

Bill No. XLIII of 2006

THE NATIONAL INSTITUTES OF TECHNOLOGY BILL, 2006

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Bill No. XLIII of 2006

THE NATIONAL INSTITUTES OF TECHNOLOGY BILL, 2006

A

BILL

*to declare certain institutions of technology to be Institutions of national importance
and to provide for certain matters connected with such institutions.*

BE it enacted by Parliament in the Fifty-seventh Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the National Institutes of Technology Act, 2006.

Short title and
commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act.

Declaration of certain Institutions as Institutions of national importance.

2. Whereas the objects of the institutions mentioned in the Schedule are such as to make them Institutions of national importance, it is hereby declared that each such institute is an Institution of national importance.

Definitions.

3. In this Act, unless the context otherwise requires,—

(a) “Board”, in relation to any Institute, means the Board of Governors thereof;

(b) “Chairperson” means the Chairperson of the Board;

(c) “Corresponding Institute”, in relation to a society mentioned in column (2) of the Schedule, means the Institute as specified in column (3) of the Schedule;

(d) “Council” means the Council established under sub-section (1) of section 30;

(e) “Deputy Director”, in relation to any Institute, means the Deputy Director thereof;

(f) “Director”, in relation to any Institute, means the Director thereof;

(g) “Institute” means any of the Institutions mentioned in column (2) of the Schedule;

(h) “notification” means a notification published in the Official Gazette;

(i) “prescribed” means prescribed by rules made under this Act;

(j) “Registrar”, in relation to any Institute, means the Registrar thereof;

(k) “Schedule” means the Schedule annexed to the Act;

(l) “Senate”, in relation to any Institute, means the Senate thereof;

(m) “Society” means any of the societies registered under the Societies Registration Act, 1860 and mentioned in column (2) of the Schedule;

(n) “Statutes” and “Ordinances”, in relation to any Institute, mean the Statutes and Ordinances of that Institute made under this Act.

21 of 1860.

CHAPTER II

THE INSTITUTES

Incorporation of Institutes.

4. (1) **Each of the Institutes mentioned in column (3) of the Schedule shall be a body corporate having perpetual succession and a common seal and shall, by its name, sue and be sued.**

(2) **The body corporate constituting each of the said Institutes shall consist of a Chairperson, a Director and other members of the Board for the time being of the Institute.**

Effect of incorporation of Institutes.

5. On and from the commencement of this Act,—

(a) any reference to a society in any law, other than this Act, or in any contract or other instrument shall be deemed as a reference to the Corresponding Institute;

(b) all property, movable and immovable, of or belonging to a society shall vest in the corresponding Institute;

(c) all the rights and liabilities of a society shall be transferred to, and be the rights and liabilities of the corresponding Institute; and

(d) every person employed by a society immediately before such commencement shall hold his office or service in the corresponding Institute for the same tenure, at the same remuneration and upon the same terms and conditions and with the same rights and privileges as to pension, leave, gratuity, Provident Fund and other matters as he would have held if this Act had not been passed, and shall continue to do so unless and until his employment is terminated or until such tenure, remuneration and terms and conditions are duly altered by the Statutes:

Provided that if the alteration so made is not acceptable to such employee, his employment may be terminated by the Institute in accordance with the terms of contract with the employee or, if no provision is made therein in this behalf, on payment to him by the Institute, of compensation equivalent to three months' remuneration in the case of permanent employees and one month's remuneration in the case of other employees.

6. (1) Subject to the provisions of this Act, every Institute shall exercise the following powers and perform the following duties, namely:— Powers of Institutes.

(a) to provide for instruction and research in such branches of engineering and technology, management, education, sciences and arts, as the Institute may think fit, and for the advancement of learning and dissemination of knowledge in such branches;

(b) to hold examinations and grant degrees, diplomas and other academic distinctions or titles;

(c) to confer honorary degrees or other distinctions;

(d) to fix, demand and receive fees and other charges;

(e) to establish, maintain and manage halls and hostels for the residence of students;

(f) to supervise and control the residence and regulate the discipline of students of the Institute and to make arrangements for promoting their health, general welfare and cultural and corporate life;

(g) to provide for the maintenance of units of the National Cadet Corps for the students of the Institute;

(h) to institute academic and other posts with the prior approval of the Central Government, and to make appointments thereto excluding the Director and the Deputy Director;

