



KARNATAKA LEGISLATIVE ASSEMBLY
FIFTEENTH LEGISLATIVE ASSEMBLY
THIRD SESSION

THE NIE UNIVERSITY BILL, 2019
(LA Bill No. 01 of 2019)

A Bill to establish and incorporate in the State of Karnataka a University of unitary in nature in private sector by the National Institute of Engineering Society to promote and undertake the advancement of applied University education in Sciences, all branches of Engineering, Arts, Management, Commerce, and for the matters connected therewith or incidental thereto.

Whereas it is expedient to establish and incorporate in the State of Karnataka a University of unitary in nature in private sector by the National Institute of Engineering Society to promote and undertake the advancement of applied University Education in Sciences all branches of Engineering, Arts, Management, Commerce and for the matters connected therewith or incidental thereto for the purposes hereinafter appearing.

Be it enacted by the Karnataka State Legislature in the seventieth year of the Republic of India as follows:-

CHAPTER-I
PRELIMINARY

1. Short title, extent and commencement.— (1) This Act may be called the NIE University Act, 2019.

(2) It extends to the whole of the State of Karnataka.

(3) It shall come into force on such date as the State Government may, by notification, in the official Gazette, appoint.

2. Definitions.— In this Act, unless the context otherwise requires,-

(a) “Academic Council” means the Academic Council of the University as specified in section 26;

(b) “Agenda Matters” means all the matters and business to be designated in the Statutes each of which can be either included in the Agenda or be taken up for discussion and decision at a meeting of the Board of Governors or the Board of Management or academic council or other authority of the University or any Committees, as the case may be, only subject to the prior written approval of the Chancellor, consenting to the passing of such matters and business at such a meeting;

(c) “Board of Governors” means the Board of Governors of the University as specified in section 24;

(d) “Board of Management” means the Board of Management of the University as specified in section 25;

(e) “Chancellor”, “Vice-Chancellor”, “Pro Vice-Chancellor” means respectively the Chancellor, Vice Chancellor and Pro Vice Chancellor of the University.

- (f) "Campus" means a campus established, maintained by the University, situated within the State;
- (g) "Committees" means the committees formed under this Act or by the various functionaries of the University as the case may be and includes the Nomination Committee, the Finance Committee and such other committees;
- (h) "Constituent College" means a college or institution established and maintained by the University;
- (i) "Finance Committee" means the Finance Committee of the University as specified in section 28;
- (j) "Government" means the Government of Karnataka;
- (k) "National Accreditation Bodies" means a body established by the Central Government for laying down norms and conditions for ensuring academic standards of higher education, such as University Grants Commission, All India Council of Technical Education, National Council of Teacher Education, Council of Scientific and Industrial Research, Council of Architecture and includes the Government;
- (l) "Prescribed" means prescribed by rules made by the Government under this Act;
- (m) "Principal in relation to a Constituent College" means the head of the Constituent College and includes, where there is no Principal or in the absence of the Principal appointed, the Vice-Principal or any other person for the time being appointed to act as Principal;
- (n) "Registrar" means the Registrar of the University;
- (o) "Regional Centre" means a centre established or maintained by the University for the purpose of coordinating and supervising the work of Study Centres in any region within the State and for performing such other functions as may be conferred on such centre by the Board of Management;
- (p) "Sponsoring Society" or "Sponsoring Body" in relation to this Act means the National Institute of Engineering Society;
- (q) "Society" means National Institute of Engineering Society registered under the Societies Registration Act, 1860 (Karnataka Act 21 of 1860);
- (r) "State" means State of Karnataka;
- (s) "Statutes" and "Regulations" means respectively, the Statutes and Regulations of the University made under this Act;
- (t) "Study Centre" means a centre within the State established and maintained by the University for the purpose of advising, counseling or for rendering any other assistance required by the students in the context of the education;
- (u) "Teacher" means and includes a Professor, Associate Professor, Assistant Professor, or such other person as may be appointed for imparting instruction or conducting or to guide research in the University or in a Constituent College and includes the Principal of Constituent College in conformity with the norms specified by the 'University Grants Commission';
- (v) "University" means "NIE University";
- (w) "University Grants Commission" means the Commission established under section 4 of the University Grants Commission Act, 1956 (Central Act 3 of 1956);
- (x) "Visitor" means the visitor of the University as specified in section 13.

CHAPTER-II

THE UNIVERSITY AND SPONSORING BODY

3. Proposal for the establishment of the University.- (1) The Sponsoring Society shall have the right to establish the University of unitary in nature subject to and in accordance with the provisions of this Act.

(2) The proposal to establish a University shall be made to the State Government by the Society.

(3) The proposal shall contain the following particulars, namely:-

- (i) the objects of the University along with the details of the Society;
- (ii) the extent and status of the University and the availability of land;
- (iii) the nature and type of programmes of study and research to be undertaken by the University during a period of five academic years immediately following the commencement date;
- (iv) the nature of faculties, courses of study and research proposed to be started;
- (v) the campus development such as buildings, equipment and structural amenities; :
- (vi) the phased outlays of capital expenditure for a period of five academic years immediately following the commencement date;
- (vii) the item-wise recurring expenditure, sources of finance and estimated expenditure for each student; .
- (viii) the scheme for mobilizing resources and the cost of capital thereto and the manner of repayments to each source;
- (ix) the scheme of generation of funds internally through the recovery of fee from students, revenues anticipated from consultancy and other activities relating to the objects of the University and other anticipated incomes;
- (ix) the details of expenditure on unit cost, the extent of concessions or rebates in fee, freeship and scholarship for students belonging to economically weaker sections and the fee structure indicating varying rate of fee, if any, that would be levied on students who are either non resident Indians or persons of Indian origin or sponsored by non resident Indians or person of Indian origin and students of nationalities other than India.
- (x) the years of experience and expertise in the concerned discipline at the command of the Sponsoring Society as well as the financial resources;
- (xii) the system for selection of students to the courses of study at the University; and
- (xiii) status of fulfillment of such other conditions as may be required by the State Government under this Act to be fulfilled before the establishment of the University.

