

# Implications of 'Low-cost, High-quality' Education

## A Study of Low-fee Private Schools in Delhi

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### Abstract

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*The enactment of the Right of Children to Free and Compulsory Education Act, 2009, strengthens the commitment of the Government of India towards universalisation of elementary education. Additionally, India has witnessed a considerable progress with respect to access and enrolment in recent years. There has also been a rapid growth in alternate modes of private provision in the form of low-cost/low-fee private schools. Of late, low-fee private schools are being projected as a preferred choice for poor and disadvantaged families, who ignore government services and rather pay private schools, which offer cost-efficient education. This paper discusses the reason for low-fee private schools' existence and finds if they provide low-cost, high-quality education. It empirically examines the implications of cost-efficiency in education with respect to two low-fee private schools in Delhi. First, it investigates the motivation for setting up these schools, their financial structure and second, whether these schools are able to meet the norms and standards necessary for delivering quality education as listed in the RTE Act, 2009. The paper highlights the concerns that crop up due to the low-cost provision in the private schooling sector. It argues that the underlying motivation driving these schools have direct implications on what is being offered by low-fee private schools.*

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## INTRODUCTION

India has made considerable progress in achieving the universalisation of elementary education. A number of initiatives has resulted in the expansion of elementary schools in the country, narrowing down the gender gap and increasing the percentage of enrolled children belonging to Scheduled Castes and Scheduled Tribes. Despite this, elementary education continues to face challenges<sup>1</sup>. The implementation of the Right of Children to Free and Compulsory Education (RTE) Act, 2009, further strengthens the commitment of the Government of India to fulfill the goals of universalisation of elementary education. Alongside these developments, there has been a significant increase in the variety of private schools getting accessed by both the rich and the poor. As per the latest official estimates, the private unaided sector accounts 37 per cent of the total enrolment and 22 per cent of all schools at the elementary<sup>2</sup> level (Flash Statistics, 2014). The growth of private school has been accompanied by a rise in low-fee private schooling sector. Evidences (Tooley and Dixon, 2007, Murlidharan and Kremer,

2007, and Jain and Dholakia, 2009) suggest that low-fee private schools are the preferred choice for poor and disadvantaged families, who ignore government services and rather pay low fee to private schools, which offer cost-efficient education.

An indispensable part that motivates to understand low-fee private sector in school education comes from the literature. While the literature (Tooley and Dixon, 2007; Ramachandran, 2009; Srivastava 2007; Jain and Dholakia, 2009; Sarangapani and Winch, 2010; and Nambissan 2012) brings forth the dynamics revolving around the sector, there is a silent and uncritical acceptance that low-fee private schools are ubiquitous efficient in delivering education. Additionally, policy-makers are legitimising the entry of a broad set of private actors with different motives, including low-fee private schools as partners in education under the common benchmark that private sector is cost-efficient in service delivery. Therefore, it raises important questions, like do low-fee private schools really provide low-cost, high-quality education?

Additionally, in the Indian context, the implementation of

<sup>1</sup>Challenges persist to higher levels of dropouts in general and, in particular, belonging to the disadvantaged and weaker sections of the society, low levels of attendance and poor levels of learning achievement.

<sup>2</sup>There are three types of schools in India— government, aided and unaided. Schools run by Central, State or local governments are referred to as 'government schools'. Schools run by private management but funded largely by government grant-in-aid are known as 'private aided' or 'aided'. Then, there are schools run under private management and receive no grant-in-aid. They are known as 'private unaided schools'. The private unaided schools can be classified further into two types — recognised and unrecognised. To run a private recognised school, the authorities need to obtain a certificate of recognition upon fulfilling certain conditions.

the Right of Children to Free and Compulsory Education (RTE<sup>3</sup>) Act, 2009, holds a significant impact on the functioning of low-fee private schools. Particularly, as per Sections 18 and 19 of the Act, it becomes mandatory for all private schools to seek recognition by fulfilling various norms and standards as listed in the Model Rules to function. Schools that are not able to comply with the provisions within the stipulated timeframe shall cease to function with penalties. Since low-fee private schools mostly fall under the category of unrecognised private schooling, they receive a lot of support from private sector schools' association, advocating relaxation of different provisions. However, this would definitely require them to rework their strategy to meet the law. So, it becomes even more critical to understand the schools' viewpoint on the RTE Act, their provisions and what steps are they taking to fulfil them.

