## FEE REGULATORY COMMITTEE (SELF FINANCED SCHOOL) AHMEDABAD ZONE, AHMEDABAD

OFFICE ADDRESS :- DISTRICT INSTITUTE OF EDUCATION AND TRAINING,
GOTA – OGNAJ ROAD, GOTA, AHMEDABAD.

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NO. FRC/A'BAD ZONE/SABARKANTHA-431/18-19/1 4846-48

DATE: 22.11.2018

Dispatch date: <u>03/1</u>2/2018

READ:-

- 1) Proposal submitted by Podar International School, Near Shivaay Bungalows, Brahma Kumari Circle, Berna Road, Himatnagar, District Sabarkantha along with relevant documents for Pre Primary, Primary, Upper Primary and Secondary (GSEB English Medium) for the academic year 2018-19.
- 2) Provisional order passed by Fee Regulatory Committee for academic year 2018-19 on 6.8.2018
- 3) Objections raised by the school management on 16.8.2018
- 4) Notice of Hearing of objections issued on 27.8.2018 fixing the hearing on 10.9.2018
- 5) Details filed on 10.9.2018 along with covering letter dated 10.9.2018
- 6) Further details were filed along with covering letter dated 11.9.2018.

## FINAL ORDER DATE: 22.11.2018

- Podar International School, Near Shivaay Bungalows, Brahma Kumari Circle, Berna Road, Himatnagar, District Sabarkantha has submitted its proposal for fixation of fees structure for the academic year 2018-19 to 2020-21 for Pre Primary, Primary (Std. 1 to 5), Upper Primary (Std. 6 to 8) and Secondary (Std. 9 and 10) (GSEB English Medium) along with relevant documents.
- 2. After considering the said proposal along with the documents attached therewith, the committee has passed the provisional order dated 6.8.2018 determining the provisional fees for Pre Primary, Primary (Std. 1 to 5), Upper Primary (Std. 6 to 8) and Secondary (Std. 9 and 10) for the academic year 2018-19.

- 3. Being aggrieved by the said order, the school has raised its objections vide its letter dated 16.8.2018 stating therein that the provisional fees determined by the committee are lower than the fees proposed by the school. A request was therefore made to grant a hearing to understand the basis for the lower provisional fees and to explain the basis for the fees proposed by the school.
- 4. Pursuant to the notice of hearing, the Ld. Representatives of the school appeared and filed letter dated 10.9.2018 along with requisite details. The school has given the breakup of fees charged for the academic year 2018-19. Over and above the fees charged by the school for each standard, the school has also charged admission fees equal to one month tuition fees for new admissions. It is stated that the land and school building are not owned by the trust and the same have been taken on lease from various parties as mentioned in the said letter. The monthly rent payable by the school to the landlord is Rs.5,28,367/-. As such this rent is paid to the various parties who are considered to be the landlords. The parties from whom the land and building are taken on lease are independent parties and have no relation with the school management. The expenses debited to the income and expenditure account of the school or the trust do not represent any amount paid to the trustees or the management of other entities belonging to the trustees. The school provides number of extra-curricular activities to the students for which no extra charge is recovered from the student. This being the first year of the school, all the activities have yet not started. Some of the common activities that Podar Group provides in all the schools and which would be offered in the present school are art and craft, computer graphics, cursive writing, dance - classical and western, keyboard and music and yoga and meditation, aerobics and athletic, cricket, football, gymnastic, karate, etc. Some of the infrastructure facilities provided by the school to the students include desktop + projectors in each class room, visualiser in each class room, CCTV Cameras at all strategic points, all safety of students, tablets for teaching and learning process, the broadband and wireless network across the campus for internet connectivity, RO and water coolers for safe drinking water. In addition to all these infrastructural facilities the school is also having computer and science lab, library, medical room, etc. for benefits of the students. The school being new is at present affiliated with GSEB Board. However, the school is proposed to be a CBSE School and it is in the process of applying for affiliation to the CBSE Board.
- 5. While giving breakup of projected miscellaneous expenses of Rs.19,90,211/-for the academic year 2018-19, the school has furnished the said details which indicate that for management fees, the school has projected to Rs.5,83,950/-, for security expenses Rs.3,01,932/-, for depreciation

The school

Rs.6,37,686/- and other miscellaneous expenses of Rs.3,77,543/-. The school has also furnished the details of number of students in each class for the academic year 2018-19. The total number of students is hardly 123 and in all there are 8 classes from nursery to Std. 5. Though the school has proposed the fees for Std. 6 to 8 of upper primary and standard 9 and 10 of Secondary, the same standards are yet not started.

