



LEGISLATIVE ASSEMBLY  
NATIONAL CAPITAL TERRITORY OF DELHI

COMMITTEE ON PETITIONS

EIGHTEENTH REPORT OF THE SIXTH ASSEMBLY

SUBJECT: IN THE MATTER OF ALLEGED IRREGULARITIES  
IN APEEJAY SCHOOL, SHEIKH SARAI-I

PRESENTED ON 02<sup>ND</sup> DECEMBER, 2019

ADOPTED ON 3<sup>RD</sup> DECEMBER, 2019

**Legislative Assembly, Old Secretariat, Delhi – 110054**

## **INDEX**

1. Composition of the Committee	Page-01
2. Preface	Page-02
3. Genesis	Page-03-04
4. Introduction	Page-05-06
5. Proceedings	Page-07-15
6. Findings	Page-16-23
7. Conclusion	Page-24-26
8. Recommendations	Page-27-29

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**DELHI LEGISLATIVE ASSEMBLY**  
**COMMITTEE ON PETITIONS**  
**(2019-2020)**

**Composition of the Committee**

<b>1. Sh. Pankaj Pushkar</b>	<b>ACTING CHAIRMAN</b>
2. Sh. Saurabh Bhardwaj (Recused)	MEMBER
3. Sh. Akhilesh Pati Tripathi	MEMBER
4. Ms. Bhavna Gaur	MEMBER
5. Ms. Bandana Kumari	MEMBER
6. Ch. Fateh Singh	MEMBER
7. Sh. Girish Soni	MEMBER
8. Sh. Raju Dhingan	MEMBER
9. Sh. Shri Dutt Sharma	MEMBER

**Assembly Secretariat:**

1. Shri C. Velmurugan	Secretary
2. Shri Sadanand Sah	Deputy Secretary
3. Shri Manjeet Singh	Deputy Secretary

## **PREFACE**

1. I, the Chairman, Committee on Petitions, having been authorised by the Committee to present on their behalf, this Report on the petition received from Mrs Meenakshi Kuhad, President, Naya Samaj Parents Association, countersigned and presented by Sh. Sanjeev Jha, Hon'ble MLA and referred to the Committee on Petitions by the Hon'ble Speaker, Delhi Legislative Assembly. The Petition alleged arbitrary fee hike and violation of Delhi School Education Act and Rules, 1973 by Apeejay School, Sheikh Sarai-I, New Delhi 110017.
2. The Committee considered and adopted the Draft Report at their sitting held on 29.11.2019.
3. The observations/recommendations of the Committee on the above matter have been included in the Report.
4. I would like to thank all the Members of the Committee for their continued guidance.
5. The Committee places on record their profound appreciation for the valuable assistance rendered by Sh. Sadanand Sah, Deputy Secretary, Sh. Manjeet Singh, Deputy Secretary, Sh. Subhash Ranjan, Section Officer, Ms. Chhavi Banswal, Fellow, Delhi Assembly Research Centre (DARC) and other staff of the Delhi Assembly Secretariat in preparation of the report.



Dated: 30.11.2019

Place: DELHI

(PANKAJ PUSHKAR)  
ACTING CHAIRMAN  
COMMITTEE ON PETITION

## GENESIS

The problem of arbitrary fee hike by Private Schools has been plaguing the country for years. It creates an invisible divide between students from different economic backgrounds<sup>1</sup> and also threatens the society with the possibility of monopolisation and commercialisation of education. Thus, the lack of transparency and stakeholder participation in fee revision by schools jeopardises a child's Right to Education.

In National Capital Territory of Delhi, the legal framework directs educational institutions to function as non-profit, charitable organisations<sup>2</sup>. The regulation of private school fee is governed by the Delhi School Education Act and Rules, 1973 under the Directorate of Education.

As per the provisions under Section 17(3) of Chapter VI, DSEAR, 1973, "The manager of every recognised school shall, before the commencement of each academic session, file with the Director a full statement of the fee to be levied by such school during the ensuing academic session, and except with the prior approval of the Director, no such school shall charge, during that academic session, any fee in excess of the fee specified by its manager in the said statement."

Further, Rule 166(1) states that "*A fine for late payment of fees or contributions due to a school shall be charged from the student at the rate of five paise for every day, after the 10th, for which the default continues.*"

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<sup>1</sup> Private School Fee Structure Study Committee (1997) headed by Sh. J. Veera Raghvan: "...the latest fashion in the world academic market is used as justification for charging excessively high fee but on deeper analysis it appears that much of this justification is spurious and the rich schools charge high fees to enforce a form of segregation and also in order to make profits or surpluses as high fee attracts rich students and families and becomes a status symbol that could be highly divisive."

