

## Low Cost Private Schools: Are they really low cost?

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*Low cost private schools have emerged in response to increased demand for education especially in English medium. But is the financial burden they place on poor households justified? Tanuka Endow addresses this question and its policy implications through a short piece based on fieldwork in Delhi NCR*



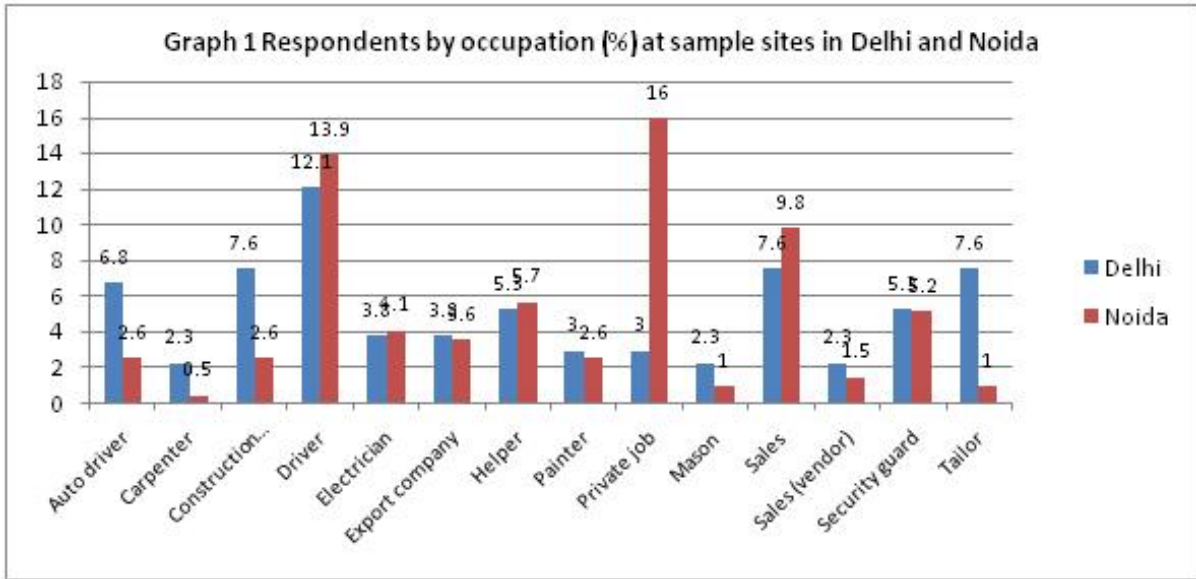
The school we were looking for was off the main road in Sarita Vihar in Delhi and had to be approached by a very narrow lane. At the end of the lane there was a small unmanned gate. Inside there was a little courtyard in front of a small one-storey building with construction of the upper floor going on. A tiny space below the stairs served as the school-office where there was a table, two chairs and a computer. From the office-space where we sat, we got a glimpse inside the school, where there seemed to be a biggish unfurnished newly constructed room. Here several small children were present and a young woman (ayah) was minding them. A maid was doing the cleaning, fetching water, etc. Later on we were hurriedly shown four classrooms, each crammed with students. None of the class-rooms had any natural light or natural ventilation. In the open

space in the middle, many small children were sitting; all were wearing uniform and tie and had their school-bag and water-bottles. Some had large colourful books under their arms.

Classes were mixed, i.e. multi-grade teaching was going on. One classroom with older students had children from three classes-- classes 6, 7 and 8. There were very few children in classes 7 and 8. The teacher looked very young and on being asked, said that she had completed class 12 and was studying in B.Com first year. The Principal/owner of the school and her son were the main spokespersons and assured us repeatedly about the quality of teaching they impart. The Principal also stressed that they are essentially doing a service to the poor people such as labourers, vendors, maids, etc. whose children attend their school, and how fees are waived for them in case someone is in dire straits and cannot pay.