Therefore, this paper firstly, explores the motivation of school owners for opening low-fee private schools. Secondly, it looks into the implications of low-fee private schools on the cost incurred and

the quality offered by exploring their financial structure vis-à-vis sources of expenditure on various inputs and sources of income through the collection of fee, etc. Finally, to gauge the implications of cost on the quality of education offered, the study explores the quality of schooling provided in these schools through norms and standards as listed under the RTE Act, 2009.

### **METHODOLOGY**

The objective of this study is to find out if low-fee private schools really provide cost-efficient i.e., low-cost and high-quality education. Therefore, for the empirical verification of the case, the methodology depends on the primary data collected through field research in the south-west district of Delhi in 2013. The data were both qualitative and quantitative, generated through semi-structured interviews with 16 school authorities i.e., school owners and teachers, and 20 parents in two low-fee private schools. The two schools were purposively selected, which were private, unaided, registered but unrecognised. Table 1 reports the number of interviewees and schools included in the paper:

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<sup>3</sup>The Government of India enacted the Right of Children to Free and Compulsory Education (RTE) Act, 2009, which came into force in April 2010. It aims at the universalisation of elementary education by providing satisfactory education in schools to all children belonging in the age group of 6–14 years. It is implemented to address concerns relating to infrastructure, learning levels, teacher education, qualification, recruitment, etc.

**Table 1**  
**Sample of Interview Respondents**

	<b>Parents</b>	<b>School Authorities: Owners and Teachers</b>	<b>Total</b>
School One	10	7	17
School Two	10	9	19
Total	20	16	36

*Source: Author's Survey Data*

Interviews were conducted with school authorities to find information about the schools' profile, their organisational structure, their viewpoint on the RTE Act, 2009, and their financial status. The data were obtained on the schools' legal status, functioning, motivation for setting up the schools, measures adopted to fulfil the RTE Act and sources of revenue and expenditure for running the schools. The study also collected evidence on school quality by observing the norms and standards

**Table 2**  
**Number of Primary and Upper Primary Schools according to  
Type of Management in South-west District, Delhi.**

<b>Type of Management</b>	<b>Primary Level</b>			<b>Upper Primary Level</b>			<b>Total</b>
	<b>Total</b>	<b>Rural</b>	<b>Urban</b>	<b>Total</b>	<b>Rural</b>	<b>Urban</b>	
Government	0	0	0	2	0	2	2
Local Body	193	57	136	3	0	3	196
Private Aided	2	0	2	3	0	3	5
Private Unaided	85	17	68	57	3	54	142
Unrecognised	18						18
Total	298			65			363

*Source: Provisional Statistics, 8th AISES, NCERT*

**Table 3**  
**Number of Unrecognised Schools in Rural Areas having Primary/Upper Primary Classes**

<b>State</b>	<b>7th AISES</b>	<b>8th AISES</b>	<b>Percentage Increase or Decrease</b>
Delhi	44	201	356.82
India	54,620	39,015	-28.57

*Source: Provisional Statistics, 8th AISES, NCERT*

as listed under the RTE Act, 2009, through school visits. Finally, parents were interviewed to corroborate the school fee levied by the authorities.

Table 2 gives information regarding the participation of private sectors at the elementary level of schooling in south-west Delhi. There are 363 elementary schools run by various types of managements in south-west Delhi. At the upper primary level, there are a total of 65 schools, of which the government and the local body manage five, and private management runs 60. Apart from these, under the private sector, there are 18 unrecognised schools also in the district. Within this, rural areas in Delhi have witnessed an increase of 356.82 per cent in the number of unrecognised schools from 7th AISES<sup>4</sup> to 8th AISES over the same period, where at the all-India level, there has been a slump of 28.57 per cent in these schools. However, this is just an underestimation of the total number of unrecognised schools as most of them being not entitled to function prefer to remain hidden from the official data sets. In case, they are caught, they are subjected to huge penalties and may even close down, so they choose not to disclose their identities (Kingdon, 1996 and Srivastava, 2013).