<sup>2</sup> Supreme Court of India: *Modern School vs Union Of India & Ors* on 27 April, 2004: "One of the methods of eradicating commercialisation of education in schools is to insist on every school following principles of accounting applicable to not-for-profit organizations/ non- business organizations."

Meanwhile, Section 18(5) of the Act directs all recognised private schools to submit a yearly financial audit report to the Director of Education.

In 2017, the Hon'ble Supreme Court of India had upheld a judgment by the Delhi High Court<sup>3</sup> which ruled that no private, unaided school functioning on land allotted by the Delhi Development Authority (DDA) can escalate fees without the prior sanction of the Director of Education. Despite these mechanisms in place, some private schools on DDA lands have been raising their fee arbitrarily, issuing notices to parents that non-compliance would lead to their wards being expelled from the school. The parents are, thus, arm twisted into paying the revised fee.

Therefore, it is imperative that the strictest action may be taken against such defaulting schools who take advantage of vulnerable parents willing to pay any price for their child's future. Officers from Directorate of Education also need to be prodded and held accountable to perform their regulatory functions assiduously.

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<sup>3</sup> Delhi High Court: Justice For All vs Govt Of Nct Of Delhi & Ors. (January 19, 2016)

## **INTRODUCTION**

1. Sh. Sanjeev Jha, Hon'ble Member of Legislative Assembly received the Petition, Regd Vide No. S/2473/Distt. South/2018 from Mrs Meenakshi Kuhad, President, Naya Samaj Parents Association requesting action against Apeejay School, Sheikh Sarai-I, for various irregularities and the violation of Directorate of Education guidelines.
2. The Hon'ble Speaker, thereafter, referred the Petition, countersigned by the Hon'ble MLA on 05.10.2018, to the Committee on Petitions.
3. Mrs Meenakshi Kuhad, Petitioner alleged that Naya Samaj Parents Association had received numerous complaints from distressed parents on the following issues:
  - a) Yearly arbitrary fee hike by school authorities for all classes, without prior sanction from the Directorate of Education as per their Circular No. DE.15(318)/PSB/2016/20164-169.
  - b) Charging a hefty amount from all fresh admissions every year on the pretext of orientation charges. This amount is taken into different bank accounts every year. For instance, for the year 2017, an amount of Rs 52,900 per student was taken in favor of "APEEJAY" and in the year 2013, an amount of Rs 36,100 per student was taken in favour of "APEEJAY STYA UNIVERSITY".
  - c) The school has also made it a practice to levy the quarterly fee without any break-up/bifurcation of heads under which the amount is being charged. It simply mentions a specific amount for each class and despite various requests, the school authorities are adamant on not providing any fee break-up in

their receipts, which is a clear violation of Rule 172(2) of Delhi School Education Rules, 1973<sup>4</sup>.

d) Every year, the School is using its swimming pool to run commercial activity during summer vacations by way of letting it to a private organization to run paid swimming camps for outsiders which is against the Directorate of Education guidelines.

e) Late fee charged by the School is Rs 5 per day after due date of payment, whereas, as per Delhi School Education Rules, 1973<sup>5</sup> every aided, un-aided school cannot charge more than 5 paise per day as fine on late submission of school fee.

4. Mrs Meenakshi Kuhad, thus, made a case for the parents, stating they have not been given any relief by the either Directorate of Education or the School authorities for the same.

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<sup>4</sup> Delhi School Education Rules, 1973, Rule 172(2): “Every fee, contribution or other charge collected from any student from a recognised school, whether aided or not, shall be collected in its own name and a proper receipt shall be granted by the school for every collection made.”

<sup>5</sup> Rule 166(1): “A fine for late payment of fees or contributions due to a school shall be charged from the student at the rate of five paise for every day, after the 10<sup>th</sup>, for which the default continues.”

## **PROCEEDINGS**

1. In order to ascertain the facts and investigate the allegations levelled in the said Petition, the matter was discussed in ten meetings held on 04.12.2018, 04.01.2019, 23.01.2019, 03.04.2019, 12.04.2019, 26.04.2019, 10.06.2019, 05.08.2019, 01.11.2019 and 28.11.2019, respectively. The proceedings were attended by officers from Directorate of Education, Delhi Fire Services, Apeejay School, Sheikh Sarai-I and Naya Samaj Parents Association.
2. The initial proceedings of the Committee revolved around the allegation of arbitrary fees hike by Apeejay School, Sheikh Sarai-I. However, over the course of time it was found that the School was also involved in financial irregularities as well as various safety violations with regards to the Sanctioned Building Plan and Fire Certification.

