showing receipt of fee at rates substantially lower than those mentioned in the fee structure filed by the school as recently as 24.05.2012. The copies of the fee receipts were neither signed by the Cashier nor did they mention the mode of receipt of fee i.e. whether cash or cheque.

The school also produced its books of accounts which again seemed to have been freshly prepared. On examination of said books, it was observed that the school had passed entries for consolidated receipt of fee for different dates which included cash as well as cheque receipts. However, the entries of cheque deposit in the



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Secretary

bank could not be reconciled by the Accountant of the school with the fee receipts. The entries of cheque deposit in the bank are for such amounts for which there are no corresponding fee receipt. This pattern is repeated.

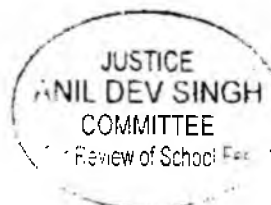
On examination of the enrolment of students as filed with the annual returns under Rule 180 with the fee receipts, it was observed that during 2009-10, as per the return filed under Rule 180, the school had shown new admission of 65 students in different classes. However, when the same were sought to be reconciled with the admission fee and caution money receipt, it was observed that the school had booked admission fee of 185 students and caution money receipt of 57 students. This apparently shows that the returns filed originally were correct and the school fabricated the records which were produced before the Committee to show lesser receipt of fee than that shown in the fee schedule for 2009-10. For reconciling the figures with the Income and Expenditure Account, the number of students had been increased.

Further the books of accounts produced by the school show heavy expenditure having been booked by crediting to Association of S Kirpal Education Society which runs the school under the following heads

Advertisement and Publicity	Rs. 19.50 lacs
Legal and Professional Charges	Rs. 8.00 lacs
Repair and Maintenance of vehicles	Rs. 3.00 lacs

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*MY*  
**Secretary**



These expenses appeared to have been booked to divert money to the Society and are not expenses incurred for the purpose of education. The accounts also show that a sum of about Rs. 27.00 lacs was spent by the school on new school building. However, no resources have been raised by the school for such capital expenditure and the revenues from the fee have been utilised for the same.

In order to give an opportunity of being heard by the Committee, the school was asked to appear on 08.11.2012 before the Committee. On this date, Sh. Ranjit Kumar Jha, Accountant of the school appeared with Sh. Vasudev Sharma, part time accountant. They were heard by the Committee. As the accounting records regarding fee did not reconcile with the enrolment of the students, they requested for a further opportunity to submit the reconciliation with regard to enrolments, admission fee and caution money receipt/refund. They were specifically asked to co-relate the entries of cheque deposits in the bank with the corresponding fee receipts. At their request, the hearing was adjourned to 21/11/2012. On this date, both the representatives appeared and filed certain documents but could not reconcile the entries of cheque deposits. A notice of hearing dated 30/11/2012 was sent to the school providing another opportunity of being heard by the Committee. On 07/12/2012, the date of hearing, Sh. Vijender Singh, Administrator of the school appeared with Sh. Ranjit Kumar Jha, Accountant and Sh. Vasudev

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Secretary

Sharma, part time accountant. However, they could not offer any explanation regarding the fee structure originally filed nor could they throw any light on the discrepancies in the fee receipts vis a vis entries in the bank account on the ground that the Management of the school had changed and they were not getting the required information from the previous Management. They requested for one final opportunity to reconcile the differences with the help of the previous Management. In interest of justice, one more opportunity was given and hearing was adjourned for 26/12/2012.

On 26/12/2012, the representatives of the school again appeared and filed written submissions signed by Smt. Amita Rana, Manager of the school along with certain annexures which included copy of the minutes of the meeting of Parent Teacher Association of the school held on 31/03/2009 and copy of the minutes of the meeting of Managing Committee of the school held on 31/03/2009. On the basis of these documents, it was submitted that the fee originally proposed by the Managing Committee vide the decision taken on 23/03/2009 was not approved by the Parent Teacher Association which approved a fee hike of 10% only and as such the school did not hike the fee as originally proposed.

**The Committee in its Meeting held on 26/12/2012 considered the whole gamut of the returns of the school under Rule 180, reply to the questionnaire submitted belatedly, the**

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Secretary,

observations of the audit officer and the Committee members recorded on the basis of records of the school produced from time to time, the written submissions made by the school and the documents produced by the school during the course of hearing and earlier during the course of examination of records and also the oral submissions made by the representatives of the school. The position taken by the school that the fee originally proposed for the year 2009-10 which was many times more than even the maximum permitted by the order dated 11/02/2009 issued by the Director of Education was actually not brought into effect does not inspire any confidence and the fee records and the books of accounts appear to have been prepared subsequently to support the claim of the school that the fee actually charged in 2009-10 was as per the revised schedule produced by the school during the course of verification by the Committee. This view of the Committee is on account of the following facts :

- (a) If the fee structure originally proposed by the school on 23/03/2009 was not implemented and was superceded by the fee structure as approved by the Parent Teacher Association on 31/03/2009, why the original fee structure was filed as part of the annual returns on 31/07/2010 with the Assistant Director of Education, Act Branch. Further, why the same fee structure was filed when the documents were resubmitted with the Education Officer, Zone-13 on 24/05/2012?



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- (b) Why the school had been playing truant with the Committee and not responding to its communications from July 2012 to September 2012 and avoiding production of its records?
- (c) How is it that the cheques of fee deposited in the bank do not correspond to the fee receipts issued by the school which were produced before this Committee?
- (d) Why the figure of enrolment in the school as given in the return under Rule 180 does not reconcile with the figures given in by the school during the course of examination of records by the Committee?
- (e) The signature of the Honorary Secretary of the Society on the minutes dated 23/03/2009 are different from the signatures as appearing on the minutes of the meeting dated 31/03/2009 and the two sets of minutes are printed on stationary which is different.
- (f) The auditors of the school M/s N K Mahajan & Co. have not given an audit report but only a certificate that the final accounts are in agreement with the books maintained by the school.

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In view of the aforesaid findings of the Committee, it is a fit case where the Director of Education should order special inspection into the affairs of the school particularly to ascertain the actual fee charged by the school in 2009-10. This can be done by getting information from the parents of the students selected randomly without informing the school so that they may not be influenced. Recommended accordingly.

Sd/-                      Sd/-                      Sd/-

Dr. R.K. Sharma                      CA J.S. Kochar                      Justice Anil Dev Singh(Retd.)  
Member                      Member                      Chairperson

Dated:26/12/2012

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*[Signature]*  
**Secretary**



**Jain Sadhvi Padma Vidya Niketan School, Shakti Nagar Extn.,**  
**Delhi-110052**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as, prima-facie, it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 15/05/2012, was required to produce on 31/05/2012 its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, no one on behalf of the school appeared on this date nor any records were caused to be produced. Therefore, another notice dated 10/07/2012 was sent to the school providing a final opportunity to produce the records on 19/07/2012. In response to this letter of the Committee, Ms. Asha Gupta, Headmistress of the school appeared and furnished reply to the questionnaire as per which **the school had neither implemented**



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**the recommendations of the VI Pay Commission** nor increased the fee in terms of order dated 11/02/2009 of the Director of Education. The school produced some of the records which were required to be produced but it did not produce the books of accounts and fee registers for any of the years. The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that during 2009-10, the fee hiked by the school was around 10% for all the classes. However, the school was charging development fee but not maintaining any depreciation reserve fund and the development fee was not treated as a capital receipt.

The two members of the Committee in the meeting held on 14/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. They were of the view that the financial records of the school did not inspire confidence and needed to be inspected, inter-alia, as cash book and ledger of none of the years were produced, **the school did not maintain any bank account**, as evident from the balance sheet of the school, the school had been transferring funds to its parent society (Samiti), the audited financial statements for the year 2010-11 were not filed. It was also noted by them that the school had been charging development fee as was apparent from their financial statements. The total development fee charged in 2005-06 was Rs. 37,575/-, in 2006-07 Rs. 40,625/- in 2007-08 Rs. 27,875/-, in 2008-09 Rs. 34,615/-, and in 2009-10 Rs.

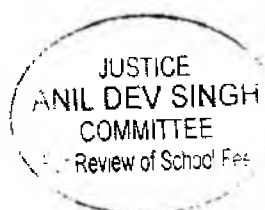


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41,020/- In view of these facts, they were of the view that the affairs of the school needed to be inspected by the Director of Education to ascertain the true state of affairs of the school and the returns submitted by the school showing fee hike of 10% could not be relied upon. So far as development fee is concerned which the school on its own reflected in the Income and Expenditure account as a revenue receipt, the same ought to be refunded along with interest @ 9% per annum as the school did not fulfill the pre-conditions prescribed for charging of development fee as per the judgment of the Hon'ble Supreme court in the case of Modern School vs. Union of India (2004) 5 SCC 583. The gist and modicum of their views were recorded in the file. However, since the matter was examined by the two members in the absence of the Hon'ble Chairperson, it was decided to place the same before him when he resumed office.

The matter was placed before the Chairperson on 29/09/2012 when he perused the records of the school, the observations of the audit officer and the views of the two members. He recorded his agreement with their views.

**The Committee is therefore, of the view that the school ought to refund the development fee charged in the year 2009-10 and later years alongwith interest @ 9% per annum. Besides, a special inspection be also conducted by the Director of Education to ascertain the actual tuition and development fee charged by the school. In so far as development fee charged in the years**



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*[Signature]*  
**Secretary**

prior to 2009-10, as evincible from its financial statements is concerned, the Director of Education may take appropriate action as per law. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

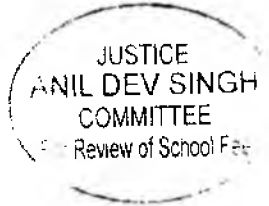
Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

11/09/2012

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Secretary



**Aman Public School, Jagat Puri Extn., Delhi - 110093**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 30/05/2012, was required to produce on 18/06/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, no body appeared on behalf of the school on the appointed date nor any records were caused to be produced. Therefore, another notice dated 10/07/2012 was issued to the school providing them final opportunity to produce the records on 19/07/2012. **In response to this letter of the Committee, Sh. Yash Pal Sharma, Manager of the school appeared but did not produce any records except cash book for 2009-10 and 2010-11, as they were reportedly not in a fit condition to be produced before the Committee as the bank accounts of the school had**



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**been sealed by CBI. However, no evidence was produced with regard to the sealing of accounts by CBI.**

The Committee advised Sh. A.K. Vij, Audit Officer to try to reconcile the figures with regard to the fee receipts and salary payments and other major expenses as reflected in the financials of the school with the figures culled from the cash books. However, the figures as culled out could not be reconciled with the financials.

The two members of the Committee in the meeting held on 14/09/2012 perused the returns of the school, reply to the questionnaire and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** In so far as the hike in fee is concerned, they were of the view that no reliance could be placed on the financials of the school in view of the fact that the same were unsubstantiated as the relevant records had not been produced. Therefore, they were of the view that no definite conclusions could be drawn in the matter. The gist and modicum of their views was recorded in the file. However, since the issue was discussed by the two members of the Committee in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed the office.

The matter was placed before the Chairperson today when he examined the record and the views of the Committee members. He recorded his agreement with their views.



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The Committee is therefore of the view that no definite conclusions can be drawn with regard to the fee hike effected by the school and the Hon'ble High Court may direct the Director of Education to conduct Special Inspection of the school to ascertain the true state of its affairs with regard to the fee being charged by it.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012



21/10/2012

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**Indian Convent School, Pitampura, Delhi-110088**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 30/05/2012, was required to produce on 18/06/2012, its fee records, books of accounts, bank statements, salary payment register. However, on the said date, neither anybody appeared nor any records were caused to be produced. Therefore, a final opportunity was given to the school to produce its records on 19/07/2012 vide letter dated 10/07/2012. On this date, Ms. Jyoti Sharma, Manger of the appeared and produced some of the records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased

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the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations recorded at the time of examination of records in the presence of the representative of the school are that the school had not produced its cash book and ledger for any of the years nor filed the bank reconciliation statement. **Salary was being paid to the staff in cash despite the fact that the school was maintaining bank account with Punjab National Bank, Shalimar Bagh, Delhi.** With regard to fee, it was observed by him that besides the usual tuition fee, annual charges etc., the school was also collecting establishment charges from the new students at the time of admission. Establishment charges and annual charges were not being collected uniformly from all the students. The tuition fee hiked in 2009-10 was observed to be of the order of 9.98% while in 2010-11, it was 10.88%.

The two members of the Committee in the meeting held on 11/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** They also observed that not just in 2009-10 and 2010-11, the school was charging establishment

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charges from the new students since 2006-07. The detail of such charges as recorded by them was as follows:-

Year	Establishment Charges from new students as given in the fee schedule (Rs.)	Total amount recovered towards establishment charges as per Income & Expenditure Account (Rs.)
2006-07	3,000	22,000
2007-08	4,000 for pre-primary 3,000 for other classes	50,350
2008-09	2,000	27,200
2009-10	2,000	24,875
2010-11	2,000	31,285

These amounts were charged over and above the admission fee of Rs. 200. As per the order dated 11/02/2009 and even prior orders, the school cannot charge any amount in excess of Rs. 200 towards admission fee. They were, therefore, of the view that the establishment charges collected from the new students were not justified. However, since the jurisdiction of the Committee is to look into the fee hike consequent to order dated 11/02/2009 of the Director of Education, they were of the view that in this case,

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the Hon'ble High Court may issue directions to the Director to order the school to refund establishment charges which were unjustly recovered alongwith interest @ 9% per annum. They also noted that the school did not produce its books of accounts for any of the years and the financials of the school were also not audited as they carried only a compilation report of the Chartered Accountants. Therefore, no reliance could be placed on the claim of the school that it had hiked the fee only within 10%. The gist and modicum of their views was recorded by them in the file. However, since the records and audit observations were examined by two members of the Committee in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed the office for his views.

The Chairperson perused the records of the school, observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with the views of the two members.

**The Committee is therefore, of the view that the Hon'ble High Court may direct the Director of Education to conduct a special inspection to ascertain the true state of affairs with regard to the fee hiked by the school after examining its books of accounts which the school had not produced before the Committee and order refund of the hiked fee along with interest @ 9% per annum if the same was found to be more than 10%.**

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~~Secretary~~

Further, directions may also be given to the school to refund the establishment charges in toto as the same are not authorized.

Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

<sup>sdl/-</sup>  
CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh  
(Retd.)  
Chairperson

Dated:29.09.2012

11/9/2012

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Secretary



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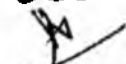
**Ch. Ramphal Memorial Public School, Bhajanpura, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/06/2012, was required to produce on 28/06/2012, its fee records, books of accounts, bank statements, salary payment register etc. However, on this date a letter was filed on behalf of the school requesting for another date due to non availability of the Chartered Accountant of the school on that date. All the same, the school filed reply to the questionnaire as per which the school claimed to have partially implemented the VI Pay Commission w.e.f. 2010-11. However, it also claimed not to have increased any fee during 2009-10 in accordance with the order dated 11/02/2009 of the Director of Education. At the request of the school, it was afforded another opportunity to produce the records on 18/07/2012.

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On this date, Sh. Raj Kumar, Manager of the school appeared and produced the required records.

