

**PROCEEDINGS OF THE TAMIL NADU PRIVATE SCHOOLS
FEE DETERMINATION COMMITTEE**

Dated: 07.05.2026

Student Strength : 968

Application Received on:27.04.2026

Sakthi Matric.Hr.Sec.School (05MC26002)

116/3, Sakthi School Street,

Periyar Nagar,

Viruddhachalam - 606 001

Cuddalore District

ORDER

In the light of the Judgments of the Hon'ble High Court of Madras reported in 2012 WLR.489 Lakshmi school case and the unreported judgement dated 25.01.2018 in W.P.38383 of 2015 batch the present guidelines are formulated to be borne in mind in determining the fee structure for the school.

A. "Development Fund" and "Surplus Fund" serve the same purpose. Tamil Nadu Act states that a "Reasonable Surplus" only must be provided. Concept of "Development Fund" was dealt with by the Hon'ble Supreme Court of India in Modern schools case. 1973 Delhi Act concerning the schools in Delhi provides for generating "Development Fund". "Development Fund" and "Surplus Fund" serve the same purpose namely to meet expenses likely to be incurred in future for the development of the school. As both the funds serve the same purpose as indicated above, the Committee is of the view that there is no need to provide both the funds treating them as two components in determining the fee structure. It is all the more so because Tamil Nadu Act 22/2009 provides only a "Reasonable Surplus". In this context the Committee notes that in the Tamil Nadu Act 22/2009 there is no indication as to how the "Surplus Fund" is to be quantified. However in the Modern School case, Hon'ble Supreme Court of India fixed the "Development Fund" from 10% to 15%. The Committee carefully went through the Judgment of the Hon'ble Madras High Court reported in 2012 WLR 489. In Para 153 of that Judgment, the Hon'ble High Court of Madras, held that

in the light of the Judgment of Hon'ble Supreme Court of India in the "Modern School" case that "all the Unaided Non-Minority Educational Institutions shall be entitled to Surplus for Development i.e., Village and Town Panchayats at 10%, Municipalities and District Head Quarters at 12.5% and Corporation at 15%". Following the above decision the Committee has decided to give "Development Fund" only at the varying rates specified in the Judgement of the Madras High Court referred to above, treating "Development Fund" and "Surplus Fund" as overlapping concept.

B. Infrastructure fund to be considered in the percentage fixed by the Hon'ble High Court of Madras. In Para 154 of the Judgment reported in 2012 WLR 489 the Hon'ble High Court of Madras held that for "Infrastructure Grading", there shall be an increase in fee – 7 ½% to 10% depending upon on the availability of the infrastructure of the school. Initially the Committee then in office prior to 02.07.2020 were allowing 7% under this head. From the academic year 2020 onwards this Committee has been allowing 8%. Taking into account that there is expansion of the activities of all the schools the Committee is inclined to allow "Infrastructure Fund" at 9% commencing from the academic year 2022-2023.

C. Internet to be considered on production of relevant documentary proof.

D. Examination expenses:

This again depends upon the strength of the school. All the students do not take Board Examinations. It is common knowledge that students from 10th to 12th standard alone appear for Board Examinations. For appearing in Board Examinations, Examination fee is charged by the Government Examinations Department. However what every school has been doing in the past is to project such fee remitted by the school into the Government account as a component to be taken into account in determining the fee and such an expenditure was also accepted all along and taken as a component in determining the fee structure. However the Committee now realized that such expenditure cannot be at all taken into account as a component in determining the fee, because, if so done, the entire expenditure is put on the head of the entire students strength of the school irrespective of the fact that a substantial

number of strength do not appear for Board Examinations at all. Therefore if this practice is allowed to continue it would amount to burdening the students not taking Board Examinations with a heavy burden. Therefore from the academic year 2022-2023 onwards the fee determined by the Committee would not include the Board Examinations fee to be paid by those students who take the Board Examinations. In other words, the school is free to collect the Board Examination fee from each student and remit the same to the Government's account. Fee is also remitted by the school into the Government account under the head "Common Examinations". Such "Common Examinations" are conducted only for students from 6th to 9th standard. Taking note of the fact that the fee remitted by the school for such examination is comparatively very very low, when compared to "Board Examination" fee, the Committee decided to take into account the fee remitted for "Common Examinations" as a component in determining the fee structure. Therefore excluding the examination fee remitted into the Government account for Board Examinations, the remaining expenditure is examined on a case to case basis and the expenditure claimed under this head is arrived, at ,by examining all the records, on a reasonable basis.

