

	Draft Bill - "THE INDIAN INSTITUTES OF FOREIGN TRADE BILL, 2022" -
	A  BILL
	<i>to declare all the Indian Institutes of Foreign Trade to be institutions of national importance with a view to empower these institutions in attaining standards of global excellence in international trade (management and international economics) and allied areas of knowledge, and to provide for certain other matters connected therewith or incidental thereto.</i>
	BE it enacted by Parliament in the Seventy-third Year of the Republic of India as follows:—
Short title and commencement.	1. (1) This Act may be called the Indian Institutes of Foreign Trade Act, 2022.  (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint:  Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the commencement of that provision.
Declaration of institutions as institute of national importance.	2. Whereas the objects of the Institutes specified in the Schedule are such as to make them institutions of national importance, it is hereby declared that each such Institute is an institution of national importance.
Definitions.	3. In this Act, unless the context otherwise requires,—  a. “Academic Council” means the Academic Council of the Institutes established under section 15; b. “Board” means the Board of Management of the Institute established under section 12; c. “centre” means any centre set up by the Institute for studies in international trade (management and international economics) and

	<p>allied areas and includes any existing centre set up for such purpose;</p> <p>d. “Chairperson” means the Chairperson of the Board;</p> <p>e. “corresponding Institute”, in relation to an existing Institute specified in column (2) of the Schedule, means an Institute specified in column (4) of the Schedule;</p> <p>f. “Director” means the Director of the Institute appointed under section 18;</p> <p>g. “existing Institute” means the institutes mentioned in column (2) of the Schedule;</p> <p>h. “Finance Committee” means the Finance Committee of the Institute established under section 17;</p> <p>i. “Institute” means each of the Indian Institutes of Foreign Trade incorporated under sub-section (1) of section 4, and specified in column (4) of the Schedule, and includes divisions, departments, or centres set up under such Institute;</p> <p>j. “notification” means a notification published in the Official Gazette;</p> <p>k. “Ordinances” means Ordinances made by the Academic Council under Chapter V of this Act;</p> <p>l. “prescribed” means prescribed by rules made under this Act;</p> <p>m. “Registrar” means the Registrar of an Institute appointed under section 19;</p> <p>n. “Schedule” means the Schedule annexed to this Act;</p> <p>o. “society” means the existing Institute registered as a society under Societies Registration Act, 1860;</p> <p>p. “Statute” means a Statute made by the Board under Chapter V of this Act;</p> <p>q. “Visitor” means the Visitor of the Institutes appointed under section 11;</p>
<p>Incorporation of Institutes.</p>	<p>4. (1) On and from the date of commencement of this Act, every existing Institute shall be a body corporate by the same name as mentioned in column (4) of the Schedule.</p> <p>(2) Every Institute referred to in column (4) 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.</p>
<p>Effect of incorporation of Institutes.</p>	<p>5. (1) On and from the commencement of this Act,—</p> <p>a. any reference to an existing Institute in any contract or other instrument shall be deemed as a reference to the corresponding Institute;</p> <p>b. all properties, movable and immovable, of or belonging to every existing Institute shall vest in the corresponding Institute;</p> <p>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;</p>

- d. every person employed by every existing Institute, immediately before such commencement shall hold 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 had this Act had 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 Statutes:

Provided that if the alteration so made is not acceptable to such employee, his employment may be terminated by the Institute in accordance with the terms of 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 the case of permanent employees and one month's remuneration in the case of other employees:

Provided further that any reference, by whatever form of words, to the Vice-Chancellor or Registrar, and other officers of every existing Institute under any law for the time being in force, or any instrument or other document, shall be construed as a reference to the Director, Registrar and other officers, as the case may be, of the corresponding Institute:

Provided also that every person employed before the commencement of this Act, pending the execution of a contract, shall be deemed to have been appointed in accordance with the provisions of a contract consistent with the provisions of this Act and the Statutes;

- e. every person pursuing, before the 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 existing Institute from which such person migrated; and
- 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.

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

- a. to provide education of high quality in areas of international business management, trade and economics, and to promote allied areas of knowledge as well as interdisciplinary studies;
- b. 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;
- c. to carry out research, publication, consultancy and advisory work to advance new knowledge and innovation and to provide global leadership in all areas of international business management, trade and economics, both in India and abroad:

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;

- d. to sensitize international business 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 organize seminars, workshops, conferences and similar activities for promoting debate on issues of current interest at regional, national and international level, as well as for wider dissemination of information and research findings;
- g. to establish and maintain documentation centres and information services to facilitate education, training, research and consultancy activities and to offer specialized information and database services to external clients;
- h. to develop educational programmes and faculties that advance the cause of education, teaching and learning, across disciplines;
- i. to set up divisions or departments and centres within the campuses for international trade (management and international economics) studies and allied areas;
- j. to set up centres and campuses to support, cooperate and collaborate with management institutions and other educational institutions in India and abroad;
- k. to provide online education in all areas of international business management, trade and economics;
- l. to promote, support and undertake collaborative activities with national and international organisations including the United Nations Development Programme, International Trade Centre, United Nations Conference on Trade and Development, World Trade Organisation, United Nations Economic and Social Commission for Asia and the Pacific, World Bank, etc. in the areas of interest to the Institute;
- m. to do all such other acts and things either alone or in conjunction with other organisations or persons as each Institute may consider necessary.

