

	<b>THE INDIAN INSTITUTES OF MANAGEMENT BILL, 2015</b>	
	<b>A</b>	
	<b>BILL</b>	
	<i>to declare certain institutes of management to be institutions of national importance with a view to empower these institutions to attain standards of global excellence in management, management research and allied areas of knowledge and to provide for certain other matters connected with such institutions or incidental thereto.</i>	
	BE it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:-	
	<b>CHAPTER I PRELIMINARY</b>	
Short title and commencement.	<b>1. (1)</b> This Act may be called the Indian Institutes of Management Act, 2015.	
	<b>(2)</b> 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.	<b>2.</b> Whereas the objects of the Institutes 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.	<b>3.</b> In this Act, unless the context otherwise requires,-	
	(a) "Academic Council " means the Academic Council referred to in section 15;	
	(b) "Board", in relation to any Institute, means the Board of Governors referred to in sub-section (1) of section 11;	
	(c) "Chairperson" means the Chairperson of the Board of Governors of the Institutes appointed under clause (a) of sub-section (2) of section 11;	
	(d) "corresponding Institute" in relation to an institute mentioned in column (3) of the Schedule, means an	

	institute as specified against the said institute in column (5);	
	(e) "Co-ordination Forum" means the Co-ordination Forum established under section 30;	
	(f) "Director", means the Director of the Institute appointed under sub-section (2) of section 17;	
	(g) "existing Institute" means the Institutes mentioned in column (3) of the Schedule;	
	(h) "Institute" means any of the Institutes mentioned in column (5) of the Schedule;	
	(i) "notification" means a notification published in the Official Gazette and the expression "notify" with its cognate meanings and grammatical variation shall be construed accordingly;	
	(j) "prescribed" means prescribed by rules made by the Central Government under this Act;	
	(k) "regulations" means regulations made by the Board with the approval of Central Government;	
	(l) "Ordinances" means Ordinances made by the Academic Council under this Act;	
	(m) "Schedule" means the Schedule annexed to this Act;	
	(n) "Society" means any of the societies registered under the Societies Registration Act, 1860 or the Mysore Societies' Registration Act, 1960 and mentioned in column (3) of the Schedule;	21 of 1860. 17 of 1960.
	<b>CHAPTER II THE INSTITUTES</b>	
Incorporation of Institutes.	<b>4. (1)</b> On and from the commencement of this Act, every existing Institute shall be a body corporate by the same name as mentioned in column (5) of the Schedule.	
	(2) Every Institute referred to in column (5) of the Schedule shall have perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose-of property, both movable and immovable, and to contract and shall, by the said name, sue or be sued.	

Effect of incorporation of institutions.	<b>5. On and from the commencement of this Act :-</b>	
	(a) any reference to an existing Institute in any contract or other instrument shall be deemed as a reference to the corresponding Institute;	
	(b) all properties, movable and immovable, of or belonging to every existing Institute shall vest in the corresponding Institute;	
	(c) all rights and debts and other liabilities of every existing Institute shall be transferred to, and be the rights and liabilities of, the corresponding Institute;	
	(d) every person employed by every existing Institute immediately before such commencement shall hold his office or service in the corresponding Institute, with 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 had this Act not been enacted 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 regulations:	
	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 the contract with the employee, or, if no provision is made therein in this behalf, on payment, to him by the Institute, of a compensation equivalent to three months' remuneration in case of permanent employee and one month' remuneration in the case of other employee:	
	Provided further that any reference, by whatever form of words, to the Director, Chief Administrative Officer and other officers of an existing Institute under any law for the time being in force, or in any instrument or other document, shall be construed as a reference to the Director, Chief Administrative Officer and other officers of the corresponding Institutes;	
	(e) every person pursuing, before commencement of this Act, any academic or research course in every existing Institute, shall be deemed to have migrated and registered with the corresponding Institute, on such commencement	

	at the same level of course in the Institute from which such person migrated;	
	(f) all suits and other legal proceedings instituted or which could have been instituted by or against an existing Institute, immediately before the commencement of this Act, shall be continued or instituted by or against the corresponding Institute.	
Objects of Institutes.	<b>6.</b> Each Institute shall have the following objects, namely:-	
	(a) educate and support leaders who can contribute as professional managers, entrepreneurs, and stewards of existing and emerging enterprises in private, public, and social sectors;	
	(b) carry out research, publication, consultancy and advisory work to advance new knowledge and innovation and to provide global leadership in management theory and practice;	
	(c) provide management education of high quality and to promote allied areas of knowledge as well as interdisciplinary studies;	
	(d) sensitize management education to the vision of inclusive, equitable and sustainable national development goals in order to contribute holistically to society;	
	(e) develop educational programmes and faculties that advance the cause of education, teaching and learning, across disciplines;	
	(f) set up centers for management studies and allied areas;	
	(g) support and collaborate with management institutions and other educational institutions in India;	
	(h) cooperate and collaborate with educational or management Institution in any part of the world.	
Powers and functions of Institute.	<b>7.</b> Subject to the provisions of this Act, every Institute shall exercise the following powers and perform the following functions, namely:-	
	(a) to carry out the administration and management of the Institutes;	