(i) to frame Statutes and Ordinances and to alter, modify or rescind the same;

(j) to deal with any property belonging to or vested in the Institute in such manner as the Institute may deem fit for advancing the objects of the Institute;

(k) to receive gifts, grants, donations or benefactions from the Government and to receive bequests, donations and transfers of movable or immovable properties from testators, donors or transferors, as the case may be;

(l) to co-operate with educational or other institutions in any part of the world having objects wholly or partly similar to those of the Institute by exchange of teachers and scholars and generally in such manners as may be conducive to their common objects;

(m) to institute and award fellowships, scholarships, exhibitions, prizes and medals; and

(n) to do all such things as may be necessary, incidental or conducive to the attainment of all or any of the objects of the Institute.

(2) Notwithstanding anything contained in sub-section (1), an Institute shall not dispose of in any manner any immovable property without the prior approval of the Central Government.

7. (1) Every Institute shall be open to persons of either sex and of whatever race, creed, caste or class, and no test or condition shall be imposed as to religious belief or profession in admitting or appointing members, students, teachers or workers or in any other connection whatsoever. Institutes to be open to all races, creeds and classes.

(2) No bequest, donation or transfer of any property shall be accepted by any Institute, which in the opinion of the Council involves conditions or obligations opposed to the spirit and object of this section.

- Teaching at Institutes. **8.** All teaching at each of the Institutes shall be conducted by or in the name of the Institute in accordance with the Statutes and Ordinances made in this behalf.
- Visitor. **9.** (1) The President of India shall be the Visitor of every Institute.
 (2) The Visitor may appoint one or more persons to review the work and progress of any Institute and to hold inquiries into the affairs thereof and to report thereon in such manner as the Visitor may direct.
 (3) Upon receipt of any such report, the Visitor may take such action and issue such directions as he considers necessary in respect of any of the matters dealt with in the report and the Institute shall be bound to comply with such directions.
- Authorities of Institutes. **10.** The following shall be the authorities of an Institute, namely :—
 (a) a Board of Governors;
 (b) a Senate; and
 (c) such other authorities as may be declared by the Statutes to be the authorities of the Institute.
- Board of Governors. **11.** The Board of every Institute shall consist of the following members, namely:—
 (a) the Chairperson to be nominated by the Visitor;
 (b) the Director, *ex officio*;
 (c) two persons not below the rank of the Joint Secretary to the Government of India to be nominated by the Central Government from amongst persons dealing with technical education and finance;
 (d) two persons to be nominated by the Government of the States in which the Institute is situated, from amongst persons, who, in the opinion of that Government, are technologists or industrialists of repute;
 (e) two persons, at least one of whom shall be a woman, having special knowledge or practical experience in respect of education, engineering or science to be nominated by the Council; and
 (f) two professors of the Institute to be nominated by the Senate.
- Term of office of, vacancies among, and allowances payable to, Members of Board. **12.** Save as otherwise provided in this section,—
 (a) the term of office of the Chairperson or other members of the Board shall be three years from the date of his nomination;
 (b) the term of office of an *ex officio* member shall continue so long as he holds the office by virtue of which he is a member;
 (c) the term of office of a member nominated under clause (f) of section 11 shall be two years from the 1st day of January of the year in which he is nominated;
 (d) a casual vacancy shall be filled up in accordance with the provisions of section 11;
 (e) the term of office of a member nominated to fill a casual vacancy shall continue for the remainder of the term of the member in whose place he has been nominated;
 (f) notwithstanding anything contained in this section, an out-going member shall, unless the Council otherwise directs, continue in office until another person is nominated as a member in his place;
 (g) the member of the Board shall be entitled to such allowances, if any, from the Institute as may be provided for in the Statutes but no member other than the members referred to in clauses (b) and (f) of section 11 shall be entitled to any salary by reason of this sub-section.

13. (1) Subject to the provisions of this Act, the Board of every Institute shall be responsible for the general superintendence, direction and control of the affairs of the Institute and shall exercise all the powers of the Institute not otherwise provided for by this Act, the Statutes and the Ordinances, and shall have the power to review the acts of the Senate.

Powers and functions of Board.