This was a typical low cost private school in Delhi that we were visiting for a survey on English medium low cost private schools. Schools such as this one are variously called Budget schools, Low Fee schools, and Affordable private schools. This is a rapidly growing segment of the educational landscape in India, as official statistics and our survey in Delhi and NCR confirm. Overall, the share of private schools accounts for nearly 39 % of the enrolment at the elementary level, where both private aided and unaided schools are included. This increase has been at the cost of enrolment in government schools<sup>i</sup>. The private unaided schools sector varies enormously from schools with classes somehow run from household premises to very well-equipped schools charging high fees<sup>ii</sup>. The low cost private schools form part of this subset.

Who are the children who attend such schools? The students are typically from low-income families. In the survey, where 326 households were selected purposively in Delhi and Noida together, the profile shows a high share of drivers and auto-drivers as well as people in sales job (Graph 1). Other major occupations in Delhi sample are construction labourers, tailors, helpers, security guard, etc. and for Noida, other major occupations are 'private job', helper, security guard, electrician, etc. The sample sites in Delhi were Rajasthani and Priyanka Camps, which are unauthorized colonies situated in Madanpur Khadar in Sarita Vihar. In Noida, the survey was conducted in Barola, an urban village spread over Sector 50 and Sector 78.

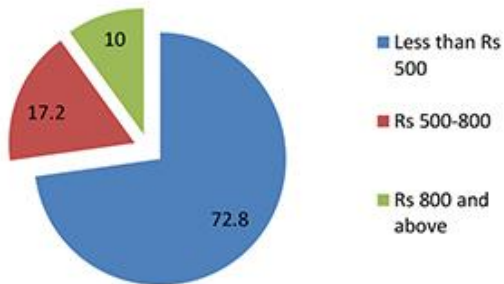


Parents showed great enthusiasm for sending their children to school and nearly 100 percent of the 545 children in the 5-14 age group in the survey were attending school. Close to 70 percent of the responses in Noida and 38.4 percent of the responses in Delhi mentioned school being nearby as the most important reason behind selecting a school for their children. School reputation also carries weight with parents, as shown by 24.6 percent of responses in Delhi and 19.7 percent of responses in Noida. Other important reasons include relatively low school fees , school teaching English, poor education quality in the alternative of Government schools and elder siblings/friends attending the same school.

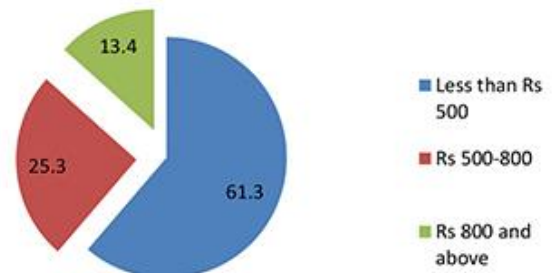
**Cost of schooling**

At the primary level, the majority of the households pay Monthly School Fees below Rs 500, but a quarter in Noida and 17.2 percent in Delhi are paying in the range of Rs 500-800 (Graphs 2a and 2b). Both the sites have 10 percent and above share of responses for monthly fees of Rs 800 and above.

**Graph 2a Percentage of responses by Range of monthly school fees (Rs) Delhi**



**Graph 2b Percentage of responses by Range of monthly school fees (Rs) Noida**



Parents also have to pay One Time Annual Charges to the school for items such as water charges, furniture repair, school building and other facilities on which the school might have incurred expenses. We can see from Table 1 that in slight contrast to the pattern of monthly fees, a large share of 67.4 percent of the Noida sample have expenditure on annual charges in the lowest two brackets, or below Rs 1000, compared to 57.7 percent for Delhi. Around 20.3 percent of responses in Delhi show annual expenses of Rs 1201-1500, while 16.8 percent in Noida show expenses of Rs 1501-3000.