The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations were that although it appeared that the school had not increased the tuition fee in 2009-10, the examination fee and annual charges had been increased. In 2010-11, tuition fee has been increased by Rs. 50 per month. However, serious discrepancies were observed in the maintenance of books of account. The accounts did not provide any datewise detail of expenses incurred. The Cash Book for 2009-10 did not show any opening balance whereas the closing balance as per the Cash Book of 2008-09 was Rs. 42,020. The Receipt and Payment Account for 2009-10, on the other hand, showed an opening cash balance of Rs. 70,280.26. Further the opening balance of cash as on 1/04/2010 was different from the closing balance of cash as on 31/03/2010. All the transactions were done by the school in cash.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **The Committee is of the view that no reliance can be placed on the records and the books of accounts of the school or even its claim of having partially implemented the VI Pay Commission Report w.e.f 01/04/2010. Hence, no definitive view can be formed whether the school hiked the fee in 2009-10 or not. In the circumstances, the Committee**



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is of the view that this is a fit case where special inspection ought to be conducted by the Director of Education to ascertain the true state of affair of the school. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 03/09/2012



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Secretary



**Nav Bharat Adarsh Public School, Khajoori Khas, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/06/2012, was required to produce on 28/06/2012, its fee records, books of accounts, bank statements, salary payment register and also to file reply to the questionnaire dated 27/02/2012. However, on 25/06/2012, a letter was received from the school requesting for another date to be given as the Chartered Accountant of the school was not available. Another letter of that date was filed by the school under cover of which, reply to the questionnaire was submitted. In the said reply, with regard to implementation of VI Pay Commission, the school stated that only pay band and grade pay was being paid w.e.f. 2010-11. Further, no arrears of salary were paid and the same would be paid when the financial position of the school improved. With regard to hike in fee,

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the school stated that it had not hiked the same in accordance with order dated 11/02/2009 of the Director of Education. Only Rs. 50 per student was increased every two years. Acceding to the request of the school, it was asked to produce the required records on 18/07/2012. On the said date, Sh. Raj Kumar, Headmaster of the school appeared and produced the records which were examined by Sh. A.D. Bhateja, Audit Officer of the Committee. His observations recorded at the time of examination of records in the presence of the representative of the school are that the school had been charging annual charges and examination fee also besides tuition fee but these were not reflected in the fee schedules submitted by the school as part of its annual returns. The Cash Book and Ledger for the year 2009-10 was checked but the cash book did not have either the opening or the closing balance nor did it tally with the final accounts of the school. **The salary was being paid in cash in spite of the fact that the school had a bank account.**

The two members of the Committee in the meeting held on 11/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** They also observed that besides the observations of the audit officer, neither the audit report nor the Balance Sheet, Income & Expenditure Account or Receipt & Payment Account for 2006-07 had been signed by the auditor. For the



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Secretary

subsequent years 2007-08 to 2010-11, the Receipt and Payment Account had not been signed by the auditor nor the audit reports made any mention of the same. It was also observed by them that the school had not been filing its returns under Rule 180 of Delhi School Education Rules 1973 annually and filed the returns for all the five years under cover of its letter dated 24/01/2012 to the Dy. Director of the district. The returns of all the five years bore the date 24/01/2012, indicating that they had been prepared on that date. These discrepancies when viewed with the observations of the audit officer that the books of accounts did not tally with the final financial statements would show that the accounts inspired little confidence. In the circumstances, they were of the view that no firm opinion could be formed whether the school had hiked the fee only to the extent it was claimed. They were of the view that the Hon'ble High Court may issue directions to the Director of Education to order special inspection of the school. The gist and modicum of their views was recorded by them in the file. However, since the records and audit observations were examined by two members of the Committee in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed the office for his views.

The Chairperson perused the records of the school, observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with the views of the two members.



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**Secretary**

The Committee is therefore, of the view that the Hon'ble High Court may direct the Director of Education to conduct a special inspection to ascertain the true state of affairs with regard to the fee hiked by the school and order refund of the hiked fee along with interest @ 9% per annum if the same was found to be more than 10%. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29.09.2012

11/9/2012

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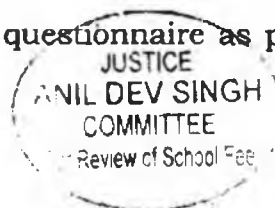
Secretary



**J.M. Convent School, Mauipur, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

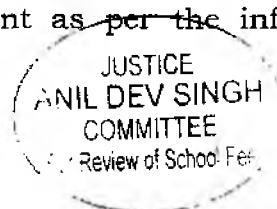
In order to verify the correctness of these returns, the school, vide letter dated 05/06/2012, was required to produce 29/06/2012 its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, on 28/06/2012, a letter was filed by the school requesting for another date as the accountant of the school was indisposed. Accordingly the school was asked to produce the records on 04/07/2012. On this date also, no records were produced and Sh. Raisuddin, a teacher of the school, who appeared before the Committee, informed that the accountant was still not well and he had all the records. A final opportunity was given to produce the records on 19/07/2012. On this date, Sh. Raisuddin, TGT again appeared and produced the required records. He also filed reply to the questionnaire as per which the school had neither implemented



the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that in 2008-09, the school was charging tuition fee in the range of Rs. 250/- per month and Rs. 330 per month. The same was increased by Rs. 40 to Rs. 60 per month in 2009-10 which resulted in an increase of 12.9% to 18.18%. The school did not charge any development fee. **The school did not have any bank account or FDR.** Hence all the transactions were done in cash. The cash book contained only consolidated entries and was not maintained contemporaneously. The cash book for the entire year was of one page. The school had cash in hand of Rs. 1,51,399 as on 31/03/2010.

The two members of the Committee in its meeting held on 11.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** In so far as the hike in fee is concerned, they were of the view that no reliance could be placed on the accounts and financials of the school in view of the observations of the Audit Officer and also the fact that the financials were purportedly signed by Sh. Amit Gaur on behalf of M/s. Seema Sharma & Associates, Chartered Accountants. This CA firm had been found to be non-existent as per the information gathered from the website of the



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 Secretary

Institute of Chartered Accountants of India and Sh. Amit Gaur, in a letter submitted to the Committee, had also not confirmed that he had audited the accounts of this school. Further, the school did not even have a bank account. In view of these facts, they were of the view that the Hon'ble High Court may issue directions to the Director of Education to conduct Special Inspection of the school to ascertain the true state of its affairs. The gist and modicum of their views were recorded by them in the file. However, since the records of the school were examined by two members of the Committee in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed office.

The Chairperson examined the records of the school, observations of the audit officer and the views of the two members of the Committee in the meeting of the Committee held on 29/09/2012 and recorded his agreement with their views.

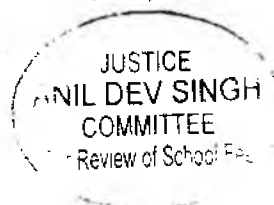
**The Committee is therefore, of the view that the Hon'ble High Court may issue appropriate directions to the Director of Education to conduct special inspection of the school to ascertain the true state of its affairs and take appropriate action under the law.**

Sd/-  
Dr. R.K. Sharma  
Member

Sd/-  
CA J.S. Kochar  
Member

Sd/-  
Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012



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Secretary

**Mayur Public School, Karawal Nagar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 11/06/2012, was required to produce on 04/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, on the appointed date, a letter was filed by the school requesting for another date. Accordingly the school was asked to produce the records on 19/07/2012. On this date also, Sh. Ratan Pal, Headmaster of the school appeared and produced the required records. He also filed reply to the questionnaire as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

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Secretary



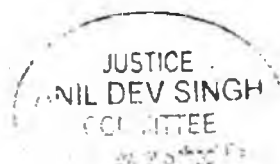
The records produced by the school were examined by Sh. A.K. Vijn, Audit Officer of the Committee and his observations were that **the school did not have any bank account** and all its operations are conducted in cash. There was no increase in tuition fee from 2008-09 to 2010-11. The financials of the school were purportedly audited by M/s. Seema Sharma & Associates and Sh. Amit Gaur had purportedly signed the accounts on behalf of this firm.

The two members of the Committee in its meeting held on 11/09/2012 perused the returns of the school, reply to the questionnaire and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** In so far as the hike in fee is concerned, they were of the view that the claim of the school of not having increased any fee in 2009-10 and by just 10% in 2010-11 did not inspire any confidence and no reliance could be placed on the accounts and financials of the school in view of the following facts:

- (a) The school did not have a bank account
- (b) The financials were purportedly signed by Sh. Amit Gaur on behalf of M/s. Seema Sharma & Associates, Chartered Accountants. This CA firm had been found to be non-existent as per the information gathered from the website of the Institute of Chartered Accountants of India and Sh. Amit

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**Secretary**



Gaur, in a letter submitted to the Committee, had also not confirmed that he had audited the accounts of this school.

(c) Except for 2010-11, the fee structure of the school filed as part of annual returns did not show any annual charges but the Income and Expenditure Accounts for all the years showed such charges to have been recovered.

(d) The returns under Rule 180 of Delhi School Education Rules, 1973 for all the five years were filed by the school on 23/01/2012 in response to a letter of the Dy. Director of the District.

They were therefore of the view that a special inspection ought to be conducted by the Director of Education to ascertain the true state of its affairs. The gist and modicum of their views were recorded by them in the file. However, since the records of the school were examined by two members of the Committee in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed office.

The Chairperson examined the records of the school, observations of the audit officer and the views of the two members of the Committee in the meeting of the Committee held on 29/09/2012 and recorded his agreement with their

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**Secretary**

The Committee is therefore, of the view that the Hon'ble High Court may issue appropriate directions to the Director of Education to conduct special inspection of the school to ascertain the true state of its affairs and take appropriate action under the law.

<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
Dr. R.K. Sharma Member	CA J.S. Kochar Member	Justice Anil Dev Singh (Retd.) Chairperson

Dated: 29/09/2012

11/10/2012

JUSTICE  
ANIL DEV SINGH  
COMMITTEE

**TRUE COPY**  
Secretary

**Himalayan Public School, Karawal Nagar, Delhi-110094**

The school had not submitted the reply to the questionnaire dated 27/02/2012 sent by the Committee to it which was followed by a reminder dated 27/03/2012. However, the returns of the school submitted by it under Rule 180 of Delhi School Education Rules 1973, were received from the office of the Dy. Director, North East District of the Directorate of Education. On a preliminary examination of these returns, the school was placed in category 'C' as it prima facie appeared that the school had not raised the fee in accordance with the order dated 11/02/2009 issued by the Director of Education.

In order to verify the aforesaid returns, the school, vide letter dated 11/06/2012, was required to produce on 10/07/2012 its fee records, books of accounts, bank statements, salary payment register etc. and also to furnish reply to the questionnaire dated 27/02/2012. On this date, Sh. Mukesh Sharma, Manager of the school appeared and produced the required records. He also submitted reply to the questionnaire stating that the school had neither implemented the VI Pay Commission Report nor increased the fee in accordance with order dated 11/02/2009 issued by the Director of Education.

The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations were that on examination of fee records, it was noticed that the school had not increased any type of fee in 2009-10 and 2010-11. However,

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**Secretary**

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School Fees

the school was charging admission fee of Rs. 400 from the new students which was in excess of Rs. 200 that was prescribed. **Although the school had a bank account, it was paying salary in cash.** No major discrepancy was observed in the maintenance of books of accounts.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school has not implemented the VI Pay Commission Report.** It was noted by the Committee that the balance sheet of the school carried only a compilation report given by Sh. S.C. Sharma, Chartered Accountant. However, subsequently he had given audit reports in form 10 B of the Income Tax Rules. In a statement before the Committee, Sh. Sharma admitted that the audit reports were given subsequently in January-February 2012 but were antedated at the request of the school. Hence the Committee is of the view that the accounts of the school were not audited. So far as excess admission fee is concerned, the Committee is of the view that as the school was charging the same fee in years prior to 2009-10 also, there was no increase in fee. The mandate of the Committee is to examine the fee hike only consequent to the order dated 11/02/2009 of the Director of Education. Hence, it would be more appropriate for the Director of Education to deal with the matter.

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Secretary



In view of the abovestated facts, the Committee is of the view that the Director of Education should conduct special inspection of the school. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 31/08/2012

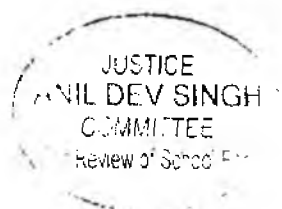
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**Secretary**

**Neo Evergreen Public School, Dayalpur, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 11/06/2012, was required to produce on 10/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. On 18/06/2012, the Committee received the school's reply to the questionnaire by Speed Post stating that the school had neither implemented the VI Pay Commission report nor hiked the fee in accordance with order dated 11/02/2009 of the Director of Education.

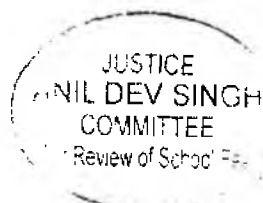
On the appointed day, Ms. Babita Gulati, Headmistress of the school appeared alongwith Sh. Sandeep Jain Accountant and produced the required records. The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee



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Secretary

and his observations were that the final accounts of the school have been purportedly audited by Sh. Amit Gaur, Chartered Accountant but the name of the school does not find a mention in the list of schools audited by Sh. Amit Gaur which was furnished by him to the Committee. He further observed that as per the fee structure of the school, the school had resorted to nominal increase in fee in 2009-10 and 2010-11 which was within 10%. However, on examination of the fee register, it was observed that the school had not mentioned the amount of fee in the same. No reconciliation of fee was therefore possible with the entries made in Cash Book and Ledger. The school did not produce copy of its bank account. All the transactions were conducted in cash.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** In so far as the hike in fee is concerned, the Committee is of the view that no reliance can be placed on the accounts and financials of the school in view of the observations of the Audit Officer and also the fact that the financials are purportedly signed by Sh. Amit Gaur with the remark "subject to audit" on behalf of M/s. Seema Sharma & Associates, Chartered Accountants. This CA firm has been found to be non-existent as per the information gathered from the website of the Institute of Chartered Accountants of India and Sh. Amit Gaur has



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Secretary



also not confirmed that he had audited the accounts of this school. The Committee is of the view that the audit reports appear to be fabricated. In this view of the matter, the Committee is unable to take any view and the Hon'ble High Court may direct the Director of Education to conduct Special Inspection of the school to ascertain the true state of its affairs with regard to the fee being charged by it.

**Sd/-**

Dr. R.K. Sharma  
Member

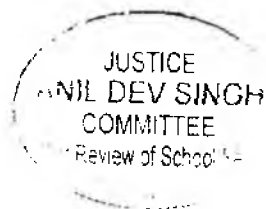
**Sd/-**

CA J.S. Kochar  
Member

**Sd/-**

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 31/08/2012

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**Secretary**

**Kapil Vidya Mandir, Gamri, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 10/07/2012, was required to produce on 18/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, on this date, a letter was received from the Headmaster of the school requesting for another date to be given as the Manager of the school was out of station and the Headmaster was ill. Accordingly the school was given another opportunity to produce the records on 01/08/2012. On this date, Sh. Vipin Kumar Sharma, Headmaster of the school appeared and produced the required records. Reply to the questionnaire was also furnished as per which the school



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Secretary

had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Vijh, Audit Officer of the Committee and his observations were that the school was charging fee in accordance with the fee structure submitted by the school as part of its annual returns (as per which the fee hike effected by the school in 2009-10 and 2010-11 was nominal).

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. On perusal of the returns, it was noted that the financials of the school were purportedly signed by Sh. Amit Gaur on behalf of M/s. Seema Sharma & Associates, Chartered Accountants. This CA firm has been found to be non-existent as per the information gathered from the website of the Institute of Chartered Accountants of India and Sh. Amit Gaur has also not confirmed that he had audited the accounts of this school. **It is also noted that the school did not maintain any bank account.** Therefore, no reliance can be placed on the accounts and financials of the school. **In this view of the matter, the Committee is unable to take any view in the matter. The Director of Education ought to conduct Special Inspection of the school to ascertain the true**

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School Fee

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Secretary

state of its affairs with regard to the fee being charged by it.  
Recommended accordingly. Admittedly, the school has not  
implemented the VI Pay Commission Report

<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
Dr. R.K. Sharma	CA J.S. Kochar	Justice Anil Dev Singh (Retd.)
Member	Member	Chairperson

Dated: 17/10/2012



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~~Secretary~~

**Green Vales School, 3 ½ Pushta Main Road, Gautam Vihar, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.06.2012, was required to produce its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Sanjeev Garg, Manager of the school appeared on 11/07/2012 and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that



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**Secretary**

the final accounts of the school have been audited by Sh. Amit Gaur, Chartered Accountant but the name of the school does not find a mention in the list of schools audited by Sh. Amit Gaur which was furnished by him to the Committee. He further observed that although the examination of fee receipts of the school did not reveal any variance from the fee schedules submitted by the school, the accounts of the school were not amenable to verification as only consolidated entries of the fee receipts were being carried to the Cash Book and neither the day wise fee collection register was being maintained nor the balance of cash in hand was being struck on daily or even monthly basis.