### **Issue 1:**

#### **Whether there has been an arbitrary fee hike and other financial irregularities by Apeejay School, Sheikh Sarai-I?**

1. During the initial examination of the matter, comments were sought from Secretary, Directorate of Education, vide F. No. 24(25)/Petitions (20)/2018-19/LAS-VI/Leg./979-82 dated 08.10.2018. Thereafter, a reminder was issued, vide letter No.24(25)/Petitions(19-20)/2018/LAS-VI/Leg./3243-45 dated 03.12.2018, seeking para wise comments in respect of the allegations made by the Petitioner.
2. In response, vide letter No. DE 25(13)06/LW/2017-18/2175-78 dated 04.12.2018, Sh. S.C. Meena, Deputy Director of Education (L.W.), apprised the Deputy Secretary, Legislative Assembly, of the delayed

receipt of the request for para wise comments on the issue. Further, the Deputy Director sought four weeks' time for the submission thus requested.

3. Subsequently, the Petition was first discussed in the meeting held on 04.12.2018, the Secretary, Directorate of Education was again requested to furnish his comments on the issue.
4. As discussed in the meeting, Director, Directorate of Education, vide letter dated 28.12.2018 was requested to submit an Action Taken Report on the earlier inquiries/inspections/audit on Apeejay School, Sheikh Sarai -1 assured to be submitted in one week i.e. by 12.12.2018 and a Special Audit of the School from 2012-13 to current year assured to be submitted within one month i.e. by 03.01.2019.
5. In the meeting convened on 04.01.2019, the Directorate of Education was asked to conduct a financial audit of Apeejay School, Sheikh Sarai-I for the last seven years through a team of Chartered Accountants deployed at the Private School Branch, Directorate of Education and submit the report within 4 weeks to the Committee.
6. The Deputy Director of Education informed the Committee, vide letter F.No.DE.15(614)/PSB/2018/572 dated 15.01.2019, that DDE (South) had been asked to submit a factual and neutral report to specify the lapses, if any, in handling the complaints against the said School. Moreover, a letter was also issued to the Manager of Apeejay School, Sheikh Sarai, to supply preliminary documents for the financial year 2012-13 onwards for examination of the financial statements with respect to statement of fee u/s 17(3) of Delhi School Education Act and Rules, 1973.

7. During the third meeting, conducted on 23.02.2019, the Directorate of Education was requested to furnish the Recognition File and all other records of Apeejay School, Sheikh Sarai-I filed with the Department. However, in the following meeting, held on 26.04.2019, it was learnt that the said **Recognition File could not be traced by the Directorate of Education**. A copy of an online Information Report with Delhi Police, dated 26.02.2018, stating the loss of the file was submitted in this regard
8. In the meeting, Sh. Yogesh Pratap, Deputy Director of Education (PSB), submitted an Action Taken Report giving the following assurances:

*“As regards to allegations of irregularities in Apeejay School, Sheikh Sarai, the orders will be issued within a week after the completion of audit of the School.*

*As regards, the running of a coaching center in the School under name and style of “Avanti”, the matter has been inquired into and the same has been found correct.*

*As regards, running of some classes under International curriculum in the School, it has been found that the allegations are true.*

*Further, action on these issues will be taken against the School as per rules.”*
9. A copy of the fee rejection order issued by the Directorate of Education, dated 09.05.2019, was submitted by the Deputy Director of Education vide F.DE-15/PSB/7848 dated 13.05.2019. In the orders, the Directorate of Education had clearly directed Apeejay School, Sheikh Sarai-I, to roll back the fee hike and refund the parents any excess

amount that may have been collected. However, no action was taken by the School on the same.

10. The matter of financial and other discrepancies was discussed in detail in the meeting held on 10.06.2019, with the aim to gauge the action taken by Directorate of Education over the excessive fee as detected in the audit of the Book of Accounts of the School. The Committee was assured at the meeting that a Show Cause Notice would be served to Apeejay School, Sheikh Sarai-I regarding the same. At the meeting, Delhi Fire Services coordinated with Delhi Jal Board and BSES Rajdhani to disconnect the water and electricity connection of the School in case of non-compliance.
11. Thereafter, on 11.07.2019 the Directorate of Education, Distt South issued Show Cause Notice No. 50(23)/DDE(South)/APJSS/2019/1003 to Apeejay School, Sheikh Sarai-I, asking the School authorities why an action under Section 24(4) of DSEAR, 1973<sup>6</sup> for either withdrawal of recognition or taking over of the management of the School should not be taken against the School for non-compliance of the directions issued by the Department vide order dated 09.05.2019.
12. In response, vide letter dated 20.07.2019, Apeejay School, Sheikh Sarai-I informed the Directorate of Education that the School *“has preferred Writ Petition (W.P.)7459/2019 in Delhi High Court against the aforesaid order dated 09.05.2019. In the said Writ Petition, the Hon’ble Court has issued notice to the Directorate of Education and by way of interim order dated 15.07.2019 has stayed the operation of detailed*