**Table 1 Range of annual one-time expenses at the school by percentage of responses (Rs)**

	Less than Rs 800	Rs.801- 1000	Rs.1001- 1200	Rs.1201- 1500	Rs.1501- 3000	Above Rs. 3000	Total
Delhi	36.3	21.4	5.5	20.3	8.2	8.2	100.0
Noida	27.1	40.3	5.1	4.8	16.8	5.9	100.0
Total	31.1	32.4	5.2	11.2	13.4	6.7	100.0

The survey households have to spend a substantial amount on Books and Uniform annually (Table 2). Of all responses, quite a high share of 22.3 percent on an average, indicated expenditure of Rs 5000 and above. The pattern for Delhi and Noida samples are somewhat different, with 27.9 percent in Delhi showing expenditure less than Rs 2000, compared to 23 percent for Noida in the lower brackets. But Delhi also has 51.8 percent share for the highest two expenditure brackets of Rs 4000-5000 and Rs 5000 and above. The responses for Noida show lower share (34.2%) for the top two brackets and a relatively high share for the middle expenditure levels of Rs 3000-4000.

**Table 2 Range of annual expenses on books and uniform (Rs)**

	Less than Rs 2000	Rs.2000- 2500	Rs.2500- 3000	Rs.3000- 4000	Rs.4001- 5000	Above Rs.5000	Total
Delhi	14.2	13.7	9.1	11.2	23.4	28.4	100.0
Noida	6.6	16.4	18.9	23.8	14.3	19.9	100.0
Total	14.5	14.5	14.1	17.6	17.0	22.3	100.0

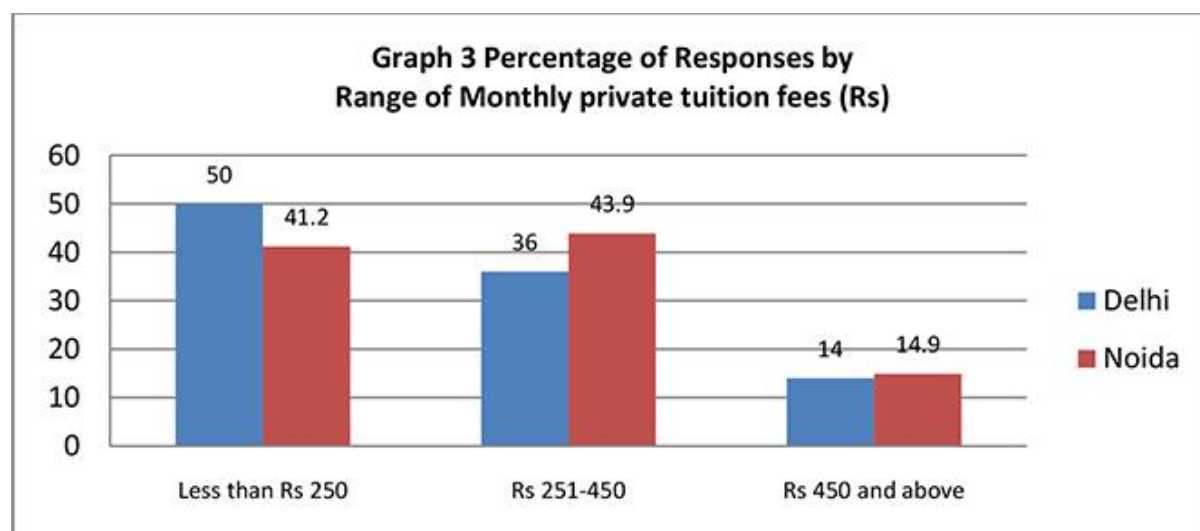
### Private tuition

More than half (58.7%) of the total 545 children in the household survey sample were found to be attending private tuition. In Delhi, 68.8 percent of the children and in Noida half the children were found to be attending private tuition. The survey and interviews with parents and children revealed that since the parents had a low education level on an average, very few students could access help with studies from any family source. Among those who did not attend private tuition, there were some who could not afford it.

Private tuition is considered here while assessing the expenses on low cost private schools. The reasons are twofold: (i) As the extent of private tuition shows, the schools are clearly not doing a

good enough job of educating the children, since so many feel the need to attend private tuition; and (ii) As will be seen, many of the private tutors are school teachers, and sometimes even from a child's own school. Occasionally private tuition is imparted within the school premises.

