Legislative Brief

The Indian Statistical Institute Bill, 2026

The Indian Statistical Institute Bill, 2026 was introduced in Lok Sabha on August 3, 2026. It was referred to the Standing Committee on Finance on September 1, 2026.

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Highlights of the Bill

- The Indian Statistical Institute (ISI) was formed as a registered society in 1931. The ISI Act, 1959 declared it an institution of national importance (INI). The Bill constitutes ISI as a body corporate.
- The Bill lays out a governance structure for ISI, consisting of a Visitor (President of India), a Board of Governors, the Academic Council, and the Director. Centres will be governed by Centre-Directors and Management Councils.

Key Issues and Analysis

- The Bill enhances the role of the central government in ISI's governance, which may affect the autonomy of the Institute.
- As per the Bill, the central government may issue binding directions to ISI for efficient administration of the Act. Prior government approval is required for establishing Centres, and for creating academic, technical, and other posts.
- Out of the 11-member Board of Governors, the Chairperson will be nominated by the Visitor. Seven other members will be appointed/ nominated by the central government or the Chairperson. The Visitor's approval is required to appoint and remove the ISI Director.

PART A: HIGHLIGHTS OF THE BILL

Context

The Indian Statistical Institute (ISI) was formed in 1931.[1] It is registered as a society under the West Bengal Societies Registration Act, 1961. The objectives of the Institute are to promote the study and application of statistical theory and methods, and to collect information and perform investigations for planning.[2] In 1959, Parliament passed the ISI Act, which granted it the status of an institution of national importance, and powers to grant degrees.[3] The Institute is headquartered in Kolkata, with Centres in Bengaluru, Chennai, Delhi, and Tezpur.[4] As of March 31, 2025, the ISI Society had 1,239 members.[4] It is governed by the ISI Council. In 2024-25, 95% of the Institute's income was from central government grants.[4]

The 1959 Act empowered the central government to constitute committees to review the work done, and the progress made by ISI. Four Review Committees have been constituted under this provision. The Fourth Review Committee (2021) observed that ISI has dated governance structures, and few accountability mechanisms.[5] It also noted constraints in faculty, funding, infrastructure, and other resources.[5] It recommended reducing the size of the ISI Council from 33 to 19, and discontinuing elections to fill certain posts (see Table 4 in the annexure).[5] It also recommended rationalising administrative staff and divisions, and enhancing revenue generation through external research and consultancy.[5] The Committee noted that the Council had limited powers, and applied to the central government for almost all administrative and financial matters.[5] It recommended empowering the Council to take administrative decisions on human resources, while remaining within allocated budget limits.[5]

The Indian Statistical Institute Bill, 2026 was introduced in Lok Sabha on August 3, 2026. It repeals the 1959 Act, constitutes ISI as a body corporate, and specifies its governance structures. The Bill was referred to the Departmentally-related Standing Committee on Finance (Chair: Dr. Bhartruhari Mahtab) on September 1, 2026.

Key Features

- **Incorporation:** Currently, ISI is registered as a society under the West Bengal Societies Registration Act, 1961. The Bill constitutes ISI as a body corporate. It also retains the Institute's status as an institution of national importance and its power to grant degrees.
- **Governance structure:** The Bill alters the governance structure of ISI as shown in Table 1.