(2) Without prejudice to the provisions of sub-section (1), the Board of every Institute shall,—

(a) take decisions on questions of policy relating to the administration and working of the Institute;

(b) institute courses of study at the Institute;

(c) make Statutes;

(d) institute and appoint persons to academic as well as other posts in the Institute;

(e) consider and modify or cancel Ordinances;

(f) consider and pass resolutions on the annual report, the annual accounts and the budget estimates of the Institute for the next financial year as it thinks fit and submit them to the Council together with a statement of its development plans;

(g) exercise such other powers and perform such other duties as may be conferred or imposed upon it by this Act or the Statutes;

(3) The Board shall have the power to appoint such committees, as it considers necessary for the exercise of its powers and the performance of its duties under this Act.

14. The Senate of every Institute shall consist of the following persons, namely:—

Senate.

(a) the Director, *ex officio*, who shall be the Chairman of the Senate;

(b) the Deputy Director, *ex officio*;

(c) the Professors appointed or recognised as such by the Institute for the purpose of imparting instructions in the Institute;

(d) three persons, not being employees of the Institute, to be nominated by the Chairperson in consultation with the Director, from amongst educationists of repute, one each from the field of science, engineering and humanities; and

(e) such other members of the staff as may be laid down in the Statutes.

15. Subject to the provisions of this Act, the Statutes and the Ordinances, the Senate of an Institute shall have the control and general regulation, and be responsible for the maintenance of standards of instruction, education and examination in the Institute and shall exercise such other powers and perform such other duties as may be conferred or imposed upon it by the Statutes.

Functions of Senate.

16. (1) The Chairperson shall ordinarily preside at the meetings of the Board and at the Convocations of the Institute.

Chairperson of Board.

(2) It shall be the duty of the Chairperson to ensure that the decisions taken by the Board are implemented.

(3) The Chairperson shall exercise such other powers and perform such other duties as may be assigned to him by this Act or the Statutes.

17. (1) The Director and Deputy Director of every Institute shall be appointed by the Central Government with the prior approval of the Visitor.

Director and Deputy Director.

(2) The Director shall be the principal academic and executive officer of the Institute and shall be responsible for the proper administration of the Institute and for the imparting of instruction and maintenance of discipline therein.

(3) The Director shall submit annual reports and accounts to the Board.

(4) The Director shall exercise such other powers and perform such other duties as may be assigned to him by this Act or the Statutes or Ordinances.

(5) The Deputy Director of every Institute shall exercise such powers and perform such other duties as may be assigned to him by this Act or the Statutes or by the Director.

Registrar.

18. (1) The Registrar of every Institute shall be appointed on such terms and conditions as may be laid down by the Statutes and shall be the custodian of records, the common seal, the funds of the Institute and such other property of the Institute as the Board shall commit to his charge.

(2) The Registrar shall act as the Secretary of the Board, Senate and such committees as may be prescribed by the Statutes.

(3) The Registrar shall be responsible to the Director for the proper discharge of his functions.

(4) The Registrar shall exercise such other powers and perform such other duties as may be assigned to him by this Act or the Statutes or by the Director.

Other authorities and officers.

19. The powers and duties of authorities and officers other than those mentioned above shall be determined by the Statutes.

Grants by Central Government.

20. For the purpose of enabling the Institutes to discharge their functions efficiently under this Act, the Central Government may, after due appropriation made by Parliament by law in this behalf, pay to every Institute in each financial year such sums of money and in such manner as it may think fit.

Fund of the Institute.

21. (1) Every Institute shall maintain a Fund to which shall be credited,—

(a) all moneys provided by the Central Government;

(b) all fees and other charges received by the Institute;

(c) all moneys received by the Institute by way of grants, gifts, donations, benefactions, bequests or transfers; and

(d) all moneys received by the Institute in any other manner or from any other source.

(2) All moneys credited to the Fund of every Institute shall be deposited in such banks or invested in such manner as the Institute may, with the approval of the Central Government, decide.

(3) The Fund of every Institute shall be applied towards meeting the expenses of the Institute including expenses incurred in the exercise of its powers and discharge of its duties under this Act.

Accounts and audit.

22. (1) Every Institute shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the balance sheet in such form as may be specified by notification, by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of every Institute shall be audited by the Comptroller and Auditor-General of India and any expenditure incurred by him in connection with such audit shall be payable by the Institute to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of any Institute shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of the Government accounts, and, in particular shall have the rights to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the offices of the Institute.