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<sup>6</sup> Delhi School Education Act, 1973, Section 24 (4) for Inspection of Schools states: *“If the manager fails to comply with any directions given under sub-section (3), the Director may, after considering the explanation or report, if any, given or made by the manager, take such action as he may think fit, including (a) stoppage of aid, (b) withdrawal of recognition, or (c) except in the case of minority school, taking over of the school under section 20.”*

*directions No. 1 and 4 given in the said order dated 09.05.2019 (at Page 25 of the said order) which, inter alia, directed rectification of alleged financial irregularities/violations referred in the said order (though disputed and challenged by the School in the Writ Petition) and asked for compliance report.”*

13. During the eighth meeting on the matter, convened on 05.08.2019, a detailed chronological status of development and action taken in reference to the Petition was sought from the Directorate of Education. It was submitted by the Deputy Director of Education, vide letter dated 06.09.2019, that the School had filed Writ Petition (W.P.)7459/2019 and requested that no action be taken against them as the matter is sub-judice in Delhi High Court.
14. In the following meeting, on 01.11.2019, the Directorate of Education was asked to update the Committee on the status of water and electricity supply of the School. Thereafter, it was found that even though the electricity and water supply of the School had been disconnected, it had been running on unauthorised diesel generators and private water tankers. It was noted in the meeting that this in itself was illegal and the School was thus found to have been continuously violating the safety norms despite the on-going proceedings against it. In the meeting held on 28.11.2019, it was informed by Delhi Fire Services that Delhi Commission for Protection of Child Rights had been contacted in this regard to take appropriate action against the School.
15. In the meeting on 28.11.2019, Department of Education submitted that *“the financial records of the school were examined in detail and a detailed order was passed which was challenged by the school before the Hon’ble High Court. The Hon’ble High Court of Delhi stayed further*

*coercive action against the pointed out violations in the order except the fee increase. The school despite the order of Hon'ble High Court has **neither rolled back increased fee nor refunded/adjusted the already charged unwarranted increased fee.** Concluding that Management is adamant in non-compliance of the directions not only to the DoE but also to Hon'ble High Court, a final proposal has been submitted to forward the same to the office of the Hon'ble LG, Delhi for granting approval for issuance of Show-Cause notice for taking over of the Management of the school u/s 20(1) read with section 24(4) of DSEA, 1973."*

**Issue 2:**

**Whether there has been a violation of the Sanctioned Building Plan as approved by DDA and non-compliance with the fire safety norms as prescribed by the Delhi Fire Services?**

1. To ascertain if the said School had been violating any other norms apart from the allegations of illegal fee hike levelled in the Petition, the Directorate of Education, vide letter F.No.24(25)/Petitions(19)/2018-19/LAS-VI/Leg./4429-32 dated 28.12.2018, was requested to submit the documents related to New International Wing in the same premise of Apeejay School, Sheikh Sarai-I along with a copy of the approved building plan for the entire premise of the said School.
2. The Committee was displeased to learn in the meeting held on 03.04.2019, that an inquiry had been conducted on 21.02.2019 by the Directorate of Education and Apeejay School, Sheikh Sarai-I was found to have been running without obtaining the No Objection Certificate

(NOC) from the Fire Department. Although, a new construction at the School's Wing A had been completed, classes were being held without obtaining the requisite statutory clearance from any statutory authorities. It was found that the School authorities had compromised with the security and safety of the students.

3. Thereafter, the Deputy Director of Education (PSB), Sh. Yogesh Pratap, had written to the Chief Officer of Delhi Fire Services, vide letter dated 10.04.2019, with a request to inspect the School and take necessary action as per the rules, with regards to the non-compliance of the fire safety norms.
4. The Deputy Director of Education (PSB), vide letter dated 10.04.2019, informed the Lease Administrative Officer (IL), DDA of the Committee's trepidation regarding the safety of the students of the School. DDA was thereby requested to conduct an inspection of the School and take necessary action against the School Authorities.
5. In response to the concerns raised by the Committee, Sh. Vipin Kental, Director, Delhi Fire Service, vide letter F.6/DFS/MS/2019/2487 dated 26.04.2019, assured the Directorate of Education that the said School was inspected under Section 33 of the Delhi Fire Service Act, 2007 on 22.04.2019. As under Section 34(1), a notice was issued to the owner/occupier of the School building/premise, directing him to undertake suitable action within 15 days w.r.t inadequacy of the contravention of the building by-laws with regard to the fire prevention and fire safety measures.
6. At the meeting held on 10.06.2019, concerns were expressed over the non-compliance of the fire safety norms, as the School had been functioning without an NOC from the Fire Department. The Directorate

of Education was, thus, directed to seek through the Chief Fire Officer, Delhi Fire Services, whether any action had been taken against the School under the Delhi Fire Service Act, 2007 and Delhi Fire Service Rules, 2010.