	(b) to provide by regulations for the admission of candidates to the various courses of study in conformity with the policy approved in this behalf by the Central Government;	
	(c) to specify and conduct courses of study, training and research in management and allied subjects and document, and disseminate knowledge thereof;	
	(d) to evolve innovative management education pedagogy attuned to the dynamic global management practices;	
	(e) to conduct examination and to establish processes for evaluation and performance assessment through a fair and transparent system;	
	(f) to grant degrees, diplomas and other academic distinctions or titles and to institute and award fellowships, scholarships, prizes and medals, honorary awards and other distinctions;	
	(g) to lower cost of education and to enhance the reach of the education by use of information and communication technology and other innovative methods;	
	(h) to establish and maintain such infrastructure as may be necessary;	
	(i) to determine, specify and receive payment of, fees with prior intimation to the Central Government and other charges as the Institute may deem fit, from students and any other person, institution or body corporate for instruction and other services, including training, consultancy and advisory services, provided by the Institute;	
	(j) to acquire, hold and deal with the property belonging to or vested in the Institute, with the approval of the Board, under intimation to the Central Government, for advancing the objects of the Institute subject to the condition that such property is not obtained wholly or partly from the State Government or the Central Government funds:	
	Provided that where the land for the Institute has been provided free of cost by a State Government or the Central Government such land may be disposed of only with the prior approval of the Central Government.	

	(k) to create academic, administrative, technical, ministerial and other posts under the Institute other than the post of Director of the Institute and to make appointments thereto;	
	(l) to appoint committees for the disposal of any business of the Institute or for tendering advice in any matter pertaining to the Institute;	
	(m) to receive grants, gifts and contributions and to have custody of the funds including internally generated funds of the Institute to meet the expenses of the Institute including expenses incurred in the exercise of its powers and discharge of its functions ;	
	(n) to perform such additional functions and to carry out such policy directives as may from time to time be issued to it by the Central Government in consonance with the objects of the Institutes;	
	(o) to create partnership, affiliation and other classes of professional or honorary or technical membership or office as the Institute may consider necessary;	
	(p) to do all such things and activities, incidental to the attainment of all or any of the objects of the Institute.	
Institutes to be open to all races, creeds and classes.	<b>8.(1)</b> 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.	
	(2) No bequest, donation or transfer of any property shall be accepted by any Institute which in the opinion of the Board involves conditions or obligations opposed to the spirit and object of this section.	
	(3) Admission to every academic course or programme of study in each Institute shall be based on merit assessed through transparent and reasonable criteria disclosed through its prospectus, prior to the commencement of the process of admission by such Institute:  Provided that nothing in this section shall be deemed to prevent the Institute from making special provisions for the employment or admission of women, persons with disabilities or for persons belonging to any socially and educationally	

	backward classes of citizens and, in particular, for the Scheduled Castes and the Scheduled Tribes:  Provided further that every such Institute shall be a Central Educational Institution for the purposes of the Central Educational Institutions (Reservation in Admission) Act, 2006.	5 of 2007.
Institute to be not-for-profit legal entity.	<b>9.</b> (1) Every Institute shall be a not-for-profit legal entity and no part of the surplus, if any, in revenue of such Institute, after meeting all expenditure in regard to its operations under this Act, shall be invested for any purpose other than for the growth and development of such Institute or for conducting research therein.	
	(2) Every Institute shall raise funds for self-sufficiency and sustainability.	
	<b>CHAPTER III THE AUTHORITIES OF INSTITUTES</b>	
Visitor.	<b>10.</b> (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 report thereon in such manner as the Visitor may direct.	
	(3) Upon receipt of any such report, the Visitor may, after obtaining the views of the Board, to be conveyed within thirty days, take such action and issue such directions, as he consider necessary in respect of any of the matters dealt with in the report and the Institute shall be bound to comply with such directions within reasonable time.	
Board of Governors.	<b>11.</b> (1) The Board of Governors of each Institute shall be the principal executive body of that Institute.	
	(2) The Board of each Institute shall consist of the following members, namely:-	
	(a) a Chairperson, from amongst eminent industrialists, or educationists or scientists or technocrats or management specialists or such other field, to be appointed by the Central Government, in such manner as may be prescribed;	
	(b) two nominees of the Central Government or representatives of such nominees, out of which one shall	