The Committee in its meeting held on 03.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. Admittedly, the school had not implemented the VI Pay Commission Report. In so far as the hike in fee is concerned, the Committee is of the view that no reliance can be placed on the accounts and financials of the school in view of the observations of the Audit Officer and also the fact that the financials are purportedly signed by Sh. Amit Gaur on behalf of M/s. Seema Sharma & Associates, Chartered Accountants. This CA firm has been found to be non-existent as per the information gathered from the website of the Institute of Chartered Accountants of India and Sh. Amit Gaur has also not confirmed that he had audited the accounts of this school. In this view of the matter, the Committee is



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Secretary

unable to take any view and the Hon'ble High Court may direct the Director of Education to conduct Special Inspection of the school to ascertain the true state of its affairs with regard to the fee being charged by it.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 03/09/2012

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Secretary

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School F.

**Holy Mothers Public School, Shanti Nagar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012. However, in response to the reminder dated 27/03/2012, the school vide letter dated 17/05/2012 replied that it had **neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.** The annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of reply to the questionnaire and preliminary examination of the returns, the school was put in Category 'C'.

In order to verify the contention of the school that it had not increased the fee in accordance with the aforesaid order dated 11/02/2009, the school, vide letter dated 13/06/2012, was required to produce on 13/07/2012, its fee records, Books of Accounts, bank statements, salary payment register. On this date, Sh. R.P. Singh, Manager of the school appeared and produced the required records.

The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations were that the fee records examined by her indicated that tuition fee had been increased by 10% in 2009-10 and 2010-11. However, the figures of fee received by the school as reflected in its Income and

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Expenditure account did not reconcile with the fee calculated on the basis of the number of students. The Receipt and Payment account for 2010-11 showed Rs. 2,00,000 towards loan payable and Rs. 36,000 towards rent payable. It was not understood as to how these payables could be shown on the receipt side. **The school did not have a bank account and all the transactions were conducted in cash.**

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. The Committee took note of the fact that the school did not have even a bank account. Further, it was observed by the Committee that the financials of the school were purportedly signed by Sh. Amit Gaur on behalf of M/s. Seema Sharma & Associates, Chartered Accountants, which firm had been found to be non-existent as per the information gathered from the website of the Institute of Chartered Accountants of India and Sh. Amit Gaur had also not confirmed that he had audited the accounts of this school. **Keeping in view these facts and the serious discrepancies observed by the audit officer in the maintenance of accounts, the Committee is of the view that no reliance can be placed on the records and financials of the school. Therefore, the Committee is unable to take any view in the matter. The Director of Education ought to conduct Special Inspection of the school to**

JUSTICE  
ANIL DEV SINGH  
COMMITTEE

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Secretary

ascertain the true state of its affairs with regard to the fee being charged by it. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 03/09/2012



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*[Handwritten Signature]*  
**Secretary**

**New Holy Child Middle Public School, Maujpur, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13/06/2012, was required to produce on 19/07/2012 its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Sh. Praveen Kumar, Manager of the school appeared and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that



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*[Signature]*  
**Secretary**

the final accounts of the school have been purportedly audited by Sh. Amit Gaur, Chartered Accountant but the name of the school does not find a mention in the list of schools audited by Sh. Amit Gaur which was furnished by him to the Committee. He further observed that the school had increased the fee to the tune of 4 to 5% only. However, the fee register produced by the school merely mentioned the receipt number of the fee receipt issued to the student but did not mention the amount of fee. Hence the fee actually charged could not be verified and reconciled with the final accounts.

The two members of the Committee in the meeting held on 14/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** In so far as the hike in fee is concerned, they were of the view that no reliance could be placed on the accounts and financials of the school in view of the observations of the audit officer and also the fact noted by them that although the financials of the school for the year 2007-08 were purportedly audited by M/s. Kumar Subhash & Company, Chartered Accountants, the audit report had been signed by Sh. Amit Gaur on behalf of M/s. Seema Sharma & Associates, Chartered Accountants. This CA firm has been found to be non-existent as per the information gathered from the website of the Institute of Chartered Accountants of India and Sh. Amit Gaur has also not confirmed in the letter he submitted to the Committee that he

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Secretary



had audited the accounts of this school. In this view of the matter, they were of the view that no definite conclusions could be drawn from the financials of the school as they appeared to be fabricated. The gist and modicum of their views was recorded in the file. However, since the records of the school were examined by the two members of the Committee in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed the office.

The matter was placed before the Chairperson today when he examined the records and the views of the Committee members. He recorded his agreement with their views.

**The Committee is therefore of the view that no definite conclusions can be drawn with regard to the fee hike effected by the school and the Hon'ble High Court may direct the Director of Education to conduct Special Inspection of the school to ascertain the true state of its affairs with regard to the fee being charged by it.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012



11/09/2012  
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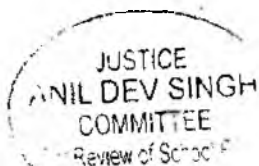
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Secretary

**Laxman Modern Public School, Karawal Nagar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 19.06.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Mohan Dass, Headmaster and Sh. Sandeep Jain, part-time accountant of the school appeared on 23/07/2012 and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations recorded



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Secretary

at the time of examination of records in the presence of the representatives of the school are that the school was actually charging more fee than that mentioned in the fee structure for 2010-11 submitted as part of the annual returns. By way of example, it was mentioned that fee for classes VI to VIII was Rs. 485/- as per fee structure but as per the fee receipts, the school was charging Rs. 495/-. The Cash Book for the entire year 2009-10 was a single page statement and only single monthly entries for different heads were reflected therein. The final accounts of the school were purportedly audited by Sh. Amit Gaur, Chartered Accountant and on being questioned, Sh. Sandeep Jain, Accountant of the school stated that the school's statements/vouchers etc. were handed over to one Sh. Sanjiv Salil, who is also a part time accountant and he gets the accounts signed by Sh. Amit Gaur. **The school does not maintain any bank account and all its operations are conducted in cash.**

The two members of the Committee in the meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** In view of the fact that the school did not have a bank account, books of accounts were not properly maintained, fee charged actually was different from the fee schedule submitted by the school and the accounts were purportedly audited by M/s. Seema Sharma & Associates, which firm had been found to



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**Secretary**

be non existent and the audit reports were purportedly signed by Sh. Amit Gaur, Chartered Accountant but the name of the school did not appear in the list of schools audited by Sh. Amit Gaur as given by him, the members of the view that no reliance could be placed on the records of the school and no view could be formed as to the extent of fee hike, if any, effected by the school. They were, therefore, of the view that it was a fit case where special inspection ought to be conducted by the Director of Education to ascertain the correct position. However, since the records and audit observations were examined by two members of the Committee, it was decided to place the matter before the Hon'ble Chairperson when he resumed the office for his views.

The Chairperson perused the records of the school, observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with the views of the two members. **The Committee is therefore, of the view that a special inspection be conducted by the Director of Education to ascertain the true state of affairs with regard to the fee hike effected by the school. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29.09.2012



11/10/2012  
**TRUE COPY**  
Secretary



**Mukta Bharti Public School, Shahdara, Delhi-110093**

The school had not replied to questionnaire dated 27/02/2012 sent by the Committee to the school which was followed by a reminder dated 27/03/2012. However, the annual returns filed by the school under Rule 180 of Delhi School Education Rules, 1973 were received by the Committee from the office of the Dy. Director, North East district of the Directorate of Education. On a prima facie examination of these returns, the school was placed in Category 'C' as it appeared that it had not hiked the fee in terms of order dated 11/02/2009 of the Director of Education.

In order to verify the correctness of these returns, the school, vide letter dated 03/07/2012, was required to produce on 11/07/2012, its fee records, books of accounts, bank statements, salary payment register etc and also to furnish reply to the questionnaire dated 27/02/2012. On this date Sh. Kapil Upadhayay appeared on behalf of the school with authority letter from the incharge of the school. He produced some of the required records. However, he did not produce the fee receipt books for April 2009-March 2010 nor did he produce the books of accounts or bank statements nor furnished reply to the questionnaire.

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations were that on examination of the salary records, **it was apparent that the**



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Secretary

**school had not implemented the VI Pay Commission Report.** Except for two teachers, the salary of the remaining staff had actually been reduced in 2009-10. **The school was paying salary to the staff in cash inspite of the fact that the school was having a bank account as revealed by its balance sheet.** The school was not maintaining any FDR. On checking of fee receipts for April 2008, it was found that the fee actually charged was not in accordance with the fee schedule submitted by the school for that year. The school was charging admission fee @ Rs. 500 from the new students as against the norm of Rs. 200 fixed by the Directorate of Education. The school was maintaining a kacha fee register in pencil. The authorized representative of the school promised to produce the remaining records and books of accounts for verification of fee and to submit reply to the questionnaire on the next date which was fixed as 30/07/2012 but on the said date, no representative of the school appeared or produced any records.

The Committee in its meeting held on 28/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. In view of the fact that the school had not produced its books of accounts for verification and in view of the observations of the audit officer that the school was charging excessive fee vis a vis the fee schedule submit by it, **no reliance could be placed on the inchoate records produced by the school. The Committee is, therefore, of the view that this is a fit**

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
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Secretary

case where special inspection ought to be conducted by the Director of Education to ascertain the true state of affairs of the school. Recommended accordingly.

Sd/-

Sd/-

Sd/-

Dr. R.K. Sharma  
Member

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 28/09/2012

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*[Signature]*  
Secretary



**Raja Model School, Mandoli Extension, Delhi-110093**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the aforesaid returns, the school, vide letter dated 03/07/2012, was required to produce on 11/07/2012 its fee records, books of accounts, bank statements, salary payment register etc. and also to furnish reply to the questionnaire dated 27/02/2012. On the appointed date Sh. R.D. Sharma, a TGT of the school appeared but did not produce any record. At his request, the school was afforded another opportunity to produce the records on 20/07/2012. On this date, Sh. Sharma again appeared and filed reply to the questionnaire stating that the school had implemented the recommendations of the VI Pay Commission w.e.f. 01/09/2008 and also paid arrears of salary on account of implementation of VI Pay Commission, 40% of which were paid in October 2008 and 60% in December 2010. However, the school had not increased the fee of the



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Secretary

students in accordance with order dated 11/02/2009 issued by the Director of Education.

The matter was examined by Sh. A.K. Vij, Audit Officer of the Committee and his observations were that the school did not produce any of its records which it was required to produce. Even the books of accounts were not produced for any of the years. As per the financials of the school, the school was in receipt of grant from Raja Educational Society as follows:

2008-09	Rs. 29,00,000
2009-10	Rs. 41,68,000
2010-11	Rs. 39,28,000

It was also observed by him that the school did not even have a bank account.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, and the observations of the Audit Officer. **The Committee is of the view that no reliance can be placed on the financials of the school and its claim of having implemented the VI Pay Commission Report and also having paid the arrears of salary without increasing any fee or recovering any arrear of fee for the following reasons:**

- (a) **The school has not produced its books of accounts and fee records to substantiate its claims;**



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Secretary

- (b) The school is not even maintaining any bank account;
- (c) The financials of the school initially carried a compilation report but subsequently audit report in Form 10-B of Income Tax Rules was obtained, and
- (d) As against the total fee collection of Rs. 7 to 8 Lacs per annum, the expenditure on salary is to the tune of Rs. 37 to Rs. 49 lacs. No Society can be so generous to fund the school to this extent when the school does not even have a bank account.

Hence, the Committee is of the view that this is a fit case where special inspection ought to be conducted by the Director of Education to ascertain the true state of affair of the school. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 31/08/2012

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Secretary

**Jindal International School, Shahbad Daulatpur, Rohini, Delhi-  
110042**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-A district of the Directorate of Education. Vide letter dated 13/10/2009 addressed by the school to the Education Officer, Zone-10, Delhi, the school had claimed that it was paying salary to the staff as per recommendations of the VI Pay Commission w.e.f. September 2009 but it had not paid the arrears of salary as the students had not paid the arrears of fee and the school did not have sufficient funds of its own. Vide another letter dated 13/02/2012 addressed by the school to the Dy. Director of Education (NW-A), Delhi, the school claimed that the fee hike effected by the school during 2009-10 was within 10% and there was no fee hike in 2010-11. On the basis of these letters, the school was put in Category 'C'.

In order to verify the correctness of the returns under Rule 180 of Delhi School Education Rules 1973 and the claims made by the school as aforesaid, the school, vide letter dated 03/07/2012, was required to produce on 11/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. On the date fixed

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**Secretary**



for production of records, the school sought another date and was given the date 19/07/2012 for producing the required records. On the said date, Ms. Rachna Gupta, Acting Manager of the school appeared along with Sh. R.S. Jindal, President of the Society and Sh. Rajesh Kumar, Accountant of the School and produced the required records. Reply to the questionnaire was also furnished as per which the school had implemented the recommendations of the VI Pay Commission w.e.f. 01/09/2009 but had not hiked the fee in terms of order dated 11/02/2009 of the Director of Education. The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations are that the ledger accounts show opening balances in all the heads. The Receipt and Payment account had not been prepared by the school, Cash balance was not being worked out on daily/monthly basis. The salary was disbursed partly in cash and partly by cheque.

The two members of the Committee in the meeting held on 14.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. They were of the view that although the school claimed to have implemented the VI Pay Commission Report w.e.f. 01/09/2009 without hiking the fee, there appeared to be something more than that met the eye. This would be evident from the following figures:



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**Secretary**



Financial Year	Total revenue of the school	Expenditure on salary	Net Loss of the school	Donation received from the Society
2006-07	8,87,272	17,80,358	10,07,300	11,40,000
2007-08	10,03,944	18,11,464	9,08,512	10,48,000
2008-09	9,07,542	21,67,701	13,61,024	14,18,000
2009-10	10,19,987	23,94,180	14,80,422	15,80,000
2010-11	13,13,616	32,52,077	21,19,967	24,68,000

In their view, it was apparent from these figures that either the fee received from the students was being diverted to the society and the same was received by the school by way donation from the society or a part of the salary paid to the teachers was being received back in cash and ploughed back in the school through the society by way of donations. Otherwise, the school could not be perennially incurring the losses and surviving on the doles received from the society. They were of the view that the accounts of the school did not reflect the true state of affairs and they recommended special inspection of the school to be carried out by the Director of Education. The gist and modicum of their observations was recorded in the file. However, since the examination of records of the school was done in a meeting when the Chairperson was not present, it was decided to place the matter before him when he resumed office.

The Chairperson perused the records of the school, the observations of the audit officer and the views of the two members in

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Secretary

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School

the meeting held on 29.09.2012 and recorded his agreement with their views.

The Committee is therefore, of the view that a special inspection be conducted by the Director of Education to ascertain the actual fee charged by the school in 2009-10 and also actual salaries being paid to the staff. In case the school was found to be charging more fee than that shown in the fee structure, to order their refund to the extent it exceeded 10% over the fee charged in 2008-09, along with interest @ 9% per annum. Recommended accordingly.

Sd/-

Sd/-

Sd/-

Dr. R.K. Sharma  
Member

Sd/-  
CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

11/10/2012  
**TRUE COPY**

**Secretary**



**Chander Bhan Memorial Public School, Budh Vihar, Phase-I,**  
**Delhi-110041**

In reply to the questionnaire sent by the Committee to all the schools by email on 27/02/2012, the school vide email dated 02.03.2012 stated that it had implemented the VI Pay Commission Report w.e.f. 01.02.2010. However, the arrears arising due to retrospective application of the VI Pay Commission were not paid as was decided in the meeting of Parents Teachers Association. It was also claimed that the school had not increased any fee for the purpose of implementing the VI Pay Commission Report. On the basis of this reply, the school was placed in Category 'C'.