6. While giving justification to the fees proposed by the school and objecting to the provisional fees determined by the committee, the school has submitted that the provisional fees decided by the committee do not even cover the salary expenses of the school and will result into significant losses to the school. The salary paid for the month of june 2018 to the existing teaching and non teaching staff of pre primary, primary, upper primary and secondary is Rs. 3,51,603/- hence salary expense for the year is approximately Rs. 42.5 lac. In this regard it is clarified here that as per the details of the student and classes furnished by the school it appears that the school has started only upto std. 5 and hence there is no question of making payment to the teaching staff for upper primary and secondary standard. The school has further submitted that during the year 2018-19, stamp duty and registration charges paid by the school are Rs. 17,61,295/- however, these charges cannot be claimed as expenditure in one year . At the most they are to be spread over for 30 years, and accordingly only Rs. 60,000/- in this year can be allowed by way of expenses. Transportation expenses claimed by the school are considered to be the expenses incurred for optional activity and they are not to be recovered from all students. Only those students are liable to bear such expenses who avail the transport facilities. Even housekeeping expenses, security charges etc are excessive in view of the fact that the strength of the student is hardly 123. These 123 students should not be compelled to bear all these expenses. The fees to be charged from the students should not be considered as the only means to cope up with these expenses. The school has relied on the provisions of sanction 10(1(X)) of the Act for the purpose of claiming reasonable surplus for the purpose of development, education and school expansion. However, looking to the expenses claimed by the school for 123 students only it cannot be said that they are the reasonable expenses. As an when the strength of the students increases the school may provide for reasonable surplus for the purpose of development, education and school expansion. From the fees, proposed by the school it appears that in the very first year, the school is incurring huge expenses in relation to a fully developed school and all these expenses are to be recovered from charging fees to 123 students only. The committee has not prohibited the school from charging term fee. As a matter of the fact fees provisionally determined, interalia, include tuition fees as well as term fees.



The committee has given 5% increase in the fees for the academic year 2019-20 and 2020-21, however, if the school incurs more expenses in subsequent year and demands higher fees, it is always open for the school to file a fresh proposal along with all relevant documents and the committee shall determine the fees for those years on the basis of such proposals and documents. In these view of the matter, the committee is not satisfied fully with the explanation given by the school.

- 7. In response to the further details called for by the committee, at the time of hearing of objections on 10-9-2018 the school has provided copy of agreement for security ,cleaning and housekeeping and transport contract, copies of licenses held by Vinayak, list of workers deployed by the contractor and copy of recognition document. It appears from these details that the school has entered into a contract with only one agency i.e. Vinayak Security Service and said agency renders security services, housekeeping services as well as transportation services and three separate agreements were entered into by school with the said agency. Though the school is situated at Himmatnagar the agreement refers to delivery site at Ahmedabad. This shows that without any application of mind the agreement is virtually adapted on the basis of some other school, may be of the same group. More over the commencement and tenure of agreement is with effect from 1st June 2018 to 31<sup>st</sup> may 2019. However, security license given to the agency is valid only up to 11-4-2019. The agency is registered under the Shop and establishment Act and the nature of work is mentioned as security and labour contractor. However, the transportation services can hardly be said to be labour contractors. Be that as it may this being the very first year and looking to the strength of students, the expenses incurred by school cannot be said to be reasonable.
- 8. In view of the above discussion and further details filed and explanation as well as justification given by the school, the committee determines the final fees for academic year 2018-19 as under:-

Section	Fees proposed by the school for academic year 2018-19	Provisional Fees determined by the committee for academic year 2018-19	Final Fees determined by the committee for academic year 2018- 19
Pre Primary	32000	15000	25000
Primary (Std. 1 to 5)	37100	15000	25000
Upper Primary (Std. 6 to 8)	39900	15000	25000
Secondary (Std. 9 to 10)	39900	25000	30000



## Terms and conditions:

- 1. The school is not permitted to collect fees more than fees determined for the year 2017-18 and 2018-19.
- 2. The school is permitted to charge fees for the academic year 2019-20 by giving rise of 5% in the final fees determined by the committee for the year 2018-19.
- 3. The school is not permitted to collect fees under any other head including under the head of Admission Fees or any other fees and thereby causing extra burden on the students.
- 4. If the school has collected more fees than the fees finally determined by the committee for the academic year 2017-18 and 2018-19, the same shall either be refunded to the students or the school shall make adjustment of such excess fees against the fees to be collected for the remaining quarters of 2018-
- 5. Any violation of this order shall be dealt with by the Committee in accordance with law, on being brought to the notice of the Committee by any aggrieved party.
- 6. If the school management has any grievance against the final fees determined by the committee, it shall have a right to file revision before the Fees Revision Committee within three weeks from the date of receipt of the order and after making payment of Rs.10,000/- by way of filing fees.
- 7. The school is directed to place the order determining final fees on its notice board as well as on its website.

Sd/-(JUSTICE K. A. PUJ) Chairman

Sd/-	Sd/-	Sd/-	Sd/-
(D. V. Buch)	(V. M. Patel)	( N.K.Patel )	(R. C. Raval)
Member	Member	Member	Member

To,
THE PRINCIPAL,
PODAR INTERNATIONAL SCHOOL,
NEAR SHIVAAY BUNGALOWS,
BRAHMA KUMARI CIRCLE,
BERNA ROAD, HIMATNAGAR, SABARKANTHA
Copy to:

- 1. District Education Officer, Sabarkantha
- 2. District Primary Education Officer, Sabarkantha for necessary action

ગ્રીક કો-ઓડીનેટર ફી નિયમન સમિત અમદાવાદ ઝોન અને જિલ્લા શિક્ષણાધિકારી અમદાવાદ શહેર, અમદાવાદ.