(4) A Screening Committee shall be constituted by the State Government consisting of three members who are Ex-officio members of Karnataka State Higher Education Council to examine the proposals received from the Sponsoring society which has to make recommendations to the State Government for the establishment of the University.

4. Establishment of the University. (1) Where the State Government, after considering the recommendations of the Screening Committee and holding such inquiry as it may deem necessary, is satisfied that,-

- (i) the Society has ability to run an University with sufficient infrastructure.
- (ii) owns a land to the extent specified below in accordance with its location namely:-
 - (a) twenty five acres of land if it is within limits of Bruhat Bangalore Mahanagara Palike;
 - (b) forty acres of land if it is out side the limits of Bruhat Bangalore Mahanagara Palike but within Bangalore Metropolitan Region Development Authority Area;
 - (c) not less than fifty acres of land in the places other than the places specified in clauses (a) and (b).

The land specified above shall consist of a single block and it shall be in the name of the concerned Society or institution or university itself. Based on the furnished particulars required in sub-section (3) of section 3, the Government may direct the Society to establish the permanent Statutory Endowment Fund as specified in section 48.

(2) After the establishment of the Permanent Statutory Endowment Fund, the State Government may, by notification, in the official Gazette, accord sanction for establishment of the University of unitary in nature in the State by the name of NIE University.

(3) The headquarters of the University shall be at Mysuru. The University shall have Campus. or Regional Centres, study centres anywhere in Karnataka after five years of establishment of the University subject to the prior permission of the State Government and as per the norms of University Grants Commission.

(4) The First Chancellor, the First Vice- Chancellor, First members of the Board of Governors, First members of the Board of Management and the Academic Council and all persons who may hereafter become such officers or members, so long as they continue to hold such office or membership, shall constitute a body corporate and can sue and be sued in the name of the University.

(5) On sanction for the establishment of the University under sub-section (2), the land and other movable and immovable properties acquired, created, arranged or built by the Sponsoring Society for the purpose of the University shall vest in the University.

(6) In all suits and other legal proceedings by or against the University, the pleading shall be signed and verified by, and all processes in such suits and proceedings shall be issued to and be served on the Registrar.

(7) The land, building and other properties of the University shall not be used for any purpose other than incidental to the objects of the University.

5. Grants and Financial Assistance.- The University shall be self- financing and shall neither make a demand nor shall be entitled to any maintenance grant-in-aid or any other financial assistance from the State or any other body or corporation owned or controlled by the State:

Provided that, the State may, provide financial support through grants or otherwise,-

- (a) for research, development and other activities for which other State Government organizations are provided financial assistance; or

- (b) for any specific research or programmes receiving support from the State Government; and
- (c) for the benefit of similar universities in the State whether subject to a change in State policy or otherwise:

Provided further that, the university may receive any financial support from any other source.

6. Power to establish constituent College, additional campuses, Regional Centres or Study Centres.- The University may have Constituent Colleges, Regional Centres, additional campuses and Study Centres at such places in the State as it deems fit after the completion of five years after its establishment with prior approval of the State Government subject to the norms of University Grants Commission and other National Accreditation bodies.

7. Objects of the University.- The University shall employ a broad range of strategies to achieve its vision and objectives,-

- (i) to provide instruction, teaching, training, research, consultancy and development in various disciplines in areas such as Technical Education, Finance, Management, Teaching-Learning, Liberal arts, Humanities, Arts including other allied fields of development and make provisions for research, advancement and dissemination of knowledge on these fields;
- (ii) to design and deliver high quality training, capacity building and development systems for teachers in higher and professional education, administrators and professionals working in Government, Public and Private Sectors and development professionals in other systems;
- (iii) to develop resource centers to contribute to quality education;
- (iv) to establish Campuses and have study centers, Constituent Colleges and Regional Centres at various locations in Karnataka after a period of five years and to contribute and develop an understanding of educational changes in Technical and professional education and social and human development as per norms of the University Grants Commission with prior approval of the State Government;
- (v) to institute degrees, diplomas, certificates and other academic distinctions like award of credits on the basis of successful completion of academic work evaluated through multiple methods of assessment;
- (vi) to collaborate with any other universities, research institutions, non-profit organizations, industry association, professional, associations or other organizations, to conceptualize, design, develop and offer specific educational and research programmes, training programmes and exchange programmes for students, faculty members and others;
- (vii) to disseminate knowledge and develop a public debate on issues of education and allied development fields through seminars, conferences, executive education programmes, community development programmes, publications and training programmes and events;
- (viii) to undertake programmes for development and training of faculty and researchers of the University in partnership with any other institutions of quality with prior approval of the State Government;
- (ix) to undertake collaborative research and advocacy with any organizations with prior approval of the State Government;
- (x) to undertake necessary or expedient action to pursue and promote the objectives of the University; and

- (xi) to pursue any objectives as may be approved by the Government for the enhancement of the education and other development sectors.