(4) The accounts of every Institute as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament in accordance with such procedure as may be laid down by the Central Government.

23. Every Institute shall constitute for the benefit of its employees such provident or pension fund or provide such insurance scheme as it may deem fit in such manner and subject to such conditions as may be prescribed by the Statutes. Pension and provident fund.

24. All appointments of the staff of every Institute, except that of the Director and Deputy Director, shall be made in accordance with the procedure laid down in the Statutes, by— Appointments.

(a) the Board, if the appointment is made on the academic staff in the post of Lecturer or above or if the appointment is made on the non-academic staff in any cadre the maximum of the pay scale for which exceeds rupees ten thousand five hundred;

(b) the Director, in any other case.

25. Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely:— Statutes.

(a) the conferment of honorary degrees;

(b) the formation of departments of teaching;

(c) the fees to be charged for courses of study in the Institute and for admission to the examinations of degrees and diplomas of the Institute;

(d) the institution of fellowships, scholarships, exhibitions, medals and prizes;

(e) the term of office and the method of appointment of officers of the Institute;

(f) the qualifications of teachers of the Institute;

(g) the classification, the method of appointment and the determination of the terms and conditions of service of teachers and other staff of the Institutes;

(h) the constitution of pension, insurance and provident funds for the benefit of the officers, teachers and other staff of the Institute ;

(i) the constitution, powers and duties of the authorities of the Institute;

(j) the establishment and maintenance of halls and hostels;

(k) the conditions of residence of students of the Institute and the levying of fees for residence in the halls and hostels and of other charges;

(l) the allowances to be paid to the Chairperson and members of the Board;

(m) the authentication of the orders and decisions of the Board; and

(n) the meetings of the Board, the Senate, or any Committee, the quorum at such meetings and the procedure to be followed in the conduct of their business.

26. (1) The first Statutes of each Institute shall be framed by the Central Government with the prior approval of the Visitor and a copy of the same shall be laid as soon as may be before each House of Parliament. Statutes how made.

(2) The Board may, from time to time, make new or additional Statutes or may amend or repeal the Statutes in the manner provided in this section.

(3) Every new Statute or addition to the Statutes or any amendment or repeal of Statutes shall require the previous approval of the Visitor who may grant assent or withhold assent or remit it to the Board for consideration.

(4) A new Statute or a Statute amending or repealing an existing Statute shall have no validity unless it has been assented to by the Visitor.

Ordinances. **27.** Subject to the provisions of this Act and the Statutes, the Ordinances of every Institute may provide for all or any of the following matters, namely:—

- (a) the admission of the students to the Institute;
- (b) the courses of study to be laid down for all degrees and diplomas of the Institute;
- (c) the conditions under which students shall be admitted to the degree or diploma courses and to the examinations of the Institute, and shall be eligible for degrees and diplomas;
- (d) the conditions of award of the fellowships, scholarships, exhibitions, medals and prizes;
- (e) the conditions and mode of appointment and duties of examining bodies, examiners and moderators;
- (f) the conduct of examinations;
- (g) the maintenance of discipline among the students of the Institute; and
- (h) any other matter which by this Act or the Statutes is to be or may be provided for by the Ordinances.

Ordinances how made. **28.** (1) Save as otherwise provided in this section, Ordinances shall be made by the Senate.

(2) All Ordinances made by the Senate shall have effect from such date as it may direct, but every Ordinance so made shall be submitted, as soon as may be, to the Board and shall be considered by the Board at its next meeting.

(3) The Board shall have power by resolution to modify or cancel any such Ordinance and such Ordinance shall from the date of such resolution stand modified accordingly or cancelled, as the case may be.

Tribunal of Arbitration. **29.** (1) Any dispute arising out of a contract between an Institute and any of its employees shall, at the request of the employee concerned or at the instance of the Institute, be referred to a Tribunal of Arbitration consisting of one member appointed by the Institute, one member nominated by the employee, and an umpire appointed by the Visitor.

(2) The decision of the Tribunal shall be final and shall not be questioned in any court.

(3) No suit or proceeding shall lie in any court in respect of any matter, which is required by sub-section (1) to be referred to the Tribunal of Arbitration.

(4) The Tribunal of Arbitration shall have power to regulate its own procedure.

(5) Nothing in any law for the time being in force relating to arbitration shall apply to arbitrations under this section.