	represent the function of finance of the Central Government;	
	(c) one nominee of the respective State Governments or representative of such nominees, within whose territorial jurisdiction the Institute is located;	
	(d) four eminent persons, of which at least one shall be a woman, from the Industry or social sector or civil society organisations, to be nominated by the Board;	
	(e) two members from the faculty of respective Institutes to be nominated by the Chairperson;	
	(f) one person from the Scheduled Castes or Scheduled Tribes distinguished in the field of education or industry or social service or public service, to be nominated by the Board;	
	(g) upto three persons to be co-opted by the Board from the alumni or the members of society of the existing Institute who have distinguished themselves in the field of management;	
	(h) Director of the Institute, <i>ex-officio</i> member.	
	(3) The Board may nominate a person to fill up any temporary vacancy, of a member referred to in clauses (d) and (g) of sub-section (2), for a period which may extend to three months.	
	(4) The Chief Administrative Officer of the Institute shall act as Secretary of the Board and in the absence of Chief Administrative Officer, the Board may nominate an officer of the Institute to act as Secretary of the Board.	
	(5) The Chairperson shall have the power to invite any number of persons, not being members of the Board, to attend meetings of the Board, but such invitees shall not be entitled to vote at the meeting.	
Powers and functions of Board.	<b>12. (1)</b> 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 have the power to frame or amend or modify or rescind the regulations governing the affairs of the Institute to achieve the objects of the Institute specified in section 6.	



	(2) Without prejudice to the provisions of sub-section (1), the Board shall have the following powers, namely:-	
	(a) to take decisions on questions of policy relating to the administration and working of the Institute;	
	(b) to examine and approve the annual budget estimates of the Institute;	
	(c) to examine and approve the plan for development of the Institute and to identify sources of finance for implementation of the plan;	
	(d) to establish departments, faculties or schools of studies and initiate programmes or courses of study at the Institute;	
	(e) to set up centres of management studies and allied areas within the country under intimation to the Central Government;	
	(f) to grant degrees, diplomas and other academic distinctions or titles, and to institute and award fellowships, scholarships, prizes and medals;	
	(g) to confer honorary degrees in such manner as may be specified by the regulations.	
	(h) to grant honorary awards and other distinctions;	
	(i) to create academic, administrative, technical and other posts and to make appointments thereto: Provided that the cadre and the pay scales of such posts shall be determined by the Central Government;	
	(j) to set up centres of management studies and allied areas outside India with the previous approval of the Central Government and in accordance with the provisions of the laws of such foreign country;	
	(k) to determine, by regulations, the number and emoluments of such posts and to define the duties and conditions of services of the academic, administrative, technical and other staff;	
	(l) to pay, variable pay to the Director of the Institute on the basis of performance objectives as may be laid down by the Ordinances;	

	(m) to specify by regulations, the fees to be charged for course of study and examinations in the Institute	
	(n) to specify by regulations the manner of formation of department of teaching;	
	(o) to specify by regulations the institution of fellowships, scholarships, exhibitions, medals and prizes;	
	(p) to specify by regulations the qualifications, classification, terms of office and method of appointment of the academic, administrative, technical and other staff of the Institute;	
	(q) to specify by regulations the constitution of pension, insurance and provident funds for the benefit of the academic, administrative, technical and other staff;	
	(r) to specify by regulations the establishment and maintenance of buildings;	
	(s) to specify by regulations the conditions of residence of students of the Institute and levying of fees for residence in the halls and hostels and of other charges;	
	(t) to specify by regulations the manner of authentication of the orders and decisions of the Board;	
	(u) to specify by regulations the quorum for meetings of the Board, the Academic Council or any Committee, and the procedure to be followed in the conduct of their business;	
	(v) to specify by regulations the financial accountability of the institute; and	
	(w) to exercise such other powers and perform such other duties as may be conferred or imposed upon it by this Act or the rules made thereunder	
	(3) Subject to the provisions of this Act, the Board may by regulations, delegate such powers and functions of the Board to the Director as it may deem fit.	
	(4) The Board shall conduct an annual review of the performance of the Director, in the context of the achievements of objects of the Institute.	
	(5) The Board shall, within seven years from the incorporation of the Institute, and thereafter at the end of every fifth year, evaluate and review the performance of the Institutes on the parameters such as long terms strategy and five year	