### **LITERATURE REVIEW**

Prominent works, noting the rise of low-fee private schooling sector in India, and directing the attention towards

reasons behind its proliferation and it emerging as an alternate means to address concerns relating to education for all goals, started during the early 2000s. Beginning with the foremost and popular works of Tooley and Dixon (2003 and 2007) through their study on low-fee private schools in Hyderabad and Delhi, it builds the case that private schooling is potentially more effective, cost-efficient and accountable than their state counterparts and delivers higher quality in terms of learning outcomes and school inputs at the lowest possible cost to children of poor households. The usage of economic concepts in education for determining relative positions of alternate providers to traditional providers and framing educational goals in the neo-liberal discourse has become hegemonic.

Alongside these evidences, there exists controversial and small set of evidences, suggesting that in some contexts, low-fee private schools offer higher quality, in terms of production of learning levels (Tooley and Dixon 2007; Murlidharan and Kremer, 2007; and French and Kingdon, 2010). The raw test scores tend to be higher in low-fee private schools even after controlling for family and school characteristics (Murlidharan and Kremer, 2007), showing that private schools indeed provide quality education to the poor. But on an average, the private advantage may be relatively small as the magnitude

<sup>4</sup>AISES stands for the All-India School Education Survey, which is conducted every year

of superiority varies across different studies, and in some cases, may not even hold true (OECD Economic Surveys: India, 2011; Basu, 2012). The reason behind the private school advantage is attributed to its efficiency, which is equated to higher teacher attendance, greater teaching activity and teacher accountability brought through constant supervision and monitoring and the schools tend to be more focused on the learning levels of children.

An interesting dimension that has attracted diverse actors to the low-fee private school sector is 'profitability'. Tooley assures that "running such schools is a potentially profitable enterprise" (Tooley, 2003, p. 5) even for individual owners of low-fee private schools and profits tend to increase during the year a school receives recognition. This is the shortest route for pulling investors for creating sustainable business models out of this sector. In India, it is constitutionally against law<sup>5</sup> to run schools for profit, still low-fee schooling sector is showcased as one of the budding industries to make fortunes with little consideration about the purpose of education that our nation has envisioned for its citizens. Moreover, Srivastava (2007) demonstrates how low-fee private school owners indulge in shadow institutional mechanisms, consisting of corrupt practices and procedures, to gain recognition even when they fail to comply with the regulatory norms

and standards. Tooley (2003) also solves the mystery behind rampant opening of such schools, which are "subject to payment of bribes", revealing extra legal sector where majority of regulations are sidelined. However, instead of arguing on how to overcome such practices, it raises doubt regarding the appropriateness of the regulatory framework by asserting, "in any case, it is not clear that the regulations accurately target those criteria that do lead to school improvement and higher standards" (p. 21).

In view of such popular claims of low-fee private schools relating to efficiency, markets and business ventures have also garnered a lot of attention and scepticism from academic circles. Nambissan (2012) argues that advocacy for low-fee private schools that they provide cost-efficient and high-quality education to the poor holds little promise due to inconclusive evidences. Also, the attractiveness of forming an education business in this sector is rooted within the neo-liberal discourse of education markets, parental choice and vouchers, which have eventually led to the growth of transactional advocacy networks for expanding and creating a regulatory environment for low-fee private sector due to huge profitability in it.

Next, we look into empirical evidences as regards to the motivation for opening low-fee private schools, their subsequent implications on

<sup>5</sup>According to a 1993 Supreme Court ruling, Unnikrishnan P.J. and Others v. State of Andhra Pradesh and others, schools are not allowed to run for profit (Tilak 2001).

the cost incurred and the quality of schooling provided by them.