CHAPTER III

THE COUNCIL

Establishment of Council. **30.** (1) With effect from such date as the Central Government may, by notification, specify in this behalf, there shall be established for all the Institutes specified in column (3) of the Schedule, a Central body to be called the Council.

(2) The Council shall consist of the following members, namely:—

(a) the Minister in charge of the Ministry or Department of the Central Government having administrative control of the technical education, *ex officio*, as Chairman;

(b) the Secretary to the Government of India in charge of the Ministry or Department of the Central Government having administrative control of the technical education, *ex officio*, as Vice-Chairman;

(c) the Chairperson of every Board, *ex officio*;

(d) the Director of every Institute, *ex officio*;

(e) the Chairman, University Grants Commission, *ex officio*;

(f) the Director General, Council of Scientific and Industrial Research, *ex officio*;

(g) four Secretaries to the Government of India, to represent the Ministries or Departments of the Central Government dealing with biotechnology, atomic energy, information technology and space, *ex officio*;

(h) the Chairman, All India Council for Technical Education, *ex officio*;

(i) not less than three, but not more than five persons to be nominated by the Visitor, at least one of whom shall be a woman, having special knowledge or practical experience in respect of education, industry, science or technology;

(j) three members of Parliament, of whom two shall be chosen by the House of the People and one by the Council of States:

Provided that the office of member of the Council shall not disqualify its holder for being chosen as or for being, a member of either House of Parliament;

(k) two Secretaries to the State Government, from amongst the Ministries or Departments of that Government dealing with technical education where the Institutes are located, *ex officio* ;

(l) Financial Advisor, dealing with the Human Resource Development Ministry or Department of the Central Government, *ex officio*;

(m) one officer not below the rank of Joint Secretary to the Government of India in the Ministry or Department of Central Government having administrative control of the Technical Education, *ex officio*, as Member-Secretary.

31. (1) The terms of office of a member shall be three years from the date of notification:

Provided that the term of office of an *ex officio* member shall continue so long as he holds office by virtue of which he is such a member.

(2) The term of office of a member elected under clause (j) of sub-section (2) of section 30 shall expire as soon as he ceases to be Member of the House, which elected him.

(3) The term of office of a member nominated or elected to fill a casual vacancy shall continue for the remainder of the term of the member in whose place he has been appointed.

(4) Notwithstanding anything contained in this section an outgoing member shall, unless the Central Government otherwise directs, continue in office until another person is appointed as a member in his place.

(5) The members of the Council other than *ex officio* member shall be paid such travelling and other allowances as may be prescribed.

32. (1) It shall be the general duty of the Council to co-ordinate the activities of all the Institutes.

(2) Without prejudice to the provisions of sub-section (1), the Council shall perform the following functions, namely:—

(a) to advise on matters relating to the duration of the courses, the degrees and other academic distinctions to be conferred by the Institutes, admission standards and other academic matters;

(b) to lay down policy regarding cadres, methods of recruitment and conditions of service of employees, institution of scholarships and freeships, levying of fees and other matters of common interest;

(c) to examine the development plans of each Institute and to approve such of them as are considered necessary and also to indicate broadly the financial implications of such approved plans;

(d) to advise the Visitor, if so required, in respect of any function to be performed by him under this Act; and

(e) to perform such other functions as are assigned to it by or under this Act.

Term of office of, vacancies among, and allowances payable to members of Council.

Functions of Council.

Chairman of Council.

33. (1) The Chairman of the Council shall ordinarily preside at the meetings of the Council:

Provided that, in his absence, the Vice-Chairman of the Council shall preside at the meetings of the Council.

(2) It shall be the duty of the Chairman of the Council to ensure that the decisions taken by the Council are implemented.

(3) The Chairman shall exercise such other powers and perform such other duties as are assigned to him by this Act.

(4) The Council shall follow such procedure in its meetings as may be prescribed.

Power to make rules in respect of matters in this Chapter.

34. (1) The Central Government may, by notification, make rules to carry out the purposes of this Chapter.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the travelling and other allowances payable to members of the Council under sub-section (5) of section 31; and

(b) the procedure to be followed in the meetings of the council under sub-section (4) of section 33.

(3) Every rule made by the Central Government under this Chapter shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

CHAPTER IV

MISCELLANEOUS

Acts and proceedings not to be invalidated by vacancies, etc.