	rolling plan of the Institutes.	
	(6) The report of the evaluation and review under sub-section (5) shall be submitted by the Board to the Central Government along with action taken report thereon.	
	(7) Where in the opinion of the Chairperson or the Director the situation is so emergent that an immediate decision need to be taken in the interest of the Institute, the Chairperson, in consultation with the Director may issue such orders as may be necessary, recording the grounds for his opinion:  Provided that such orders shall be submitted for ratification of the Board in the next meeting.	
	(8) The Board shall in the exercise of its power and discharge of its functions under this Act, be accountable to the Central Government.	
Terms of office of, vacancies among, and allowances payable to members of Board.	<b>13.</b> (1) Save as otherwise provided in this section, the term of office of the Chairperson or any other member of the Board, other than an ex-officio member, shall be four years from the date of his appointment or nomination:  Provided that the Chairperson may be appointed for a second term.	
	(2) 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.	
	(3) The term of office of a member nominated under clause (e) of sub-section (2) of section 11 shall be two years from the date of his nomination:  Provided that such member may be re-nominated for another term but not for more than two consecutive terms.	
	(4) A member of the Board, other than the nominees of the Central Government or the State Government, who fails to attend three consecutive meetings of the Board without permission of the Chairperson, shall cease to be a member of the Board.	
	(5) A casual vacancy of a member shall be filled up in accordance with the provisions of section 11.	
	(6) 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 so nominated.	

	(7) Members of the Board shall be entitled to such allowances, as may be specified in the regulations, for attending meetings of the Board.	
	(8) Board shall meet at least once in every three months.	
Resignation of Chairperson.	<b>14.</b> The Chairperson may, by notice in writing under his hand addressed to the Central Government, resign from his office.	
Academic Council.	<b>15.(1)</b> The Academic Council shall be the principal academic body of every Institute, consisting of the following persons, namely:-	
	(a) Director of the Institute, who shall be the Chairperson of the Academic Council;	
	(b) Heads of Departments, Heads of Faculties or Schools or Centres, of the Institute;	
	(c) Deans in charge of academics, research, student affairs and such other functions of the Institute;	
	(d) such number of full time Faculty of the Institute as may be determined by the Board.	
	(2) The term of office of an <i>ex officio</i> member shall continue so long as he holds the office by virtue of which he is a member.	
	(3) The term of office of a member nominated under clause (d) of sub-section (1) shall be two years from the date of his nomination.	
Power and functions of Academic Council.	<b>16. (1)</b> The Academic Council shall perform the following functions, namely:-	
	(a) to specify the criteria and process for admission to courses or programmes of study offered by the Institute;	
	(b) to specify the academic content of programmes and courses of study and undertake modifications therein;	
	(c) to specify the academic calendar, guidelines for conduct of examination and recommend grant of degrees, diplomas and other academic distinctions or titles.	

	(2) The Academic Council shall exercise such other powers and perform such other functions as may be conferred upon it, by this Act or the regulations or by the Board.	
Director	17.(1) The Director shall be the Chief Executive Officer of the Institute and shall provide leadership to the Institute and be responsible for implementation of the decisions of the Board.	
	(2) The Director shall be appointed by the Central Government with the approval of the Visitor, on such terms and conditions of service as may be prescribed.	
	(3) The Director shall be appointed out of the panel of names recommended by a search-cum-selection committee to be constituted by the Board, consisting of:-	
	(i) Chairperson of the Board, who shall be the Chairperson of the search-cum-selection committee;	
	(ii) three members chosen from amongst eminent administrators, industrialists, educationists, scientists, technocrats and management specialists;	
	(iii) nominee of the Ministry of Human Resource Development: Provided that where the Visitor is not satisfied with the recommendations of the search-cum-selection committee, he may ask the search-cum-selection committee to make fresh recommendations.	
	(4) The Director shall exercise the powers and perform the duties as may be assigned to him under this Act or the regulations or as may be delegated to him by the Board.	
	Provided that the Board may lay down the criteria to be followed by the Director while exercising powers and performing his duties, which shall be evaluated by the Board annually, and if the Board is of the opinion that such criteria has not been followed, then, the Board may, after giving an opportunity of being heard to the Director, recommend to the Central Government for holding an inquiry before the Director is removed.	
	(5) The Director shall, except on account of resignation or removal, hold office for a term of five years, from the date on which he enters upon his office.	

	(6) The Director may, by notice in writing under his hand addressed to the Central Government, through the Chairperson, resign his office at any time.	
	(7) The Central Government may remove from office the Director, who-	
	(a) has been adjudged as insolvent; or	
	(b) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or	
	(c) has become physically or mentally incapable of acting as a Director; or	
	(d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a Director; or	
	(e) has so abused his position or so conducted himself as to render his continuance in office prejudicial to the public interest: <p style="margin-left: 40px;">Provided that Director shall not be removed from office except by an order made by Central Government after an enquiry instituted by it, in which the Director has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.</p>	
	(8) Where the post of Director is likely to fall vacant on account of completion of tenure, the Board shall initiate the process of appointment nine months prior to the occurrence of such vacancy.	
	(9) Where the post of Director falls vacant on account of any reason other than completion of tenure, the process of appointment shall be initiated by the Board within one month of such vacancy and process shall be completed as early as possible: <p style="margin-left: 40px;">Provided that if the Board fails to initiate the process within one calendar month, the Central Government shall constitute the search-cum-selection committee, with the approval of the Visitor and recommend the panel of names to the Visitor.</p>	