In order to verify the contentions of the school, the school, vide letter dated 04.07.2012, was required to produce on 12.07.2012 its fee records, books of accounts, bank statements, salary payment register etc. However, on this date one Sh. Mukesh Kumar Solanki appeared on behalf of the school but did not produce complete records. At his request, the school was afforded another opportunity to produce the records on 30.07.2012. On this date, Sh. A.S. Rana, Chairman of the school appeared and produced the required records **except bank passbooks.**

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that the school had no FDR. **On verification of the salary payment**



register, it was found that the salary was not being paid in accordance with VI Pay Commission. The school had shown receipt of Rs. 1,20,000/- as aid from society in cash on 03.04.2010. In 2009-10, the school had increased the tuition fee by Rs. 100/- per month from Rs. 900/- to Rs. 1000/- for classes I to V and from Rs. 1100/- to Rs. 1200/- for classes VI to VIII. There was no fee hike in 2010-11.

The Committee in its meeting held on 01.10.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **It was noted by the Committee that till 31.03.2010, the school did not have a bank account as was apparent from their balance sheets. During 2010-11, when the school's balance sheet showed a bank account, the bank statements for that year were not produced. The balance sheets of the school from 2006-07 to 2010-11 showed no assets other than cash and bank balances. How the school was functioning without any furniture and fixture or electrical fittings like fans was not understandable. For these reasons, the Committee was of the view that no reliance could be placed on the records and the books of accounts of the school or even its claim of having partially implemented the VI Pay Commission Report w.e.f 01.03.2010. Hence, the Committee is of the view that this is a fit case where special inspection ought to be**



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Secretary

conducted by the Director of Education to ascertain the true state of affair of the school. Recommended accordingly.

Sd/-

Sd/-

Sd/-

Dr. R.K. Sharma  
Member

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 01/10/2012

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**Secretary**



**Indraprasth Public School, Karawal Nagar Road, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/07/2012, was required to produce on 13/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, on this date, a letter was received from the Manager of the school requesting for another date to be given as the Headmistress of the school was on leave and the Manager also was not available. Accordingly the school was given another opportunity to produce the records on 01/08/2012. On this date, Sh. Zile Singh, Manager of the school appeared and produced the required records. **Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.**

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Secretary

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations were that the final accounts of the school had been prepared by Sh. Amit Gaur but the name of the school did not appear in the list of schools submitted by him, of which he was the auditor. The school did not appear to have increased the tuition fee in 2009-10 except Rs. 20 per month for classes I to V and Rs. 25 per month for classes VI to VIII. In 2010-11 also, the fee hike was only to the tune of Rs. 25 per month. **The school did not have any bank account and was conducting its operation in cash.**

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. The Committee took note of the fact that the school did not have even a bank account and its financials were purportedly signed by Sh. Amit Gaur on behalf of M/s. Seema Sharma & Associates, Chartered Accountants, which firm had been found to be non-existent as per the information gathered from the website of the Institute of Chartered Accountants of India and Sh. Amit Gaur has also not confirmed that he had audited the accounts of this school. **Therefore, no reliance can be placed on the accounts and financials of the school. In this view of the matter, the Committee is unable to take any view in the matter. The Director of Education ought to conduct Special Inspection of the**



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Secretary

**school to ascertain the true state of its affairs with regard to the fee being charged by it. Recommended accordingly.**

**Sd/-                      Sd/-                      Sd/-**

Dr. R.K. Sharma  
Member

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 17/10/2012

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**Secretary**

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School Fee



**Vidya International Public School, West Karawal Nagar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Ghanshyam Sharma, Manager of the school appeared on 16/07/2012 and produced the required records. Reply to the questionnaire was also furnished as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations are that



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Secretary

the school increased the fee by 10% in each of the years 2008-09, 2009-10 and 2010-11. The books of accounts were also found to be maintained in normal course. However, the school was not maintaining any bank account.

The Committee in its meeting held on 31.08.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** The Committee has also observed that though the Balance Sheet of the school as on 31.03.2007 was signed by M/s. Singh & Vehl Chartered Accountants who also gave a Compilation report, an audit report from Sh. Amit Gaur, Chartered Accountant was obtained on those very accounts. In subsequent years, the Balance Sheets were signed by Sh. Amit Gaur with the endorsement '**Subject to audit**' but on those very dates Sh. Amit Gaur gave the audit reports also. The Committee has found as a fact that the audit reports are being signed by Sh. Amit Gaur without undertaking the audit and has also commented upon this fact in its first Interim Report submitted to the Hon'ble High Court. This lends credence to the suspicion that the Balance Sheets of the school may have been fudged and may not reflect its true state of affairs. This along with the fact that the school was not maintaining any bank account persuades the Committee not to place any reliance on the veracity of the financial records of the school. In this view of the matter, the Committee is unable to take any view as to



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Secretary

the claim of the school that the fee hiked by it was limited to 10% only. The Director of Education ought to conduct special inspection of the school to ascertain the true state of its affairs with regard to the fee being charged by it.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 31.08.2012

**TRUE COPY**  
Secretary

**Shri Saraswati Vihar Public School, Shahdara, Delhi-110032**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 10/07/2012, was required to produce 17/07/2012 its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. On this date, Sh. Sushil Kumar Gupta, Headmaster of the school appeared and produced the required records. He also filed reply to the questionnaire as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

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**Secretary**

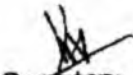
The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that in 2009-10, there was no increase in fee and during 2010-11, the fee was increased to the extent of 10%. However, the school was charging development fee but was not maintaining any depreciation reserve fund.

The two members of the Committee in its meeting held on 11.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** In so far as the hike in fee is concerned, they were of the view that no reliance could be placed on the accounts and financials of the school in view of the following facts:

- (i) The final accounts of the school i.e. Balance Sheet, Income and Expenditure Account and Receipt and Payment Account had been signed by M/s. Naveen Dwarka & Co., Chartered Accountants and they had given only compilation reports bearing dates 29/06/2007 for 2006-07, 23/05/2008 for 2007-08 and 12/06/2009 for 2008-09. However, curiously, audit reports had been obtained from another Chartered Accountant i.e. Sh. Amit Gaur bearing the same dates.

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Secretary

- (ii) The final accounts for 2009-10 have been signed "subject to audit" by Sh. Amit Gaur on 13/04/2010 but he has given an audit report dated 08/06/2010.
- (iii) For 2010-11, the audit report has been issued by him on 13/04/2011 but the final accounts have been signed "subject to audit" on 08/06/2011.

Clearly, the final accounts of the school had been fabricated and no reliance could be placed on such fabricated records. For the same reason, no reliance could be placed on the fee structures and fee receipts of the school which do not show any hike in 2009-10. They were of the view that the Hon'ble High Court may issue directions to the Director of Education to conduct Special Inspection of the school to ascertain the true state of its affairs. The gist and modicum of their views were recorded by them in the file. However, since the records of the school were examined by two members of the Committee in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed office.

The Chairperson examined the records of the school, observations of the audit officer and the views of the two members of the Committee in the meeting of the Committee held on 29/09/2012 and recorded his agreement with their views.

**The Committee is therefore, of the view that the Hon'ble High Court may issue appropriate directions to the Director of Education to take appropriate action under the law including**



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Secretary

**conducting special inspection of the school to ascertain the true state of its affairs and take appropriate action under the law.**

**Sd/-**

Dr. R.K. Sharma  
Member

**Sd/-**

*Sd/-*  
CA J.S. Kochar  
Member

**Sd/-**

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

*11/10/2012*

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*[Signature]*  
**Secretary**

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School Fee

**Rahul Public School, Begumpur, Delhi-110086**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. A.S. Rana, Headmaster of the school appeared on 23/07/2012 and produced the required records. Reply to the questionnaire was also furnished as per which the school claimed to have implemented the recommendations of the VI Pay Commission w.e.f. 01.02.2010 without paying the arrears. However the school claimed not to have increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations recorded at

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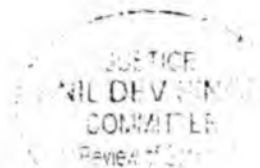
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**Secretary**



the time of examination of records in the presence of the representatives of the school are that as per the fee structures of the school, there was no hike in tuition fee during the year 2008-09 while the hike during 2009-10 was around 10%. However, during 2010-11, the annual charges charged by the school were increased from Rs. 1500/- to Rs. 2000/-. **Salary to the staff was being paid in cash despite the fact that the school was having a bank account with Bank of India, Rohini. The balance sheet of the school did not show any asset or liability except for cash and bank balances.**

The two members of the Committee in the meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. Though the school has claimed that it had not increased any fee in terms of the order dated 11.2.2009 issued by the Director of Education, the said claim had to be taken with a pinch of salt as the balance sheets of the school were found to be perfunctory. The same did not reflect the actual state of affairs nor the same were found to be audited as they carried only a compilation report of the Chartered Accountants. In view of these facts, the members were of the view that no reliance could be placed on the claim of the school that it had implemented the VI Pay Commission Report w.e.f. 01.02.2010 or that it had not increased the fee consequent to the order dated 11.02.2009 of the Director of Education. They were, therefore, of the view that it was a fit case where special inspection



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ought to be conducted by the Director of Education to ascertain the correct position. However, since the records and audit observations were examined by two members of the Committee, it was decided to place the matter before the Hon'ble Chairperson when he resumed the office for his views.

The Chairperson perused the records of the school, observations of the audit officer and the views of the two members in the meeting held on 29.09.2012 and recorded his agreement with the views of the two members. **The Committee is therefore, of the view that a special inspection be conducted by the Director of Education to ascertain the true state of affairs with regard to the implementation of the VI Pay Commission Report and the fee hiked by the school. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29.09.2012

11/10/2012  
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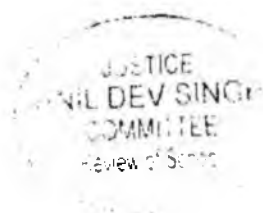
Secretary



**Shiksha Deep Vidyalaya, Uttam Nagar, New Delhi-110059**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Brijesh Dagar, Manager and Smt. Geeta, Hcadmistress of the school appeared on 26/07/2012 and produced the required records. Reply to the questionnaire was also furnished as per which the school claimed to have implemented the recommendations of the VI Pay Commission w.e.f. 01.03.2011 without paying the arrears. However the school claimed not to have increased the fee in terms of order dated 11/02/2009 of the Director of Education.

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The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations recorded at the time of examination of records in the presence of the representatives of the school are that as per the fee structures submitted by the school, there was nominal hike in fee in the years 2009-10 and 2010-11. However, the fee receipt books for the year 2009-10 were not produced. Further, the ledgers for none of the three years i.e. 2008-09, 2009-10 and 2010-11 were produced. Only cash books were produced but the closing balances of cash in hand as on 31.03.2009, 31.03.2010 and 31.03.2011 did not match with the balances appearing in the balance sheets of those dates. In fact, there were vast differences. The cash balances on these dates as per the cash book and as per balance sheets are as follows:-

Balance Sheet date	Cash balance as per cash book	Cash balance as per balance sheet
31-03-2009	27,35,473.80	1,81,626.80
31-03-2010	4,74,710.80	1,86,244.84
31-03-2011	34,39,195.80	2,00,898.80

The two members of the Committee in the meeting held on 25.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report till February 2011.** Though the school

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 COMMITTEE  
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has claimed that it had not increased any fee in terms of the order dated 11.2.2009 issued by the Director of Education, the said claim has to be taken with a pinch of salt as the balance sheets of the school were found to be fudged. There were vast differences in the cash balances as appearing in the cash book from those which appear in the balance sheets. The balance sheets were audited by M/s. BAS Associates Chartered Accountants who have stated unequivocally in their reports that the balance sheets are in agreement with the books of accounts. It is not understandable as to how the audit reports have been issued in view of the findings by the Committee. Further, the school did not produce the fee receipts for 2009-10 and ledgers for any of the three years. In view of these facts, the members of the view that no reliance could be placed on the claim of the school that it had implemented the VI Pay Commission Report w.e.f. March 2011 or that it had not increased the fee consequent to the order dated 11.02.2009 of the Director of Education. They were, therefore, of the view that it was a fit case where special inspection ought to be conducted by the Director of Education to ascertain the correct position. However, since the records and audit observations were examined by two members of the Committee, it was decided to place the matter before the Hon'ble Chairperson when he resumed the office for his views.

The Chairperson perused the records of the school, observations of the audit officer and the views of the two members in the meeting

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held on 29.09.2012 and recorded his agreement with the views of the two members. **The Committee is therefore, of the view that a special inspection be conducted by the Director of Education to ascertain the true state of affairs with regard to the implementation of the VI Pay Commission Report and the fee hiked by the school. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated:29.09.2012

11/10/2012

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**Rajender Lakra Model Sr. Sec. School, Mundka, Delhi-110041**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 22/10/2012, was required to produce on 08/11/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Sh. Prem Prakash Bhatt, Principal and Smt. Geeta Babbar, Headmistress of the school appeared on the appointed date and produced some of the records. **Reply to the questionnaire was also furnished as per which the school stated that it had neither implemented the recommendations of the VI Pay Commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.**

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations recorded



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at the time of examination of records in the presence of the representatives of the school are that **the school was paying salary in cash although the school was maintaining a bank account with State Bank of India.** The salary was not being paid even in terms of the V Pay Commission. Salary payment registers were not being properly maintained as in many cases the employes have not signed the same in token of having received the salary. The school had not produced the fee structures for the years 2008-09 and 2009-10 and daily fee collection registers were not being maintained. It was stated on behalf of the school that entries of fee receipt are made in the students' attendance registers. On examination of fee receipt books, it was observed that the school was receiving tuition fee, building fund, annual charges, examination fee and science fee from the students during all the three years, the accounts of which were examined i.e. 2008-09 to 2010-11. A comparative statement of fee charged by the school during 2008-09, 2009-10 and 2010-11 was got prepared and on examination of the same with the fee receipts, it was observed that though the hike in fee in 2008-09 was nominal, the school had increased the fee to the tune of Rs. 159/- per month to Rs. 421/- per month for different classes in 2010-11, the range of increase being 33.45% to 53.96%. The balance sheets of the school were not audited but carried only a compilation report by the Chartered Accountants. The books of accounts for 2009-10 were not produced. The total of salary as appearing in the income and expenditure accounts of the three years did not agree with the salary payment registers. For

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ANIL DEV SINGH  
COMMITTEE

Secretary



producing the records which were not produced, the school representatives were asked to appear again on 12/11/2012. On this date, the representatives of the school again appeared and produced the desired records except for cash book and ledger for 2009-10. The records were examined with respect to the fee structure submitted by the school and discrepancies were again observed. The aggregate fee as per the statements submitted by the school did not agree with the figures appearing in the income and expenditure account. In order to provide an opportunity of being heard to the school, the principal and headmistress of the school were heard by the Committee. They were confronted with the contradictions in the total fee as per income and expenditure account for 2008-09 and 2009-10 which did not reconcile with the fee structure and the students enrolment. They sought further time from the Committee for reconciling the differences. Their request was granted and they were asked to appear on 26/11/2012 and produce complete fee records along with students enrolment records and books of accounts from 2008-09 to 2010-11.

On 26/11/2012, the Principal and the Headmistress again appeared and produced the records desired of them. These were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations were that on random checking of fee receipts with respect to the revised fee structure filed by the school for 2008-09 to 2010-11, it was noticed that fee for some classes was charged marginally higher. For example, tuition fee for class II in 2009-10 was

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COMMITTEE  
19/11/2012

reflected as Rs. 275/- per month in the fee structure but actually it was being charged @ Rs. 300/- per month. The breakup of fee receipt in all the three years prepared by the school was claimed to be on the basis of fee receipt books. However, the figures did not match with the income and expenditure account. The school representatives were unable to give any reasons for the same.