In Delhi, nearly all of the children who attend private tuition classes (95.6%) said that the private tutor they visited did not belong to the school they study in. But in Noida, 18.6 percent students reported that their private tutor belongs to the school where they study. The tuition classes of 9.2 percent of the children in Noida are even held inside the school premises after school hours. Nearly all the children in both sites are going for one tuition class where multiple subjects are taught. In keeping with the pattern for school fees, the private tuition fees are on an average higher in Noida than in Delhi (Graph 3).



The parents spend on an average Rs 250-500 per month in Delhi and Rs 400-600 per month in Noida per child on the school fees at the primary level. They also spend around Rs 1000-1500 for annual charges in school and Rs 3000 and above annually for books and uniform for each child.

Adding all the schooling costs and private tuition costs together, the range of monthly schooling cost including private tuition comes to around Rs 650-1300 per child for Delhi and Rs 800-1400 per child for Noida. Depending on the earnings of a typical family in the sites, with an approximate figure of around Rs 8-18 thousand per month<sup>iii</sup>, the share in earnings could vary between 7-10%. In case two children are attending the primary level, the share could increase considerably, up to even 14-20% of the earnings for families at the lower end earning Rs 8000 a month. Even with this very rough approximation, the education in the low cost private schools cannot really be said to be 'low cost', especially for the sample low-income families.

The government regulation, or the lack of it, over this private schooling segment, is another area of concern. Education is a concurrent subject in India, i.e. it is governed by both the Centre and the State. Regulations for private schools differ from state to state and there is inadequate data on the enforcement of such regulation<sup>iv</sup>. For teachers and staff qualification, the private schools must abide by the Right to Education Act, but the State has decision-making power in many other areas. For instance, in Uttar Pradesh, to which one sample site (Noida) belongs, a private school can select its teachers and staff without government involvement as well as decide the salary for its teachers and staff. In the face of this flexibility in regulations for teacher/staff recruitment and in salary related expenditure, the attractiveness of investment in the low cost private schools is enhanced, especially with huge demand for this mode of schooling. Again, it has been found that often school teachers also teach privately, which boosts their income. Sometimes school premises are used for private tuition after the school hours, implying further revenue for the school. Above all, as we have seen, these schools charge fees that are not inconsiderable, particularly when seen against the paying capacity of the low-income clientele. Yet despite media attention being often drawn to the fee hikes in elite private schools, the fees of such 'budget' schools hardly draw any attention from the media or the policymakers.

Summing up, we have seen that parents from low-income families are paying disproportionately higher fees to educate their children and many parents have talked about the financial burden for meeting the schooling needs for their children. Apart from poor educational outcome, additional hidden costs borne by these children are many hours spent in unhygienic surroundings, having limited or no access to sports activities, and essentially missing out on a holistic development. Yet the aspirations for education for parents are such that they are willing to make sacrifices and/or borrow to meet the same. Since all indications are that the low cost private schools are not only here to stay, but are all set to grow as a segment, will the government pay heed to their problems and bring in the necessary support for those children?

## **END NOTES**

i. During the period 2003 to 2015-16, the share of government schools in elementary enrolment declined from 80.37% in 2003 to 61% in 2015-16, with private schools getting a commensurately higher share of enrolment, according to UDISE data.

ii. De, A., M. Majumdar, M. Samson and C. Noronha (2002): "Private School and Universal Elementary Education" in R. Govinda (ed) India Education Report, A Profile of Basic Education, (Delhi: Oxford University Press)

iii. The lower range is based on data for Priyanaka and Rajasthani Camp according to an evaluation report for CFAR by IHD. The higher range has been set based on the fact that families with relatively better income levels than average are likely to send their children to private schools and also based on the Principal Researcher's experience of working in the sites, taking into

account that the main worker's wages are often supplemented by earnings from domestic and other types of work by the spouse. Other sources indicate comparable figures: low-income families earning INR 9,000–INR 20,000 per month and an all-inclusive fee of INR 500–INR 1650 per child per month charged at Affordable Private Schools <https://www.fsg.org/improving-private-early-education-india>

iv. Vidhi (2017) 'Regulation of private schools in India', Vidhi Centre for Legal Policy accessed at [www.vidhilegalpolicy.in](http://www.vidhilegalpolicy.in)