Chief Administrative Officer.	<b>18.</b> (1) The Chief Administrative Officer of each Institute shall be appointed on such terms and conditions as may be specified by the regulations.	
	(2) The Chief Administrative Officer shall be the custodian of records, the common seal, the funds of the Institute and such other property of the Institute as the Board may commit to his charge.	
	(3) The Chief Administrative Officer shall act as the Secretary of the Board and of such committees as may be specified by the regulations.	
	(4) The Chief Administrative Officer shall be responsible to the Director for the proper discharge of his functions.	
	(5) The Chief Administrative Officer shall exercise such other powers and perform such other duties as may be assigned to him by this Act or the regulations or by the Board or Director.	
	(6) In the absence of a Chief Administrative Officer, the Board may nominate an officer to perform some or all the functions of a Chief Administrative Officer.	
Role of members of Society.	<b>19.</b> The members of the societies referred to at serial numbers 1 and 2 under column (3) of the Schedule, may be engaged by the respective Boards of corresponding Institutes, for advisory assistance to it, by passing a resolution in that behalf.	
Committees and other authorities.	<b>20.</b> (1) The Board may, constitute such committees and other authorities of the Institute and specify the duties and functions of each such committees and authorities by regulations.	
	(2) The Board may constitute such ad-hoc committees as it may deem fit, for proper management of affairs of the Institute.	
Power of Central Government to issue directions.	<b>21.</b> (1) Without prejudice to the foregoing provisions of this Act, the Institute shall, for the efficient administration of this Act, be bound by such directions on questions of policy, as the Central Government may give in writing to it from time to time.	
	(2) The decision of the Central Government whether a question is one of policy or not, shall be final.	

**CHAPTER IV  
ACCOUNTS AND AUDIT**

	<b>CHAPTER IV ACCOUNTS AND AUDIT</b>	
Grants by Central Government.	<b>22.</b> 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 such sums of money in such manner as it may think fit.	
Fund of Institute.	<b>23.</b> (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;	
	(d) all moneys received by the Institute from utilisation of intellectual property arising from research conducted or rendering advisory or consultancy services by it; and	
	(e) 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 Board, decide.	
	(3) Each Institute shall create a corpus fund for long term sustainability of the Institute, to which shall be credited such per cent. of the net income of the Institute and donations made specifically towards such corpus fund as the Central Government may in accordance with the provisions of the Income Tax Act ,1961, notify.	43 of 1961
	(4) The fund of any 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.	<b>24.</b> (1) Every Institute shall maintain proper accounts including income and expenditure statements, internal audit report and statement audited by internal auditor specifying investments and other relevant records and prepare annual statement of accounts including the balance sheet in such form and accounting standard as may be specified by notification by the Central Government in consultation with the Comptroller and Auditor-General of India.	
	(2) Where the statement of income and expenditure and the balance sheet of the Institute do not comply with the accounting standards, the Institute shall disclose in its statement of income and expenditure and balance sheet, the following, namely:-	
	(a) the deviation from the accounting standards;	
	(b) the reasons for such deviation; and	
	(c) the financial effect, if any, arising out of such deviation.	
	(3) The accounts of every Institute shall be audited by the Comptroller and Auditor-General of India and any expenditure incurred by audit team in connection with such audit shall be payable by the Institute to the Comptroller and Auditor-General of India.	
	(4) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the 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.	
	(5) 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.	

Books of accounts to be maintained by Institute.	<b>25.</b> Every Institute shall keep proper updated books of account with respect to-	
	(a) all sums of money received and expended by it and the matters in respect of which receipt and expenditure takes place;	
	(b) the assets and liabilities of the Institute;	
	(c) the properties, movable and immovable of the Institute.  <i>Explanation.--</i> For the purposes of this section, if books of account give a true and fair view of the state of affairs of the Institute and its transactions, it shall be deemed as proper books of account with respect to the matters specified therein.	
Appointment of auditors.	<b>26.</b> (1) The Board of every Institute shall, prior to the end of every financial year, and without prejudice to the provisions contained in the Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Act, 1971 or any other law for the time being in force containing provisions for audit of accounts by the Institutes, appoint such auditors including the internal auditor, on such remuneration as it thinks appropriate, to scrutinise the balance sheet and the statement of income and expenditure of such Institute:  Provided that the Board shall change the auditors after every four years.	56 of 1971.
	(2) The Board of every Institute shall constitute an Audit Committee to provide an expert advice on effectiveness of internal control system, risk management and audit report to the Board.	
	(3) The auditor appointed under sub-section (1) or any person employed by him shall not have any direct or indirect interest, whether pecuniary or otherwise, in any matter concerning or related to the administration or functions of the Institute.	
Annual report of the Director.	<b>27.</b> (1) There shall be attached to every statement of accounts laid before the Board of each Institute under section 28, a report, by its Director, with respect to-	
	(a) the state of affairs of such Institute;	