7. On 12.06.2019, the Chief Fire Officer also issued a Show Cause Notice F.6/DFS/MS/SZ/2019/School/3486, reminding the School of its non-compliance to a 15 days' time period granted to provide the School with fire prevention and fire safety measure as per the requirements of sub-section (1) of Section 34 of the Act. The Principal of the School was called upon to Show Cause as to why the premise/buildings should not be declared unfit from fire safety point of view and why the electricity and water supply to the buildings/premise shall not be disconnected by the authority concerned.
8. Subsequently, the Chief Fire Officer informed the Deputy Director of Education, vide letter No. F.6/DFS/MS/2019/3687 dated 19.06.2019, that the Department had issued a Show Cause notice to the School on 12.06.2019. The letter also stated, "*The building/local authority is the competent authority which regulate, permit or restrict the occupancy/activity of a building/premise; being the local authority in this case, you are requested to restrict the occupancy of the said School immediately as enormous concern is shown by the Chairman of Committee on Petitions for the life safety of the children of the School.*"
9. In response to the Show Cause Notice, the School Principal submitted, vide letter dated 14.06.2019, that the building of Block A and Block E has already been completed as per sanction plan approved by DDA vide letter No.16/06/2016 File No. F 38(46)75 Building 16/06/2016. It was

further submitted that the entire fire and safety works of the aforesaid buildings had been completed.

10. An inspection of the School premise was conducted by a team of officers of Delhi Fire Services on 17.09.2019 to verify the availability and operability of fire prevention and fire safety measures as required under the rules. The School Principal was informed by the Chief Fire Officer, Delhi Fire Services, vide letter dated 09.10.2019, that it did not meet the requirements to be issued a Fire Safety Certificate.
11. At the meeting held on 1.11.2019, it was decided that the Department of Education will submit a written request to Department of Revenue for demarcation of land in respect of Apeejay School, Sheikh Sarai-I through scientifically proven Total Station Machine (TSM) to ascertain the exact position of encroachment, if any. It was also decided and agreed upon that the Directorate of Education will bear the expenditure to be incurred for engagement of TSM to the Department of Revenue.
12. In the subsequent meeting, Department of Revenue apprised the Committee of non-cooperation by the School. A team from Department of Revenue had visited the School twice, on 25.11.2019 and 26.11.2019, but was prevented from conducting the survey by the School authorities. Therefore, the Department was advised to take necessary action to carry out the exercise of land demarcation as early as possible.

## **FINDINGS**

1. As pointed out by the aggrieved parents in their letter dated 05.06.2018, addressed to the Director, Directorate of Education, according to an order issued by the Directorate of Education, No. DE. 15/PSB/F.H./JADSC/2016/24739-24744, dated 16.5.2018, a total of 575 unaided recognized private schools in Delhi had been asked to refund excess fee w.e.f June 2016 to January 2018. While Apeejay School, Saket, was among these schools, Apeejay School, Sheikh Sarai-I was not mentioned in the list.
2. The Committee had commenced the proceedings by inquiring into the Petition against the primary issue of arbitrary fee hike. During the course of the proceedings, several financial and other irregularities were unearthed, including various violations of the DSEAR Act 1973.
3. The claims in the Petition against unjustified fee hike by the School were found to be true. At the same time, it was confirmed via various authorities – Directorate of Education, Delhi Fire Services and Delhi Development Authority, that the School had violated several safety norms with respect to the Sanctioned Building Plan. The Committee took note of the Order No.7779-84 dated 09.05.2019, issued by the Directorate of Education to Apeejay School, Sheikh Sarai-I. The Order specified financial irregularities that were a clear violation of the DSEAR Act, 1973. Some of the disconcerting findings from the investigation of the Petition are as under:

**A. Unjustified escalation of fees and other financial irregularities by Apeejay School, Sheikh Sarai-I:**

1. As per direction no. 2 included in the Public Notice dated 04.05.1997, *“It is the responsibility of the society who has established the school to raise funds from their own sources or donations from the other associations because the immovable property of the school becomes the sole property of the society.”* Additionally, Hon’ble High Court of Delhi in its judgment dated 30.10.1998 in the case of Delhi Abibhavak Mahasangh vs Union of India and Others, 1998 had concluded that *“The tuition fee cannot be fixed to recover capital expenditure to be incurred on the properties of the society.”*
2. Thus, the cost relating to land and construction of the School building has to be met by the society, being the property of the society and School funds i.e. fee collected from the students is not to be utilised for the same. Meanwhile, Clause (vii) (c) of Order No. F.DE/15/Act/2K/243/KKK/883-1982 dated 10.02.2005 issued by the Directorate of Education states, *“Capital expenditure cannot constitute a component of the financial fee structure.”*
  - i) Based on the details submitted by the School, it was noted that the School has purchased land for an amount of Rs 84,00,000 during Financial Year 2010-11 and utilised School Funds for making payment towards the same. The capital expenditure on land was incurred by the School without compliance requirements of Rule 177 of DSEAR, 1973<sup>7</sup>. Thus, the School utilised School Funds for the