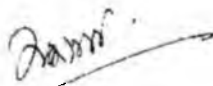
The school representatives were again heard by two members of the Committee as the Chairperson could not attend the meeting on account of some personal difficulty. The accounts produced by them were also examined. On such examination, it became apparent that the receipt of fee was not being recorded by the school in its accounts from the primary records i.e. fee receipt books. Entries corresponding to cash deposits in the bank had been treated as fee receipts on a consolidated basis. **During the course of hearing, the school representatives admitted that the accounts were not being maintained contemporaneously and their Chartered Accountant had messed up the accounts.**

We have considered the reply to the questionnaire, the observations of the audit officers and the statements prepared by them as also the original and revised statements filed by the school and also examined the books of accounts. In view of the serious irregularities in the maintenance of the records and accounts, which the school also candidly admitted, we are of the view that no reliance could be placed on the records of the school and its contention that

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ANIL DEV SINGH  
COMMITTEE

the fee hiked in 2009-10 was nominal. We are, therefore, of the view that it is a fit case where the Director of Education might order special inspection to ascertain the true state of affairs of the school and take appropriate action in the matter as per law.

  
Dr. R.K. Sharma  
Member

  
CA J.S. Kochar  
Member

Dated: 26/11/2012



*I agree*  
*to Singh*  
*4/12/2012*

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**Secretary**

**Ravindra Public School, Pitampura, Delhi-110088**

In response to the questionnaire sent by the Committee vide email dated 27/02/2012, the school vide letter dated 29/02/2012 replied stating that, though the school had implemented the VI Pay Commission Report w.e.f. 01/04/2009 but it had not paid the arrears of salary on account of retrospective application of VI Pay Commission. Alongwith the reply, the school sent details of salary paid to the staff for the month of March 2009 i.e. before implementation of VI Pay Commission Report as well as salary for the month of April 2009 i.e. after implementation. With regard to the increase in fee, the school stated that it had not hiked the fee of the students in accordance with order dated 11/02/2009 issued by the Director of Education. On the basis of this reply, the school was initially placed in Category 'C'.

Vide letter dated 27/03/2012, the school was requested to produce its fee records to verify its contention of not having increased the fee. In response to this letter of the Committee, Sh. Anil Malhotra, Accountant of the school appeared with Sh. Davinder, LDC. They filed schedule of fee charged by the school for the years 2008-09, 2009-10 and 2010-11. On examination of these schedules, it transpired that the school had increased the tuition fee by Rs. 300 per month w.e.f. 01/04/2009 which was the maximum hike allowed to the school as per the slabs of existing fee in terms of the aforesaid order dated



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11/02/2009. As the fee schedules were contradictory to the stand of the school in its reply to the questionnaire, the school was asked to produce its books of accounts to verify the correct position.

On 16/04/2012, the school produced its books of accounts and on examination thereof, it became apparent that the school had hiked the fee to the extent of Rs. 300 per month w.e.f. 01/04/2009 but had wrongly stated in the reply to the questionnaire that it had not increased any fee.

The Committee in its meeting held on 27/04/2012 considered the matter and decided that in view of the fact that the school had implemented the VI Pay Commission Report and also increased its fee in accordance with the order dated 11/02/2009, the case of the school be transferred to category 'B' for ascertainment of funds available with it prior to implementation of VI Pay Commission.

Preliminary examination of the financials of the school was carried out by the Chartered Accountants detailed with this Committee. As the school claimed to have implemented the VI Pay Commission Report w.e.f. 01/04/2009 and also increased the tuition fee w.e.f. 01/04/2009, the balance sheet of the school as on 31/03/2009 was taken as the basis for calculation of the funds available with the school for the purpose of implementation of the VI Pay Commission Report. As per the preliminary calculations made by the Chartered Accountants, the funds available with the school as on 31/03/2009 were to the tune of **Rs. 53,04,260/-**. The additional



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Secretary

burden on account of increased salary due to implementation of VI Pay Commission from 01/04/2009 to 31/03/2010 was **Rs. 43,12,548/-**. The school was, therefore, served with a notice dated 08/11/2012 for providing it an opportunity of hearing by the Committee and for enabling it to provide justification for the hike in fee.

On 26/11/2012, the date fixed for hearing, Sh. Anil Malhotra Accountant and Sh. Davinder Kumar, clerk of the school, appeared. They requested for another opportunity to be given as Sh. Sanjiv Malhotra, Manager of the school could not be present. They were provided with the preliminary calculations prepared by the Chartered Accountants. At their request, the hearing was adjourned to 07/12/2012.

On 07/12/2012, Sh. Sanjeev Malhotra, Manager of the school appeared with Sh. Ramesh Goyal, Chartered Accountant and Sh. R.P. Ram, Member of the Managing Committee. They filed written submissions in which they did not dispute the calculations of funds available with the school for the purpose of implementation of VI Pay Commission. However, it was submitted that the incremental fee was recovered from 1203 students (as against 1470 taken by the Committee) as the rest of the students were being given free or concessional education. It was also submitted that the school ought to be allowed to preserve reserves equivalent to three months' salary and for the accrued liability of gratuity. Alongwith the submissions,

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COMMITTEE  
Review of Schools

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details of accrued liability of gratuity was also given and as per the details, it was claimed that a sum of **Rs. 1,00,93,959** was the accrued liability for gratuity as on 31/03/2009. However, since the detail of reserve required for three months salary was not given, they sought and were granted one final opportunity to submit the details thereof on 27/12/2012.

Today the representatives of the school have again appeared and filed the month-wise detail of salary for the year 2008-09 and it was observed that salary for the month of March 2009 worked out to **Rs. 9,74,024**.

The Committee has examined the financials of the school, reply to the questionnaire and the preliminary calculations sheet prepared by the Chartered Accountants and also considered contentions of the representatives of the school and the additional documents filed by them during the course of today's hearing. The Committee notes that the school has not disputed the funds available with the school amounting to **Rs. 53,04,259** as on 31/03/2009. However, the school has claimed that out of available funds, the following have to be kept earmarked for meeting the liabilities/contingencies;

Salary for three months	Rs. 29,22,072
Gratuity	Rs. 1,00,93,959

Thus the school claimed that the funds available with it were actually short of its requirements and hence the fee hike was justified.



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The Committee on consideration of the record and keeping in view the submissions of the school, is of the view that reserve equivalent to four months salary can be preserved by the school to take care of any eventuality and future contingency. In the case of the instant school, four months' salary amounts to **Rs. 38,96,096**. On deduction of this amount from the available fund, a sum of **Rs. 14,08,163** is left with the school.

In so far as the claim of the school for its liability of gratuity amounting to Rs. 1,00,93,959 is concerned, we find that the school has not provided for this liability in its balance sheet and as such this claim is neither based on any actuarial valuation nor even on any audited statement. However, the Committee is of the view that even though the accrued liability towards gratuity is not based on the actuarial report or any audited statement, it would definitely be more than the funds remaining with the school after providing for the reserve as aforesaid. Liability for gratuity being statutory in nature, the same cannot be ignored while working out the funds available for the purpose of implementation of VI Pay Commission. Therefore, in our view, the school did not have sufficient accumulated funds before implementation of VI Pay Commission Report. Hence, the only other matter to be considered by the Committee is whether after paying the incremental salary on account of implementation of VI Pay Commission, the school had any surplus out of the incremental fee of the students for the year 2009-10 or not. The claim of the school that



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it had recovered the incremental fee from 1203 students @ Rs. 300 per student is accepted. Consequently, the incremental fee recovered by the school was **Rs.43,30,800**. As against this, the incremental salary on account of implementation of VI Pay Commission was **Rs. 36,78,468** ( i.e. Rs. 3,06,539 per month) as admitted by the school in its submissions dated 07/12/2012. Thus, the surplus out of the incremental fee was just **Rs. 6,52,332**. Having regard to the deficiency on account of accrued liability of gratuity, the Committee is of the view that there is no case for recommending any refund of fee. **The Committee is therefore, of the view that 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: 27/12/2012

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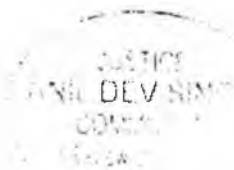
JUSTICE  
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COMMITTEE  
REVIEW OF SCHOOL

**P.S.M. Public Sr. Sec. School, Nangloi, Delhi-110041**

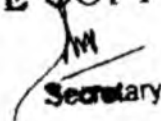
In reply to the questionnaire sent by the Committee on 27/02/2012, the school vide letter dated nil, received in the office of the Committee on 12/03/2012 stated that the school had implemented the recommendations of the VI Pay Commission w.e.f. 01/03/2010. However, it also stated that it had not increased the fee of the students in accordance with order dated 11/02/2009. On the basis of this reply, the school was initially placed in Category 'C'.

In order to verify the contention of the school that it had not increased the fee as per the aforesaid order dated 11/02/2009, the school, vide notice dated 27/03/2012, was required to produce its fee and accounting records on 02/04/2012. On this date, Sh. Rajiv Mahajan, Chartered Accountant of the school appeared and produced some of the records but did not produce the fee receipts for 2008-09 and 2009-10. As such receipts were crucial to determination of the factum of fee hike, the authorized representative was advised to produce the same on 16/04/2012. On this date also, the records were not produced and Sh. Ashok Sharma, Accountant who appeared on behalf of the school requested for more time. Accordingly, he was advised to produce the required records on 30/04/2012.

On the appointed date, Sh. Rajiv Mahajan, CA and Sh. Ashok Sharma, Accountant, appeared on behalf of the school along with the required records. The said records were examined by Ms. Sunita



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Nautiyal, Audit Officer of the Committee and her observations were that the school had increased its tuition fee between Rs. 20 and Rs. 150 per month for different classes in 2009-10 which amounted to a hike between 4.6% and 20%. Except for classes VIII to X, the fee hike was within 10%. It was noted by her that the school had implemented the VI Pay Commission w.e.f. March 2010 which resulted in additional burden of Rs. 2,78,881 per month which was not fully offset by the hike in fee. However, the Committee was of the view that the claim of the school of having implemented the VI Pay Commission needed to be verified properly and the funds availability with the school prior to fee hike also needed to be ascertained. Accordingly the school was transferred to Category 'B'.

Preliminary examination of the financials of the school was done by the Chartered Accountants detailed with this Committee and as per the preliminary calculations made by them, the school had funds available to the tune of Rs. 15,17,587 as on 31/03/2009 while the additional liability that befell on the school on implementation of VI Pay Commission was just Rs. 2,78,881 i.e. the increased salary for March 2010. The school was therefore served with a notice dated 24/12/2012 for providing them an opportunity of being heard by the Committee on 28/01/2013 and to provide justification for the hike in fee, as in the view of the Committee, no hike was required to be made having regard to the fact that the school had sufficient funds available



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with it to meet the additional liability arising on account of implementation of the VI Pay Commission Report.

On the appointed date of hearing, Sh. Rajiv Mahajan, CA and authorized representative of the school appeared along with Sh. Ashok Sharma, Accountant. He was heard by the Chairperson and Sh. J.S. Kochar, Member as Dr. R.K. Sharma, Member could not be present in the Meeting due to some personal difficulty. The records of the school were also examined. It appears that the claim of the school of having implemented the VI Pay Commission is a farce as even after the purported implementation of the VI Pay Commission, salary to the staff was being paid in cash. The cash in hand with the school was invariably between Rs. 10 lacs and Rs. 20 lacs despite the fact that the school was having an account with Bank of Baroda, Sultanpur Majra, Delhi. Therefore, the records of the school as were produced before us did not inspire any confidence. When confronted with these facts, the school representatives conceded that VI Pay Commission had not been implemented in full. However, they contended that the hike in fee was also nominal and as such, should not be disturbed.

We have considered the reply to the questionnaire, the calculations of funds availability with the school for the purpose of partial implementation of the VI Pay Commission Report, examined the salary records and books of accounts produced by the school and the oral submissions made by the authorized representatives of the



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school. We note that w.e.f. 2009-10, the school had hiked the fee in the following manner:

Class	Tuition fee in 2008-09 (Monthly)	Tuition fee in 2009-10 (Monthly)	Fee Increase in 2009-10 (Monthly)	Percentage Increase
I	430	450	20	4.65%
II & III	450	500	50	11.11%
IV & V	500	550	50	10.00 %
VI	650	700	50	7.69%
VII	700	800	100	14.28%
VIII & IX	750	900	150	20.00 %
X	850	1000	150	17.64%
XI & XII	1000	1100	100	10.00%

It is thus observed that except for classes VI to X, the fee hike as within or near about the tolerance limit of 10%. In these circumstances, we are of the view that although the school has falsely claimed that it implemented the VI Pay Commission Report w.e.f. 01/03/2010, no intervention in the matter of fee is required.

Sd/-

Sd/-

Sd/-

DR. R.K.Sharma  
MemberCA J.S. Kochar  
MemberJustice Anil Dev Singh (Retd.)  
Chairperson

Dated: 28/02/2013

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JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of Schools

**Orion Convent School, Shahbad Daulat pur, Delhi-110042**

In response to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012, the school vide email, sent from its official mail id, stated that it had neither implemented the VI Pay Commission Report nor hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi. On this basis, the school was put in 'C' Category.

The returns of the school under Rule 180 were received from North West-A district of the Directorate of Education. In order to verify the correctness of these returns and the claims of the school, vide letter dated 16.04.2012, the school was required to produce its fee records, books of accounts, bank statements, salary payment register on 27/04/2012. On that date, Smt. Shashi Bala, Headmistress of the school appeared but did not produce any record. She requested for another date. Accordingly, she was directed to appear on 08/05/2012 along with full records. On this date, she called the office of the Committee and expressed her inability to appear due to some personal reasons. The school, then, was sent a final notice dated 10/07/2012 for production of records on 19/07/2012 on which date she appeared and produced fee records and fee registers only. No books of accounts of school were produced. It was informed by her that the school was not maintaining any



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separate books of accounts and all the transactions of the school were recorded in the books of Orion Convent School Educational Society. It was stated by her that the Society had no other activity apart from running the school. It was observed that the balance sheets etc. submitted by the school as part of returns under Rule 180 of Delhi School Education Rules 1973 were also of the society. The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee but since the bank pass book and FDRs of the school were not produced, she was advised to do so on 23/07/2012. No compliance was made on this date. However, she appeared on 27/07/2012 and produced the FDR in the name of the school and copy of the bank account in the name of the Society. It was observed by the audit officer that the hike in tuition fee effected in 2009-10 was 9.99% while no fee was increased in 2010-11.

The two members of the Committee in their meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** As the school was not maintaining any separate books of accounts and the receipts and disbursements of the school were deposited/paid in/from the bank account of the society, the school was clearly in default of Rules 172 and 173 of the Delhi School Education Rules 1973. But this was more a matter which would come under the purview of administrative supervision of the



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Secretary

Director of Education. Perhaps the school was not fully conversant with the technicalities as the society was reportedly not having any activity other than running the school. This aspect should have been looked into by the Director of Education while granting recognition to the school. As far as this Committee is concerned, since the fee hike effected by the school was within the tolerance limit of 10%, the members of the Committee were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that no intervention is called for in the matter, so far as the fee is concerned. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

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*[Signature]*  
Secretary

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School



**Sant Namdev Public School, C-101, Maharana Partap Enclave,**  
**New Delhi-110034**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 15.05.2012, was required to produce on 31.05.2012 its fee records, books of accounts, bank statements, salary payment register. Nobody appeared on the said date. However, on 08.06.2012, the Committee received an email from the school saying that the Manager of the school was out of station and would be joining duty by 20.06.2012 and therefore requested for more time for submission of records for verification by the Committee. Accordingly, vide letter dated 04.07.2012, another opportunity was afforded to the school to produce the records on 18.07.2012. It was also required that the school submits a reply to the questionnaire. On the said date, Sh. Parmod Sharma, Manager of the school appeared and produced the

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of Schools

1  
SECRETARY

desired records. He also filed reply to the questionnaire as per which the school had neither implemented the VI Pay Commission Report nor increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. The records were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that the staff was being paid lumpsum salary in cash. The salary was not in terms of the recommendations of VI Pay Commission. The overall fee hike in 2009-10 amounted to 18.48%. However no fee hike was effected in 2010-11.

The two members of the Committee in their meeting held on 11.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, in view of the fact that the fee hiked by the school **over a period of two years i.e. 2009-10 and 2010-11** was about 18.48%, the members of the Committee were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 01.10.2012. **In view of this, the Committee is of the view**



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Secretary

that no intervention is called for in the matter. Recommended accordingly.

