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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 31st December, 2017/Pausha 10, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 31st December, 2017 and is hereby published for general information:—

THE INDIAN INSTITUTES OF MANAGEMENT ACT, 2017

No. 33 OF 2017

[31st December, 2017.]

An Act 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 therewith or incidental thereto.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Indian Institutes of Management Act, 2017.

Short title
and
commencement.

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

2. 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.

Declaration
of certain
institutions as
institutions of
national
importance.

3. 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 10;

(c) "Chairperson" means the Chairperson of the Board of Governors of the Institutes appointed under clause (a) of sub-section (2) of section 10;

(d) "Coordination Forum" means the Coordination Forum established under section 29;

(e) "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);

(f) "Director", means the Director of the Institute appointed under sub-section (2) of section 16;

(g) "existing Institute" means any Institute mentioned in column (3) of the Schedule;

(h) "Institute" means any Institute 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) "Ordinances" means Ordinances made by the Academic Council under this Act;

(k) "prescribed" means prescribed by rules made under this Act;

(l) "regulations" means regulations made by the Board;

(m)

(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 months' remuneration in the case of other employee:

Provided further that any reference, by whatever form of words, to the Director, 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, 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.

6. Each Institute shall have the following objects, namely:—

Objects of Institutes.

(a) to educate and support leaders who can contribute as professional managers, entrepreneurs, and stewards of existing and emerging enterprises in the private, public, and social sectors;

(b) to carry out research, publication, consultancy and advisory work to advance new knowledge and innovation and to provide global leadership in management theory and practice:

Provided that research so conducted shall also be directed towards such areas of study which shall enhance inclusive, equitable and sustainable national development goals as enshrined in the objects of the Act;

(c) to provide management education of high quality and to promote allied areas of knowledge as well as interdisciplinary studies;

(d) to sensitise management education to the vision of inclusive, equitable and sustainable national development goals in order to contribute holistically to Society;

(e) to support and develop programmes promoting social and gender equity;

(f) to develop educational programmes and faculties that advance the cause of education, teaching and learning, across disciplines;

(g) to set-up centres for management studies and allied areas;

(h) to support and collaborate with management institutions and other educational institutions in India;

(i) to co-operate and collaborate with educational or management institutions in other countries to extend the interests of management education and research.

7. Subject to the provisions of this Act, every Institute shall exercise the following powers and perform the following functions, namely:—

Powers and functions of Institute.

(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 laws for the time being in force;

(3) The 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.

9. (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 strive to raise funds for self-sufficiency and sustainability.

CHAPTER III

THE AUTHORITIES OF INSTITUTES

10. (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 persons distinguished in the field of industry or education or science or technology or management or public administration or such other field, to be appointed by the Board;

(b) one nominee of the Central Government having charge of the management education or his representative;

(c) one nominee of the respective State Government 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, distinguished in the field of education, industry, commerce, social service or public administration, to be nominated by the Board, having such experience and in such manner as may be specified by regulations;

(e) two members from the faculty of respective Institutes to be nominated by the Chairperson, in the manner to be laid down by the Board by regulations;

(f) one person from the Scheduled Castes or Scheduled Tribes to be nominated by the Board from amongst the members referred to in clauses (d), (e) and (g);

(g)

(5) The Chairperson shall have the power to invite any number of experts, not being members of the Board, to attend meetings of the Board, but such invitees shall not be entitled to vote at the meeting.

11. (1) Subject to the provisions of this Act, the Board of every Institute shall be

(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 procedures 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:

Provided that such review shall include performance reviews of faculty members of the Institute on such parameters, periodicity and terms of reference as may be determined by the Board.

(5) The Board shall, through an independent agency or group of experts, within a period of three years from the date of incorporation of the Institute, and thereafter at least once every three years, evaluate and review the performance of the Institutes, including its faculty, on the parameters of long term strategy and rolling plans of the Institutes and such other parameters as the Board may decide and the report of such review shall be placed in public domain.

(6) The qualifications, experience and the manner of selection of the independent agency or group of experts, referred to in sub-section (5), shall be such as may be specified by regulations.

(7) The report of the evaluation and review under sub-section (5) shall be submitted by the Board to the Central Government along with an action taken report thereon.

(8) 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 by the Board in the next meeting.

(9) The Board shall in the exercise of its power and discharge of its functions under this Act, be accountable to the Central Government.

12. (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 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 further that the Chairperson, or any other member of the Board, other than an *ex officio* member, may be appointed or nominated for a second term:

Provided also that the Chairperson or any other member of the Board, other than an *ex officio* member, shall not be appointed or nominated for more than two consecutive terms.

(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 of the Board.

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

(3) A member of the Board, other than a nominee 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.

(4) A casual vacancy of a member shall be filled up in accordance with the provisions of section 10.

(5) 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.

(6) Members of the Board shall be entitled to such allowances, as may be specified in the regulations, for attending meetings of the Board.

(7) The Board shall meet at least once in every three months.

Resignation of
Chairperson.

13. The Chairperson may, by notice in writing under his hand addressed to the Board, resign from his office.

Academic
Council.

14. (1) 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) Deans in charge of academics, research, student affairs and such other functions of the Institute;

(c) Chairs of Areas or Programmes, Heads or Coordinators of Faculties or Schools or Centres or Departments, of the Institute;

(d) all full time Faculty at the level of Professors and such number of other full time Faculty of the Institute as may be determined by the Board;

(e) such members, by invitation of the Board on the recommendation of the Director, who are eminent in the fields of industry, finance, management, public administration and academics.