## FINDINGS

### Profile of Low-fee Private Schools under Study

Both the schools have been functioning for decades in the same locality. While School One was established in the year 2002, the other has been functioning since 1992. These schools are registered under the Societies Registration Act, 1860, to prove their non-profit motive as according to the Constitution, educational institutes are not allowed to run for commercial purposes. These schools provide education till primary level i.e., till Class V but being unrecognised they are not entitled to issue transfer certificates, which are mandatory for admission in upper primary and secondary schools (Kingdon, 2005). However, to resolve this, schools have tied up with recognised schools in the neighbourhood to permit their students to appear in Class V examinations. The recognised schools will then issue to them transfer certificates which are necessary for the continue higher studies. In

Delhi, the Municipal Corporation of Delhi (MCD) provides recognition to primary schools and the Directorate of Education grants recognition to schools beyond elementary education. There are numerous parameters relating to infrastructure, teachers, curriculum, etc., on the basis of which the recognition certificate is issued.

In the later section, we will see as to how many of these norms are the schools actually able to comply with under the RTE Act.

The medium of instruction in both the schools was English, which was a propelling factor for parents to send their children to these private schools, but teachers were found using both English and Hindi while communicating with the students in the classroom. As per the RTE Act, one of the norms for obtaining the recognition certificate is to follow textbooks approved by the NCERT/SCERTs, but the schools were found using privately-published books. Government schools, particularly those run by the MCD, impart free primary education to most children from disadvantaged and weaker

**Table 4**  
**School Profile**

School	Year of Establishment	Registered	Recognised	Classes	Monthly Tuition Fee	Medium of Instruction
School One	2002	Yes	No	I-V	₹370	English and Hindi
School Two	1992	Yes	No	I-V	₹490	English and Hindi

Source: Author's Survey Data

sections. They charge no tuition fee from students and also provide free textbooks and uniform to them.

There are a total of 308 and 425 students enrolled in School One and School Two, respectively. With each progressing class, the enrolment drops i.e., 69 students are enrolled in nursery in School One and only 12 in Class V. Similarly, in School Two, 85 students are studying in nursery and only 30 in Class V. There are 12 teachers in School One and 13 in School Two. This makes School Two more effective with much greater enrolment. However, it has just one teacher for additional students. Consistent advertising in the locality, in the form of pamphlet distribution and hoardings and displaying the school's name and affiliation could be a reason for drawing so many students to School

Two. The pupil-teacher ratio (PTR) as per the RTE norms should be 30:1 at the primary level. While School One's PTR is 25.7:1, School Two is not able to comply with the norm as its PTR turns out to be 33:1. But studies conducted on low-fee private schools obtained the PTR as 22.7:1 in Tooley and Dixon (2007), 19.2:1 in Murlidharan and Kremer (2007) and 28:1 in Joshi (2008). However, looking at class-wise segregation in School Two, the PTR is quite high for pre-primary sections.

Though there has been much debate whether the PTR should be considered as a benchmark for judging the quality of schooling; nevertheless, it is sure to be burdensome for teachers to cater to 50 students at a time and will impact the teaching-learning environment.

**Table 5**  
**Class Size and PTR**

Grade	School One			School Two		
	Enrolment	Number of Teachers	PTR	Enrolment	Number of Teachers	PTR
Nursery	69	3	23:1	85	2	43:1
LKG	50	2	25:1	75	2	38:1
UKG	61	2	30.5:1	70	2	35:1
First	40	1	34:1	60	2	30:1
Second	31	1	31:1	40	2	20:1
Third	24	1	24:1	35	1	35:1
Fourth	21	1	21:1	30	1	30:1
Fifth	12	1	12:1	30	1	30:1
Total	308	12	25.67:1	425	13	33:1

*Source: Author's Survey Data*



### **SCHOOL MANAGEMENT AND MOTIVATION BEHIND THE ESTABLISHMENT OF SCHOOLS**

Both the schools have a highly centralised pattern of management and functioning. They are registered under a society, which comprises several members. But none of them seemed to take interest towards school operation. The principal of School One stated that during the initial years of establishment, each founding member was actively engaged in the school, but over time due to the unpromising fate of unrecognised schools, they started losing interest. The society, under which School Two is registered, runs several schools across Delhi. The school has a managing director, who owns it and reserves all management rights. Thus, in both the schools, society members do not decide the functioning. Unlike School One, the principal of School Two acted like a teaching faculty and enjoyed no administrative role. This was evident through school observations, which revealed the immense interest shown by the managing director to undertake administrative work himself. He visited the school daily for two hours each in the morning and in the afternoon after the classes got over and issued fee slips, stationary and textbooks to parents. On the contrary, the principal of School One, apart from teaching, carried out all administrative work alongside the administrator, who took care of the school's accounts, starting from staff recruitment, salaries, admission and fee policies.