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<sup>7</sup> Delhi School Education Rules, 1973, Section 177: *“Fees realized by unaided schools how to be utilised: (1) Income derived by an unaided, recognised school by way of fees shall be utilised in the first instance, for the pay, allowances and other benefits admissible to the employees of the school:...” (3) Funds collected for specific*

purchase of additional land not for the benefits of the students and increased fee year on year for students. The financial statements for the FY 2012-13 reflected the total cost of land as Rs 84.40 lakhs. However, details regarding additional amount of Rs 40,000 capitalised by the School was not provided by the School.

- ii) Further, it was noted that the School has incurred huge expenditure on construction of the School building, which was also funded by the School Funds. From the audited financial statements of the School for FY 2012-13 to FY 2017-18, it was observed that the School incurred capital expenditure on building every year, which was reported as Capital Work in Progress or Additions to Building, which sums up to Rs 27,31,86,065. Year on year capital expenditure incurred on building reported in the audited financial statements of the School is tabulated below:

<b>Financial Year</b>	<b>Capital Work in Progress (INR) {A}</b>	<b>Additions to Building (INR) {B}</b>	<b>Total Capital Expenditure on Building (INR) {C}={A+B}</b>
2012-13	1,76,19,699	-	1,76,19,699
2013-14	2,38,40,859	-	2,38,40,859
2014-15	4,36,47,285	-	4,36,47,285
2015-16	(8,51,07,843)	11,93,38,889	3,42,31,046

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

2016-17	3,10,05,297	1,09,29,622	4,19,34,919
2017-16	11,10,32,220	8,80,037	11,19,12,257
<b>Total</b>	<b>14,20,37,517</b>	<b>13,11,48,548</b>	<b>27,31,86,065</b>

The above capital expenditures were incurred by the School on construction of the building without compliance of requirements of Rule 177 of DSER, 1973. Thus, the School utilised the School Funds for construction of building, creating assets of the society and increased fee year on year for the students.

- iii) There are no posts of ‘Purchase and Liaison Manager’, ‘HR Manager’, ‘Project Manager’, ‘Senior Relationship Manager’, ‘Relationship Manager’, and ‘Manager Brand’ in the Recruitment Rules prescribed for the private unaided Schools. However, the School had appointed staff on the aforementioned posts and made payments to such staff, which is not in accordance with the Recruitment Rules. Further, it was found that the School had hired one additional principal, vice-principal and primary in-charge, which is not provided for in DSER 1973.
- iv) As per clause 14 of the Directorate of Education Order No. F.DE/15(56)/Act/2009/778 dated 11.02.2009, “Development fee, not exceeding 15% of the total annual tuition fee may be charged for supplementing the resources for purchase, upgrade and replacement of furniture, fixtures and equipment.” On examination of the list of assets purchased against development fund, it was noted that the School has purchased excessive number of

phones, iPad, iPod, etc. totaling to Rs 40,72,087 during FY 2012-13 to FY 2017-18, which appeared unreasonable and towards personal use of staff.

**B. Violation of several building fire and safety norms by the School:**

1. After the matter was taken up by the Committee, an inquiry committee was constituted by the Deputy Director Education, District South, vide letter no. F50(23)/APJSS/South/2019/356-361 dated 21.02.2019, to examine the allegations made in the Petition against Apeejay School, Sheikh Sarai-I. The inquiry was conducted with reference to the copies of the Sanctioned Building Plans received from Delhi Development Authority. The inquiry committee constituted is specified as under:

- |  |          |
|--|----------|
| 1. Sh. Manish Jain<br>ADE, District South                                  | Chairman |
| 2. Smt. Sneha Aggrawal<br>Principal, SKV Pushp Vihar<br>School, ID-1923071 | Member   |
| 3. Sh. N.C. Dhyani<br>SO, Personal Branch<br>DDE, District South           | Member   |
| 4. Sh. Vivek Kumar<br>LA Zone-24   | Member   |

2. Copies of the Sanctioned Building Plans of the said School were obtained from the DDA and provided to the above mentioned committee for inquiry. Among other things, some of the findings of the committee that aggrieved the Committee on Petitions the most are given below:

