

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

No.: DE.15 (318)/PSB/2016 / 19786

Date: 17/10/17

**ORDER**

**Subject:- Guidelines for implementation of 7<sup>th</sup> Central Pay Commission's Recommendations in Private Un-aided Recognized Schools of Delhi.**

In continuation of this Directorate's Order No.DE.15(318)/PSB/2016/18117 dated 25/08/2017 and in exercise of the powers conferred under section 17(3) and section 24(3), of the Delhi School Education Act, 1973 read with sub sections 3, 4 and 5 of Section 18 of the Delhi School Education Act, 1973 and with rules 50, 177 and 180 of the Delhi School Education Rules, 1973 and in continuation of the previous orders No.DE.15/Act/Duggal.Com/203/99/23039-23988 dated 15.12.1999, F.DE 15/Act/2K/243/KKK/883-1982 dated 10.02.2005, DE.15/Act/2006/738-798 dated 02.02.2006, relevant paras of F.DE/15 (56)/Act/2009/778 dated 11.02.2009, F.DE-15/ACT-I/WPC-4109/13/6750 dated 19.02.2016, F.DE-15/ACT-I/WPC-4109/PART/13/7905-7913 dated 16.04.2016 & F.DE/PSB/2017/16604 dated 03/07/2017, I, Saumya Gupta, Director of Education, hereby issue following directions to all the Unaided Private Recognized Schools in the National Capital Territory of Delhi for the implementation of **7<sup>th</sup> Central Pay Commission's Recommendations** under Central Civil Services (Revised Pay) Rules, 2016 with effect from 01.01.2016.

**1. General Instruction for ALL Private Unaided Recognized Schools, irrespective of land status:-**

**(a)** A fee hike is **not mandatory** for recognized unaided schools in the NCT of Delhi.

**(b)** All schools must, first of all, explore the possibility of utilizing the existing reserves to meet any shortfall in payment of salaries and allowances, as a consequence of increase in the salaries and allowances of employees.



**(c)** The schools should not consider the increase in fee to be the only source of augmenting their revenue. They should also venture upon other permissible measures for increasing revenue receipts.

**(d)** Interest on deposits made as a condition precedent to the recognition of the schools and as pledged in favour of the Government should also be utilized for payment of arrears in the present case.

**(e)** A part of reserve fund which has not been utilized for years together may also be used to meet the short fall before proposing a fee hike.

**(f)** Fees/funds collected from the parents/students shall be utilized strictly in accordance with rules 176 and 177 of the Delhi School Education Rules, 1973. No amount whatsoever shall be transferred from the recognized unaided school fund of a school to the society or the trust or any other institution.

**(g)** The tuition fee shall be so determined as to cover the standard cost of establishment including provisions for D.A., bonus, etc., and all terminal benefits as also the expenditure of revenue nature concerning the curricular activities. No fees in excess of the amount so determined or determinable shall be charged from the students/parents.

**(h)** No school student, who is appearing in Board examination, shall be denied admit card, school leaving certificate or any other document, or be disallowed from appearing in the Board Examination on account of any non-payment or delayed payment arising out of this order.

**(i)** Every recognized unaided school covered by the Act, shall maintain the accounts on the principles of account applicable to non-business organization/not-for-profit organization as per Generally Accepted Accounting Principles (GAAP). Such schools shall prepare their financial statement consisting of Balance Sheet, Profit & Loss Account and Receipt and Payment Account every year as per proforma prescribed by the department vide order No. F.DE-15/ACT-I/WPC-4109/Part/13/7905-7913 dated 16/04/2016.

**(j)** Every recognized unaided school covered by the act, shall file a statement of fees latest by 31<sup>st</sup> March every year before the ensuing



session under section 17(3) of the Act as per proforma prescribed by the department vide order no. F./DE/PSB/2017/16604 dated 03/07/2017.