E. Claims under "Christmas gift", "staff pension", "incentive for good results", "retirement purse", "ex-gratia", "workers uniform", "staff uniform", "staff welfare" and "staff insurance" will not be considered, based on the Division Bench Judgment of the Hon'ble High Court Of Madras dated 25.01.2018 in WP 38383 of 2015 batch, as it was held in that Judgment that the Committee can reject those claims by giving reasons. It has been held in the Judgment reported in 2012 WLR 489 and in the unreported Judgment 25.01.2018 in Wp.No.38383/2015 batch the expenses should have an utility value to the development of the child. In the opinion of the Committee the expenses shown to have been incurred in the above claims have no nexus at all for the development of the child. Expenses claimed under the head of "Hospitality", and in payment of "Property tax", in the opinion of the Committee is also to be treated on par with the heads of expenditure mentioned above. In other words the development of the student has nothing to do with the expenditure incurred for "Hospitality" and "Property Tax". Therefore the claim made under "Hospitality" and "Property Tax" will also not be considered. In the unreported Judgment of the year 2018, the Hon'ble High Court specifically permitted that the Committee can reject the claims referred to above (except hospitality) by giving reasons. Both in Lakshmi School case Judgment and in the above

Judgment it was held that the expenditures incurred by the school must have relevance and utility value to the development of the child. After careful consideration the Committee has no doubt at all that the expenditures covered under this paragraph have neither utility value nor any relevance to the development of the child. Consequently the Committee is not considering all the claims referred to in this paragraph.

F. The claims under "Printing charges", "Stationery Charges", " Books and Periodicals", "Teaching Aids", "Sports and Games", " Group Activities", "Seminar", "Teaching Through Technology" and "Functions and Celebrations" will be considered on merit on a case to case basis having the students strength of the school, subject to relevancy and proof and also taking into account whether the amount determined is reasonable or not.

G. Extra – Curricular Activities:

Generally this claim will not be considered because these activities are only optional. It is common knowledge that all the students do not take part in "Extra Curricular Activities". Therefore expenses incurred under the above head in respect of those students who joined these activities cannot be fastened on the heads of other students who do not participate at all in such activities. Extra Curricular Activities are outside the curriculum. This means that the expenses towards Extra Curricular Activities is an additional expenditure. If a parent is informed that the expenses incurred (Extra Curricular Teaching staff salary) in conducting Extra Curricular Activities would be taken as component in determining the fee structure the parent/s may decide to join or opt out. Therefore it is made clear that the fee structure determined by the Committee had not taken into account the expenses incurred by the school in conducting "Extra Curricular Activities". It is open to the school to collect fee charges from willing students who wished to join these activities.

H. Functions and Celebrations:

Any claim made under this head will be decided on a case to case basis. The amounts claimed shall be supported by reliable documents. It is seen that the expenditures shown to have been incurred vary from school to school and there is no cap fixed for the expenditures to be incurred. The amount determined includes, among other things the expenses incurred for conducting annual day celebrations. Expenses incurred for conducting founders day are excluded. Therefore the Committee has decided to determine the amount the school is entitled to only on a reasonable basis.

I. Educational Tour:

For conducting a local tour which may be once in a year the expenses may be negligible and therefore the school can bear it. For outstation tour the school always collects in advance a fixed sum from each student to meet the expenses likely to be incurred in conducting such tours. Therefore the claim will not be considered.

2. The amount quantified and determined under the heads of "Development Fund", "Infrastructure Fund" and "Sundry Expenses" if taken as a whole would be more than sufficient, in the opinion of the Committee to meet all the other expenses which are not taken into account by this Order.

3. Drivers and conductors salary:

Almost every school treats the above category of person as Non-teaching staff and claims that the salary paid to them should be taken into account in determining the fee structure. Several years before, then Committee in office decided and permitted every school providing transport facility to the students from their residence to school and back, to charge a fee from each student per kilometer of travel indicated therein and collect it from them. It was meant that such collection of amount it would be able to meet the salary commitment of drivers and conductors. In other words collection of such amount is outside the fee structure determined by the Committee. It is open to every school to fix their terms with the students who want to avail bus facility and collect it.