- i) A Wing: School building sanctioned and completed (Basement+Ground+Floors). This building is complete and being used for Primary wing and classes are being held for the same. However, the completion certificate and the Fire NOC have not been obtained so far. The said wing is being run under the name and style of “Apeejay International School,” as there was a board by this name displayed at the site.
- ii) C Wing: Proposed facility block (Ground + 2 Floors) is yet to be constructed and the said area is also an open piece of land at present. However, it is pertinent to mention that in the area proposed for B&C Wing, there is a canteen made of single storey pucca structure and also a single storey semi pucca store/godown which are being used by the said School.
- iii) E wing: This building plan has been sanctioned for basement plus ground plus four floors. It is observed that the orientation of E wing has been flipped, i.e turned by 180 degree in contrast to the Sanctioned Building Plan. The E wing is still under construction after partial demolition of old School building falling under this area. Although the basement has been sanctioned but School has not constructed any basement in this wing.
- iv) The School failed to provide the completion certificate of the old and existing building and also the new building constructed in A Wing in which the primary sections are being run. The School authorities took the plea as regard the old existing building the concerned sanctioning authority had issued “D Form” and completion certificate had not been issued.

3. Thus, the concerns of the Committee were substantiated by the Directorate of Education Inquiry Report which stated that the School

authorities have compromised with the safety and security of the children by not obtaining the statutory certificates before using the building for teaching purpose. Moreover, the School authorities have also failed to take prior permission or inform the Department of Education about running the new wing of the School under the name Apeejay International School, which is a violation of the existing rules.

4. Despite the on-going proceedings against them, the lackadaisical School authority failed to take appropriate action to rectify their shortcomings. An inspection of the School premise was conducted by a team of officers of Delhi Fire Services on 17.09.2019 to verify the availability and operability of fire prevention and fire safety measures required under the rules. During the inspection, following violations were observed:

1. The required 6m width of internal road not meeting the requirements due to encroachment.
2. Two staircases are provided against required three in Block E.
3. Width of staircase in Block A found less than required width of 1.5m.
4. The door size of class rooms is not meeting the requirements.
5. The required smoke management system is not provided on upper floors.
6. Automatic sprinkles not provided for wooden stage in auditorium.
7. The required pressurization of lift shaft and lift lobby in Block A and for staircase in Block E not provided.
8. Suppression system for LT/HT panel not provided.

5. The Chief Fire Officer, Delhi Fire Services, had thereby, informed the School Principal, vide letter F.6/DFS/MS/School/SZ/2019/5982 dated 09.10.2019 that the issuance of Fire Safety Certificate cannot be considered until the above mentioned violations had been rectified.
6. It was observed that students were shifted to new building blocks with glass walls meant to be occupied with air conditioners in the summer season. The green-house effect and lack of ventilation in the classrooms caused suffocation to the students and acted as a harassment to the students. The school authorities arm twisted the parents to pay Rs 7,000/- per annum as fee for air conditioning and as a pressure tactic kept the students sweating in peak summers of 2019. This arm twisting and black mailing is not expected from educational institutions.

## CONCLUSION

1. A case that had started with a Petition against illegal fee hike opened a Pandora's Box of various irregularities and violations by Apeejay School, Sheikh Sarai-I. On close examination of the fee structure and after a detailed financial audit of the Book of Accounts, it was found that the School had not only escalated the fee without Directorate of Education's permission, but it had been utilising the School Funds for construction of building, creating assets of the society, and charging the same from the students without disclosing the fee bifurcation. This is a blatant violation of the DSEAR Act, 1973, and contempt of court<sup>8</sup>.
2. Here, the repeated oversight on the part of the Directorate of Education officers must also be accounted for. Apeejay School Sheikh Sarai-I did not find a mention in the list of 575 unaided recognised private schools who had been directed to refund excessive fee, vide Order No. DE. 15/PSB/F.H./JADSC/2016/24739-24744, dated 16.5.2018. Moreover, every unaided, recognised school is directed under Section 18(5) of the DSEAR Act, 1973, to submit a yearly financial audit report to the Directorate of Education. Such legal reinforcements are in place to ensure violating schools would be wary of the potential sanctions they could face. However, negligence on the part of some defaulting officers of the Directorate of Education has only made such schools valiant in increasing the fee arbitrarily, fearing no repercussions.
3. Concurrently, it was also found that the School had compromised with the safety of its students as it failed to provide the completion certificate of the old and existing building and also the new building constructed

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<sup>8</sup> The Hon'ble Delhi High Court in Delhi Abibhavak Mahasangh vs Union of India and Others, 1998 had concluded that "The tuition fee cannot be fixed to recover capital expenditure to be incurred on the properties of the society."

in A Wing in which the primary sections are being run. As mentioned earlier, an inspection of the School had been conducted by Delhi Fire Services on 22.04.2019, which unraveled the various violations of the fire safety norms.