8. Powers of the University.- The University shall have the following powers, namely:-

- (i) to establish and maintain Campuses, Regional Centres and Study Centres in Karnataka after five years from the date of establishment of the University as may be determined by the University from time to time in the manner laid down by the Statutes with prior approval of the Government and as per University Grants Commission norms;
- (ii) to carry out all such other activities as may be necessary or feasible in furtherance of the object of the University,
- (iii) to confer degrees or other academic distinctions in the manner and under conditions laid down in the Statutes;
- (iv) to institute and award fellowships, scholarships and prizes, awards, medals etc., in accordance with the Statutes;
- (v) to demand and receive such fees bills, invoices and collect charges as may be fixed by the Statutes or rules, as the case may be;
- (vi) to make provisions for extracurricular activities for students and employees;
- (vii) to make appointments of the Faculty, officers and employees of the University or a Constituent College, Campuses, Regional Centres, Study Centres;
- (viii) to receive voluntary donations and gifts of any kind not prohibited by any Law for the time being in force and to acquire, hold, manage, maintain and dispose of any movable or immovable property, including Society and endowment properties for the purpose of the University or a Constituent College or a Campus, Regional Centres, Study Centre;
- (ix) to institute and maintain hostels and to recognize places of residence for students of the University or a Constituent College;
- (x) to supervise and control the residence and to regulate the discipline among the students and all categories of employees and to lay down the conditions of service of such employees, including the Code of Conduct for the students and employees;
- (xi) to create academic, administrative and support staff and other necessary posts;
- (xii) to co-operate and collaborate with other Universities in such a manner and for such purposes as the University may determine from time.
- (xiii) to organize and conduct refresher courses, orientation courses, workshops, seminars and other programmes for teachers, lesson writers, evaluators and other academic staff;
- (xiv) to determine standards of admission to the University or a Constituent College, Regional Centres, Study Centres with the approval of Academic Council and to make admission of students of Karnataka not less than the extent provided in this Act;

- (xv) to do all such other acts or things whether incidental to the powers aforesaid or not, as may be necessary to further the objects of the University;
- (xvi) to institute Degrees, Diplomas, Certificates and other academic distinctions on the basis of examination or any other method of evaluation approved by the Government;
- (xvii) to provide for the preparation of instructional materials, including films, cassettes, tapes, video cassettes, CD, VCD, Pen Drives and other software and other relevant electronic and print media;
- (xviii) to raise, collect, subscribe and borrow money with the approval of the Board of Governors whether on the security of the property of the University, for the purposes of the University;
- (xix) to acquire and takeover and run the management of any other educational institutions with the prior approval of the State Government;
- (xx) to acquire properties with the prior approval of the Board of Management;
- (xxi) to undertake any other activities connected with or incidental to above objectives of the University.

9. University open to all classes, Castes, creed, gender or nation.- The University admissions shall be open to all persons irrespective of caste, class, creed, gender or nation. All admissions shall be made on the basis of merit in the qualifying examinations:

Provided that, forty percent of the admissions in all courses of the university shall be reserved for the students of Karnataka State and admissions shall be made through a Common Entrance Examination conducted by the Central Government or State Government or its agency, as the case may be and seats shall be allotted as per the merit and reservation policy of the State Government from time to time:

Provided further that, where there are less than ten seats in any course like Post Graduate, Ph.d and Research they shall be reserved by clubbing such courses together and where there are less than three seats in any course they shall be reserved by rotation.

10. National Accreditation.- The University shall seek accreditation from respective statutory national accreditation bodies soon after its establishment. Further all the courses run by this University shall be as per the regulations of the National Accreditation Bodies.

11. Powers of the sponsoring body.- The sponsoring body shall have the following powers with reference to the University, each of which may be exercised by the Sponsoring Body at its discretion, namely:-

- (i) to appoint or re-appoint or terminate the appointment of the Chancellor;
- (ii) to constitute the first Board of Governors of the University;
- (iii) to nominate the first chairperson of the Board of Governors;
- (iv) to nominate three persons as members of the Board of Governors;
- (v) to nominate two persons as members of the Board of Management;
- (vi) to determine the source of funds to be contributed to the University Endowment Fund;

- (vii) to determine the application and spending of moneys by the University;
- (viii) to resolve any conflict at the meeting of the Board of Governors in the manner provided for in this Act.

CHAPTER - III

OFFICERS OF THE UNIVERSITY

12. Officers of the University. - The following shall be the officers of the University, namely: -

- (i) The Visitor;
- (ii) The Pro-visitor;
- (iii) The Chancellor;
- (iv) The Pro-Chancellor;
- (v) The Vice-Chancellor;
- (vi) The Pro Vice-Chancellor;
- (vii) Deans of Faculties;
- (viii) The Registrar;
- (ix) The Finance Officer; and
- (x) Such other officers as may be declared by the Statutes to be officers of the University.

13. The Visitor.- (1) His Excellency the Governor of Karnataka shall be the Visitor of the University and the visitor may offer suggestions for the improvement of the functioning of the University.

(2) The Visitor shall preside at the convocation of the University for conferring degrees and diplomas.

(3) The Visitor shall have the following powers, namely:-

- (i) to call for any paper or information relating to the affairs of the University;
- (ii) on the basis of the information received by the Visitor and if he is satisfied that any order, proceedings or decision taken by any authority of the University is not in conformity with the Act, Regulations, or Rules, he may issue such directions as he may deem fit in the interest of the University and the directions so issued shall be complied with by all the concerned.

14. The Pro-Visitor.- (1) The Honourable Minister for Higher Education, Government of Karnataka shall be the pro-visitor of the University. -

(2) The pro-visitor shall, when the Visitor is absent, preside at the Convocation of the University for conferring degrees and diplomas.

15. The Chancellor.- (1) The Chancellor shall be appointed by the Sponsoring Body.

(2) A nominee of the Sponsoring Body shall be the first Chancellor, who shall hold for life or till he demits office.

(3) The subsequent Chancellor shall be a Managing Committee member of the Sponsoring Body.

(4) The Sponsoring Body may appoint Pro-Chancellor.

(5) The subsequent, Chancellor so appointed shall hold the office as determined by the Sponsoring Body.