Sd/-

Sd/-

Sd/-

Dr. R.K. Sharma  
Member

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 01/10/2012



Secretary

**Krishna Bharti Model School, Karawal Nagar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to it by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of the aforesaid returns, the school, vide letter dated 05/06/2012, was required to produce on 22/06/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. However on 20/06/2012, a letter was received from school stating that the Principal of the school was out of Delhi. A request was made that the date for verification of records may be postponed. Accordingly the school was asked to produce its records on 16/07/2012. On this date, Sh. Umesh Sharma, Manager of the school appeared and produced the required records. Reply to questionnaire was also furnished as per which the school had not implemented the recommendations of VI Pay commission as the children studying in the school belonged to low income group and could not afford the fee hike. The financial position of the Society was

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Secretary

not strong enough to bear the additional burden from its own resources. It was further stated that the school had not hiked the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations were that although the fee for classes I to V had not been hiked by the school during 2009-10, it had been hiked from Rs. 525 per month to Rs. 550 per month for classes VI to VIII. During 2010-11, there was no hike at all. No major discrepancy was observed in the maintenance of books of accounts.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report. Further, the Committee observes that even upto 31/03/2011, the school did not have any bank account as no such account was reflected in its balance sheet. However, since the hike in fee was within the tolerance limit of 10%, the Committee is of the view that no intervention is required 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: 04/09/2012



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**Gyan Sarovar Bal Niketan, West Karawal Nagar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/06/2012, was required to produce on 26/06/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, a representative of the school appeared in the office of the Committee on 25/06/2012 and gave a letter stating that on account of summer vacation, the Manager of the school was out of station. He requested for another date to be given in the month of July 2012. At the request of the school, the school was given the next date as 18/07/2012 for production of the required records. In the meantime, the Committee received reply to the questionnaire on 27/06/2012 in which it was stated that the school had neither implemented the VI Pay Commission Report nor increased the fee in

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School Fee

1

  
Secretary

accordance with the order dated 11/02/2009 of the Director of Education.

On 18/07/2012, Sh. N.K. Tyagi, a TGT of the school, appeared with Sh. S.N. Sharma, part time accountant and produced the required records. The records produced were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations were that the school had raised tuition fee by around 15% in 2009-10 and by 10% in 2010-11. The school had three bank accounts, yet the salary was paid in cash. No particular discrepancy was observed in the maintenance of books of accounts.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** The Committee noted that the school operated on a low fee base (monthly fee being Rs. 290 to Rs. 345 per month in 2008-09). Therefore, despite the fact that the hike effected by the school was around 15% in 2009-10, in absolute terms the hike was not much. **The Committee is, therefore of the view, that no intervention is required in the matter. Recommended accordingly.**

Sd/-

Sd/-

Sd/-

Dr. R.K. Sharma  
Member  
Dated: 03/09/2012

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

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2 Secretary



**Raman Modern Public School, Bhagat Vihar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/06/2012, was required to produce on 29/06/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, no body appeared on the appointed date on behalf of the school nor any records were caused to be produced. Vide letter dated 10/07/2012, the school was given final opportunity to produce the records on 20/07/2012. On this date, Sh. Raj Pal Sharma, Manager of the school appeared and filed reply to the questionnaire stating that the school had not implemented the recommendations of the VI Pay Commission report and at the same time, the school had not increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. He also

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**Secretary**

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of Schools



produced the required records which were examined by Sh. A.K. Vijn, Audit Officer of the Committee. His observations were that the school had not hiked the tuition fee and the school had employed adhoc staff, the details of which were not furnished.

The two members of the Committee in their meeting held on 11/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **It was also noted by them that the school did not have a bank account.** However, in view of the fact that the school had not increased any fee in 2009-10 while in 2010-11, the hike was marginally above 10%, they were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29/09/2012. **In view of this, the Committee is of the view that no intervention is called for in the matter. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member  
Dated: 29/09/2012

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

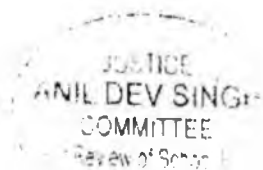
11/09/2012  
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Secretary

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School

**Sarvada Modern Sec. School, Main Karawal Nagar Road, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/06/2012, was required to produce on 12/06/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, no body appeared nor any records were caused to be produced on this date. The Committee received a letter from the school on 03/07/2012 stating that the earlier letter could not be complied with as it was received late. The school requested for a fresh date. Accordingly, the school was asked to comply with the letter of the Committee on 18/07/2012. On this date, Sh. Nikhil Palival, Manager of the school appeared and produced the required records. Reply to questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay

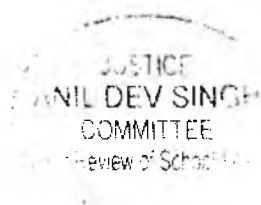


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Secretary

commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations were that during 2008-09, 2009-10 & 2010-11, the school had increased the tuition fee to the extent of 10% except in case of class 10 students where the fee was hiked to the extent of 16.2% during 2010-11. The school was charging development fee but not maintaining any depreciation reserve fund.

The Committee in its meeting held on 14/09/2012 examined the observations of the audit officer and it was observed that although the fee structure for 2010-11 did show the intention of the school to charge development fee but on going through the Receipt and Payment account and Income & Expenditure account for 2010-11, no such fee appeared to have been recovered. The Committee, therefore, directed another audit officer Ms. Sunita Nautiyal to re-examine the matter by calling for the records again from the school. Accordingly, another letter dated 14/09/2012 was sent to the school, requiring it to produce on 28/09/2012, its books of accounts for 2010-11 and reconcile the fee structure with the books of accounts. The school requested for another date to be given on account illness of the Manager. As such a last opportunity afforded to the school to do the needful on 05/10/2012. On this date, the Manager of the school again appeared and informed that the proposal to charge development



fee in the year 2010-11 was not approved by the Parent Teacher association of the school and hence no development fee was charged by the school. In support of his contention, he also filed a copy of the minutes of the PTA meeting and a computer print out of the fee register.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the two Audit Officers. **Admittedly, the school had not implemented the VI Pay Commission Report. However, in view of the fact that the fee hiked by the school was within the tolerance limit of 10%, no intervention is required in the matter. Recommended accordingly.**

Sd/-

Sd/-

Sd/-

Dr. R.K. Sharma  
Member

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 08/10/2012

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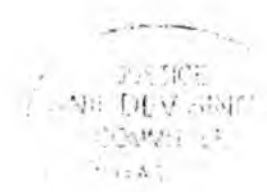
**Kalindi Bal Vidyalaya, North Ghonda, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 11/06/2012, was required to produce on 02/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Sh. R.K. Yadav, Manager of the school appeared but did not produce any records and requested for another date to be given. He was given another opportunity to produce the records on 19/07/2012. However, on 18/07/2012, Sh. Yadav appeared and stated that he had a case in High Court on 19/07/2012 which was also the date given by the Committee for production of records and as such requested for another date to be given. A final opportunity was given for 31/07/2012 to comply with the letter of the Committee. On this date, Sh. Yadav again appeared and produced the required records. Reply

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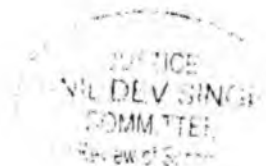
Secretary



to questionnaire was also furnished as per which the school claimed to have implemented the recommendations of VI Pay commission w.e.f. 01/04/2010 but had not paid any arrears on account of retrospective application of VI Pay Commission. With regard to increase in fee, it was claimed that no hike in fee was effected which was in excess of 10%.

The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations were that during 2009-10, the fee had been hiked between Rs. 20 per month and Rs. 30 per month for different classes. In 2010-11, the fee was hiked by Rs. 66 per month. No particular discrepancy was observed in the maintenance of books of accounts.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **The Committee is not impressed with the claim of the school that it had implemented the VI Pay Commission w.e.f. 01/04/2010** as the pay bill for July 2010, which was filed as part of the annual returns for 2010-11, the school was not paying the salary as per the recommendations of VI Pay Commission. **However, in view of the fact that the fee hiked by the school in 2009-10 was within the tolerance limit of 10% and in 2010-11, the hike was not excessive in absolute terms (the school was operating on a very low fee base and was charging fee between Rs. 300 and Rs. 400 per month), the Committee is of the**



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view that no intervention is required 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: 03/10/2012

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Secretary

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School Fees

**Arwachin Shiksha Sadan Middle School, Shahdara, Delhi-110032**

The school had not replied to the questionnaire sent by the Committee to it by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of the aforesaid returns, the school, vide letter dated 11/06/2012, was required to produce on 10/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. On this date, Sh. Ashish Sharma, Manager of the school appeared and produced the required records. Reply to questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission Report nor hiked the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations were that the school had increased the tuition fee by Rs. 25 per month

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ANIL DEV SINGH  
COMMITTEE

Secretary



in 2009-10 which hike was less than 10%. In 2010-11 also, the tuition fee hiked by the school was between Rs. 25 per month and Rs. 50 per month which was also less than 10%. No major discrepancy was observed in the maintenance of books of accounts.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report. However, since the hike in fee was within the tolerance limit of 10%, the Committee is of the view that no intervention is required in the matter. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

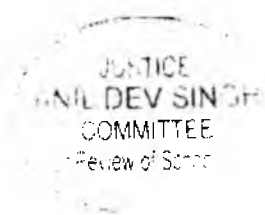
Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 31/08/2012



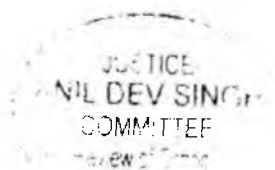
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A handwritten signature in black ink, appearing to be "Anil Dev Singh".  
Secretary

**New Bal Jyoti Public School, Brahampuri, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13/06/2012, was required to produce on 11/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. On the appointed date, Sh. A.P. Bajpai, Manager of the school, appeared and produced the required records. He also filed reply to the questionnaire as per which the school had neither implemented the recommendations of the VI Pay Commission nor increased the fee in accordance with order dated 11/02/2009 of the Director of Education. The records produced were examined by Sh. A.K. Vijh, Audit Officer of the Committee and his observations were that the school had not increased the tuition fee in any of the three

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1 Secretary

years, the records of which were examined i.e. 2008-09, 2009-10 and 2010-11.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** The Committee noted that contrary to the observations of the audit officer, the school had actually increased the fee in all the three years. The tuition fee in the year 2008-09 was in the range of Rs. 410 per month to Rs. 430 per month which was increased to Rs. 440 per month to Rs. 460 per month in 2009-10. Thus there was a hike of Rs. 30 per month across the board. In 2010-11 also, the tuition fee had been hiked by Rs. 40 to Rs. 50 per month for all the classes. **However, keeping in view that the hike in fee was within the tolerance limit of 10%, the Committee is of the view, that no intervention is required 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: 31/08/2012

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**Secretary**



**Arvind Public School, Durga Puri, Shahdara, Delhi-110093**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13/06/2012, was required to produce on 13/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Ms. Kanta Kumari, Manager of the school appeared and produced the required records and also filed reply to the questionnaire as per which the school had neither implemented the VI Pay Commission Report nor increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. The records were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee. Her observations were that the school had increased the tuition fee by 10% in 2009-10 and 2010-11. No development fee was charged from the students. The Cash Book and Ledger were found to have been maintained in

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Secretary



normal way. No particular discrepancy in the maintenance of accounts was observed by her. **However, the transactions of the school including payment of salary were being done in cash despite the fact that the school was maintaining a bank account.**

The two members of the Committee in their meeting held on 11.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, in view of the fact that the fee hike was within the tolerance limit of 10%, the members of the Committee were of the view that no intervention was required in the matter. The gist and modicum of their views was recorded in the file. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that no intervention is called for in the matter. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member  
Dated: 29/09/2012

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson



11/10/2012  
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COPY  
Secretary

**Om Bharti Public School, Johri Pur Enclave, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.06.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Sushil Kumar, Manager of the school appeared on 13/07/2012 and filed reply to the questionnaire as per which the school had neither implemented the VI Pay Commission Report nor increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. The records were examined by Sh. A.K. Vij, Audit Officer of the Committee. His observations were examined by the Committee on 04.09.2012 but as the same were found to be very sketchy, the Committee directed Ms. Sunita Nautiyal,

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
13/09/2012

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Secretary

Audit Officer to reexamine the same by calling for the information afresh from the school.

Accordingly, vide letter dated 05.09.2012, the school was again asked to produce its records for all the three years on 19.09.2012. The same were produced by the school on that date through Sh. Sushil Kumar, Manager. The records so produced were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that although the fee structure submitted by the school as part of the annual returns showed that only tuition fee was charged by the school, the final accounts of the school show receipts under various other heads also like examination fee, admission fee and annual charges. Accordingly the Manager of the school was asked to prepare the correct fee structure on the basis of fee actually charged under various heads. On examination of the revised fee structures with fee records produced by the school, it was observed that the fee hiked by the school for various classes ranged between 11.1% and 11.6% in 2009-10 and between 9.2% and 9.4% in 2010-11. **However, it was also observed that the school did not have bank account till December 2010. The school was receiving fee in cash and salary was also paid in cash.**

The two members of the Committee in their meeting held on 21.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the two Audit Officers. **Admittedly, the school had not**

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Secretary



**implemented the VI Pay Commission Report.** However, in view of the fact that the fee hiked by the school was near about the tolerance limit of 10%, the members of the Committee were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that 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: 29/09/2012

11/10/2012  
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Secretary

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
29/09/2012



**Arvind Bharti Public School, Ganga Vihar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13/06/2012, was required to produce on 13/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. On the appointed date, Sh. N.C. Sharma, Manager of the school, appeared and produced the required records. He also filed reply to questionnaire as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations were that the fee hiked by the school in 2009-10 and 2010-11 was nominal and

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
REVENUE

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Secretary

less than 10%. The school had a low fee structure ranging between Rs. 290 and Rs. 420. No particular discrepancy was observed in the maintenance of books of accounts.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report. Further it was noted by the Committee that till 31/03/2011, the school did not have a bank account. However, in view of the fact that the fee hiked by the school was nominal and within the tolerance limit of 10%, the Committee is of the view that no intervention is required 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: 04/09/2012

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JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School Fees

Shree S.R. Capital School, Gagan Vihar, Delhi-110094

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.06.2012, was required to produce its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Mukesh Kumar Yadav, Manager of the school appeared on 16/07/2012 along with Sh. Pratap Singh, TGT of the school and Sh. Yogender K. Rathi, Advocate, and produced the required records. Reply to questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

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JUDGE  
ANIL DEV SINGH  
COMMITTEE  
Report 2012

The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations are that the school had charged fee which was less than the fee as per schedule submitted as part of the annual returns under some heads while the school had charged fee under certain other heads which were not disclosed in the fee structure. However, the fee hiked by the school in 2009-10 and 2010-11 was within the tolerance limit of 10%. The Books of Accounts were found to be maintained in normal course.