	(b)	the amounts, if any, which it proposes to carry to any surplus reserves in its balance sheet;	
	(c)	the extent to which understatement or overstatement of any surplus of income over expenditure or any shortfall of expenditure over income has been indicated in the auditor's report and the reasons for such understatement or overstatement;	
	(d)	the productivity of research projects undertaken by the Institute measured in accordance with such norms as may be specified by the Board;	
	(e)	appointments of the officers and faculty members of the Institute;	
	(f)	performance indicators and internal standards set by the Institute, including the nature of innovations in teaching, research and application of knowledge.	
	(2)	The report of the Director shall also include a statement showing the names of the five officers including faculty members and other employees of the Institute who received the highest remuneration (including allowances and other payments made to such employee) during the financial year and the contributions made by such employee during the financial year.	
	(3)	The statement referred to in sub-section (2) shall indicate whether any such employee is a relative of any member of the Board or Academic Council of the Institute and if so, the name of such member; and such other particulars as may be determined by the Board.	
	(4)	The Director shall also be bound to give the complete information and explanations in the report referred to in sub-section (1) on every reservation, qualification or adverse remark contained in the auditors' report.	
Board consider statement of accounts.	to of	<b>28.</b> (1) The statement of accounts, including the balance sheet and the statement of income and expenditure, the auditor's report, the report of the Director and other documents required to be annexed or attached with such statement, shall be brought before the Board of concerned Institute in its meeting not later than three months, from the conclusion of the financial year.	

	(2) A copy of every statement of accounts referred to in sub-section (1) shall be sent to every member of the Board not less than twenty-one days before the date of the meeting.	
	(3) The statement of accounts referred to in sub-section (1) shall on its approval by the Board, be published on the website of the Institute.	
Annual report of Institute.	<b>29.</b> (1) The annual report of every Institute shall be prepared under the directions of the Board, which shall include, among other matters, steps taken by the Institute towards the fulfillment of its objects and an outcome based assessment of the research being undertaken in such Institute.	
	(2) The annual report prepared under sub-section (1) shall be submitted to the Board on or before such date as may be specified by the Board who shall consider the report in its meeting.	
	(3) The annual report on its approval by the Board shall be published on the website of the Institute.	
	(4) The annual report of each Institute shall be submitted to the Central Government who shall, as soon as may be, cause the same to be laid before both Houses of Parliament.	
	<b>CHAPTER V CO-ORDINATION FORUM</b>	
Establishment of Co-ordination Forum.	<b>30.</b> (1) With effect from such date as the Central Government may, by notification, specify in this behalf, there shall be established a Co-ordination Forum for all the Institutes.	
	(2) The Co-ordination Forum 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, <i>ex-officio</i> , as Chairperson;	
	(b) the Minister of State in-charge of the Ministry or Department of the Central Government having administrative control of the technical education, <i>ex-officio</i> ;	

	(c) four Ministers in charge of technical education of State Governments in which the Institutes are located, by rotation, each year, <i>ex-officio</i> ;	
	(d) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government having administrative control of technical education, <i>ex-officio</i> ;	
	(e) the Chairperson of the Board of each Institute, <i>ex-officio</i> ;	
	(f) the Director of each Institute, <i>ex-officio</i> ;	
	(g) three persons of eminence, of which at least one shall be a woman, in academia or public service, to be nominated by the Co-ordination Forum, from a panel of names recommended by Institutes: Provided that no such recommendation shall be required for nomination to the first Co-ordination Forum.	
	(h) one officer not below the rank of a Joint Secretary to the Government of India in the Ministry or Department of the Central Government having administrative control of the technical education, <i>ex-officio</i> , as Member Secretary.	
	(3) All expenses relating to the Co-ordination Forum shall be met by the Central Government.	
	(4) The term of office of a member referred to in clause (g) of sub-section (2) shall be three years from the date of his nomination.	
	(5) The members of the Co-ordination Forum shall be entitled to such travelling and other allowances, as may be prescribed, for attending meetings of the Co-ordination Forum.	
Functions of Co-ordination Forum.	<b>31.</b> (1) The Co-ordination Forum shall facilitate the sharing of experiences, ideas and concerns with a view to enhancing the performance of all Institutes.	
	(2) Without prejudice to the provisions of sub-section (1), the Co-ordination Forum shall perform the following functions, namely:-	