Given the unrecognised status of these schools, it bestows immense autonomy on them to pursue the objectives they desire for, and eventually, the schools exhibit a different picture in that context. In case of these two schools, the societies under which they are registered are found to have no active involvement in the school functioning and the heads of both the schools i.e., principal in case School One and managing director in case School Two control all functions starting from admission policies, fee, curriculum, teachers' recruitment, salaries, etc. Another interesting point that emerged from the disinterest shown by the society members of School One could suggest that they might not see their objectives being fulfilled the way the school is functioning. In case of School Two, the society seemed to be well-versed with the practices of operation and rendered immense opportunities to the managing director to lead the school on his terms.

The heads of both the schools hold a degree in post-graduation but never underwent any professional course in school management and training required for leading a school. The principal of School One quit her teaching job at a leading private school in Delhi to start this school. She stated that she was determined to provide quality education, similar to that provided in the elite private schools, to underprivileged children, who aspire to study but cannot afford quality education. However,

the managing director of School Two said that his family, who are also members of the society, has a history of running schools. His family members encouraged and assisted him in fulfilling his motive of providing quality education to children hailing from low-income families. Actually, the heads of both the schools i.e., the principal of School One and the managing director of School Two, apparently felt that there was a need to impart quality education at an affordable price. Their agenda was never to run a school for commercial purposes, but they stressed on their social responsibility to provide quality education to children from low-income families at the lowest possible fee. However, the managing director of School Two came across as a popular face in the local community and the political circle, who had put up his photographs with popular politicians in his room. The political association could act as an important support to escape the regulatory issues confronting the functioning of unrecognised schools.

The study revealed that those operating unrecognised schools have a prior knowledge of working in the education sector. Being a teacher at a private recognised school gives the principal of School One the advantage of understanding the intricacies involved in running a school. Similarly, being in a family engaged in running educational institutions also renders the managing director of School Two the comparative advantage for establishing a school.

### **DIFFICULTIES IN OPERATING LOW-FEE PRIVATE SCHOOLS**

Both the schools admitted facing difficulty in running the school only through one source of income i.e., tuition fee. They also pointed out that despite providing concession to families, there were many parents who failed to pay the fee on time. During festival seasons, the number of defaulters increased. They also highlighted that teachers had to put in extra effort in the form of remedial classes, as parents were not able to help their wards in studying due to socio-economic constraints. They also raised concern that since most of the teachers were just graduates or Class XII passouts, the school authorities spent most of the time on their training and exposing them to classroom practices. These concerns as shared by the schools under study demonstrate the motives to provide quality education but given the huge supply of qualified teachers, it is intriguing that they still hire untrained teachers. The schools also seem to be strategising to capture the market by maximising the student intake and by offering remedial classes.

### **VIEWS ON RTE Act, 2009**

The implementation of the RTE Act, 2009, is a revolutionary 'right-based step', which has major implications on private schools, particularly, unrecognised ones. They face the threat of closing down and penalties if they do not comply with the norms within a stipulated period. Therefore, this study intends to capture the

perspectives of the owners of low-fee private schools on the RTE Act, 2009, and the ways in which they are trying to comply with the same.