The Committee in its meeting held on 03.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. Admittedly, the school had not implemented the VI Pay Commission Report. However, in view of the fact that the fee hiked by the school was within the tolerance limit of 10%, no intervention is required in the matter. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

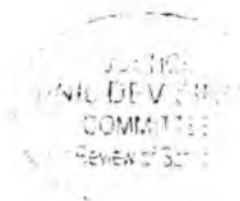
Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 03/09/2012

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*[Signature]*  
**Secretary**



**Sant Parmanand Public School, Yamuna Vihar Road, Delhi-  
110053**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13/06/2012, was required to produce on 16/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. However, no body on behalf of the school appeared on the appointed date nor any records were caused to be produced. On 18/07/2012, Sh. Atul Tripathi, Manager of the school appeared in the office of the Committee and gave a letter seeking another date as the Chartered Accountant of the school was out of station. As per the request of the school, it was given a final date to produce the records on 01/08/2012. On this date, Sh. Tripathi appeared and produced the required records and also filed reply to questionnaire as per which the school had neither implemented the recommendations of VI

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Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations were that during 2009-10, the school had hiked the fee by Rs. 20 to Rs. 30 per month for different classes. In 2010-11 also, the fee hike ranged between Rs. 20 and Rs. 40 per month. No particular discrepancy was observed in the maintenance of books of accounts. **The school was maintaining an account with Punjab National Bank but the salary was being paid to the staff in cash.**

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, in view of the fact that the fee hiked by the school was nominal and within the tolerance limit of 10%, the Committee is of the view that no intervention is required 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: 17/10/2012



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*[Signature]*  
Secretary

**Bhartiya Vidya Public School, Sonia Vihar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.06.2012, was required to produce on 19/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Sudhir Bhardwaj, Manager of the school appeared and produced the required records and filed reply to the questionnaire as per which the school had neither implemented the VI Pay Commission Report nor increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. The records were examined by Sh. A.D. Bhateja, Audit Officer of the Committee. His observations were that the school had actually collected less fee than that reflected in the fee structure. However, the school was collecting examination fee ranging between Rs. 350 and Rs. 400 from the students which was not

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Secretary

reflected in the fee structures. **The school was paying salary in cash, despite having two bank accounts.** No particular discrepancy in the maintenance of accounts was observed by him.

The two members of the Committee in their meeting held on 14.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** It was also observed that the fee hiked by the school in 2009-10 was merely 10% more than the fee charged in 2008-09. In view of the fact that the fee hike was within the tolerance limit of 10%, the members of the Committee were of the view that no intervention was required in the matter. The gist and modicum of their views was recorded in the file. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that no intervention is called for in the matter. Recommended**

accordingly.

Sd/-  
Dr. R.K. Sharma  
Member  
Dated: 29/09/2012

Sd/-  
CA J.S. Kochar  
Member

Sd/-  
Justice Anil Dev Singh (Retd.)  
Chairperson



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Secretary



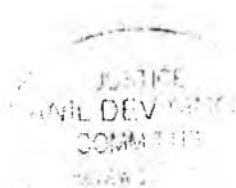
**Sun Rise Public School, Bhajanpura, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.06.2012, was required to produce on 19/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Basant Lal, Manager appeared along with Sh. Vikas Arora, Headmaster of the school and produced the required records and also filed reply to the questionnaire as per which the school claimed to have implemented the VI Pay Commission Report w.e.f. July 2010. However, it was claimed that it had not increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. The records were examined by Sh. A.D. Bhateja, Audit Officer of the Committee. His observations were that in 2009-10, the school had hiked the fee

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**Secretary**

by Rs. 50 to Rs. 100 per month for different classes which amounted to a hike of 16% to 25%. The fee hiked in 2010-11 was between Rs. 20 to Rs. 50 per month which worked out to a hike of 10%. **The school was paying salary in cash, despite having a bank account.** No particular discrepancy in the maintenance of accounts was observed by him.

The two members of the Committee in their meeting held on 14.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. It was observed by them that the school claimed to have implemented the VI Pay Commission Report w.c.f. July 2010. As per the reply submitted by it to the questionnaire, the expenditure on salary for the month of June 2010 was stated to be Rs. 1,99,702 while the same for July 2010 went up to Rs. 2,73,100 on account of purported implementation of VI Pay Commission Report. Thus, as per the statement of the school, the incremental expenditure on salary from July 2010 was Rs. 73,398 per month. From July 2010 to March 2011, this would translate to a total increase of Rs. 6,60,582. However, as per the Income and Expenditure accounts of 2009-10 and 2010-11, the expenditure on salary increased from Rs. 28,75,015 to Rs. 29,94,931 only i.e. by Rs. 1,19,916 for the entire year. Hence the claim of the school of having implemented the VI Pay Commission Report w.e.f. July 2010 was not borne out from its financials. However, they were of the view that in 2010-11, the hike in fee

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effected by the school was within the tolerance limit of 10% or near about. The hike effected in 2009-10, although it was more than the tolerance level, but in absolute terms it was not much as the school operated on a low fee base. They were, therefore, of the view that no intervention was required in the matter. The gist and modicum of their views was recorded in the file. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that no intervention is called for in the matter. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 29/09/2012

11/09/2012  
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Secretary

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School

**A.B.M. Public School, Old Mustafabad, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 19.06.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Nizamudin, Manager of the school appeared on 23/07/2012 and filed reply to the questionnaire as per which the school had neither implemented the VI Pay Commission Report nor increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. The records were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations are that the school had increased the fee in 2010-11 by 10% to 16.66% for different classes. No fee was increased in 2008-09 and 2009-10. The accounts of the school appeared to be maintained in normal course.

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**Secretary**

The two members of the Committee in their meeting held on 18.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, in view of the fact that the school did not increase any fee in 2008-09 and 2009-10 and in 2010-11 also the hike in fee was to the tune of 10 to 16% only, the members of the Committee were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that 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: 29/09/2012

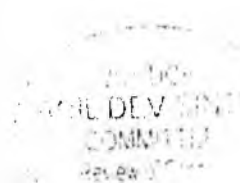


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Secretary

**Laxmi Memorial Public School, Sonia Vihar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as, prima-facie, it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 19.06.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Kapil Upadhyay, Accountant of the school appeared on 24/07/2012 and filed reply to the questionnaire as per which the school had neither implemented the VI Pay Commission Report nor increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. The records were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that **although the school was maintaining a bank account, salary to staff was being paid in cash.** There were



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*M*  
**Secretary**

some minor discrepancies between the books of accounts and the balance sheet of the school for the year 2009-10. The salary register and acquittance role appeared to be suspicious. However, in so far as fee is concerned, the hike effected by the school in 2009-10 was less than 10% and in 2010-11, there was no hike.

The two members of the Committee in their meeting held on 21.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, in view of the fact that the fee hiked by the school was within the tolerance limit of 10%, the members of the Committee were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that 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: 29/09/2012

11/10/2012  
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SECRETARY  
ANIL DEV SINGH  
COMMITTEE  
REVENUE DEPT.

**Huda Modern Public Secondary School, New Jafarabad, Delhi-  
110032**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 19.06.2012, was required to produce on 26/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Ms. Sushma Sharma, Vice Principal of the school appeared along with Sh. Jagmohan, Assistant and Sh. M.R. Naqvi, Part time accountant and produced the required records. Reply to questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations are that

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SH. A.D. BHATEJA  
AUDIT OFFICER  
COMMITTEE



the school had raised the fee between 10 to 15% in 2009-10 and 2010-11. The salary to the staff is being paid in cash (although the school maintained a bank account with State Bank of Bikaner & Jaipur). No particular discrepancy in maintenance of accounts was observed.

**The Committee in its meeting held on 28.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. Admittedly, the school had not implemented the VI Pay Commission Report. The Committee has noted that although the hike in fee is more than the tolerance level of 10%, in absolute terms, the hike is not excessive as the school operates on a low fee base. In view of this fact, the Committee is of the view that no intervention is required 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: 28/09/2012

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Chairperson

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of Schools

**Bapu Public School, Patparganj, Delhi-110091**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 04.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Vijay Mathur, Accountant of the school appeared on 12/07/2012 and filed reply to the questionnaire as per which the school had not implemented the VI Pay Commission Report but did not categorically state as to whether the school had hiked the fee in accordance with order dated 11.2.2009 issued by the Director of Education. It was observed that the file sent by the district office contained the annual return only for 2010-11. Therefore, vide letter dated 20.07.2012, the school was requested to send copies of the annual returns for 2008-09 and 2009-10. These

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**Secretary**

were received from the school on 01.08.2012 in the office of the Committee under cover of letter dated 31.07.2012. Vide letter dated 05.09.2012, the school was again asked to produce its records for all the three years on 20.09.2012. The same were produced by the school on 21.09.2012 and Sh. D.C. Premi, Office Supdt. and Sh. Vijay Mathur, Accountant of the school appeared.

The records produced by the school were examined by Ms. Sunita Nautiyal, Audit Officer of the Committee and her observations are that the fee structure of the school available as part of the annual returns, only showed the tuition fee. Other components of fee which were shown in the Income and Expenditure Account were not shown. The school representative was therefore requested to file revised fee structure showing all components of fee. The same were filed. On examination of the fee structure vis-à-vis actual fee received, it was observed that the fee hike effected by the school during 2009-10 was within the tolerance limit of 10% but the hike effected in 2010-11 was between 15% and 20% for different classes. The hike in 2010-11 was primarily on account of an increase of Rs. 500/- in annual charges. If that was excluded, the hike would be about 10% in tuition fee. The books of accounts were found to be maintained in normal course.

The two members of the Committee in their meeting held on 25.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the**

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Secretary

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
CHANDIGARH

**VI Pay Commission Report.** However, in view of the fact that the fee hiked by the school was near about the tolerance limit of 10%, the members of the Committee were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. In view of this, the Committee is of the view that 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: 29/09/2012

11/10/2012

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Secretary

JUSTICE  
ANIL DEV SINGH  
CHAIRMAN  
COMMITTEE

**St. Andrews Public School, Dilshad Colony, Delhi-110095**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 04/07/2012, was required to produce on 12/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. On the appointed date, Sh. Mukesh Kumar, a UDC of the school, appeared and produced the required records. Reply to the questionnaire was also furnished by him as per which the school claimed to have partially implemented the VI Pay Commission Report but also claimed not to have increased the fee in accordance with order dated 11/02/2009 of the Director of Education.

The records produced were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations were that full pay and allowances as per the recommendations of the VI Pay Commission



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Secretary

were not being paid to the staff. **Except to the school Principal, the salary to staff was being paid in cash.** The school had increased fee in 2009-10 by about 12.33%. The school did not charge any development fee. No major discrepancy was observed in the maintenance of books of accounts.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer.. The Committee noted that though in percentage terms, the fee hiked by the school was more than the tolerance limit of 10%, in absolute terms, it was not much as the school operated on a low fee base of Rs. 425 per month to Rs. 525 per month. Moreover, the school had taken some tiny steps towards implementation of VI Pay Commission. **The Committee is, therefore of the view, that no intervention is required 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: 31/08/2012

**TRUE COPY**

  
Secretary



**Vardhman Shiksha Niketan, Laxmi Nagar, Delhi-110092**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/07/2012, was required to produce on 13/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. On the appointed date, Sh. Vivek Jain, Manager of the school, appeared alongwith Sh. Manoj Kumar, Accountant and produced the required records. Reply to the questionnaire was also furnished by him as per which the school claimed to have implemented the VI Pay Commission Report w.e.f. July 2010. Alongwith the reply, the school also furnished details of salary paid to the staff for the month of June 2010 (before implementation) and July 2010 (after implementation). As per the details, the salary for June 2010 was Rs. 2,07,584 while that for July 2010 it was Rs. 2,91,621.

**TRUE COPY**

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A handwritten signature in black ink is written over the word "Secretary".  
**Secretary**

The school also stated that it had neither paid any arrears of salary on account of retrospective application of VI Pay Commission nor it had recovered any arrears of fee. In fact it claimed that it had not even increased the monthly fee as was permitted by the order dated 11/02/2009 of the Director of Education.

The records produced were examined by Sh. N.S, Batra Audit Officer of the Committee and his observations were that during 2009-10 and 2010-11, the school had hiked the fee ranging between 7% and 9%. This was verified from the receipt books produced by the school, sample copies of which were placed in the records. However, the claim of the school of having implemented the VI Pay Commission Report w.e.f. July 2010 was not fully correct as total benefits in terms of additional allowances were not being given to the staff.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. The Committee is of the view that since the school had nominally implemented the VI Pay Commission Report w.e.f. July 2010 and the fee hike was within the tolerance limit of 10%, **no intervention is required in the matter.**

**Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member  
Dated: 04/09/2012

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

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Secretary

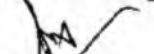




**Yamuna Public School, Sonia Vihar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules, 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/07/2012, was required to produce on 13/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, a letter dated 12/07/2012 was received from the Manager of the school requesting for another date as the Headmaster, who was in custody of all the records, had gone on Amarnath yatra. At the request of the Manager, another opportunity was given to the school to do the needful on 30/07/2012. On this date, Sh. Murari Lal, Headmaster of the school appeared and produced the required records. Reply to questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor

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**Secretary**

SECRETARY  
COMMITTEE  
27/02/2012

increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that during the year 2009-10, there was no fee hike effected by the school. However during 2010-11, fee to the extent of 10% had been hiked. Fee was hiked from Rs. 400 per month to Rs. 440 per month for all the classes from I to VIII.

**The Committee in its meeting held on 28/09/2012 perused the returns of the school, reply to the questionnaire and the observations of the Audit Officer. Admittedly, the school had not implemented the VI Pay Commission Report. However, in view of the fact that the fee was not hiked by the school in 2009-10 and the hike was within the tolerance limit of 10% in 2010-11, no intervention is required 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: 28/09/2012

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*[Signature]*  
Secretary

SECRETARY  
ANIL DEV SINGH  
COMMITTEE  
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**Nity Public School, Sabhapur, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/07/2012, was required to produce on 13/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, neither anybody appeared on that date nor any records were caused to be produced. On 18/07/2012, a teacher of the school Sh. Kapil Kumar appeared before the Committee and filed a letter to the effect that the compliance could not be made to the Committee's earlier letter as it was received late. He requested for another date to be given. Accordingly, a final opportunity was given to the school to produce the records on 01/08/2012. On this date, Sh. Vivek Chaudhary, Assistant Secretary of the society running the school appeared along with Sh. Kapil Kumar, PET and produced the required records. Reply to questionnaire was also furnished as per

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SECRETARY  
NITY PUBLIC SCHOOL  
SABHAPUR, DELHI-110094

which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.D. Bhateja, Audit Officer of the Committee and his observations were that the school had not hiked the fee during 2009-10. In 2010-11, the hike was to the tune of Rs. 30 per month. No particular discrepancies were observed in the maintenance of books of accounts. **However, the school was not maintaining any bank account.**

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report. However, in view of the fact that no fee was hiked by the school in 2009-10 and the hike in 2010-11 was also nominal, no intervention is required in the matter. Recommended accordingly.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

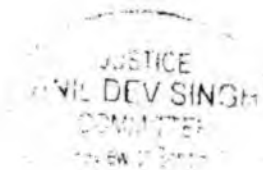
Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 08/10/2012

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Secretary



**Capital Public Sec. School, Ganga Vihar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to it by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of the aforesaid returns, the school, vide letter dated 05/07/2012, was required to produce on 13/07/2012 its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. D.P. Singh, Manager of the school appeared and produced the required records. Reply to questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Vij, Audit Officer of the Committee and his observations were that the

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school had not hiked the tuition fee during 2009-10 and 2010-11. No particular discrepancy was observed in the maintenance of records by the school.

The Committee in its meeting held today perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** Further, the Committee finds that contrary to the observations of the audit officer, the school had hiked the fee both in 2009-10 and 2010-11. However, the hike in fee was within the tolerance limit of 10%. The Committee, is therefore of the view that no intervention is required 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: 04/09/2012

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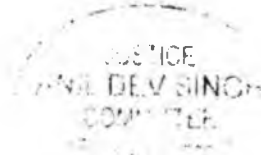
  
Secretary



**Al-Falah Islamic School, North Ghonda, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/07/2012, was required to produce on 16/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Sh. Saqib Yasin, Coordinator of the school appeared and filed reply to the questionnaire stating that it was not possible to implement the recommendations of the VI Pay Commission report and at the same time the school had not increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. He also produced the required records which were examined by Sh. A.K. Bhalla, Audit Officer of the Committee. His observations were that the school had not filed the balance sheets for the years ending March 2009 and March 2010. **The school was paying salary to the staff in**

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Secretary

**cash when the school had a bank account.** The average tuition fee hike in 2009-10 was 3.96% and in 2010-11, it was 3.81%. The school was not collecting any development fee. No particular discrepancy was observed in maintenance of books of accounts.

The two members of the Committee in their meeting held on 11/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. The observation of the audit officer that the school had not filed balance sheets as on 31/03/2009 and 31/03/2010 was found factually incorrect as the balance sheets were on record. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, in view of the fact that the fee hiked by the school was well below 10%, the members of the Committee were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29/09/2012. **In view of this, the Committee is of the view that no intervention is called for in the matter. Recommended**

accordingly.