(6) The Chancellor shall have such powers as may be conferred on him by this Act or the Statutes made there under, which shall include the following powers, namely:-

- (i) to function as the head of the University;
- (ii) to preside at all convocations of the University in absence of visitor and pro-visitor;
- (iii) to function as a Chairperson of the Board of Governors of the University;
- (iv) to appoint , or re-appoint or terminate the appointment of the Vice-Chancellor, in accordance with the provisions of this Act and the Statutes;
- (v) to nominate a person as a Member of the Nomination Committee as referred to in sub- section (2) of section 16 of this Act;
- (vi) to pre-approve the appointment of the Pro Vice-Chancellor, the Dean, the Registrar and the Finance Officer;
- (vii) to nominate two academicians as members on the Board of Governors;
- (viii) to appoint the first Pro Vice-Chancellor and the Finance Officer;
- (ix) to constitute the first Board of Management, the Finance Committee, the Research Council and the Academic Council;
- (x) to pre-approve the Agenda matters in the manner provided for in the Act; and
- (xi) to resolve a conflict (excluding conflicts at a meeting of the Board of Governors) in the manner provided in this Act.

(7) In the event of there being a conflict inter-se between the functionary or body and any other functionary or body of the University, then the issue shall be referred to the Chancellor and the decision of the Chancellor in respect of such issue shall be final and binding on the University.

16. The Pro-Chancellor.- (1) The Pro-Chancellor may be appointed by the Sponsoring Body for a term prescribed by the Sponsoring Body subject to other terms and conditions as may be laid down in the statutes.

(2) The Pro-Chancellor shall exercise all powers of the Chancellor in his absence and shall be assigned any additional duties with prior written Approval of the Chancellor.

(3) The Pro-Chancellor shall chair all the Committees, meetings and convocations in the absence of the Chancellor.

17. The Vice-Chancellor.- (1) The Vice- Chancellor shall be appointed by the Chancellor for a term of three years subject to other terms and conditions as may be laid down by the Statutes from among three persons recommended by the Nomination Committee constituted in accordance with the provisions of sub-section (2). After the term of three years, it is renewable for another term of three years:

Provided that a Vice-chancellor shall continue to hold the office even after expiry of his term till new Vice- chancellor joins. However, in any case this period shall not exceed one year.

(2) The Nomination Committee referred to in sub-section (1) shall consist of the following persons, namely:-

- (i) One person nominated by the Sponsoring Body;
- (ii) Two nominees of the Board of Governors, one of whom shall be nominated as the Convener of the Committee by the Board of Governors.

(3) The Nomination Committee shall, on the basis of merit, recommend three persons suitable to hold the office of the Vice-Chancellor and forward the same to the Chancellor along with a concise statement showing the academic qualifications and other distinctions of each person.

(4) The Vice-Chancellor shall be the Principal Executive and Academic Officer of the University and shall exercise general supervision and control over the affairs of the University and give effect to the decisions of the authorities of the University:

Provided that, where any matter, other than the appointment of a Teacher is of urgent nature requiring immediate action and the same could not be immediately dealt with by any officer or the authority or other body of the University empowered by or under this Act to deal with it, the Vice-Chancellor may take such action as he may deems fit with the prior written approval of the Chancellor.

(5) The Vice-Chancellor shall exercise such other powers and perform such other duties as may be laid down by the Statutes or the Rules:

Provided that, where in the opinion of the Vice-chancellor, any decision of any authority of the university is outside the powers conferred by this Act or Statutes, Regulations or Rules made there under or is likely to be prejudicial to the interests of the university, he shall request the concerned authority to revise its decision within fifteen days from the date of its decision and in case the authority refuses to revise such decision wholly or partly or fails to take any decision within fifteen days, then such matter shall be referred to the Chancellor and his decision thereon shall be final.

(6) The services of the Vice- Chancellor can be terminated by the Chancellor with the approval of the Board of Governors after following the principles of natural justice and after providing an opportunity to present his case including, for termination on, disciplinary grounds.

(7) The Vice-Chancellor shall preside at the Convocation of the University in the absence of the Visitor, Pro-Visitor, the Chancellor and the Pro-Chancellor.

18. The Pro Vice-Chancellor.- The Vice- Chancellor shall appoint not exceeding three pro-vice Chancellors with the written approval of the Chancellor in such manner and they shall exercise such powers and perform such duties as may be laid down by the Statutes.

19. Deans of faculties.- Deans of faculties shall be appointed by the Vice-Chancellor with the written approval of the Chancellor in such manner and they shall exercise such powers and perform such duties as may be laid down by the Statutes.

20. The Registrar.- (1) The Registrar shall be appointed by the Chancellor in such manner and on such terms and conditions as may be laid down by the Statutes.

(2) All contracts as defined in statutes shall be entered into, and signed by the Registrar on behalf of the University.

(3) The Registrar shall have the power to authenticate records on behalf of the University and shall exercise such other powers and perform such other duties as may conferred by the statutes or may be required from time to time, by the Chancellor or the Vice-Chancellor.

(4) The Registrar shall be responsible for the due custody of the records and the common seal of the University and shall be bound to place before the Chancellor, the Vice-Chancellor or any other authority all such information and documents as demanded.

21. The Finance Officer.- The Finance Officer shall be appointed by the Vice-Chancellor with the written approval of the Chancellor in such manner and he shall exercise such powers and perform such duties as may be laid down by the Statutes.

22. Other Officers.- The manner of appointment, terms and conditions of service and powers and duties of the other officers of the University shall be such as may, be specified by Statutes. .

CHAPTER – IV

AUTHORITIES OF THE UNIVERSITY

23. Authorities of the University.- The following, shall be the authorities of the University, namely:-

- (i) The Board of Governors;
- (ii) The Board of Managements;
- (iii) The Academic Council;
- (iv) The Research and Innovation Council;
- (v) The Finance Committee; and
- (vi) Such other authorities as may be declared by the Statutes to be the authorities of the University.

