

**Office of the Chairperson
Committee for Fixation & Regulation of Fee of Private
Schools, J&K (FFRC)**

Order No. 01 –FFRC (FF) of 2021

Dated: 18.03.2021

**Subject: Application of Foundation World School, Mammath/Humhama,
Budgam for regulation of its Fee Structure.**

Brief facts of the case are as under:-

A complaint was received from Mr. Suhail Ahmad Dar against Foundation World School, Mammath/Humhama, Budgam (herein after referred to as 'the School'), wherein it was alleged inter-alia that the school is charging fee at exorbitant rates from the students without approval from the competent authority.

The complainant submitted that there are only three Cambridge affiliated schools in the J&K, one among them is Foundation World School and other two are Oasis School, Gogjibagh, Srinagar and British International School, Jammu. There is disparity in tuition fee between the two with the School charging Rs.6350/- per month compared to Rs.3000/- charged by British International School.

A notice vide No.Edu/FFRC/Comp/55/2020 dated 11.12.2020 was issued to the School with the direction to the Principal/Chairperson of the School to appear in person before the Committee for Fixation and Regulation of Fee of Private Schools, J&K (FFRC), Hyderpora, Srinagar on 17.12.2020 at 11:30 a.m.

Mr. Mohammad Suhail Dar (complainant), Mr. Mubashir Wafai, Vice Chairman of School and Mr. Zahoor Koul, Director Finance appeared before Hon'ble Chairperson, FFRC. The Vice Chairman and Director Finance were heard at length by the Hon'ble Chairperson, FFRC. A marathon discussion took place between the complainant and Vice Chairman of the School with regard to Fee Structure. The Vice Chairman said that they have already submitted file for fixation of fee structure of their school in this office. The Chairperson, FFRC

directed the office to look and find, if any, deficiency is there, that shall be immediately notified to the School for making good the deficiency. Accordingly, the School was communicated vide No.FFRC/File/2021/3800 dated 21.01.2021 and No.FFRC/Comp/2021/3825 dated 02.02.2021. The School submitted the deficient information through e-mail dated 08.02.2021 and 12.02.2021.

At the request of the School management, the Chairman, Vice Chairman, Director Finance, Mr. Zahoor Koul and one more person were again heard at length by Chairperson, FFRC at Jammu.

The case was examined by the office and it was found that the School has submitted the file as per prescribed proforma on 22.01.2021. The Chairman in his application submits that ***“with an aim to introduce our children to International Education, we started the first International School affiliated with Cambridge Assessment International Education (CAIE) in J&K in the year 2015. We have been operating from a rented premises as per the needs of an International School. In our efforts to make this school affordable without any compromise on the quality requirements we set-up the school with the cheapest fee structure among International Schools in India. The tuition fee being Rs.6000/- per month. The concept was accepted in the society and we are thankful to the parents especially of the initial batch of students who trusted us with 78 students in 2015, we have now crossed roll of 1000 students.*”**

As of now, school is charging annual fee of Rs.12000/- and a monthly fee of Rs.6360/- as tuition fee. We had already planned to revise the total salaries of our academic staff by 25% in Apr.’ 2020 but due to COVID situation we had to postpone the plan. We need to meet our commitment to our staff wherein 25% increment has been promised to them with back dated implementation from Nov.’ 2020 keeping in view the up-keep of school and modernization of different facilities we request to approve the annual fee of Rs.18000/- and monthly tuition fee of Rs.7000/-.”

The details submitted by the School regarding fee and Income & Expenditure are given as under:



The Fee Structure of the School as was applicable at the time of establishment of School (2015):-

Nur	LKG	UKG	1 st	2 nd	3 rd
6000	6000	6000	6000	6000	6000
4 th	5 th	6 th	7 th	8 th	-
6000	6000	6000	6000	6000	-
Admission Fee = Rs.50000/-					
Annual Charges = Nil					
Computer Fee = Nil					

The present fee structure of the School for the year 2020-21 is as under:-

Nur	LKG	UKG	1 st	2 nd	3 rd
6360	6360	6360	6360	6360	6360
4 th	5 th	6 th	7 th	8 th	-
6360	6360	6360	6360	6360	-
Admission Fee = Nil					
Annual Charges = Rs.12000/-					
Computer Fee = Nil					

The Income and Expenditure details of the School for the last three years is as under:-

Income	31-3-2018	31-3-2019	31-3-2020
Tuition Fee	13846200	31680300	89458251
Annual Fee	Nil	Nil	Nil
Bus Fee	3659340	9478700	17493400
Admission Fee	8324700	23240175	Nil
Other Income	3868803	4784962	1901257
Total	29699043	69184137	108852908
Expenditure	31-3-2018	31-3-2019	31-3-2020
Salary to Staff	9639873	22604841	34925999
Other Exp.	15245585	35798835	63573257
Depreciation	1571023	5717292	9876730
Surplus	3242562	5063169	238461
Deficit	-	-	-
Total	29699043	69184137	108614447

The analysis of Income and Expenditure statements reveal that the School has generated a surplus of Rs.3242562/-, Rs.5063169 & Rs.238461/- during the years 2017-18, 2018-19 & 2019-20 respectively.