**(k)** Though, increase in tuition fee is not the only option to implement the recommendations of 7<sup>th</sup> Central Pay Commission's Recommendations, nevertheless, if the Managing Committee of the School after exploring and exhausting all the possibilities as per the conditions mentioned above feels it necessary to increase the tuition fee, the managing committee of the school shall hold a meeting with the group of teachers and parents which would include at least one parent representative from each section of the school and will present the detailed budget of the school, financial statements of the previous year, requirements of funds for implementation of 7<sup>th</sup> Central Pay Commission's Recommendations, availability of cash/reserve fund/savings with the School Fund account etc as well as present the proposal for fee hike, if any with justification with all the documents mentioned in Annexure A. Inputs would be solicited from the parents and teachers' representatives. Either the managing committee can take their suggestions into consideration and revise their proposal, or record their dissent. Director of Education's nominee (DE's Nominee) to remain present in the meeting. The minutes and attendance sheet of this meeting countersigned by DE's Nominee including details of parents invited for meeting along with photographs of the meetings shall be submitted by the school to the DDE (District) concerned.

It is hereby clarified that presentation of the proposal for increase in fee before the representatives of the parents comprising of each section shall not be construed as seeking the approval of the parents representatives in view of the judgment dated 12/08/2011 of Hon'ble High Court in WPC 7777/2009 titled as Delhi Abhibhavak Mahasangh Vs. GNCTD.

**(L)** For the purpose of increase in tuition fee w.e.f. 01/01/2016 in terms of mid-session increase, the approval of the undersigned is not required under sub-section (3) of section 17 of DSEAR, 1973 in light of the order dated 30.03.2017 of Hon'ble High Court in WPC 2637/17 in the matter of

Action Committee Unaided Recognized Schools Vs Directorate of Education.

The relevant part of Hon'ble High Court Order is as under:-

**"Keeping in view the importance and relevance of 31<sup>st</sup> March, 2017 in section 17(3) if the Act and to balance the equities, this Court directs that in the event the Seventh Pay Commission is directed to be implemented in private unaided schools by the respondent, then petitioner schools would have an option within two weeks from the date of implementation of the Seventh Pay Commission to intimate the revised fee schedule and the same shall be taken as having been filed on 30<sup>th</sup> March, 2017."**

## **2. Period of Implementation of 7<sup>th</sup> CPC**

The benefits of 7<sup>th</sup> Central Pay Commission Recommendations have been implemented by the Govt. of India, Department of Expenditure, Implementation Cell, Ministry of Finance in a staggered manner. As per the notification dated 25/07/2016 issued by Govt. of India, Ministry of Finance, basic pay of the Govt. employee has been increased for the period 01/01/2016 to 30/06/2017 and increased allowances have been allowed to the Govt. employees w.e.f. 01/07/2017. Thus, in accordance with sub-section (1) of Section 10 of Delhi School Education Act, 1973, the benefits of the recommendations of 7<sup>th</sup> CPC to the employees of Private Unaided Recognized Schools of Delhi will also be extended in a similar manner.

## **3. Procedure for Increase in Tuition Fees**

- I. For Schools running either on Private Land or on DDA/L&DO allotted land NOT having condition to seek prior sanction of Director (Education) before any fee hike.**

- a. After complying with the instructions strictly mentioned at Para (1), if any school still feels it necessary to hike the tuition fee, it shall present its case along with detailed financial statements indicating income and expenditure of each account before the managing committee of the school including DE's Nominees.
- b. The school before placing the proposal of increase in tuition fee, shall ensure the compliance of section 18(4), Rule 172, 173, 174 175, 176 and 177 and other relevant provisions of Delhi School Education Act and Rules, 1973 and guidelines issued by the department from time to time, various judicial pronouncements, and ratio laid down by Hon'ble Supreme Court in Modern School Case and Delhi High Court in the matter of Delhi Abhibhavak Mahasangh Vs DoE (WPC 7777/2009) as well.
- c. The proposal of the school for increase in tuition fee shall contain the documents mentioned in **Annexure A**.
- d. For the said purpose, the managing committee of the school shall circulate the agenda item in respect of the budget for the payment of arrears of salary/increase in tuition fee to all the members including the DE's Nominee of the school as per the following time line:-

Sl. No.	Particulars	Date
01	Date up to which the agenda item for meeting shall be circulated.	31/10/2017 (Tuesday)
02	Date up to which the managing committee meeting shall be convened and concluded.	25/11/2017 (Saturday)
03	Date up to which the statement of revised tuition fee under section 17(3) shall be filed by the school for 2017-18 effecting 7 <sup>th</sup> CPC.	30/11/2017 (Thursday)

All the relevant documents required for examination and analyzing the agenda item shall be attached/provided to all members specifically DE's nominee as per **Annexure A** along with service of meeting notice.