24. The Board of Governors and its powers.- (1) The Board of Governors shall consist of the following, namely:-

- (i) The Chancellor - Chairperson;
- (ii) The Pro-Chancellor - Member;
- (iii) The Vice-Chancellor - Member;
- (iv) The Principal Secretary or Secretary to the State Government in the Higher Education or by his nominee not below the rank of Deputy Secretary ;
- (v) One expert from the field of management, finance or any other specialized, including administration to be nominated by the State Government;
- (vi) Three persons nominated by the Sponsoring Body of whom one shall be woman
- (vii) The Pro Vice-Chancellor who shall be a non-voting member:
- (viii) One eminent educationist nominee of the University Grant Commission.

(2) The Registrar shall be non-voting member Secretary of Board of Governors.

(3) The tenure of office of the members of the Board of Governors, appointment of members, other than Government nominees, renewal and removal, etc., shall be such as may be laid down by the Statutes.

(4) All meetings of the Board of Governors shall always be chaired by the Chancellor and in his absence by any one of the nominees of the Chancellor. If Chancellor has not nominated any person to Chair such a meeting, members present in the meeting shall elect the Chairperson for that meeting only from among themselves by a simple majority.

(5) Quorum for all meetings of the Board of Governors shall be three members attending and voting at such meeting:

Provided that, the presence of either the Chancellor or one nominee of the Sponsoring Body and in the absence of the Chancellor or one nominee of Sponsoring Body, the Vice Chancellor, shall always be necessary to form the quorum for any meeting of the Board of Governors.

(6) The Board of Governors shall be the Principal Governing Body of the University and shall have the following powers, namely:-

- (i) to appoint the Statutory Auditors of the University;
- (ii) to lay down policies to be pursued by the University;
- (iii) to review decisions of the other authorities of the University if they are not in conformity with the provisions of this Act, or the Statutes or the Rules;
- (iv) to approve the Budget and Annual Report of the University;
- (v) to make new or additional Statutes or amend or repeal the earlier Statutes and Rules;
- (vi) to take decision about voluntary winding up of the University;
- (vii) to approve proposals for submission to the Government;
- (viii) to nominate three members to the Fee Regulation committee; and
- (ix) to take such decisions and steps as are found desirable for effectively carrying out the objects of the University.

(7) The Board of Governor shall, meet at least three times a year.

(8) The Board of Governors shall meet at such time and place as may be specified by Statute.

25. The Board of Management.-(1) The Board of Management shall consist of the following, namely:-

- (i) The Vice Chancellor;
- (ii) The Pro-Vice Chancellors;
- (iii) The Registrar;
- (iv) Two nominees of the Sponsoring Body; and
- (v) Two Deans of the faculties as nominated by the Vice Chancellor.

(2) The Vice Chancellor shall be the Chairperson of the Board of Management and the Registrar shall be the Secretary of the Board of Management.

(3) The Board of management shall be the executive body of the University. The powers and functions of the Board of Management shall be such as may be specified by the statutes.

(4) All meetings of the Boards of Management shall always be chaired by the Vice Chancellor and in the absence of the Vice Chancellor, by the nominee of the Sponsoring Body and where the Sponsoring Body has not nominated any nominees, then by any other member as elected by the members present in the meeting;

(5) In the event of a conflict of opinion at the meeting of the Board of Management, the issue shall be referred to the Chancellor and the decision of the Chancellor in respect of such issue shall be final and binding on the University.

26. The Academic Council. - (1) The Academic Council shall consist of the following, namely: -

- (i) The Vice-Chancellor - Chairperson
- (ii) The Pro Vice Chancellor - Member
- (iii) The Registrar - Secretary
- (iv) Such other members as may be specified by the Statutes.

(2) The Academic Council shall be the principal academic body of the University and shall, subject to the provisions of this Act, the Statutes, Regulations and the Rules, co-ordinate and exercise general supervision over the academic policies of the University.

27. The Research and Innovation Council.- (1) Research and Innovation Council shall be the Principal Research and Innovation Committee of the University and shall provide the larger holistic vision of the kind of research to be undertaken by the University, including prioritization of the research areas. Research and Innovation Council shall, subject to the provisions of this Act, the Statutes, Regulations and the Rules, co-ordinate and exercise general supervision over the Innovation and Research policies of the University.

(2) The Research and Innovation Council shall consist of the following, namely:-

- (i) The Vice- Chancellor - Chairperson
- (ii) The Pro Vice-Chancellor - Member
- (iii) The Dean of Research - Secretary
- (iv) Head of the Department of Innovation - Member
- (v) Deans of all Faculties - Members
- (vi) Such other members as may be specified in the Statutes.

28. The Finance Committee.- (1) The Finance Committee shall consist of the following, namely:-

- (i) The Chancellor or his Nominee - Chairperson
- (ii) The Pro-Chancellor - Member
- (iii) The Vice-chancellor - Member
- (iv) The Registrar - Member
- (v) The Finance Officer - Secretary
- (vi) One nominee of the Sponsoring Body - Member and
- (vii) Such other members as may be specified in the statutes.

(2) The Finance Committee shall be the principal financial body of the University to take care of financial matters and shall, subject to the provisions of this Act, Rules and Statutes co-ordinate and exercise general supervision over the financial matters of the University.

29. Other Authorities.- The constitution, powers and functions of the other authorities of the University shall be such as may be specified by the statutes.

30. Disqualification for membership of an Authority or Body.- A person shall be disqualified for being a member of any of the authorities of bodies of the University, if he,-

- (a) is of unsound mind and stands so declared by a competent court;
- (b) is an un discharged insolvent;
- (c) has been convicted of any offence involving moral turpitude;
- (d) conducting or engaging himself in private coaching classes;
- (e) has been punished for indulging in or promoting unfair practice in the conduct of any examination, in any form, anywhere; and

- (f) as and when the Board of Governors were to form an opinion in writing that a Member of any of the authorities or bodies is unfit to hold the post.