Sd/-

Dr. R.K. Sharma  
Member  
Dated: 29/09/2012

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

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Secretary

ANIL DEV SINGH  
COMMITTEE



**Ram Naresh Public School, Karawal Nagar, Delhi-110094**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 05/07/2012, was required to produce on 16/07/2012 its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. However, on 12/07/2012, a representative of the school appeared and filed a letter stating that Manager of the school was out of station and requested for a further date to be given. The school was given a final opportunity to produce the required records on 30/07/2012. On this date, Sh. Jhabbu Lal, Manager of the school appeared and produced the required records. Reply to questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

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Secretary

The records produced by the school were examined by Sh. A.K. Vij, Audit Officer of the Committee and his observations were that the school did not hike the tuition fee during 2008-09, 2009-10 & 2010-11. **However, the school did not have a bank account.**

**The Committee in its meeting held on 28/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. The Committee observed that the observation of the audit officer that the school did not hike any tuition fee was not correct. The fee schedule for the years 2008-09, 2009-10 & 2010-11 did indicate a fee hike but the same was within the tolerance limit of 10%. In view of this fact, the Committee is of the view that no intervention is required 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: 28/09/2012

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Secretary

JUSTICE  
ANIL DEV SINGH  
COMMITTEE  
Review of School

**New Moon School, Jafarabad, Delhi-110053**

The school had not replied to the questionnaire sent by the Committee by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 10/07/2012, was required to produce on 18/07/2012, its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. On the appointed date, Sh. Afzal Ahmed, Headmaster of the school appeared and filed reply to the questionnaire stating that the school had not implemented the recommendations of the VI Pay Commission report and at the same time, it had not increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. He also produced the required records which were examined by Sh. A.K. Bhalla, Audit Officer of the Committee. His observations were that **the school did not have a bank account** and all its payment were being made in

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Secretary



cash. During 2009-10 and 2010-11, the school had nominally increased the tuition fee which was less than 10%. The school was not collecting any development fee. The school was bridging its revenue deficit by taking aid from the society. No particular discrepancy was observed in the maintenance of books of accounts.

The two members of the Committee in their meeting held on 11/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. Admittedly the school had not implemented the VI Pay Commission Report. However, in view of the fact that the school had increased fee nominally (i.e. less than 10%) in 2009-10 and in 2010-11, they were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29/09/2012. **In view of this, the Committee is of the view that no intervention is called for in the matter. Recommended accordingly.**

Sd/-

Sd/-

Sd/-

Dr. R.K. Sharma  
Member  
Dated: 29/09/2012

CA J.S. Kochar  
Member

Justice Anil Dev Singh (Retd.)  
Chairperson



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Secretary


**Atul Shiksha Sadan, Babar Pur, Shahdara, Delhi-110032**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 10/07/2012, was required to produce on 18/07/2012 its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27/02/2012. In response to the letter of the Committee, Smt. Krishna Tomar, Headmistress of the school appeared and filed reply to the questionnaire as per which the school had neither implemented the VI Pay Commission Report nor increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. The records were examined by Sh. N.S. Batra, Audit Officer of the Committee and his observations are that during 2009-10 and 2010-11 the fee hike effected by the school was around 10% and the accounts of the school did not show any abnormal features.

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Secretary

The two members of the Committee in their meeting held on 14.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, in view of the fact that the fee hiked by the school was near about the tolerance limit of 10%, the members of the Committee were of the view that no intervention was required in the matter. The gist and modicum of their views was recorded in the file. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The matter was placed before the Chairperson today when he examined the records and the views of the two members of the Committee. He recorded his agreement with their views in the file. **In view of this, the Committee is of the view that 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: 29/09/2012

11/10/2012  
TELE COPY  
Secretary

**Roop Memorial Public School, Shahdara, Delhi-110032**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the North East district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of the order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 10/07/2012, was required to produce on 18/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. Hari Shanker, Headmaster of the school appeared and produced the required records. Reply to questionnaire was also furnished as per which the school had neither implemented the recommendations of VI Pay commission nor increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Vij, Audit Officer of the Committee and his observations were found to be perfunctory as it appeared that due diligence had not been

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**Secretary**

exercised in examining the records of the school. The two members of the Committee in the meeting held on 14/09/2012, therefore, entrusted the task of examining the records to Ms. Sunita Nautiyal. Vide letter dated 17/09/2012, the school was requested to produce its records again on 28/09/2012 on which date they were examined by Ms. Nautiyal. Her observations after examination of records were that the school had increased the tuition fee by Rs. 60/- in 2009-10 which in percentage terms amounted to an increase of 20 to 25%. In 2010-11, the fee was increased nominally. The strength of the school was below 200 from 2008-09 to 2010-11. The school was receiving aid from the Society which was almost 50% of income by way of fee. No particular discrepancies were observed in the maintenance of books of accounts. However, some minor differences were observed in the total revenues from fee reflected in the Income & Expenditure Account vis a vis the fee register.

**The Committee in its meeting held on 01/10/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. Admittedly, the school had not implemented the VI Pay Commission Report. Although, the fee hiked by the school in 2009-10 was in the range to 20 to 25%, the same in absolute terms was not much as the school operated on a very low fee base. The minor discrepancies in the Income and Expenditure Account in relation to the fee are bound to be there as there**



would be some students enjoying fee concessions. The Committee is therefore of the view that 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: 01/10/2012

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Secretary

ANIL DEV SINGH  
CHAIRPERSON

**B.R. International Public Secondary School, Nihal Vihar, New Delhi-110041**

The school had not replied to the questionnaire sent by the Committee to all the schools by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules 1973 were received from the West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13.07.2012, was required to produce its fee records, books of accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. H.P.S. Baxi, Manager of the school appeared on 26/07/2012 and filed reply to the questionnaire as per which the school had neither implemented the VI Pay Commission Report nor had it increased the fee in accordance with order dated 11.2.2009 issued by the Director of Education. It was stated that the fee structure of the school remained the same from 01.04.2008 to 31.03.2011.

The records produced by the school were examined by Sh. A.K. Bhalla, Audit Officer of the Committee and his observations are that

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Secretary

during 2010-11, the school was found to be charging fee at the rate of Rs. 750/- per month for classes II to V instead of Rs. 850/- per month shown in the fee structure. In 2009-10, the school had increased tuition fee + annual charges by less than 1% and there was no fee hike in 2010-11. Books of accounts were found to be regularly maintained.

The two members of the Committee in their meeting held on 25.09.2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the Audit Officer. **Admittedly, the school had not implemented the VI Pay Commission Report.** However, in view of the fact that there was practically no fee hike effected by the school during 2009-10 and 2010-11, the members of the Committee were of the view that no intervention was required in the matter. However, since the meeting of the Committee was held in the absence of the Chairperson, it was decided to place the matter before the Hon'ble Chairperson when he resumed office.

The Chairperson examined the records and the views of the two members of the Committee and recorded his agreement with their views on 29.09.2012. **In view of this, the Committee is of the view that no intervention is called for in the matter. Recommended accordingly.**

accordingly.

Sd/-

Dr. R.K. Sharma  
Member  
Dated: 29/09/2012

Sd/-

CA J.S. Kochar  
Member

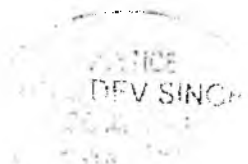
Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

11/09/2012  
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Secretary



**Arihant Jain Public School, Uttam Nagar, New Delhi-110059**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the annual returns of the school under Rule 180 of Delhi School Education Rules, 1973 were received from the West-B district of the Directorate of Education. On the basis of preliminary examination of these returns, the school was put in Category 'C' as it appeared that the school had not hiked the fee in terms of order dated 11/02/2009 issued by the Director of Education, Government of NCT of Delhi, Delhi.

In order to verify the correctness of these returns, the school, vide letter dated 13/07/2012, was required to produce on 26/07/2012, its fee records, Books of Accounts, bank statements, salary payment register and also to furnish reply to the questionnaire dated 27.02.2012. In response to the letter of the Committee, Sh. B.K. Dubey, Accountant of the school appeared and produced the required records. Reply to questionnaire was also furnished as per which the school claimed to have implemented the recommendations of VI Pay commission Report w.e.f. 2009-10. However, it was stated that the school had not increased the fee in terms of order dated 11/02/2009 of the Director of Education.

The records produced by the school were examined by Sh. A.K. Vij, Audit Officer of the Committee and his observations were that the



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Secretary

hike in tuition fee during 2009-10 and 2010-11 was within 10%. The cash and bank balances were verified and they were found to be in conformity with the balance sheet.

The two members of the Committee considered the observations of the audit officer in the meeting held on 25/09/2012 and felt that the analysis done by the audit officer was perfunctory and accordingly the same was entrusted to Ms. Sunita Nautiyal, audit officer, for calculating and verifying the fee with reference to the number of students and the resultant figures with the Income & Expenditure Account of the school. The necessary exercise was completed by Ms. Nautiyal on 26/09/2012 and as per her notings, the figures reconciled with the figures in the Income & Expenditure account.

The Committee in its meeting held on 28/09/2012 perused the returns of the school, reply to the questionnaire, copies of documents retained and the observations of the two Audit Officers. In view of the fact that the fee hiked by the school was within the tolerance limit of 10%, the Committee is of the view that no intervention is called for in the matter. Recommended accordingly.

Sd/-

Dr. R.K. Sharma  
Member

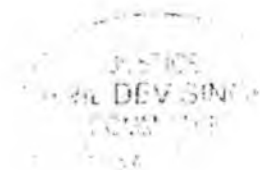
Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 28/09/2012



**C.I.E. Experimental Basic School. University of Delhi. Delhi-  
110007**

The school had not replied to the questionnaire sent by the Committee to the school by email on 27/02/2012 which was followed by a reminder dated 27/03/2012. However, the Dy. Director of Education (North) forwarded to Committee some statements submitted by the school alongwith a letter dated 06/02/2012 of the school. In the said letter, it was stated that the school is run and managed by University of Delhi (Department of Education). The staff are employees of the University and as such are paid salaries in accordance with the VI Pay Commission. No fee is charged from the students and the entire expenses of the school including salary of staff are borne by the University of Delhi. Only nominal fee by way of pupil's welfare fund @ Rs. 10 to Rs. 15 per month and PTA fund @ Rs.50 per annum are charged from the students

**The Committee in its meeting held on 28/09/2012 perused the aforesaid letter of the school and in view of what is stated therein, there is no case for any intervention by the Committee in the matter of fee.**

Sd/-

Dr. R.K. Sharma  
Member

Sd/-

CA J.S. Kochar  
Member

Sd/-

Justice Anil Dev Singh (Retd.)  
Chairperson

Dated: 28/09/2012

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**D-75 to D-102**

While examining the returns of the schools received through the respective district offices of the Directorate of Education and during the course of verification of the records produced by some of the schools, it appeared that some more schools had been granted recognition with effect from the academic year 2009-10 onwards. The names of such schools were not given by the district heads when they were called for earlier.

Hence, in order to reconfirm the factum of recognition of such schools from the year 2009-10 and later, fresh communications were sent to the District heads. In response, the District heads have confirmed that the following schools were also granted recognition w.e.f. 2009-10 or later year. They have also furnished copies of recognition letters of the schools by way of evidence.

<b>S.No.</b>	<b>School I.D. No.</b>	<b>Name of School &amp; Address of School</b>	<b>Date of order of granting Recognition</b>	<b>Academic Session w.e.f. which recognition granted.</b>
D-75	1002369	Angels Public School, Vasundhra Enclave, Delhi-110096	20/03/2010	2009-10
D-76	1412251	Parkash Bharti Public School, Prem Nagar-II, Durga Mandir Road, Near Kirari Nehar, Delhi-110041	12/03/2010	2009-10
D-77	1821224	Dwarka International School, Sector-12, Dwarka, New Delhi-110078	01/05/2009	2009-10
D-78	1821225	Maxfort School, Sector-7, Dwarka, New Delhi	13/05/2009	2009-10
D-79	1821229	MR Vivekanand Model School, Sector-13, Dwarka, New Delhi-110075	21.07.2009	2009-10
D-80	1821233	Adarsh World School, Sector-12, Dwarka, New Delhi-110075	29/04/2010	2010-11

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D-81	1821236	Presidium School, Sector-16, Dwarka, New Delhi	09/11/2009	2009-10
D-82	1821240	Rao Ganga Ram Public School, Old Delhi Gurgaon Road, Kapashera, New Delhi- 110037	25/06/2011	2011-12
D-83	1617213	James Convent School, F-34/2&3, Satsang Road, Nihal Vihar, Delhi	05/02/2010	2009-10
D-84	1617217	R.G. Public School, C-79, Aman Puri, Najafgarh Road, Nangloi, Delhi-41	09/09/2010	2010-11
D-85	1618272	Aryan International School, Plot No. 318- 319, Om Vihar, Phase-II, Uttam Nagar, New Delhi- 110059	13/04/2010	2010-11
D-86	1822254	Arya Kumar Convent School, Durga Vihar, Phase-I, Najafgarh, New Delhi-43	29/10/2010	2010-11
D-87	1821232	Prakash Public School, Sector-7, Dwarka Pocket-2, Palam Village, New Delhi-110045	27/10/2010	2010-11
D-88	1822241	Sunrise Public School, Plot No. 113, Village Taj Pur Khurd, New Delhi- 110071	27/06/2009	2009.10
D-89	1822243	Shanti Gyan International School, Goylakhurd, Najafgarh, New Delhi-110043	11/05/2009	2009.10
D-90	1309226	Upadhya Convent School, D, Block, Main Road Kadibihar, Delhi-39	09/02/2012	2012-13
D-91	1822240	K.R.D. International School, Village Issapur, Dhansa Road, New Delhi-73	09/09/2009	2009-10
D-92	1822250	New Holy Faith Public School, Gopal Nagar, Najafgarh, New Delhi- 110043	14/05/2010	2010.-11
D-93	1822256	Sanskar Convent School, Shyam Vihar, Phase-I, Najafgarh, Delhi-43	03/07/2009	2009-10
D-94	1822259	C.R. Oasis Convent School, Village & P.O. Paprvat, Najafgarh, New Delhi-43	04/12/2010	2010-11

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D-95	1923350	Amity International School, Pushap Vihar, New Delhi-17	23/07/2009	2009-10
D-96	1821235	G.D. Goenka Public School, Dwarka Sector-10, New Delhi	10/02/2011	2011-12
D-97	1821239	C.R.P.F. Public School, Sectot-16/B, Dwarka, New Delhi	27/04/2011	2011-12
D-98	1822248	St. Thomas School, Goyala Vihar, New Delhi-71	12/06/2009	2009-10
D-99	1822239	The Dev Public School, 58/2, surya Kunj/Saraswati Kunj, Jharoda Road, Najafgarh, New Delhi-72	11/05/2009	2009-10
D-100	1310417	Tulips International School, Plot No. 611, 612 & 613 Pooth Khurd, Delhi Bawana Road, Delhi-110039	13/02/2009	2009-10
D-101	1822255	Rao Convent School, Village Pandawala Khurd, Najafgarh, New Delhi-43	29/10/2010	2010-11
D-102	1822252	Dagar Public School, Vill. Issapur, New Delhi-110073	30/06/2010	2010-11

The Committee has examined the copies of recognition letters of these schools and has confirmed the year of recognition which is after the issue of order dated 11.2.2009 by the Director of Education.

**The Committee is of the view that since in the case of these schools, the fee would have been fixed for the first time after 11.2.2009, no intervention in the matter of fee of these schools would be called for.**

A copy of this decision is placed in the files of all the abovementioned schools.

Checked by:-

Sunita Nautiyal(AAO)

Sd/-

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

Sd/-

**Sh J.S. Kochar**  
Member

Sd/-

**Justice Anil Dev Singh (Retd.)**  
Chairperson

Dated: 18.12.2012



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Sd/-  
Secretary