35. No act of the Council, or any Institute or Board or Senate or any other body set up under this Act or the Statutes, shall be invalid merely by reason of —

(a) any vacancy in, or defect in the constitution thereof, or

(b) any defect in the election, nomination or appointment of a person acting as a member thereof, or

(c) any irregularity in its procedure not affecting the merits of the case.

Power to remove difficulties.

36. (1) If any difficulty arises in giving effect to the provisions of this Act the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the date on which this Act receives the assent of the President.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each Houses of Parliament.

Transitional provisions.

37. Notwithstanding anything contained in this Act—

(a) the Board of Governors of every Institute functioning as such immediately before the commencement of this Act shall continue to so function until a new Board is constituted for that Institute under this Act, but on the constitution of a new Board under this Act, the member of the Board holding office before such constitution shall cease to hold office;

(b) every Senate constituted in relation to every Institute before the commencement of this Act shall be deemed to be the Senate constituted under this Act until a Senate is constituted under this Act for that Institute but on the constitution of new Senate under this Act, the members of the Senate holding office before such constitution shall cease to hold office.

THE SCHEDULE

[See sections 3 (g), (m) and 4 (I)]

LIST OF CENTRAL INSTITUTIONS INCORPORATED INTO THE ACT

Sl. No.	Society	Corresponding Institute
1	2	3
1.	Motilal Nehru National Institute of Technology, Allahabad Society	Motilal Nehru National Institute of Technology, Allahabad.
2.	Maulana Azad National Institute of Technology, Bhopal Society	Maulana Azad National Institute of Technology, Bhopal.
3.	National Institute of Technology, Calicut Society	National Institute of Technology, Calicut.
4.	National Institute of Technology, Durgapur Society	National Institute of Technology, Durgapur.
5.	National Institute of Technology, Hamirpur Society	National Institute of Technology, Hamirpur.
6.	Malaviya National Institute of Technology, Jaipur Society	Malaviya National Institute of Technology, Jaipur.
7.	Dr. B.R. Ambedkar National Institute of Technology, Jalandhar Society	Dr. B.R. Ambedkar National Institute of Technology, Jalandhar.
8.	National Institute of Technology, Jamshedpur Society	National Institute of Technology, Jamshedpur.
9.	National Institute of Technology, Kurukshetra Society	National Institute of Technology, Kurukshetra.
10.	Visvesvaraya National Institute of Technology, Nagpur Society	Visvesvaraya National Institute of Technology, Nagpur.
11.	National Institute of Technology, Patna Society	National Institute of Technology, Patna.
12.	National Institute of Technology, Rourkela Society	National Institute of Technology, Rourkela.
13.	National Institute of Technology, Silchar Society	National Institute of Technology, Silchar.
14.	National Institute of Technology, Srinagar Society	National Institute of Technology, Srinagar.
15.	Sardar Vallabhbhai National Institute of Technology, Surat Society	Sardar Vallabhbhai National Institute of Technology, Surat.
16.	National Institute of Technology Karnataka, Surathkal Society	National Institute of Technology Karnataka, Surathkal.
17.	National Institute of Technology, Tiruchirappalli Society	National Institute of Technology, Tiruchirappalli.
18.	National Institute of Technology, Warangal Society	National Institute of Technology, Warangal.
19.	National Institute of Technology, Raipur Society	National Institute of Technology, Raipur
20.	National Institute of Technology, Agartala Society	National Institute of Technology, Agartala.

STATEMENT OF OBJECTS AND REASONS

Seventeen Regional Engineering Colleges were set up in the Country in early sixties with a view to provide the required technical manpower for the industrial projects. These colleges were functioning as societies registered under the Societies Registration Act, 1860 and affiliated to respective State Universities.

2. The Programme of Action, 1992 on the National Policy on Education 1986 stated that in order to make the Regional Engineering Colleges, the leading technical institutions in the respective regions, steps might be taken to give them maximum autonomy by granting the status of Deemed University on a selective basis. Further in the said programme of action it was mentioned that detailed review might be conducted for deciding the future thrust and orientation, so as to broaden their horizon by improving the existing management structure. Pursuant to this, the Central Government in 1996 constituted a High power Review Committee under the Chairmanship of Dr. R.A. Mashelkar, Director General, Council of Scientific and Industrial Research. The Committee submitted its report in the year 1998 and *inter alia* recommended that these Regional Engineering Colleges be empowered through an enactment of Parliament to award degrees. The Committee further recommended that the demand for setting up new Regional Engineering Colleges might be examined on a case to case basis.

