



DR. GRAHAM'S HOMES – KALIMPONG
Founded in 1900 by
The VERY REV. J.A. GRAHAM, C.I.E., D.D.

Dr. Gillian R. Hart
President & Chairperson,
Board of Management

TO ALL CONCERNED

Dr. Graham's Homes was built by Dr. Graham as a home for the orphans and the homeless children. It is 120 years old and a grand heritage.

Over many decades we have spent most of our revenue for payment of salaries for about 374 heads and the rest for Administrative costs, which is continually on the rise.

The present board had inherited a double digit revenue deficit. Since then we have worked diligently to reduce the same but the deficit still remains at an alarmingly high figure. Political unrest and natural calamities in the hills have caused financial setbacks for us.

Sponsorships have reduced and we have not been able to increase school fees substantially as most of the children come from the underprivileged layer of society. With the present Corona situation our financial position has deteriorated even further.

In these circumstances even paying salaries is difficult and if we were to liquidate our encashable investments we will be able to pay full salaries, at the existing pay scale, to 374 staff only for a couple of months.

The situation at present is such that the teachers have refused to continue with online classes despite many attempts by the Board to appease them. They want a written assurance from the Board that the 6th pay will be given to them when normalcy returns.

The parents, on the other hand are demanding that online classes resume asap failing which they will have to resort to other measures.

The Government has given instructions that fees cannot be raised.
Fees that are due have not been fully paid by many guardians.
The finances are extremely low, as indicated in the attached summary.

Our options are very limited, if not none at all.

The Board cannot give any assurance that the 6th pay will be given because the finances do not permit it.

Many schools in West Bengal are not paying the 6th pay.

The Government in a circular states that the 6th pay is not applicable to DA getting schools.

We once again appeal to the teachers to resume online teaching for the children and in the interest of Dr. Graham's Homes, and as this pandemic improves we will find solutions together .

Through great difficulty we will pay the 50% of the existing salary due to the staff. Should the teachers not resume their online classes and continue to insist on an unreasonable demand, which is just not possible, then this will lead to an unwanted shutting down of the school.

We would like to add that such a decision will be extremely unfortunate and painful, given the fact that Dr. Graham's Homes should be allowed to function to the benefit of all.

Dr. Graham's Homes has been an inseparable part of the heritage and history of Kalimpong and we are sure that no one in Kalimpong or for that matter among the OGBs world wide would like this magnificent institution to wither and die yet because of a crisis which can be resolved with understanding.

We sincerely hope that good sense will prevail and appeal to the teachers to not hold the school and the children to ransom, at a time when challenges are increasing owing to the present pandemic. We reiterate our request to the teachers to resume online teaching and we will arrive at a solution when things are conducive to reopening and finances permit.

With regards,

Dr. Gillian R. Hart
President & Chairperson,
Board of Management,
Dr. Graham's Homes,
Kalimpong.

27th August 2020

FINANCIAL POSITION OF DR.GRAHAM'S HOMES BASED ON A STUDY OF THE FINANCIAL ACCOUNTS AS ON 31.3.2019

- A. ACCUMULATED LOSS AS PER BALANCE SHEET DT. 31.3.2019 – RS. 10.38 CRORE.**
- B. SUGGESTION** - This revenue loss in the Books may be written off against Capital Fund if the BOM passes a resolution to this effect. Have already spoken to our CA in this regard. **HOWEVER, THIS IS JUST A BOOK ENTRY THAT WILL BE PASSED. THERE WILL BE NO CASH AVAILABLE SINCE THIS IS AN ACCUMULATED REVENUE LOSS.**
- C. PRESENT CASH POSITION OF DGH, KALIMPONG AND BIRKMYRE HOSTEL, KOLKATA –**
- 1) **DGH KALIMPONG** – a) Central Bank of India – Rs.654725 ; HDFC – Rs.2281128 ; Axis Bank (FCRA) Rs.8107594. (TOTAL – RS. 110 LAKH)
 - 2) **AT BIRKMYRE** – a) Extended sponsorship account – 8.52 lakh ; General account – Rs.13.52 lakh. (TOTAL – RS.22 LAKH)
- D. MONTHLY CASH EXPENSES OF DGH , KALIMPONG AND BIRKMYRE HOSTEL, KOLKATA**
- 1) **DGH KALIMPONG** – Salary and pension – Rs.60 lakh (Full amounts); EPF – Rs.4 lakh ; Electricity – Rs.3 lakh ; Creditors – Rs.18 lakh ; Misc – Rs.5 lakh (TOTAL – RS.94 LAKH)
 - 2) **BIRKMYRE** – Extended sponsorship expenses excluding college fees – Rs. 0.80 LAKH ; Salary , Electricity etc 0.87 lakh ; Proportionate college fees – 0.38 lakh (TOTAL – RS. 2 LAKH)
- E. ENCASHABLE INVESTMENTS -**
- 1) ITC SHARES – 85770 SHARES X RS. 195 = RS.1.67 CRORE
 - 2) DCM SHARES – 495 SHARES X RS. 176 = RS.87 THOUSAND.
- (SHARES OF NICCO AND SIV INDUSTRIES 245 AND 4500 RESPECTIVELY ARE VALUELESS)
- F. SUGGESTIONS**
1. **ENCASHABLE SECURITIES MAY BE SOLD IMMEDIATELY AND RS. 0.96 CRORE MAY BE PAID TO THE TEACHERS AND PENSIONERS AS BALANCE 50% FOR THE MONTHS OF MAY, JUNE AND JULY). THERE WILL BE A BALANCE OF RS. 75 LAKH. THIS MAY BE USED TO PAY FULL SALARIES, PENSION AND EPF (RS 68 LAKH) FOR AUGUST LEAVING A BALANCE OF RS. 7 LAKH.**
 2. **THEREAFTER, PAYMENT OF SALARIES, PENSION AND EPF WILL DEPEND UPON THE REALIZATION OF FEES.**

3. A BOARD RESOLUTION MAY BE PASSED IF THE SUGGESTIONS MEET WITH YOUR APPROVAL.

G. DEMAND FOR 6THPAY COMMISSION SALARIES

1. THIS MATTER HAS BEEN DISCUSSED AT OUR LAST BOM MEETING. HOWEVER, TO SHOW THE CALCUTIONS ONCE AGAIN-

SALARY AS PER 6TH PAY COMMISSION WILL BE – RS.15.51 CRORE ANNUALLY

PRESENT SALARY - RS. 7.70 CRORE ANNUALLY

DEFICIT - RS. 7.81 CRORE

PRESENT ANNUAL FEES - RS. 10 .45 CRORE

ANNUAL FEES AFTER 20% INCREASE - RS 11.27 CRORE

ADDITIONAL REVENUE - RS 82 LAKH

(OBVIOUSLY , THE REVENUE GENERATED WILL HARDLY COVER THE AMOUNT REQUIRED . WILL IT BE POSSIBLE TO INCREASE THE FEES BY 20% ?)