- e. The managing committee including DE's nominees shall evaluate the proposal of the school for increase in fee taking into consideration the availability of funds/reserves/cash in hand/bank balances/surplus. In case, DE's nominee disagrees with the proposal of increase in tuition fee or agrees to a lesser increase in tuition fee against the proposal on the basis of the relevant provisions of Delhi School Education Act and Rules, 1973, instructions/guidelines issued from time to time and judicial pronouncement in this regard, he/she shall record his/her dissent note in writing citing the provisions and other reasons justifying lesser increase in fee or no increase in fee as the case may be, in the minutes of the meeting and only then sign the minutes of the meeting. DE's Nominee of the school shall forward the minutes of the meeting to Dy. Director of District concerned for information and record in all cases. DE's Nominee shall submit to the DDE concerned a statement of Managing Committee meeting (s) attended by him.
- f. The managing committee of the school shall file the full statement of fee under Section 17(3) of DSEAR, 1973 to the DDE concerned in the proforma as circulated by the department vide order dated 03/07/2017.
- g. In case of schools in which DE's Nominee has passed a dissent note and in case of the schools running on the land allotted by DDA/ L&DO/ any other Govt. Land Owning agencies, NOT having the condition to seek prior sanction of Director (Education), if a fee hike is proposed then their statement of fee submitted under section 17(3) of DSEA, 1973 shall compulsorily be analyzed by Dy. Director Education (District).
- h. In accordance with the order No 19742 dated 13/10/17, DDE (Districts) shall examine the statement of fee of the schools and pass necessary orders with regard to refund/reduce the fee, if any, taking into considerations of the relevant provisions of DSEAR, 1973 and orders of



DoE and judicial pronouncements of Hon'ble Supreme Court and High Court in the matter of regulation of fee.

- i. DDE (Districts) shall ensure that no school shall collect fee from the students without full statement of fee filed under section 17(3) in accordance with this Directorate's Order dated 10/05/2005 and recent order dated 03/07/2017 specifying the proforma of filing the said statement.
- j. No other head of fee like annual fee, development fee, earmarked levies shall be increased by the school for implementation of 7<sup>th</sup> Pay Commission's Recommendations, as a corollary to increase in tuition fee.

**(II) For Schools running on the Land allotted by DDA/Govt. Land Owning agencies having condition to seek prior sanction of Director (Education) before any fee hike.**

- (a) In the first instance, the school must try to pay the arrears/increased salary to their teachers/employees on account of recommendations of 7<sup>th</sup> CPC, without increase in fee, from existing resources. All conditions and modalities as detailed in **Para-1 & 2** must to be followed, and are not being repeated for the sake of brevity.
- (b) The schools, in respect of which, fee hike proposal for the year 2016-17, already covering the financial impact of 7<sup>th</sup> CPC, were examined and rejected by the Department due to availability of sufficient funds with the School Fund Account, will not increase the rates of tuition fee w.e.f.01.01.2016. Instead, only in the case of unavailability of funds/reserves from any other permissible source, collection of arrears/increase in tuition fee up to a maximum limit of increase in the tuition fee as detailed below in point (e) may be collected w.e.f. 01.04.2017.
- (c) The managing committee of the school shall ensure the compliance of section 18(4), Rule 172, 173, 174 175, 176 and 177 and other relevant provisions of Delhi School Education Act and Rules, 1973 and guidelines issued by the department from time to time, judicial



pronouncements, and ratio laid down by Hon'ble Supreme Court in Modern School Case and Delhi High Court in the matter of Delhi Abhibhavak Mahasangh Vs DoE (WPC 7777/2009) as well.