3. Based on the above recommendations and after consultation with the State Governments, the Central Government decided to convert all these seventeen Regional Engineering Colleges into National Institutes of Technology with the status of Deemed University and provide hundred per cent. assistance from the Central Government for the year, 2003-2004 onwards. Later, Bihar College of Engineering, Patna, Raipur Engineering College, Raipur and Tripura Engineering College, Agartala were converted and notified as National Institutes of Technology in the year 2004, 2005 and 2006, respectively. As such, there are now twenty National Institutes of Technology which are to be empowered through an enactment of the Parliament for awarding degrees.

4. In exercise of the powers conferred under section 3 of the University Grants Commission Act, 1956, the Central Government granted the status of Deemed University to all these Institutes, except in case of National Institutes of Technology at Patna, Raipur and Agartala.

5. Now, it is proposed that a law be enacted to—

- (a) declare all these twenty Institutes as Institutes of national importance;
- (b) retain the individuality of the Institutes;
- (c) make provisions for co-ordination and regulation of the affairs of these Institutes; and
- (d) empower these Institutes to grant degrees, diplomas and other academic distinctions.

6. The Bill seeks to achieve the above objects.

NEW DELHI;
The 10th May, 2006.

ARJUN SINGH.

Notes on clauses

Clause 2 seeks to declare National Institutes of Technology mentioned in the Schedule as Institutions of National Importance.

Clause 3 seeks to define various words and expressions used in the Bill.

Clause 4 seeks to provide for the establishment of the Institutes as bodies corporate, with perpetual succession and a common seal of each Institute.

Clause 5 deals with the effect of incorporation of the Institutes.

Clause 6 enumerates various powers and functions of every Institute.

Clause 7 seeks to provide that every institute shall be open to all persons of either sex and of whatever race, creed, caste, class or religion.

Clause 8 seeks to provide that all teaching at the Institute shall be conducted in accordance with the Statutes and Ordinances.

Clause 9 seeks to provide that the President of India shall be the Visitor of every Institute who shall in that capacity appoint one or more persons to review the work and progress of Institute.

Clause 10 seeks to make a provision for the authorities of every Institute.

Clause 11 seeks to provide for the composition of the Board of Governors.

Clause 12 seeks to provide for terms of office of the Chairman and other members of the Board.

Clause 13 seeks to make a provision for powers and functions of the Board of Governors.

Clause 14 seeks to provide for the composition of the Senate of every Institute.

Clause 15 seeks to enumerate the functions of the Senate.

Clause 16 seeks to provide for the functions, powers and duties of the Chairperson of the Board of Governors.

Clause 17 seeks to make a provision for appointment of Director and Deputy Director of every Institute and also specifies the powers to be exercised and the functions to be discharged by them.

Clause 18 seeks to make a provision for appointment, powers and functions of the Registrar.

Clause 19 seeks to specify powers and duties of authorities other than the Board of Governors and Senate.

Clause 20 seeks to provide for grants by the Central Government to every Institute.

Clause 21 seeks to provide for the maintenance of Fund by every Institute and for the monies of the Fund to be utilised for meeting the expenses of the Institute.

Clause 22 seeks to provide that the accounts and other relevant records of every Institute shall be maintained in the form specified by the Central Government by notification and the same shall be audited by the Comptroller and Auditor-General of India.

Clause 23 seeks to provide for the constitution of pension and provident funds for the benefit of the employees.

Clause 24 seeks to lay down the procedure for appointment of staff of every Institute except Director and Deputy Director.

Clause 25 seeks to provide for framing of Statutes with respect to conferment of honorary degrees; the formation of the departments of teaching; the qualification of the teachers of the Institute; the allowances to be paid to the Chairman and members of the Board, etc.

Clause 26 seeks to provide for procedure regarding framing the first Statutes and making of new Statutes as well as their amendment and repeal.

Clause 27 seeks to make provision for Ordinances with respect to the admission of the students to the Institute; the courses of study to be laid down for all degrees and diplomas of the Institute; the conduct of examinations, the maintenance of discipline among the students of the Institute, etc.

Clause 28 seeks to provide for the procedure of making Ordinances.