In 2017-18, the major expenses other than salary include branding expenses of Rs.2514459/-, estates/MOB expenses of Rs.5824190/- & rent and taxes Rs.551362/-.

In 2018-19, the major expenses other than salary include office expenses of Rs.4078589/-, student expenses Rs.7900552/-, branding expenses Rs.2894929/-, HR expenses Rs.2201237/- and rent Rs.6731614/-.

In 2019-20, the School has incurred major expenses other than salary as student expenses of Rs.12408473/-, branding expenses Rs.2451892/- & rent and services Rs.27927031/-.

The analysis of financial statements enumerated above shows no clarity regarding the expenses on account of branding, estates, MOB and student expenses as no details are provided under these expenditure heads. There is also a huge jump in expenditure on account of rent from zero on 31.03.2017 and Rs.27927031/- in 2019-20.

The huge expenditure on the heads mentioned above has resulted in the decreasing in surplus which otherwise would have been more than sufficient to lessen further the burden on the students.

On account of tuition fee the School has received tuition fee to the tune of Rs.89458251/- in the year 2019-20 and paid salary to the tune of amount Rs.34925999/- resulting in surplus of Rs.54532252/- out of tuition fee which is more than 60%.

The matter was considered by the Committee in its meeting dated 18.03.2021. The FFRC while considering the record of School at present decided to exclude the following expenditures while fixing the fee:

- A) Rs.2792703/- paid on account of rent as the same was fixed as zero as on 31.03.2017 and Rs.6731614/- as on 31.03.2019.
- B) Branding expenses.
- C) Student expenses.



After excluding above expenses/expenditures from consideration and giving benefit to School at present of above expenses/expenditures, the fee structure was considered on well settled norms as under:

- Location of School in Mammath, Tehsil & District, Budgam and one part functional at Humhama, Budgam.
- Infrastructure.
- Salary.
- Surplus.

The comparative study was also made with established schools within the Srinagar city whose infrastructure, capacity and capabilities are better than the School. Other schools which are more or less having same infrastructural facilities particularly in Tehsil Budgam.

After giving thoughtful consideration to all these issues and in discharge of the onerous duty to ensure there is neither commercialization nor profiteering of Education, the Committee after taking all the relevant factors into consideration, found it just and proper to fix the following fee structure for the School for academic session 2020-21 and onwards:

Nur	LKG	UKG	1st	2nd	3rd
2900	2900	2900	3000	3000	3000
4th	5th	6th	7th	8th	-
3000	3000	3200	3200	3200	-
Admission Fee = Nil					
Annual Charges: Fresh Admission Rs.5000/-; Already enrolled students Rs.4000/-					

The School having charged admission fee, therefore, annual fee for already enrolled students is fixed at Rs.4000/-, keeping in view the fact the said students have paid Rs.50,000/- as admission fee at the time of admission.

The School is run by a trust which is charitable in nature and is registered U/S 12 A of Income Tax Act.

The settler of the Trust is father of owner of property who has leased out property to the Trust. For initial years, zero rent has been paid and surprisingly it has jumped to almost 3 Crores within 2 years. The veil has to be lifted to ascertain the true picture.

The School in the meanwhile, shall get the rent fixed by Government Authorities in terms of settled norms and submit report to FFRC within three (03) months. The School shall provide authenticated details about the excluded expenses mentioned supra.

This file will be again considered after six months.

Sd/-

Sh.H.R. Pakhroo
(DSEJ)

Sd/-

Smt. Manisha Sarin, KAS
Secretary JKBOSE (Member, FFRC)

Sd/-

Mr. B.K Singh, IFS
(Member Secretary, FFRC)

Sd/-

Justice Muzaffar Hussain Attar
(Former Judge)
Chairperson, FFRC

No.FFRC/FF/2021/Bud/221

Dated: -18/03/2021

Copy to the:-

1. Director School Education Kashmir for information and n/a;
2. Secretary J&K Board of School Education (Member, FFRC) for information;
3. Sr. Private Secretary to Chairperson, FFRC for information of the Hon'ble Chairperson, FFRC;
4. Private Secretary to Administrative Secretary to Government School Education Department (Member Secretary, FFRC) for information of the Administrative Secretary;
5. Principal, Foundation World School, Mamath/Humhama, Budgam for compliance.
6. I/C Website for uploading the same on official website.
7. Office file.

(Nazir ul Hussain shah)
Administrative Officer
(FFRC)