- (d) As per the judgment dated 19/02/2016 of Hon'ble High Court in WPC 4109/2013, the schools on the land allotted by DDA/Other Govt. Land Owning Agencies, with the condition of seeking prior sanction of Director (Education) for fee increase has to seek the prior approval of Director (Education) for any fee increase.
- (e) However, in order to avoid any further delay in giving benefits of 7<sup>th</sup> CPC to the teachers and other employees and to ensure that the burden of payment of arrears does not accumulate on the parents, due to further delay in extension of 7<sup>th</sup> CPC to the employees. an interim fee increase subject to following upper limits, is permitted to the school :-

Rate of maximum monthly increase of tuition fee (for collection of arrears)	Period	Base of the existing rates of Tuition fee on which increase to be calculated
7.5%	01.01.2016 to 31.03.2016	As on 01.04.2015
7.5%	01.04.2016 to 30.06.2017	As on 01.04.2016
15%	01.07.2017 to 30.11.2017	As on 01.04.2016
15% (for payment of regular salary)	01.12.2017 to 31.03.2018	As on 01.04.2016

However, the above interim increase is to be levied only if it is felt that in case of schools not having sufficient reserves/accumulated funds available from any other source in accordance with the clauses mentioned in **Para-1** above, then an interim increase of UP TO 7.5% and 15% (as detailed in above table), in monthly tuition fee can be levied by the schools for payment of arrears/ increased salary to the employees.



**Increase in tuition fee @ 7.5 % / 15%.**

Pursuant to recommendations of 7th CPC, about 15% increase in basic pay for the Govt. Employees has been effected with effect from 01.01.2016 to 30.06.2017. The allowances was revised w.e.f. 01/07/2017 and pay & allowances has been increased by approximately 25% after implementation of 7th CPC. To cover the impact of increase in salary as per table mentioned above, a maximum of 7.5% increase in tuition fee for payment of arrears and 15% of tuition fee for payment of increased salary is permitted in light of the utilization of tuition fee as defined in this Directorate's order dated 15.12.1999, 11.02.2009 and 16.04.2010.

**(f)** For the purpose of any increase in tuition fee as mentioned above, a meeting of managing committee will be convened. The managing committee of the school shall circulate the agenda item in respect of the budget for the payment of arrears of salary/increase in tuition fee to all the members including the DE's Nominee of the school as per the following time line:-

<b>Sl. No.</b>	<b>Particulars</b>	<b>Date</b>
01	Last Date up to which the agenda item for meeting shall be circulated.	31/10/2017 (Tuesday)
02	Last Date up to which the meeting shall be convened and concluded.	25/11/2017 (Saturday)
03	Last Date up to which the statement of revised tuition fee under section 17(3) shall be filed by the school for 2017-18 effecting only 7 <sup>th</sup> CPC, if there is no fee increase or fee increase is limited to 7.5%/ 15% of tuition fee, as detailed above in point (e).	30/11/2017 (Thursday)
04	Last date of filing online proposal to Directorate of Education in case fee increase beyond 7.5% / 15% is essentially required by the school after implementing fee increase of 7.5% / 15%	30/11/2017 (Thursday)



**(g)** Fee hike mentioned in clause 3(II)(e) would be treated as an interim measure and would be subject to scrutiny into the records of the

school if the need arises, to see as to whether there was any necessity to increase the fee having regard to the financial position of the said schools.

**(h)** The accounts of the schools which did not apply for fee increase in the year 2016-17 would be audited.

**(i)** This interim fee hike would cover a substantial part of the increased liability of the schools. In case any school, after due examination of financial position in accordance with **Para-1** above, needs any further increase in tuition fee, then the school may submit a detailed fee increase proposal in the online module of this Directorate which would be examined by due process by this Directorate, before passing detailed order in this regard.

**(j)** Online module will be re- opened from 01/11/2017 to 30/11/2017 for submission of detailed proposal of fee increase.