Table 1: Comparison of existing and proposed governance structures for ISI

Body/Office	ISI Act, 1959 and governing documents	Bill
Visitor	None	▪ President of India ▪ May hold reviews or inquiries, and issue binding directions based on inquiry reports
Governing body	ISI Council	Board of Governors (BoG)
Term	Two years	Three years
President	Elected by members of ISI Society	No equivalent position
Chairperson	Elected by Council; must not be an ISI employee	Nominated by Visitor on government recommendation
Size and Composition	▪ 33 members ▪ Includes representatives of: ISI Society (3 members), ISI employees (2), officers of the Institute (12), government (6), and the scientific community (9)	▪ 11 members ▪ Includes representatives of: government (2 members), ISI faculty (2), officers of the Institute (2), and eminent external members (4)
Director	▪ Appointed by Council on recommendations of Selection Committee consisting of Council Chairperson and two experts approved by the Council ▪ No provisions for removal ▪ Five-year term	▪ Appointed and removed by BoG with prior approval of the Visitor ▪ Five-year term ▪ Powers, functions, and working conditions to be determined by central government Rules
ISI Centres	▪ Council may establish and dissolve Centres	▪ BoG may set up Centres with prior approval of central government
Centre Heads	▪ Appointed by Director on recommendation of a committee consisting of Council Chairperson, Director, and one Council-approved external expert ▪ Four-year term	▪ Appointed and removed by BoG in a manner prescribed by central government rules ▪ Five-year term
Composition of Academic Council	▪ All Professors and scientific workers of same or higher rank, two representatives of each Division, the Director, the Dean of Studies, other non-faculty members	▪ Director, Centre-Directors, all full-time Professors, some number of other faculty (to be determined by BoG), and Dean of Academic Affairs
Governing body for Centres	No such structure	▪ Management Council comprising a Presiding Officer appointed by BoG, ISI Director, Centre-Director, Dean of Centre, and one member of Academic Council
Central government's powers to issue directions	▪ May be issued if necessary in public interest; reasons must be recorded and communicated to ISI ▪ Directions may require ISI to amend memorandum of association/rules/regulations, or prioritise certain works	▪ As necessary for the efficient administration of the Act.

Note: Governing documents include the Memorandum of Association, Regulations, and Bye-laws.
Sources: ISI Memorandum of Association, Regulations, and Bye-laws; the ISI Bill, 2026; PRS.

PART B: KEY ISSUES AND ANALYSIS

Autonomy of the Institute

Various high-level committees set up by the central government have noted that higher educational institutions (HEIs) in India lack autonomy, and recommended granting them a high degree of autonomy.[6,7] The Yashpal Committee (2010) observed that autonomy provides HEIs the freedom to pursue research and innovation, and to be diverse in design and organisation.[7] The National Education Policy (NEP), 2020 envisions that HEIs "will aim to become independent, self-governing institutions pursuing innovation and excellence".[8] It further states that "the autonomy of public institutions will be backed by adequate public financial support and stability".[8]

Currently, ISI lays out its governance structure and processes through its memorandum of association, regulations, and bye-laws, with the prior approval of the central government.[3] It may independently start new programmes and centres, determine admission criteria and procedures, develop curricula, and conduct student evaluations. Certain provisions of the Bill may reduce the autonomy of ISI, by enhancing the role of the central government in decision-making. These provisions differ from laws governing IIMs and IITs.[9,10] They also contrast with the provisions of NEP (2020), which envisages the Board of Governors (BoG) of institutions to consist of highly qualified individuals, with the power to govern HEIs independently.[8] See Table 2 for a comparison of the Bill's provisions with the existing structure of ISI, the system in IIMs and IITs, and the provisions of NEP 2020.

Central Government's powers to issue directions to ISI enhanced

Act: Section 11
Bill: Clause 45

The ISI Act, 1959 empowers the government to issue directions to the Institute.[3] Such directions may require amendments to the Institute's Memorandum of Association or regulations, or that certain works be prioritised.[3] They may be issued only if necessary in public interest, and reasons for issuing them must be recorded.[3] The Bill provides that the central government may issue binding directions to ISI, as necessary for the efficient administration of the Act. It does not indicate specific reasons or situations when such directions may be issued.

Government approval required to establish new Centres

Bill: Clause 11(1)

Currently, the ISI Council has the power to create working centres, branches, etc., for efficiently conducting its activities.[11] This does not require central government approval. The Bill provides that the BoG would require prior approval of the central government to establish new Centres.

Creating new posts will require prior government approval

Bill: Clause 17(2)(i)

The ISI Council currently has the power to create academic posts, and employ officers, workers, contractors, and others as required.[11] The Bill empowers the BoG to create academic, administrative, technical, and other posts. However, this may be done only with the prior approval of the central government.