	(a) recommend to the Central Government, the institution of scholarships including for research and for the benefit of students belonging to the Scheduled Castes, the Scheduled Tribes and other socially and educationally backward classes of citizens;	
	(b) deliberate on such matters of common interest to Institutes as may be referred to it by any Institute;	
	(c) promote necessary coordination and co-operation in the working of the Institutes;	
	(d) review the achievement of policy objectives; and	
	(e) perform such other functions as may be referred to it by the Central Government.	
	(3) The Co-ordination Forum may constitute such committees as it may consider necessary for carrying out its functions under this section.	
	(4) The Chairperson of the Co-ordination Forum shall ordinarily preside at the meetings of the Co-ordination Forum and in his absence any other member chosen by the members present from amongst themselves at the meeting shall preside at the meeting.	
	(5) The Co-ordination Forum shall submit a report on its functions under sub-section (2) to the Central Government.	
	(6) The Co-ordination Forum shall meet at least twice in a calendar year.	
	<b>CHAPTER VI MISCELLANEOUS</b>	
Acts and proceedings not to be invalidated by vacancies, etc.	<b>32.</b> No act of any Institute or the Board or the Academic Council or any other body set up under this Act or the regulations, shall be invalid merely by reason of-	
	(a) any vacancy or defect in the constitution thereof; or	
	(b) any irregularity in its procedure not affecting the merits of the case; or	

	(c) any defect in the selection, nomination or appointment of a person acting as a member thereof.	
Returns and information to be provided to Central Government.	<b>33.</b> Every Institute shall furnish to the Central Government such returns or other information with respect to its policies or activities as the Central Government may, for the purpose of reporting to Parliament or for the making of policy, from time to time, require.	
Institute to be public authority under Right to Information Act.	<b>34.</b> The provisions of the Right to Information Act, 2005 shall apply to each Institute, including Institutes established in public-private partnership, as if it were a public authority defined in clause (h) of section 2 of the Right to Information Act, 2005.	22 of 2005.
	(2) A draft notification proposed to be made under sub-section (1) shall be laid before each House of Parliament and the notification shall not be made, unless both the Houses approves the draft notification either without modification or with modifications; and upon such approval being given, the notification may be made in the form in which it has been approved, and such notification on being so made, shall be published in the Official Gazette and shall thereafter be of full force and effect.	
Power of Central Government to make rules.	<b>35.</b> (1) The Central Government may, by notification, make rules, for carrying out the provisions of this Act.	
	(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) manner of appointment of Chairperson under clause (a) of sub0section (2) of Section 11;	
	(b) such other powers and duties of the Board under clause (x) of sub-section (2) of section 12;	
	(c) the term and conditions of service of the Director under sub-section (3) of section 17;	
	(d) the traveling and such other allowances payable to the members of the Co- ordination Forum for attending its meetings or its Committees under sub-section (5) of section 30;	

	(e) any other matter which is to be or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.	
Regulations how made.	<b>36.</b> (1) The Board may, with the approval of the Central Government, by notification, make regulations not inconsistent with this Act and the rules made thereunder to carry out the provisions of this Act:	
	(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:-	
	(a) tenure, remuneration and terms and conditions of employees of existing Institute under clause (d) of section 5;	
	(b) admission of candidates to the various courses of study under clause (b) of section 7;	
	(c) the conferment of honorary degrees under clause (g) of sub-section (2) of section 12;	
	(d) the number of posts, emoluments and the duties and conditions of service of the academic, administrative, technical and other staff under clause (k) of sub-section (2) of section 12;	
	(e) to specify by regulations, the fees to be charged for course of study and examinations in the Institute under clause (n) of sub-section (2) of section 12;	
	(f) the manner of formation of Departments of teaching under clause (o) of sub-section (2) of section 12 ;	
	(g) the institution of fellowships, scholarships, exhibitions, medals and prizes under clause (p ) of sub-section (2) of section 12;	
	(h) the qualifications, classification, terms of office and method of appointment of the academic, administrative, technical and other staff of the Institute under clause (q ) of sub-section (2) of section 12;	
	(i) the constitution of pension, insurance and provident funds for the benefit of the academic, administrative, technical and other staff under clause (r ) of sub-section	



	(2) of section 12 ;	
	(j) the establishment and maintenance of buildings under clause (s) of sub-section (2) of section 12;	
	(k) the conditions of residence of students of the Institute and levying of fees for residence in the halls and hostels and of other charges under clause (t) of sub-section (2) of section 12;	
	(l) the manner of authentication of the orders and decisions of the Board under clause (u) of sub-section (2) of section 12;	
	(m)the meetings of the Board, the Academic Council or any Committee, the quorum at such meetings and the procedure to be followed in the conduct of their business under clause (v) of sub-section (2) of section 12;	
	(n) the financial accountability of the institute under clause (u) of sub-section (2) of section 12;	
	(o) delegate such powers and functions of the Board to the Director under sub-section (3) of section 12;	
	(p) allowances of the members of the Board for attending meetings under sub-section (7) of section 13;	
	(q) such other powers and functions of the Academic Council under sub-section (2) of section 16;	
	(r) the powers and duties of the Director under sub-section (4) of section 17;	
	(s) terms and conditions of appointment of Chief Administrative Officer under sub-section (1) of section 18;	
	(t) committees in which the Chief Administrative Officer shall act as Secretary under sub-section (3) of section 18;	
	(u) such other powers and duties of the Chief Administrative Officer under sub-section (5) of section 18;	