31. Proceedings not invalidated on account of vacancy.- No act or proceedings of any authority of the University shall be invalid merely by reason of the existence of any vacancy or defect in the constitution of the authority.

32. Provisions pertaining to Agenda matters.- (1) No Agenda Matter shall be either included in the Agenda for or taken up for discussion and decided in, the meeting of the Board of Governors or the Board of Management or any Committees without obtaining the Prior written approval of the Chancellor.

(2) In the event of breach of any provisions of this Act the Chancellor shall be entitled at all time to immediately take remedial action by reversing all decisions taken by any functionary or body of the University in breach of the provisions of the Act and consequent upon the pursuit of such a remedial action all such actions taken by the functionary or body of the University in breach of the provisions of the Act shall be deemed to be null and void, ab initio and consequently the status quo ante shall prevail in respect of the matter or decision in breach.

CHAPTER-V

STATUTES AND REGULATIONS

33. Statutes.- Subject to the provisions of this Act, the Statutes may provide for any matter relating to the University and staff, as given below, namely:-

- (i) the procedure for transaction of business of the Authorities of the University and the composition of bodies not specified in this Act;
- (ii) Subject to section 52, the operation of the permanent statutory endowment fund, University endowment fund, the general fund and the development fund;
- (iii) the terms and conditions of appointment of the Vice-Chancellor, the Registrar and the Finance Officer and their powers and functions;
- (iv) the mode of recruitment and the terms and conditions of service of the other officers, Teachers and employees of the University;
- (v) the procedure for resolving disputes between the University and its officers, Faculty members, employees and students;
- (vi) creation, abolition or restructuring of departments and faculties;
- (vii) the manner of co-operation with other Universities or institutions of higher learning;
- (viii) the procedure for conferment of honorary degrees;
- (ix) provisions regarding grant of free ships and scholarships;
- (x) policies in respect of seats in different courses of studies and the procedure of admission of students to such courses;
- (xi) policy relating to the fee chargeable from students for various courses of studies;
- (xii) institution of fellowships, scholarships, studentships, free ships, medals and prizes;
- (xiii) procedure for creation and abolition of posts; and
- (xiv) any other matters which may be decided by the Board of Governors or required to be provided by statutes under this Act.

34. Statutes how made.- (1) The first statutes framed by the Board of Management shall be submitted to the Board of Governors for its approval.

(2) The Board of Governors shall consider the First Statutes, submitted by the Board of Management and shall give its approval thereon with such modifications, if any, as it may deem necessary.

(3) The University shall publish the First Statutes, as approved by the Board of Governors in the University Notification, and thereafter, the First Statutes shall come into force from the date of its publication.

35. Power to amend the Statutes.- The Board of Governors may, make new or additional Statutes or amend or repeal the Statutes.

36. Regulations.- (1) Subject to the provisions of this Act, the regulations may provide for all or any of the following matters, namely:-

- (i) admission of students to the University and their enrolment and continuance as such;
- (ii) the courses of study to be laid down for all degrees and other academic distinctions of the University;
- (iii) the award of degrees and other academic distinctions;
- (iv) the conditions of the award of fellowships, scholarships, studentships, medals and prizes;
- (v) the conduct of examinations and the conditions and mode of appointment and duties of examining bodies, examiners invigilators, tabulators and moderators;
- (vi) the fee to be charged for admission to the examinations, degrees and other academic distinctions of the University;
- (vii) the conditions of residence of the students at the University or a Constituent College;
- (viii) maintenance of discipline among the students of the University or a Constituent College; and
- (ix) all other matters as may be provided in the Statutes under the Act.

37. Regulations how made.- The Regulations shall be made by the Academic Council and approved by Board of Management.

38. Power to amend Regulations.- The Academic Council may, with the approval of the Board of Management, make new or additional regulations or amend or repeal the regulations.

39. Fixation of fee.- (1) The fee in respect of forty percent of the admissions in all courses of the university for which admissions are made through a Common Entrance Examination conducted by the State Government or its agency under the proviso to section 9 shall be the fees, as fixed by the State Government, for Government seats from time to time, in accordance with the consensual agreement entered into by the Government and the University in accordance with the Karnataka Professional Educational Institutions (Regulation of Admission and Determination of Fee) Act, 2006 (Karnataka Act 8 of 2006).

(2) In respect of other seats of the University, the fee shall be determined by the Fee Regulatory Committee constituted under the chairmanship of a retired Judge of the High Court in accordance with the provisions of section 6 of the Karnataka Professional Educational Institutions (Regulation of Admission and Determination of Fee) Act, 2006 (Karnataka Act 8 of 2006). For the purpose of this section, the University shall be deemed to be the Private Unaided Professional Educational Institution.

CHAPTER - VI
MISCELLANEOUS

40. Conditions of service of employees.- (1) Every employee shall be appointed under a written contract subject to such terms and conditions as may be specified by statutes and regulations or prescribed if any by rules which shall be kept in the University and a copy of which shall be furnished to the employee concerned.

(2) Disciplinary action against the employees shall be governed by the procedure specified in the Statutes.

(3) Any dispute arising out of the contract between the University and an employee shall, be resolved in the manner provided for in the written contract and in accordance with the Statutes.

41. Right to appeal.- In case of disciplinary actions by the University against its employee or student, the aggrieved employee or students shall have a right to appeal to such authority as specified by the statutes.

42. Provident or pension fund.- The University shall constitute for the benefit of its employees such provident or pension fund and provide such insurance scheme as it may deem fit in such manner and subject to such conditions as may be specified by the statutes and the laws in force.