Chairperson of the Board to be nominated by the Visitor on central government recommendation

Bill: Clause 14(2)(a)-(e)

Currently, the ISI Council is chaired by an eminent person, elected by the Council.[11] The Bill provides that the Visitor, on the recommendation of the central government, will nominate an eminent person as the Chairperson of the BoG. The Visitor is the President of India, who must act on the advice of the central government.[12]

As per the Bill, the government has the power to appoint the Chairperson of the Board and the two government representatives. Four eminent external members and one Centre-Director will be chosen by the Chairperson. Thus, eight out of 11 members are chosen by the Chairperson or the government (see Table 3). In contrast, NEP (2020) provides that new members of the Board of an institution should be selected by the Board itself.[8]

Role of central government in appointment and removal of Director enhanced

Bill: Clause 22(2), 22(6), 23(2), 23(6)

The Director is the Chief Executive Officer of ISI. Currently, the Director is appointed by the Council, on the recommendation of a three-member selection committee (see Table 2).[11] As per the Bill, the Director will be appointed by the BoG, with the prior approval of the Visitor. It does not specify the manner of selection. The Bill also empowers the Board to remove the Director with prior approval of the Visitor, but does not provide grounds for his removal. Similarly, under the Bill, Centre-Directors may be appointed or removed by the Board, in a manner prescribed by Rules. The grounds for removal of Centre-Directors are not specified.

Table 2: Comparison of ISI Bill, 2026 with the IIM and IIT Acts and relevant provisions of NEP, 2020

ISI Act, 1959 and governing documents	ISI Bill, 2026	IIM Act, 2017	IIT Act, 1961	NEP, 2020
Central government's powers to issue directions to ISI enhanced				
▪ May issue directions if necessary in public interest ▪ May require amending ISI's memorandum of association, regulations, or bye-laws ▪ Reasons must be recorded	▪ May issue directions as necessary for the efficient administration of the Act	▪ No such provisions	▪ No such provisions	▪ Board of Governors (BoG) should be free to govern the institution, without any external interference ▪ BoG will be empowered to make all appointments
Government approval required to establish Centres				
▪ Not required	▪ Required	▪ Only intimation	▪ No such provisions	
Creating new academic, administrative, technical, or other posts requires central government approval				
▪ Not required	▪ Required	▪ Not required	▪ Not required	
Chairperson of BoG to be nominated by Visitor on central government recommendation				
▪ Council elects its Chairperson	▪ Visitor nominates on central government recommendation	▪ Visitor nominates	▪ Visitor nominates	▪ Selection of new members will be carried out by the BoG itself ▪ New members of the BoG shall be identified by an expert committee appointed by BoG
Eight out of 11 Board members to be chosen by the Chairperson/central government				
▪ 33-member Council includes Chairperson, 12 ISI officers, nine eminent scientists co-opted by the Council, six government officials, three ISI Society members, and two ISI employee representatives	▪ Eight out of 11 BoG members appointed/ nominated by central government or by Chairperson (Table 3)	▪ Out of the 14-19 member BoG, three members nominated by government, and two by Chairperson. Others nominated by BoG itself	▪ Two out of nine-member BoG appointed by government. Others nominated by senior faculty or the IIT Council*	

ISI Act, 1959 and governing documents	ISI Bill, 2026	IIM Act, 2017	IIT Act, 1961	NEP, 2020
Role of central government in appointment/removal of Director enhanced				
▪ Director appointed by Council on recommendation of a Selection Committee consisting of Council Chairperson and two experts approved by Council. ▪ No provisions for removal ▪ Head of Centre appointed by Director on recommendation of committee consisting of Council Chairperson, Director, and one external expert approved by Council	▪ Appointed by BoG with prior approval of Visitor ▪ Process of selection not specified in Bill ▪ Board may remove Director with prior approval of Visitor ▪ Grounds for removal of Director not specified ▪ Centre-Director to be appointed/removed by BoG; process of appointment/removal, grounds for removal not provided in Bill.	▪ Appointed by BoG with prior approval of Visitor. ▪ Selection Committee consisting of BoG Chairperson, one person nominated by Visitor and two eminent persons. ▪ May be removed by Visitor, or by BoG with prior approval of Visitor. Grounds for removal given in Act.	▪ Appointed by IIT Council with prior approval of Visitor* ▪ No provisions for removal in Act; individual IITs may prescribe manner of removal through statutes.	▪ BoG will be empowered to appoint the head of institutions ▪ Leaders of institutions will be selected by BoG through a rigorous, impartial, merit-based, and competency-based process; process will be led by an Eminent Expert Committee constituted by BoG

Note: *The IIT Council is a central body coordinating and reviewing the work of all IITs.
Sources: See endnotes 3, 8, 9, 10, and 11; PRS.