4. Text Books and Note books:

All the schools include the expenses in the purchase of text books and note books to be taken into account as a component in determining the fee structure. The reason given by them is that the expenses in purchasing the above is met by the school from the fee determined only and they do not separately collect any money towards the above from any students. This claim has been all along allowed prior to the academic

year 2020-2021. On a second thought the present Committee started examining the issue. The cost of text books to be provided to the students in the school will not be uniform. The higher the class the cost would be correspondingly high and such cost would be in a descending order down to standard 1. It is noted that to allow the entire cost in purchasing all the text books and note books to be shared by all the students irrespective of the class in which they are studying would amount to causing unnecessary burden to those students in lower classes. Therefore the Committee has decided not to consider this expenditure claim under that head, giving the liberty to each school to collect the actual cost of text books and note books from each student. This will definitely lessen the burden of the students in lower class. Therefore it is made clear that the fee structure determined will not include the cost of text books and note books to be given to the students.

5. Laboratory expenses:

Again it is seen that students from 10th to 12th standards alone use laboratories. The cost of materials to be used in laboratory is very high. These expenses in the opinion of the Committee cannot be taken as a component in determining the fee structure on broad principles stated earlier. Under these circumstances the school is permitted to collect the laboratory expenses from the students using the laboratory by dividing the total expenditure by the number of students. However the total expenditures incurred under this head must be supported by a certificate to be issued by the Principal of the school that the expenses incurred as laboratory expenses are reasonable.

6. In Para 21 in the unreported judgement dated 25.01.2018 in WP.No.38383/2015 batch, the Hon'ble High Court of Madras had indicated various heads of expenditure

that could be claimed by any school while submitting application proposing a new fee structure. They are divided into several accounts namely Account I, Account II, Account III, Account IV, Account V, Account VI and Account VII. Account V is with the caption "Infrastructure". Account VII is with the caption "Futuristic Development". Under Account VII the Court provided for infrastructure grading. Account V consists of 6 heads of expenditure and they are "purchasing a furniture, equipment, land, new construction, modernization and any other". These heads of expenditure are exhaustive. Further at the foot of Account VII the Hon'ble High Court held as follows: "If infrastructure grading, 7% to 10% is allowed as mentioned in Account VII (futuristic development) Account V on infrastructure will become redundant. If not allowed as mentioned in the Account VII, Account V has to be considered. Both are on the same heads. Heads V and VII will be applied in the alternative".

The Committee noted that every school claims an expenditure incurred by them under any one of the heads Account V to be treated as a component in determining the fee structure. In view of the Law laid down as referred to above the claim falling under Account V is rejected.

7. The Committee always provides for a definite amount under two captions namely "development fund" and "infrastructure fund". These two funds are granted to meet the future expenses. Development fund is expected to meet for supplementing the resources for purchase, upgradation and replacement of furniture, fixtures and equipment. The Tamil Nadu Schools (Regulation of Collection of Fee) Act, 2009 provides for a reasonable surplus required for the growth and development of the

private school as a material fact to be taken into account while determining the fee structure. In the unreported judgement dated 25.01.2018 in WP.No.38383/2015 batch, the Hon'ble High Court of Madras approved a format containing various types of expenditure that are likely to be incurred by any school. In addition to the above, the said format contains a separate head of expenditure described as "Account - VII: Futuristic Development". In this account there is a provision for providing surplus fund and infrastructure grading fixing different percentages. It is true that in the unreported judgement referred to above the Hon'ble High Court of Madras held that Account - V components and Account - VII components would have to be applied only in the alternative. The Committee has been following this consistently all through.

8. Past experience shows that quantification done by the Committee under the caption "Development fund" and "Infrastructure fund" exceeds several lakhs. Such quantifications in almost all the cases exceeds several lakhs. Many schools are in rented buildings and a reasonable number of schools are in their own building. Two enactments namely Transfer of Property Act (applicable to the whole of India) and Tamil Nadu Lease and Rent Control Act (applicable to this State) are in-force. Under both the Acts the owner of the building is Statutorily bound to carry out the repairs and if not done, the tenant has the right to meet those expenses and deduct the same from the rent payable.

Every person who runs a school is duty bound to repair and maintain the building in a habitable condition for the safety of not only the teaching staff / non-teaching staff but also the entire student community. Therefore, it is clear that this is the responsibility primarily on the management. To pass on the expenses incurred by any school in repairing and maintaining the building to the students would be a heavy burden to them.