**(k)** Also, if it is found after examination of fee statement under 17(3) of DSEA, 1973 that tuition fee increase up to 7.5%/ 15% was not needed by the school/ and the pre-requisite as specified in **Para-1** above of this order and earlier orders and Act/judicial pronouncement were not satisfied, individual orders directing refund of fee would be issued.

**(l)** No other head of fee like annual fee, development fee, earmarked levies shall be increased by the school for implementation of 7<sup>th</sup> Pay Commission's Recommendations, as a corollary to increase in tuition fee.

**(m)** Schools are also advised not to plan fee hike on other heads of fees in academic year 2017-2018 due to the considerable fee burden on parents because of implementation of 7<sup>th</sup> CPC.

However, in case the same is felt essential for safety/security needs of students/academic interest of students, the proposed fee hike in other heads of income may also be submitted to DoE in online module, which will be examined. However, it is again reiterated, no automatic/commensurate increase in other heads of incomes is being permitted due to increase in tuition fee to pay increased salaries.

**(n)** The decision on the increase in tuition fee along with installments to be collected as tuition fee arrears from the parents will be publicized on



the notice board, website of the school for information to the students/parents.

**III. Collection of fee arrears (if needed) for payment of salary arrears w.e.f. 01/01/2016 to 30/11/2017. (For Both, schools on private land /Govt. allotted land.**

- a. The schools shall make calculations as per 7<sup>th</sup> Pay Commission's Recommendations for arrears of salary to be paid to the employees with effect from 01.01.2016 to 30.11.2017.
- b. The schools, having sufficient funds & resources, shall pay the arrears of salary at first instance to the employees from their own resources without claiming any arrears of fee from the students for above said purpose and period.
- c. After exploring and exhausting all the possibilities as per funds available to the school to pay salaries arrears to employees, the liability on account of payment of arrears of salary, upon the students, shall be calculated for the period 01.01.2016 to 30.11.2017.
- d. The students enrolled in the schools after 1<sup>st</sup> January, 2016 shall pay the arrears to the school for the period they remained enrolled in the school if liability arises after calculation done as above.
- e. The arrears of tuition fee, shall be collected from parents/guardians in two or three installments. The first installment may be collected by the month of December, 2017 and the final installment latest by 31<sup>st</sup> May, 2018.
- f. The schools shall provide the details of total amount of arrears of tuition fee with month wise break-up to the parents for the payment.
- g. No additional development fee or any other commensurate head of fee shall be levied along with the increased amount of tuition fee w.e.f. 01.01.2016 to 30.11.2017, as these arrears of tuition fee are being collected for the sole purpose of paying arrears of 7<sup>th</sup> Pay Commission.
- h. Teachers and other employees shall be paid the first installments of the arrears @ 50% of the total amount by 31<sup>st</sup> January, 2018 by the schools



and the final installment/installments of the remaining arrears latest by 30<sup>st</sup> June 2018.

- i. The salary arrears are to be paid in such number of installments, by the school, depending on its fund flow, but not more than 3 installments and not later than 30<sup>st</sup> June, 2018.
- j. Any teacher/employee who was in service as on 01.01.2016 and has subsequently retired (on superannuation or voluntarily) in the intervening period will be given commensurate arrears and consequential benefits as admissible.
- k. All the payment of salary/arrears to be made to the employees shall be made by the school through ECS/Cheques/RTGS from the School Fund Account.

  
(Saumya Gupta, IAS)  
Director (Education)


The Managing Committee  
Through the Manager/Heads of the school,  
All Private Unaided Recognized Schools of Delhi.

**No.: DE.15 (318)/PSB/2016** / 19786

**Date:** 17/10/17

Copy for information to:-

1. Principal Secretary to Hon'ble LG.
2. Additional Secretary to Hon'ble Dy.CM/MoE.
3. PS to Secretary(Education)
4. PA to Additional Director (Education)
5. All RDEs/DDEs (Districts/Zones)
6. All DE's Nominees through DDE concerned.