The principal of School One was appreciative of the norms relating to infrastructure and recruitment of qualified teachers for achieving quality education. However, she found it different to achieve them due to insufficient resources and felt that it was harsh to shut down schools, which were working hard to provide quality education at an affordable cost. Further, she pointed out that if they were asked to shut down due to non-compliance, then they would probably run the school till the pre-primary level to which the RTE norms do not adhere. This might be pleasing for the school indeed as the maximum number of enrolment is in the pre-primary section and it could utilise the space more effectively. An article dated 27 March 2013 in *The Hindu* mentioned that pre-primary schools faced no threat of closure as the RTE norms were not applicable to them. With regard to the case of nursery admissions, the Delhi High Court has declared that pre-primary schools do not fall under the Right to Education Act. Thereby, exempting 955 pre-primary schools from applying for recognition and, thus, facing no threat of closure. However, the managing director of School Two did not share his views on the RTE Act, 2009, and in fact, appeared to be dismissive of complying with the norms. He stated that affiliation the society was sufficient to operate

schools and more so, they were providing quality education. The attitude of unrecognised schools in this study reflects their seriousness towards the regulatory framework and their approach to fulfill them.

### **FINANCIAL STRUCTURE OF LOW-FEE PRIVATE SCHOOLS**

Every economic activity has its own cost and quality requirement. Efficient and effective goal realisation occurs through appropriate cost and quality management process. Cost and quality are indispensable and inseparable elements in determining the success of a school. A good school climate is achieved by adequate funds, infrastructure and instructional facilities, trained teaching and non-teaching staff, improved salary and welfare conditions for all (Ugwulashi, 2011). These factors facilitate the quality of a school. The goal of a quality school cannot be achieved without incurring appropriate cost. In other words, cost and quality go together. When appropriate amount is allocated and funded by the management, only then is the school able to provide quality education. The reason for mentioning cost-quality relationship in education is that unrecognised low-fee private schools have claimed that they provide quality education at the lowest cost. Table 6 and 7 present the income and expenditure of both the schools.

**Table 6**  
**Annual Expenditure in Schools**

<b>Expenditure</b>	<b>School One ₹</b>	<b>Percentage</b>	<b>School Two* ₹</b>	<b>Percentage</b>
Fee Concession	15,000	1.67	15,000	1.6
Teachers' Salaries	2,88,000	32.01	3,85,200	40.80
Administration	1,80,000	20.01	1,80,000	19.06
Staff Training and Welfare	8,000	0.09	8,000	0.85
Utilities	20,000	2.22	20,000	2.21
Property and Other Tax	9,550	1.06	9,550	1.01
Rent/Building Cost	3,00,000	33.35	2,47,500	26.21
Furniture	40,000	4.45	40,000	4.24
Defaulters	9,000	1.04	9,000	0.95
Other Expenditure	30,000	3.34	30,000	3.18
Total Expenditure	8,99,550	100	9,44,250	100
Unit Cost of Education	2,998	—	2,221	—

Source: Author's Survey Data

**Table 7**  
**Annual Income in Schools**

<b>Income</b>	<b>School One ₹</b>	<b>Percentage</b>	<b>School Two ₹</b>	<b>Percentage</b>
Tuition fee (per month)	12,60,000	87.5	22,95,000	92.72
Annual Charges (per annum)	90,000	6.25	90,000	3.64
Term Fee (per annum)	75,000	5.21	75,000	3.03
Miscellaneous Charges (per annum)	15,000	1.04	15,000	0.61
Total Annual Income	14,40,000	100	24,75,000	100
Unit Income of Education	4,800	—	5,820	—
Annual Surplus	5,40,600	—	15,30,750	—
Surplus Per Student	1,802	—	3,600	—

Source: Author's Survey Data

School One and School Two were incurring most of their expenditure on recurring items. The annual expenditure on teachers' salaries was ₹2,88,000 and ₹ 3,85,200, respectively, in School One and

\* School Two did not provide information on all parameters either relating to expenditure or income. Therefore, expenditure information that was obtained from School One was utilised as proxy for School Two. Teachers were also asked to give an insight on their salaries and for income side, parental information regarding fee was collected.

Two, which was 32.01 per cent and 40.80 per cent of the total annual expenditure. In School Two, the monthly salary per teacher amounts to ₹2,280. This was ₹280 more than the amount being paid by School One. The salaries of administrative staff amount to ₹1,80,000, which was 19.06 per cent of the total annual expenditure. The annual expenditure incurred by School Two was 5 per cent more than School One. When comparing the average annual cost incurred by both the schools per student, School Two was incurring ₹2,221 and School One ₹2,998, which was ₹777 more than School Two. Thus, School Two was incurring even lower cost per student each year. Unit income earned by School One is ₹4,800 and School Two is ₹5,820. It was the actual cost incurred by a parent annually to send their child to low-fee private schools. Parents in School Two were incurring more cost.