43. Disputes as to constitution of University authorities and bodies.- If any question arises as to whether any person has been duly elected or appointed as, or is entitled to be a member of any authority or other body of the University, the matter shall be referred to the Chancellor whose decision thereon shall be final.

44. Constitution of Committees.- - Any authority of the University mentioned in section 22, shall be empowered to constitute a committee of such authority, consisting of such members of such authority and having such powers as the authority may deem fit.

45. Filling of casual vacancies.- Any casual vacancy among the members, other than ex-officio members of any Authority or body of the University shall be filled in the same manner in which the member whose vacancy is to be filled up, was chosen, and the person filling the vacancy shall be a member of such authority or body for the residual term for which the person in whose place he would have been a member.

46. Protection of action taken in goodfaith.- No suit or other legal proceedings shall lie against any officer or other employee of the University for anything, which is done in goodfaith or intended to be done in pursuance of the provisions of this Act, the Statues or the Rules.

47. Transitional provisions.- Notwithstanding anything contained in any other provisions of this Act and the Statues,

- (i) the first Vice-Chancellor and Pro-Vice-Chancellor, if any shall be appointed by the Chancellor;
- (ii) the first Registrar and the first Finance Officer shall be appointed by the Chancellor; and
- (iii) the first Board of Management, the first Finance Committee, the first Innovation and Research Council and the first Academic Council shall be constituted by the Chancellor.

48. Permanent Statutory Endowment Fund.- (1) The University shall establish a Permanent Statutory Endowment Fund of at least rupees twenty five crores, out of which at least fifteen crores shall be in cash and remaining in the

form of Bank Guarantee, which may be increased suo moto but shall not be decreased:

Provided that, in case of a University outside the Bengaluru or Bengaluru Rural District at least ten crores must be in form of cash and the remaining five crores shall be in form of Bank Guarantee.

(2) The University shall have power to invest the permanent Statutory Endowment Fund in such manner as may be prescribed.

(3) The University may transfer any amount from the General Fund or the Development Fund to the permanent Statutory Endowment Fund. Excepting in the event of dissolution of the University, in no other circumstances can any monies be transferred from permanent Statutory Endowment Fund for other purposes.

(4) Seventy five percent of the incomes received from permanent Statutory Endowment Fund shall be used for the purpose of development or general work of the University. The remaining twenty five percent shall be reinvested in the permanent Statutory Endowment Fund.

49. University Endowment Fund.- (1) The University shall establish a Endowment Fund having such funds as may be determined by the Sponsoring Body which can include donations and other funds received from time to time.

(2) The University shall have the power to invest the University Endowment Fund in a manner as may be specified by the Statutes.

(3) The University Endowment Fund is a self-imposed fund that the University desires to maintain voluntarily and invest it responsibly to protect itself from financial challenges that may arise on account of parsing social objectives and/or unforeseen circumstance.

(4) The University may transfer any amount from the General Fund or the development fund to the University Endowment Fund. Excepting in the event of dissolution of the University, in no other circumstances can any monies be transferred from the University Endowment Fund for other purposes.

(5) Eighty percent of the incomes received from the University Endowment Fund shall be used for the purposes of development or general work of the University. The remaining twenty percent shall be reinvested into the University Endowment Fund.

50. General Fund. - (1) The University shall establish a General Fund to which the following amount shall be credited, namely:-

- (i) all fees which may be charged by the University;
- (ii) all sums received from any other source not prohibited by any law for the time being in force;
- (iii) all contributions made to the University;
- (iv) all contributions or donations made in this behalf. by any other person or body which are not prohibited by any law for the time being in force.

(2) The funds credited to the General Fund shall be applied to meet all the recurring expenditure of the University.

51. Development fund.-(1) The University shall establish a Development Fund to which the following funds shall be credited, namely:-

- (i) development fees which may be charged from students;
- (ii) all sums received from any other source for the purposes of the development of the University;
- (iii) all contributions made by the University;

- (iv) all contributions or donations made in this behalf by any other person or body; which are not prohibited by any law for the time being in force; and
- (v) all incomes received from the Permanent Statutory Endowment Fund.

(2) The funds credited to the Development Fund from time to time shall be utilized for the development of the University.

52. Maintenance of funds.- The funds established under sections 48, 49, 50 and 51 shall be subject to general supervision and control of the Board of Governors, be regulated and maintained in such manner as may be prescribed.

53. Annual Report.-(1) The Annual Report of the University shall be prepared under the direction of the Board of Management and shall be submitted to the Board of Governors for its approval.

(2) The Board of Governors shall consider the annual report in its meeting and may approve the same with or without modification.

(3) A copy of the annual report duly approved by the Board of Governors shall be sent to the Visitor and the State Government before 31st December following close of the financial year in March of each year.

54. Account and audit.- (1) The annual accounts and balance sheet of the University shall be prepared under the direction of the Board of Management and all funds accruing to or received by the University from all sources and all amounts disbursed or Paid shall be entered in the account maintained by the University.

(2) The annual accounts of the University shall be audited by an auditor, who is a member of the Institute of Chartered Accountants of India, every year.

(3) A copy of the annual accounts and the balance sheet together with the audit report shall be submitted to the Board of Governors before 30th November following close of the financial year in 31 March of each year.

(4) The annual accounts, the balance sheet and the audit report shall be considered by the Board of Governors at its meeting and the Board of Governors shall forward the same to the visitor and the Government along with its observations thereon on or before 31st December of each year.

(5) In the event of any material alteration in the Report of the Auditors, the State Government may issue directions to the University, to rectify the alterations and such directions shall be binding on the University.

55. Mode of proof of University record.- A copy of any receipt, application, notice, order, proceeding or resolution of any authority or committee of the University or other documents in possession of the University or any entry in any register duly maintained by the University, if certified by the Registrar, shall be received as prima facie evidence of such receipt, application, notice, order, proceeding, resolution or document or the existence of entry in the register and shall be admitted as evidence of the matters and transactions therein recorded where the original thereof would, if produced, have been admissible in evidence.