Inconsistency between provisions

Bill: Clause 11(1), 17(2)(e)

Clause 11(1) of the Bill requires the *"prior approval"* of the central government to establish new Centres. Clause 17(2)(e) only requires that the central government be *"intimated"* about the creation of new Centres. These provisions are inconsistent with each other.

Annexure

Table 3: Appointment/nomination of persons to the Board of Governors (BoG) in ISI and IIMs

Type of member	ISI Bill, 2026		IIM Act, 2017	
	Number of Members	Appointed/Nominated by	Number of Members	Appointed/Nominated by
Chairperson	One	Visitor on recommendation of central government	One	Visitor
Government representatives	Two	Central government	Two	One by central and one by state government
Eminent persons	Four; one must be a woman	Chairperson in a manner determined by central government Rules	Four; one must be a woman	Board in a manner determined by itself through Regulations
Faculty representatives	Two members of Academic Council	BoG	Two	Chairperson in a manner determined by BoG
Alumni representatives	-	-	Up to five	BoG
Women members	-	-	Three	BoG
Person from Scheduled Castes or Tribes	-	-	One	BoG
Director	One	Co-terminus with post	One	Co-terminus with post
Centre-Director	One	Chairperson in a manner determined by BoG	-	-

Sources: The ISI Bill, 2026; The IIM Act, 2017; PRS.

Table 4: Selected recommendations of the 4th ISI Review Committee

Parameter	Existing Structure	4th ISI Review Committee (2021)	ISI Bill, 2026
Governing Structure	▪ 33-member Council as apex governing body ▪ Representatives of ISI Society and ISI employees, and eight ISI officers are elected	▪ Reduce the ISI Council size to 19 members ▪ Elections may be conducted for certain Council members ▪ Discontinue elections for Professors-in-Charge of Divisions and Dean of Studies	▪ 11-member Board of Governors (BoG) as apex governing body ▪ No elected members in BoG
Faculty Appointment	▪ Council can create academic and other posts as required ▪ Faculty strength capped at 273 by central government	▪ Cap on faculty should be revised to 300 within a year ▪ Recruitment process is long, often taking a year; should be completed in three months ▪ Council should be empowered to: (i) approve temporary faculty positions, (ii) frame rules for limited short-term appointments at internationally competitive remuneration, (iii) revise staff structures periodically, and (iv) decide whether to fill regular posts with regular/deputed/contract appointees	▪ BoG may create academic, administrative, technical, and other posts with prior government approval ▪ May specify qualifications, terms of service, and manner of appointment under Regulations
Fees	▪ No fees for bachelor's and Masters' programmes (except one); all students (except sponsored) and research fellows receive stipends.	▪ Charge all students fees, support those in financial difficulty ▪ Admit sponsored students through easier channels without diluting academic requirements	▪ BoG may determine fees and institute fellowships, scholarships, medals, etc.
Funding & Revenue Generation	▪ Central government may provide grants or loans as it considers necessary ▪ 95%-98% of funds have come from central government grants since 2020-21.	▪ Double the share of external grants and internal earning in the medium term; then, raise internal revenue generation to least one-third of grants-in-aid ▪ Raise government grants by 8%-10% every year, and by 25% every fifth year ▪ Do not offset internal revenue against later grants releases in subsequent years ▪ By 2025, at least 50% of faculty should hold external projects/grants; by 2030, this should increase to 75%	▪ Central government may grant funds as it thinks fit ▪ BoG may determine other means of generating revenue

Sources: See endnotes 3, 5, and 11; ISI Annual Reports 2020-21 to 2024-25; ISI Prospectus 2026-27; PRS.

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9. Sections 10(1), 11(2)(e), 11(2)(i), and 16, The Indian Institute of Management Act, 2017.
10. Sections 11, 13(2)(d), and 17, The Indian Institute of Technology Act, 1961.
11. Regulations, Indian Statistical Institute, https://www.isical.ac.in/isical_web/files/about/Regulations_English.pdf; Bye-Laws, Indian Statistical Institute, https://www.isical.ac.in/isical_web/files/about/Bye_Laws_English.pdf.
12. Article 74, Constitution of India.

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