It was revealed that the schools were also incurring huge surpluses per student. The surplus per student in School One was ₹1,802 and in School Two, it was ₹3,600. Thus, this is a financially viable option for the authorities to operate

the schools at a low cost and incur huge surpluses per student. Thus, both the schools are cost-effective in their operations since they are hiring resources at a cost, which are substantially lesser than the amount they are actually receiving from each student.

Fee comparison was made between schools run under different management types in south-west Delhi with School One and Two to ascertain if they really charged low fee. The annual fee charged by School One is ₹5,200 and School Two is ₹6,350, whereas the annual fee charged by Elite Private School I and Elite Private School II is the highest, i.e., ₹53,295 and ₹30,095, respectively. Kendriya Vidyalaya (KV) charges the lowest fee i.e., ₹2,625. The unit fee was calculated for each school by taking the total annual fee charged by Kendriya Vidyalaya as base, since it had the lowest fee among them. The schools under study, however, were charging low fee compared to private recognised schools but it was two times more than the fee charged by Kendriya Vidyalaya.

The financial structure of both the schools was sound. The

**Table 8**  
**Fee Structure of Schools in Delhi**

Particulars	School One	School Two	Kendriya Vidyalaya	Elite Private School I	Elite Private School II	MCD School
Annual Fee per student	₹5,200	₹6,350	₹2,625	₹30,095	₹53,295	—
Ratio Unit Fee (KV as Base)	1.98	2.4	—	11.46	20.30	

Source: Author's Survey Data

schools provided a profitable business opportunity to both the principal of School One and the managing director of School Two. The schools may be incurring low cost per student, but they surely were levying high fee compared to the fee charged by government institutions. The profit generated by the schools is definitely a source of great apprehension and clearly points towards the underlying reason for opening such schools besides other reasons provided by the school authorities. However, given the low cost incurred by these schools, let's explore the quality of education provided by the schools under study, which they claim to be of quality in relation to the cost incurred.

### **QUALITY EDUCATION IN LOW-FEE PRIVATE SCHOOLS**

The RTE Act, 2009, requires all schools to provide quality education, conforming to the norms and standards as specified in the schedule of the Act. Accordingly, Sections 18 and 19 of the Act state that no private school is allowed to function without obtaining the recognition certificate. For obtaining the recognition certificate, the schools have to declare that they are complying with the norms and standards as specified in the RTE Act, 2009. Schools that do not conform to the norms, standards and conditions as mentioned in the RTE Act and the Model Rules would be given a timeframe not exceeding three years, from the date of the commencement of the Act. However, schools which do not conform to the norms, standards and

conditions within three years of the Act shall cease to function and their recognition will be withdrawn.

This paper utilises the norms and standards as prescribed in the RTE Act, 2009, to explore the level of quality education provided by the two low-fee private schools studied in the article. To provide quality education to students, the educationist needs to supply quality inputs in terms of better school infrastructure, textbooks and teachers. The RTE Act states that the student-teacher ratio should be 1:30 for primary schools and 1:35 for middle schools. It states that there should be a separate toilet for boys and girls, a playground, a kitchen where mid-day meal is cooked and a library. The RTE norms focus more on infrastructure and basic inputs (Brinkmann, 2012).

The minimum level of school inputs are important for a child's learning and for the same, appropriate cost needs to be incurred. While the Act does not mention the teacher's salary, but according to Section 18, the State government or local authority shall specify the norms and conditions of salary and allowances for teachers in order to create a professional cadre of teachers. Given the State's power to decide teachers' salaries, the Delhi State Education Act, 1973, states that the salary of a private school teacher needs to be at par with those teaching government schools. For a fresh primary school teacher, the salary should be ₹23,346, and for those who have been teaching for more than 10

years, it should be ₹28,591 (Kingdon, 2005). In Delhi, advisory bodies decide all norms and these can be amended only if decided by the advisory board or approved the by Lieutenant Governor. The MCD provides recognition to

primary schools, while the Directorate of Education does so for elementary schools. Table 9 lists the norms and standards for the schools, which are necessary for ensuring quality education.