	(v) constitution of such committees and other authorities of the Institute and their duties and functions under sub-section (1) of section 20; and	
	(w) any other matter which is to be or may be, specified by regulations.	
Ordinances how made.	<b>37. (1)</b> Save as otherwise provided in this section, Ordinance shall be made by the Academic Council.	
	(2) Subject to the provisions of this Act and the rules and regulations made thereunder , the Ordinances of every Institute may provide for all or any of the following matters, namely:-	
	(a) the admission of 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 model of appointment and duties of examining bodies, examiners and moderators;	
	(f) determine performance objectives on the basis of which variable pay may be paid to the Director;	
	(g) the conduct of examinations;	
	(h) the maintenance of discipline among the students of the Institute; and	
	(i) any other matter which is to be or may be provided for by the Ordinances.	
	(3) All Ordinances made by the Academic Council 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.	

	(4) 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.	
Rules and regulations to be laid before the Parliament.	<b>38.</b> Every rule made by the Central Government and first regulation made by the Board under this Act 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 regulation or both Houses agree that the rule or regulation shall not be made, the rule or regulation 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 or regulation.	
Power to remove difficulties.	<b>39.</b> (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 under this section after the expiry of the period of three years from the date of commencement of this Act.	
	(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.	
Transitional provisions	<b>40.</b> (1) Notwithstanding anything contained in this Act :-	
	(a) the Board 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 members of the Board holding office before such constitution shall cease to hold office;	
	(b) every Academic Council constituted in relation to every Institute before the commencement of this Act shall be	

	<p>deemed to be the Academic Council constituted under this Act until an Academic Council is constituted under this Act for that Institute, but on the constitution of the new Academic Council under this Act, the members of the Academic Council holding office before such constitution shall cease to hold office;</p>	
	<p>(c) until the first regulations are made under this Act, the rules, and byelaws of each Institute as in force, immediately before the commencement of this Act, shall continue to apply to the Institute in so far as they are not inconsistent with the provisions of this Act.</p>	
	<p>(2) The Central Government may, without prejudice to the provisions of this Act, if it considers so necessary and expedient, by notification, take such measures which may be necessary for the smooth transfer of the existing institute to the corresponding institute.</p>	

## THE SCHEDULE

[SEE SECTION 4(1)]

Sl. No.	Name of the State	Name of the Existing Institute	Location	Name of Institute incorporated under this Act
1.	2.	3.	4.	5.
1.	West Bengal	Indian Institute of Management, Calcutta, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Kolkata	Indian Institute of Management, Calcutta
2.	Gujarat	Indian Institute of Management Ahmedabad, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Ahmedabad	Indian Institute of Management, Ahmedabad
3.	Karnataka	Indian Institute of Management, Bangalore, a Society registered under the Mysore Societies' Registration Act, 1960 (Mysore Act No 17 of 1960)	Bengaluru	Indian Institute of Management, Bangalore
4.	Uttar Pradesh	Indian Institute of Management, Lucknow, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Lucknow	Indian Institute of Management, Lucknow
5.	Madhya Pradesh	Indian Institute of Management, Indore, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Indore	Indian Institute of Management, Indore
6.	Kerala	Indian Institute of Management, Kozhikode, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Kozhikode	Indian Institute of Management, Kozhikode
7.	Meghalaya	Rajiv Gandhi Indian Institute of Management, Shillong, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Shillong	Indian Institute of Management, Shillong
8.	Jharkhand	Indian Institute of Management, Ranchi, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Ranchi	Indian Institute of Management, Ranchi
9.	Haryana	Indian Institute of Management, Rohtak, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Rohtak	Indian Institute of Management, Rohtak

10.	Chhattisgarh	Indian Institute of Management, Raipur, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Raipur	Indian Institute of Management Raipur
11.	Tamil Nadu	Indian Institute of Management, Tiruchirappalli, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Tiruchirappalli	Indian Institute of Management, Tiruchirappalli
12.	Uttarakhand	Indian Institute of Management, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Kashipur	Indian Institute of Management, Kashipur
13.	Rajasthan	Indian Institute of Management, Udaipur, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Udaipur	Indian Institute of Management, Udaipur