56. Power of State Government to issue directions.- The State Government may give such directions to the University as in its opinion are necessary or expedient for carrying out the purposes of this Act or to give effect to any of the provisions contained therein or of any rules or orders made thereunder and the Board of Governor or the Board of management, as the case may be, of the University shall comply with every such direction.

57. Penalties.- (1) Whoever contravenes the provisions of this Act or the rules made thereunder or any examination matters or in matters relating to award of degrees or in giving marks cards shall on conviction be punishable with fine of not less than rupees fifty thousand which may extend to ten lakhs rupees or with an imprisonment for a term of not less than six months which may extend to two years or with both:

Provided that, where the University is also involved in committing the offence the permission letter granted under this Act to commence the University shall be withdrawn.

(2) A penalty under this section may be imposed without prejudice to the penalty specified in any other Act.

58. Power to enter and inspect.- Any officer not below the rank of Group 'A' officer authorized by the State Government in this behalf, shall, subject to such conditions as may be specified therein under the Karnataka Educational Institutions (Prohibition of Capitation Fee) Act, 1984 (Karnataka Act 37 of 1984) shall be deemed to be the Officer authorized to exercise the same powers and discharge the same functions as provided under section 9 of that Act for the purposes of this Act.

59. Power to give direction for dissolution of the University.- (1) If the University proposes dissolution in accordance with the law governing its constitution or incorporation, it shall give at least six months prior notice in writing to the Government.

(2) The Karnataka State the Higher Education Council shall conduct periodical Inspection of University regarding,-

- (i) standard of Instructions for grant of degree;
- (ii) quality of Education;
- (iii) avoidance of commercialization of Higher Education; and
- (iv) contravention of the provisions of the Act, if any;

- and send report to the Government.

(3) On identification of mismanagement, maladministration and indiscipline, the Government shall issue directions to the management of the University to set right the administration. If the direction is not followed within such time as may be prescribed, the right to take decision on for winding up of the University or any course thereof shall vest with the Government.

(4) The manner of winding up of the University or any course thereof shall be such as may be prescribed by the Government in this behalf:

Provided that no such action shall be initiated without affording a as reasonable opportunity to show cause to the University.

(5) On receipt of the notice referred to in sub-section (1) the Government shall, in consultation with the relevant Regulatory Authority make such arrangements for administration of the University from the proposed date of dissolution of the University or winding up of the course and until the last batch of students in regular courses of studies of the University complete their courses of studies in such manner as may be prescribed.

60. Expenditure of the University during dissolution.- (1) The expenditure of administration of the University during taking over period of its management under sub-section (5) of section 59 shall be met out of the Permanent Statutory Endowment Fund, the General Fund or the Development Fund in such manner as may be prescribed.

(2) If the fund referred to in sections 48, 49, 50 and 51 are not sufficient to meet the expenditure of the University during the taking over period of its management, such expenditure may be met by disposing of the properties or asset of the University, by the Government.

(3) Where the dissolution of the University is due to mismanagement or maladministration, the Government is at liberty to identify the persons responsible for such mismanagement or maladministration and to impose penalty as it deems fit.

61. Removal of difficulties.- (1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by a notification or by order, make such provisions, which are not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient, for removing the difficulty:

Provided that, no notification or order under this section shall be made after the expiry of a period of five years from the date of commencement of this Act.

(2) Every Order made under sub-section (1), shall, as soon as may be after it is made, be laid before the State Legislature.

62. Power to make rules by the State Government.- (1) The State Government may make rules by notification, to carry out the purposes of this Act.

(2) Every rule made under this Act shall be laid as soon, as may be after it is made before each House of the State Legislature 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.

STATEMENT OF OBJECTS AND REASONS

National Institute of Engineering Society, Mysuru has come forward to establish private University in the State. The establishment of a private University by a well known organization would certainly help in spreading the quality education to the needy students. This also accelerates the enhancement of gross enrolment ratio in higher education sector.

It is considered necessary to provide for establishment of a private university of unitary nature in the name of the NIE University by the National Institute of Engineering Society, Mysuru.

This private University focuses on to promote and undertake the instruction, Teaching, training, consultancy, research and development in one or more field such as science, engineering, Arts, Management, Commerce and for the matters connected therewith or incidental thereto.

Accordingly, it becomes imperative to enact a new legislation for the establishment and incorporation of a University of unitary nature in private sector by the National Institute of Engineering Society, Mysuru.

Hence the Bill.

FINANCIAL MEMORANDUM

There is no extra expenditure involved in the proposed legislative measure.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 40:	Sub-clause (1), empowers the State Government to prescribe by rules such terms and conditions of appointment of employee of the university.
Clause 48:	Sub-clause (2), empowers the State Government to prescribe by rules the manner of investing permanent statutory Endowment Fund.
Clause 52:	Empowers the State Government to prescribe by rules to regulate and maintain the funds establishment under sections 48, 49, 50 and 51.
Clause 59:	Sub-clause (3), empowers the State Government to prescribe by rules the time within which the management shall follow the direction issued by the Government. Sub-clause (4), empowers the State Government to make rules regarding the manner of winding up of the university or any course there of.
Clause 60:	Sub-clause (1), empowers the State Government to make rules regarding the manner of meeting the expenditure from the permanent Statutory Endowment Fund, General Fund or the Development Fund on the taking over of the management of the university.
Clause 62:	Empowers the State Government to make rules for carrying out the purposes of the Act.

The proposed delegation of Legislative power is normal in character.

G.T. DEVEGOWDA

Minister for Higher Education

M.K. Vishalakshi

Secretary (I/c)

Karnataka Legislative Assembly