**Table 9**  
**Quality Parameters in both Schools with Norms laid down in RTE Act, 2009**

S. No.	Quality Parameters	School One	School Two	RTE Act Requirements
1.	Plot Size	134 square metre	167 square metre	800 square metre but for Delhi it is relaxed to 200 square metre
2.	Number of Floors	Ground Floor	First and Second Floor	—
3.	Number of Classrooms	6	10	Separate room for each class
4.	Classroom Size	100 square feet	80 square feet	Each classroom has to be of 150 square feet with 10 feet length
5.	Classes Taught	I-V	I-V	—
6.	Number of Teachers	12 (27:1)	13 (33:1)	PTR ratio at primary level is 30:1
7.	Number of Students	317	425	—
8.	Teacher's Qualification	Majority higher secondary passouts, one graduate and two post-graduates, some NTT, two trained and three untrained	Higher secondary passouts mostly, three graduates and one post-graduate, four trained and four untrained	Typically, Diploma in Education or Bachelor in Education, plus passing the National Teacher Eligibility Test (CTET)
9.	Teacher's Salary	₹1,800–5,800	₹1,500–6,500	As per the prescribed state norms of the Sixth Pay Commission, the monthly salary ranges from ₹17,996 to ₹22,955 (Kingdon, 2005)

10.	Number of Toilets	one each for boys and girls	one each for boys and girls	Separate toilets for girls and boys
11.	Library	No	No	There shall be a library in each school providing newspapers, magazines and books on all subjects, including storybooks
12.	School Fee	₹300–650	₹450–700	—
13.	Textbooks Followed	Private	Private	Schools must follow a standardised time-bound syllabus as prescribed by the State or the Central government
14.	Language of Instruction	English	English	—
15.	Playground	No	No	Playground with boundary wall prescribed but for Delhi, it's exempted
16.	Principal's Room	Yes	Yes	—
17.	Staff Room	No	No	An office-cum-store-cum-head teacher's room
18.	Any Certificate Obtained	No	No	Fire safety, building safety and health certificates

Source: Author's Survey Data

As suggested by the findings indicated in Table 9, both the school managements failed to provide the minimum basic facilities essential to operate a school and contribute to a child's learning. These factors hold relevance when the teacher tries his/her best in a class. But if the classroom is not spacious enough to accommodate all students, then no

matter how hard the teacher works, the outcome will not be satisfactory. It is further depressing to find that the schools despite making huge surpluses refuse to use it for their development. Some of the requirements laid down by the RTE Act are essential for basic school functioning, which both the schools studied are not able to fulfil. So, will it be worth to allow these schools



to function, even as they provide low-quality schooling to students and charge reasonable fee from parents.

### CONCLUSION

The paper brings forth the dynamics of low-fee private schools by presenting the viewpoints of school managements engaged in this sector. The quintessential advocacy that these schools provide low-cost, high-quality education has to be understood since education is not meant for commercial purposes. This paper highlights the concerns that crop up with the objective of achieving cost-efficiency in the education sector.

The unification of practices adopted by these schools along with the commercial benefits in the form of huge surpluses accruing to school owners and strategies for not complying with the RTE norms and standards squarely raise concerns regarding the motive behind opening

such schools. The rapid growth in the number of private schools impose negative implications on education, since in the name of cost-efficiency, profit-driven incentives become much dearer to schools, leading to extensive cost-cutting by indulging in practices which are detrimental in providing basic quality education essential for the all-around development of a child. Therefore, the growing policy discourse surrounding the entry of diverse private participation, including low-fee private sector, as a potential partner, for solving concerns relating to education delivery should be endorsed with caution, as available evidences do not offer such positive claims. Perhaps, the state must ensure that these schools comply with the RTE norms and standards relating to school inputs, curriculum, teachers, qualification and recruitment, etc., so that the authorities do not deceive parents and equitable quality education is provided to all.

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