  
(Yogesh Pratap)  
Dy. Director of Education (PSB)

**Model Annexures to Agenda for Managing Committee Meeting**

**Documents to be circulated by Unaided Private Recognized Schools for the proposal to increase in fee due to implementation of VIIth pay commissions recommendations before holding the managing committee meeting**

1. Audited Financial Statements of the school i.e. Receipts and Payments Account, Income and Expenditure A/c and Balance Sheet for the financial year 2016-17 (duly audited by the Chartered Accountant) along with Significant Accounting Policies, Schedules and Notes to Accounts forming part of the Financial Statements and Auditors' Report. The Financial Statement for the year 2016-17, however, will be required in the format as per Appendix-II of DSER, 1973 & specified vide order dated 16/04/2016.
2. Detail of FDRs in r/o each funds/ provisions along with other investments separately, as per the audited balance sheet of the school for the FY 2016-17.
3. Details of Reserve Fund, General Fund & Gratuity fund etc. and other reserves, if any, with the school. (As per the audited balance sheet for the FY 2016-17)
4. Details of amount available with the school in cash and at bank as at 31.03.2017 (mark bank accounts maintained for specific funds/ levies).
5. An undertaking regarding maintenance and operation of various bank accounts by school in different banks.
6. Staff statement of regular teachers/employees as on 01.01.2016 and as on the date of this order.
7. Budget Estimates of Receipts and Payments for academic year 2017-18.
8. Pay Bill for all the teaching/non-teaching staffs getting salaries as per VIth pay commissions for the month of December, 2015 along with the proof of payment (copy of Bank book and Bank Statement).
9. Students enrolment details as on 31.03.2017 and 30.11.2017 (Class wise). EWS/DG students need to be shown separately.
10. Details of transfer of funds/ loans repayment/ fees etc. paid to the parent societies/ parent trusts/ related societies/ trusts/ schools within the same group/ management etc., in the last three years as per the audited balance sheet of the school.
11. Calculation of Impact of 7<sup>th</sup> Pay Commission on Salaries

School shall assess the availability of funds with it and if there is any shortfall to meet the 7<sup>th</sup> CPC Salary impact the school shall apportion the shortfall amongst the students in the following manner:

**Step (i)**

Period	Salary/ Arrears payable as per 7 <sup>th</sup> CPC (estimated) (A)	Salary due/paid (prior to 7 <sup>th</sup> CPC) (B)	Net Expected Increase in Salaries (C=A-B)
01.01.2016 to			



30.06.2016			
01.07.2016	to		
30.06.2017			
01.07.2017	to		
30.11.2017			
<b>(D) Total Salary Arrears as per 7<sup>th</sup> CPC</b>			XXXXXX
Period		Salary payable as per 7 <sup>th</sup> CPC (estimated) (A)	Salary due to be paid (prior to 7 <sup>th</sup> CPC) (B)
			Net Expected Increase in Salaries (C=A-B)
01.12.2017	to		
31.03.2018			
<b>(E) Total increase in Salaries as per 7<sup>th</sup> CPC</b>			XXXXXX

**Step (ii)** Calculate availability of funds as at 31.03.2017

**Step (iii)** Utilise available funds for meeting liability of salary arrears.

Particulars	Amount (in Rs.)
Amount of available funds (as per step (ii))	
Less: Total Salary Arrears as per 7 <sup>th</sup> CPC (refer D from step (i))	
Net Available fund/ (deficit)	

If there is deficit, only then the arrears of salaries shall be recovered from students and the amount of deficit shall be apportioned on students in the following manner:

{Total amount of deficit / No. of Students= Arrears to be collected from each student}

**Step (iv)** Utilize balance available funds, if any (as computed at step (iii)), for meeting liability of increased salaries as per 7<sup>th</sup> CPC w.e.f. 01.12.2017

Particulars	Amount (in Rs.)
Net Available funds (as per step (iii))	
Less: Total increase in Salaries as per 7 <sup>th</sup> CPC (refer E from step (i))	
Net Available fund/ (deficit)	

If there is deficit, only then the school shall increase the amount of tuition fee and apportion the same in following manner over the period of four months (i.e., 01.12.2017 to 31.03.2018):

{Total amount of deficit / No. of Students X 4 (months) = Tuition fee increase per child per month}

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*Handwritten signature*