9. Therefore, with a view to strike a balance namely not to heavily over burden the student community at large, this committee had decided to examine the claim made by each and every school under the following heads, namely

- Maintenance expenditure electrical and other machines
- Colour wash
- Repairs and renovation
- Purchasing of furniture
- Equipment
- New construction
- Modernization

On a case-to-case basis by examining the relevant records and proof of payment. If large amount is involved and apportion a reasonable sum out of each accepted expenditure as a component to be taken into account in determining the fee structure.

Account (PART-I)
Salary, Allowances, Welfare Scheme and other Welfare Activities

HEAD OF EXPENDITURE	Expenditure of the previous Academic Year	Allowed	If not allowed/reduced-Reason
A. Salary and Allowances			
Principal	540670	540670	Fully accepted as per documents
Teaching staff	12991840	12991840	Fully accepted as per documents
Non-teaching staff	1338030	1338030	Fully accepted as per documents
E.P.F. Contribution	680190	680190	Fully accepted as per documents
E.S.I	104007	104007	Fully accepted as per documents
Earned Leave	0	0	Not Claimed
Gratuity	0	0	Not Claimed
Pension	0	0	Not Claimed
Retirement Purse	0	0	Not Claimed
Total	15654737	15654737	

B. Other Schemes and Benefits for the Staff			
Management Contribution to LIC/(Medical Insurance)	0	0	Not Claimed
Staff Uniform	364500	0	Not considered for the reasons stated in Para E
Incentive for Good Results	0	0	Not Claimed
Occasional Festival Gifts	0	0	Not Claimed
Total	364500	0	
Account II - Administration			
Electricity Charges	89606	89606	Fully accepted as per documents
Fuel for Generator	0	0	Not Claimed
Water Taxes and Water Charges	35275	35275	Fully accepted as per documents
Property Taxes	120665	0	Not considered for the reasons stated in Para E
Telephone & Mobile Phone (Administrative Purpose)	25355	25355	Fully accepted as per documents
Internet and SMS Services (Administrative Purpose)	120000	120000	Fully accepted as per documents
Postage	19077	19077	Fully accepted as per documents
Printing (Printing of Cash Book, Ledgers, Fee Receipts, School Magazines and Circulars etc.	427090	228180	The disallowed amount is the cost of note books purchased for students.Hence rejected.See para 4
Stationery Items (Administrative Purpose)	200140	200140	Fully accepted as per documents
Examination Expenses	401295	360425	The disallowed amount is for the reasons mentioned in para D

Books and periodicals (Library)	75677	75677	Fully accepted as per documents
Teaching Aids	234362	234362	Fully accepted as per documents
Sports and Games	302216	302216	Fully accepted as per documents
Staff Welfare	323092	0	Not considered for the reasons stated in Para E
Special Training and Wrokshop for the skill development of the Staff	0	0	Not Claimed
Recognition Expenses and any other Statutory Payments	43706	0	These expenses have to be met by the school itself since it is their responsibility to get recognition at their cost. See point P in para 101 in the Judgement reported in 2012 WLR 489.
Administrative Travel and Vehicle Expenses	11084	0	Documents perused. Those expenditures have no relevancy for the development for the child. The school has to bear those expenses. Hence rejected.
Professional Fee (legal, Audit and Accounting)	43660	43660	Fully accepted as per documents
Hospitality	189545	0	Not considered for the reasons stated in Para E
Functions and Celebrations	385725	221045	Expenses incurred for conducting functions of national importance namely Republic day, Independence day, Gandhi Jayanthi, Science day, Kamarajar day and Annual day alone are considered. Amount determined alone is found to be expenditures incurred in respect of the functions referred to above. As the remaining has nothing to do with those functions, not considered.
Advertisement for Recruitment of Teachers	54500	0	Document do not show that any expenditure was incurred for the captioned purpose. Rejected.
Total	3102070	1955018	
Account III - Expenses on Specific Purposes			
Educational Tour only for students	501000	0	Not considered for the reasons stated in Para I