Clause 29 seeks to provide for a Tribunal of Arbitration for settlement of disputes between the Institutes and the employees.

Clause 30 seeks to provide for establishment of a Council as a Central body for all the Institutes.

Clause 31 seeks to provide for tenure of office of the various members of the Council and the allowances payable to such members.

Clause 32 seeks to provide for powers and functions of the Council.

Clause 33 seeks to provide for the powers and functions of the Chairperson of the Council.

Clause 34 seeks to empower the Central Government to make rules for paying allowances to the members of the Council and seeks to provide the procedure to be followed in the meetings of the Council.

Clause 35 seeks to provide that the acts and proceedings of the Council shall not be invalidated by reason of any vacancies or defect in the constitution thereof or any defect in election, nomination or appointment of person acting as a member or any irregularity in its procedure.

Clause 36 seeks to empower the Central Government to remove difficulties which may come across in giving effect to the provisions of this enactment.

Clause 37 seeks to provide for the continuation of the exiting Board and Senate till the constitution of a new Board and Senate, as the case may be, under the provisions of this enactment.

FINANCIAL MEMROANDUM

Clause 4 of the Bill proposes to declare each National Institutes of Technology as a body corporate and bring it within the ambit of the proposed Bill.

2. Clause 20 of the Bill provides for appropriations of money through annual Budget for every institute.

3. At present, there are twenty National Institutes of Technolgoy in the country located in various States and hundred per cent. Central assistance is being provided to these Institutes under both Plan and Non-Plan heads by the Department of Secondary and Higher Education, Ministry of Human Resource Development. The requirement of funds for these Institutes is determined every year on the basis of their requirement in the beginning of the year.

4. The following Budget provisions have been made for these Institutes during the year 2005-2006 and 2006-2007.

(Rs. in Crores)

Sl.No.	Year	Sector	Budget Provision		Final Grant
			B.E.	R.E.	
1.	2005-2006	Plan	90.00	87.00	87.88
		Non-Plan	195.66	195.46	195.46
2.	2006-2007	Plan, Grant	97.00	-	-
		NER	13.00		
		Non-Plan	200.00	-	-

5. These Institutes have been empowered to receive grants, gifts, donations, benefactions, bequests or transfers from private bodies or individuals.

6. All monies placed at the disposal of each of the Institutes will constitute the Fund of the respective Institute and will not lapse at the end of the year. It shall be taken into account in making funds available to the respective Institute in subsequent year.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 26 of the Bill empowers the Central Government to frame, with the prior approval of the Visitor (President of India), the first Statutes of each Institute. A copy of such Statutes shall be laid before each House of Parliament. The Board of each Institute has been empowered to make new or additional Statutes or amend or repeal the statutes made by the Central Government. The matters in respect of which the Statutes may be made relate *inter alia* to the conferment of honorary degrees; the formation of departments of teaching; the fees to be charged for courses of study and for admission to examinations of degrees and diplomas of the Institute; the institution of fellowships, scholarships, exhibitions, medals and prizes; the term of office, the method of appointment and the conditions of service of officers, teachers and other staff of the Institute; the constitution of pension, insurance and Provident Funds for the benefit of officers, teachers and other staff of the Institute; the constitution, powers and duties of authorities of the Institute; the procedure to be followed in the conduct of the business of the Board, the Senate or any Committee.

2. Clause 28 of the Bill empowers the Senate of each Institute to make Ordinances consistent with the provisions of the enactment and the Statutes. The matters in respect of which such Ordinances may be made relate *inter alia* to the admission of students to the Institute; the courses of study to be laid down for degrees and diplomas of the Institute, the conditions under which students shall be admitted to the degree or diploma courses and to the examinations of the Institute; the conditions and mode of appointment and duties of examining bodies; the conduct of examinations and the maintenance of discipline among students of the Institute.

3. Clause 34 of the Bill empowers the Central Government to make rules in respect of traveling and other allowances payable to the members of the Council and the procedure to be followed in the meetings of the council.

4. The matters for which the Statutes, Ordinances or Regulations may be made pertain to matters of procedure or detail and it is not possible to provide for them in the Bill. The delegation of legislative power is, therefore, of a normal character.

A

Bill

to declare certain institutions of technology to be Institutions of national importance and to provide for certain matters connected with such institutions.

(Shri Arjun Singh, Minister of Human Resource Development)