(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 (d) of sub-section (1) shall be two years from the date of his nomination.

Power and
functions of
Academic
Council.

15. (1) 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.

16. (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 Board, 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:—

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(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 employees) 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 to consider statement of accounts.

27. (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.

28. (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 fulfilment of its objects and an outcome based assessment of the research being undertaken in such Institute.

Explanation.—For the purposes of this sub-section, the expression "outcome based assessment of research" shall mean an elaboration and analysis of the research conducted and the qualitative and quantitative outcomes of such research along with its impact factor and social outcomes.

(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.

CHAPTER V

COORDINATION FORUM

Establishment of Coordination Forum.

29. (1) With effect from such date as the Central Government may, by notification, specify in this behalf, there shall be established a Coordination Forum for all the Institutes.

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

(a) an eminent person to be selected by a Search-cum-Selection Committee as may be constituted by the Coordination Forum, as chairperson:

Provided that the Coordination Forum may select one of its members to act as the chairperson till the chairperson is appointed;

(b) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government having administrative control of management education, member—*ex officio*;

(c) two Secretaries in charge of management education of State Governments in which the Institutes are located, by rotation, each year, member—*ex officio*;

(d) four Chairpersons of Institutes, to be nominated by the Chairperson of the Coordination Forum, by rotation for two years;

(e) the Director of each Institute, member—*ex officio*;

(f) five persons of eminence, of which at least one shall be a woman, in academia or public service, to be selected by a sub-committee constituted by the Coordination Forum.

(3) The term of office of a member referred to in clause (f) of sub-section (2) shall be three years from the date of his nomination.

(4) The non-official members of the Coordination Forum shall be entitled to such travelling and other allowances, as may be prescribed.

(5) The Director of the host Institute where the meeting of the Coordination Forum takes place shall be the Member Secretary of the Coordination Forum and shall continue to be the Member-Secretary till a new host Institute is selected.

30. (1) The Coordination Forum shall facilitate the sharing of experiences, ideas and concerns with a view to enhancing the performance of all Institutes.

Functions of
Coordination
Forum.

(2) Without prejudice to the provisions of sub-section (1), the Coordination 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 Coordination Forum may constitute such committees as it may consider necessary for carrying out its functions under this section.

(4) The Chairperson of the Coordination Forum shall ordinarily preside at the meetings of the Coordination Forum and in his absence, any other member chosen by the members present amongst themselves at the meeting, shall preside at the meeting.

(5) The Coordination Forum shall submit a report on its functions under sub-section (2) to the Central Government.

(6) The Coordination Forum shall meet at least once in a calendar year.

(7) At each meeting of the Coordination Forum, the host institute, which would host the next meeting, shall be selected:

Provided that no Institute shall host the meeting for more than two consecutive years.

CHAPTER VI

MISCELLANEOUS

31. 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.

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

32. 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 the Parliament or for the making of policy, from time to time, require.

33. (1) The provisions of the Right to Information Act, 2005 shall apply to each Institute,

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(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) the conduct of examinations;

(g) the maintenance of discipline among the students of the Institute; and

(h) 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 Parliament.

37. Every rule made by the Central Government and the 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.

38. (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.

39. (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 or Faculty Council, as the case may be, constituted in relation to every Institute before the commencement of this Act shall be 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 or Faculty Council, as the case may be, holding office before such constitution shall cease to hold office;

(c) until the first regulations are made under this Act, the rules, and bye-laws 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.

(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.

THE SCHEDULE

[See section 4(I)]

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 (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 Madhya Pradesh Societies Registration Act, 1973 (44 of 1973).	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.	Haryana	Indian Institute of Management Rohtak, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Rohtak	Indian Institute of Management, Rohtak.
9.	Jharkhand	Indian Institute of Management Ranchi, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Ranchi	Indian Institute of Management, Ranchi.
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 Tamil Nadu Societies Registration Act, 1975.	Tiruchirappalli	Indian Institute of Management, Tiruchirappalli.

CORRIGENDUM

In the FINANCE ACT, 2017 (7 of 2017) as published in the Gazette of India, Extraordinary, Part II, Section 1, Issue No. 7, dated the 31st April, 2017,—

Page No.	Line(s) Nos.	For	Read
55	6	“substituted”	“inserted”
61	26	“SE.”	“SDD.”
61	36	“In the Income Tax Act, 1962,—”	“In the Income-tax Act, 1961,—”

CORRIGENDUM

In the Central Goods and Services Tax (Extension to Jammu and Kashmir) Act, 2017 (26 of 2017) Published in the Gazette of India, Extraordinary, Part II, section 1, dated 24th August, 2017, Issue No. 36, at page No. 2 in line No. 4, for “in clause (ii),” read “in clause (iii),”.

CORRIGENDUM

In the GOODS AND SERVICES TAX (COMPENSATION OF STATES) AMENDMENT ORDINANCE, 2017 (Ord. 5 of 2017) as published in the Gazette of India, Extraordinary, Part II, Section 1, Issue No. 42, dated the 2nd September 2017,—

Page No.	Line(s) Nos.	For	Read
2	1 (Marginal heading)	“13 of 2017.”	“15 of 2017.”