Seminar or orientation programme for students	0	0	Not Claimed
Group Activities (NCC/NSS/Scouts /JRC/RSS) and camps	132232	132232	Fully accepted as per documents
Medical Expenses	180958	180958	Fully accepted as per documents
Teaching through Technology (Smart class or any other modern technology)	590111	590111	Fully accepted as per documents
Co-Curricular Activities connected with curriculum for all	0	0	Not Claimed
Extra-Curricular Activities for all	280000	0	Amount claimed is salary paid to silambam staff, karate staff and bharatham staff. Rejected for the reasons stated in Para G.
Total	1684301	903301	
Account IV - Maintenance			
a) Campus Maintenance			
Gardening	65500	65500	Fully accepted as per documents
Sweeping and Cleaning	23250	23250	Fully accepted as per documents
Sanitation	137465	137465	Fully accepted as per documents
Security Services	96000	96000	Fully accepted as per documents
Total	322215	322215	
b) Laboratory Maintenance			
Science Lab	378610	378610	Fully accepted as per documents
Language Lab	0	0	Not Claimed
Computer Lab	667114	667114	Fully accepted as per documents
Digital Library Lab	0	0	Not Claimed
Total	1045724	1045724	

c) Equipment Maintenance			
AMC of Xerox, Printers, CCTV Cameras, LCD Projectors and other modern equipments	335000	335000	Fully accepted as per documents
Total	335000	335000	
d) Maintenance Expenditures Electrical and other Machines			
Electric Lines	406903	406903	Fully accepted as per documents
Generator	587000	587000	Fully accepted as per documents
Fire Extinguisher	4950	4950	Fully accepted as per documents
Air-Conditioner Maintenance	0	0	Not Claimed
Total	998853	998853	
e) Building Maintenance			
Colour Wash	1748082	1748082	Fully accepted as per documents
Repairs and Renovation	0	0	Not Claimed
Lease or Rent (if the land owner is 3rd party)	0	0	Not Claimed
Depreciation	0	0	Not Claimed
Total	1748082	1748082	
Maintenance Grand Total	4449874	4449874	
Account V - Infrastructure			
Purchasing of Furniture	820252	0	Fully accepted as per documents. But however going by reasons mentioned in Para 6. Since an higher amount is already granted therein no amount is determined under this head.

Equipment	0	0	Not Claimed
Land	0	0	Not Claimed
New Construction	1066880	0	Amount claimed is huge. Materials disclosed do not show that any new construction had come up. To put up a new construction, a sanctioned plan is always necessary. No such plan is available on record. The expenses is for purchasing materials. There is no evidence on record that these materials have been used for putting a new construction. In addition to that acceptable proof of payment is also not available. Rejected.
Modernization	305000	0	Modernization in school means updating traditional educational systems by integrating advanced technology, student – centric pedagogic and flexible curricular to meet contemporary social, economic and technological needs. It shifts focus to memorization to skill development, critical thinking and holistic student growth in a tech driven environment. The entire expenditure is for installation of solar power grid and connected systems. This expenditure would not come under the captioned head. Rejected.
Total	2192132	0	
Grand Total	27447614	22962930	
Account VI- Futuristic Development			
Development fund (10% to 15%) Panchayat 10% Municipality 12.5% Corporation 15% (For Christian Catholic minority school irrespective of location 15%)	12.5%	2870366	
Infrastructure Grading (7% to 10%) Additional income	9%	2066664	

Sundry Expenses: Unexpected expenditures, which cannot be included in any of the above heads. (If a fixed amount Rs.750/- or Rs.1000/-) is not allowed already	1000*968	968000	
Total		5905030	
Grand Total Account I -VI		28867960	
Student Strength		968	
Average Annual Expenditure per student		29822	

Fee structure for the year 2026-27

Class	Student strength	Annual Fee (Rs.)
LKG & UKG	133	24300
I - V	356	27200
VI - VIII	223	29700
IX & X	128	33400
XI & XII	128	39500
TOTAL	968	

Fee Structure for 2027-28 & 2028-29

Class	2027-28 Fees (Rs.)	2028-29 Fees (Rs.)
LKG & UKG	26730	29405
I - V	29920	32910
VI - VIII	32670	35935
IX & X	36740	40415
XI & XII	43450	47795

10. The School in question is directed to have this order affixed on the notice board of the school for the information of the students and parents etc.,

Sd/-
Chairman

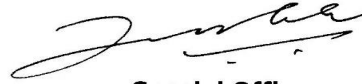
Sd/-
**Deputy Secretary to Government,
School Education Department
Member - Secretary**

Sd/-
**Director of Matriculation Schools
Member**

Sd/-
**Director of Elementary Education
Member**

Sd/-
**Joint Chief Engineer(Buildings)
Public Works Department
Member**

\ True Copy \



**Special Officer
Tamil Nadu Private Schools
Fee Determination Committee**