4. Thereafter, as agreed in the meeting on 10.06.2019, the School had also been issued a Show Cause Notice by the Chief Fire Officer on 12.06.2019 after which its water and electricity supply had been disconnected. However, not only did the School continue to function illegally on diesel generators and private water tankers, it also fell short on compliance of the fire safety norms yet again, as reported after the inspection conducted on 17.09.2019 by Delhi Fire Services. The School has been in repeated violation of Circular concerning Fire Safety by Directorate of Education vide No. F.16/Estate/CC/Fire Safety/2011/3298 to 3398 dated 01.03.2011.
5. There has also been negligence on the part of Delhi Fire Services as well, since it was a Petition against arbitrary fee hike that led to the discovery that the School had been functioning without obtaining an NOC from the department.
6. School authorities have been arm-twisting parents for increased fee in one name or the other. As per the documents received from the Petitioner on 22.11.2019, the School had issued a circular to the **parents in July to levy an additional Rs 7,000/- per annum for the period July 2019 to May 2020 for providing AC facility in the classrooms. Department has been ineffective in preventing such exploitation.** This is clearly contempt of High Court orders in which the Department of Education orders to not increase the fee was not

stayed. The Parents and Children studying in the school are being constantly pressurized to pay illegal high fee.

## **RECOMMENDATIONS**

Even though there are mechanisms to ensure that there are no arbitrary fee hikes by schools, Apeejay School Sheikh Sarai-I, had not only been blatantly violating the Delhi School Education Act and Rules, 1973, it had also been risking the safety of the children by running a section of the School without obtaining a completion certificate from Delhi Fire Services. In the light of the findings that have come to the fore, the following recommendations have been made:

1. Directorate of Education must inquire how the said school has been violating Delhi School Education Act and Rules, 1973 all this while, without getting noticed. Action must be taken against the defaulting officers, if any. In case there are no defaulting officers, Directorate of Education must explain how none of the discrepancies had been addressed until distressed parents knocked on their door and yet, found no respite. Thereafter, forcing them to write a petition to the Hon'ble Speaker. An Action Taken Report in this matter should be submitted within one month of the adoption of this Committee Report by Delhi Legislative Assembly.
2. To prevent such blatant violations of norms by schools in future, Delhi Fire Service should make it mandatory for all schools to submit a signed affidavit that no fire safety rules and regulations pertaining to their premises are being violated. The newly constructed schools should be made to fill a proforma that includes various stipulations like compliance with Sanctioned Building Plan with specific mentions of basement, temporary structures, and fire safety provisions. In case the schools are found deficient on any grounds, they should not be granted recognition, until the violation is rectified.

Directorate of Education must ensure this procedure as Standard Operating Procedure. Completion certificate of all the school premises should also be checked.

3. Dedicated teams from Delhi Commission for Protection of Child Rights must proactively inspect all schools including private unaided-schools on regular basis to ensure such violations do not occur in future. Risk-based inspections can be conducted, wherein schools that have been complying with norms have fewer inspections. The method has been successfully implemented by the Office of Standards of Education (Ofsted), England. These inspections should be recorded on video to ensure transparency and accountability.
4. The information asymmetry in the system needs to be addressed. Parents must be consulted before every fee hike. A common portal, under the Directorate of Education must be created, which can be accessed by all the stakeholders. All expenses of the school should be uploaded on the said portal, along with all circulars to notify a fee hike. Any changes made to the fee structure without being notified on the portal would thus be null and void. This portal can also be used as a direct platform for parents to be heard by the Directorate of Education. An aggrieved parent must not be pressed to form a bigger group and approach through an association in order to be heard. Every individual parent must have a voice. A proposal for this portal must be submitted by the Directorate of Education, to the Committee within 30 days of the adoption of this Committee Report by Delhi Legislative Assembly
5. Directorate of Education must ensure that the surplus amount approximately Rs 30 crores as calculated in the Audit Report, should

- be returned to the respective parents within a period of 90 days of the adoption of this Committee Report by Delhi Legislative Assembly.
6. Action must be taken against the nominee of Directorate of Education in respect of the School, who had given contradictory letter dated 22.07.2019, concealing facts of surplus of funds available with the School and allowed the School to increase its fee structure. An Action Taken Report in this respect must be submitted to Delhi Legislative Assembly within 30 days of the adoption of this Committee Report by Delhi Legislative Assembly.
  7. The Delhi Commission on Protection of Child Rights should investigate the allegations of students being harassed for increased fee in spite of Directorate of Education orders.
  8. Worthy Chief Secretary of Government of National Capital Territory Delhi should submit an Action Taken Report on the recommendation of the Committee to Delhi Legislative Assembly within 30 days of the adoption of this Committee Report by Delhi Legislative Assembly.



Dated: 30.11.2019

Place: Delhi

(PANKAJ PUSHKAR)

ACTING CHAIRMAN

COMMITTEE ON PETITIONS