<p>Powers and functions of Institute.</p>	<p>7. Subject to the provisions of this Act, every Institute shall exercise the following powers and perform the following functions, namely:—</p> <ol style="list-style-type: none"> <li>a. to carry out the administration and management of the Institutes;</li> <li>b. to provide by Statutes for the admission of candidates to the various courses of study in conformity with the laws for the time being in force;</li> <li>c. to specify and conduct courses of study, training and research in international business management, trade and economics and allied subjects and document, and disseminate knowledge thereof;</li> <li>d. to evolve innovative international business management, trade and economic education pedagogy aligned to dynamic global management practices;</li> <li>e. to set up centres and campuses in India and abroad either on its own or in association with partner institutions with a view to achieve the objects of the Institutes;</li> <li>f. to grant degrees, diplomas and other academic distinctions or titles and to institute and award Chair Professorship, fellowships, scholarships, prizes and medals, honorary awards and other distinctions;</li> <li>g. to lower the cost of education and to enhance the reach of the education by use of information and communication technology and other innovative methods;</li> <li>h. to establish and maintain such infrastructure as may be necessary and to invest and deal with any moneys and securities of the Institute not immediately required for any of its activities in such a manner as may be provided by the Statutes or Ordinances of the Institute as may be laid down from time to time;</li> <li>i. to determine, specify and receive payment of, fees and other charges as that 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;</li> <li>j. to acquire, hold and deal with the property belonging to or vested in the Institute, with the approval of the Board, and in case of immovable property, under prior 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:</li> </ol> <p style="text-align: center;">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;</p>
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	<ul style="list-style-type: none"> <li>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;</li> <li>l. to appoint committees for the disposal of any business of the Institute or for tendering advice in any matter pertaining to the Institute;</li> <li>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, including capital expenditure of the Institute including expenses incurred in the exercise of its powers and discharge of its functions;</li> <li>n. to invest any surplus funds not needed for immediate research work in accordance with the provisions contained in Sections 11(2), 11(3) and 11(5) of the Income Tax Act 1961 as amended from time to time;</li> <li>o. to create any reserve fund, corpus fund, sinking fund, insurance fund, provident fund or any other special fund, whether for depreciation or for repairs, improving, extending or maintaining any of the properties or rights of that Institute and/or for recoupment of wasting assets and/or benefits of the employees and for any other purposes for which the Institute deems it expedient or proper to create or maintain any such fund or funds;</li> <li>p. to create partnership, affiliation and other classes of professional or honorary or technical membership or office as the Institute may consider necessary;</li> <li>q. to do all such things and activities, incidental to the attainment of all or any of the objects of the Institute.</li> </ul>
<p>Institutes to be open to all irrespective of sex, race, creed, caste or class.</p>	<ul style="list-style-type: none"> <li>8. (1) Every Institute shall be open to all persons irrespective of sex, 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.</li> <li>9. 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.</li> <li>10. 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:</li> </ul> <p style="text-align: center;">Provided that nothing in this section shall be deemed to prevent any 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</p>

	<p>particular, for the Scheduled Castes and the Scheduled Tribes:</p> <p>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.</p>
Institute to be not-for-profit legal entity.	<p>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.</p> <p>(2) Every Institute shall strive to raise funds for self-sufficiency and sustainability.</p>
Teaching at the Institute.	<p>10. All teaching at every Institute shall be in accordance with the Statutes and Ordinances of such Institute made in this behalf.</p>
Visitor of the Institutes.	<p>11. (1) The Visitor of the Institutes shall be the Secretary, Ministry of Commerce and Industry, Government of India.</p> <p>(2) The Visitor may, from time to time, appoint one or more persons to review the work and progress of every Institute, and hold inquiries thereof and to submit a report thereon in such manner as the Visitor may direct.</p> <p>(3) Upon receipt of any such report, the Visitor may, after obtaining the views of the Board thereon through the Director of such Institute, take such action and issue such directions as it considers necessary in respect of any of the matters dealt with in the report and the Institute shall be bound to comply with such directions.</p>
Board of Management.	<p>12. (1) The Board of Management of each Institute shall be the principal executive body of that Institute.</p> <p>(2) The Board of each Institute shall consist of the following members, namely:-</p> <ol style="list-style-type: none"> <li>a. Director, who shall be the Chairperson, <i>ex officio</i>;</li> <li>b. Two Heads of Divisions or Heads of Regional Centres to be appointed by rotation based on seniority, who shall be Members;</li> <li>c. Three eminent academics, who shall have functioned at the rank of Professor, to be appointed by the Visitor of the Institute from among persons unconnected with both the Institute as well as the Department of Commerce, Government of India, who shall be Members;</li> <li>d. One representative of the Central Government, who shall be a Member;</li> </ol>

	<p>e. Two members from the faculty of respective Institutes, one of whom shall be a Professor and the other shall be an Associate Professor, to be appointed by rotation based on inter-se seniority, who shall be Members;</p> <p>f. Two industry professionals to be nominated by the Department of Commerce, Government of India, who shall be Members;</p> <p>g. Nominees of the Department of Commerce, Government of India, not exceeding four in number, who shall be Members; and</p> <p>h. Registrar, who shall be the Member Secretary, <i>ex officio</i>;</p> <p>(3) The Chairperson of the Board 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.</p>
<p>Term of office, vacancies among, and allowances payable to, members of the Board.</p>	<p>13. (1) Save as otherwise provided in this section, the term of office of members of the Board, other than the <i>ex officio</i> members, shall be three years from the date of their appointment or nomination:</p> <p>Provided that the term of office of a member nominated under clause (e) of sub-section (2) of section 12 shall be two years from the date of his nomination:</p> <p>Provided further that a member of the Board, other than an <i>ex officio</i> member, may be appointed or nominated for a second term:</p> <p>Provided also that a member of the Board, other than an <i>ex officio</i> member, shall not be appointed or nominated for more than two consecutive terms.</p> <p>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 of the Board.</p> <p>3. A member of the Board, other than a nominee of the Central 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.</p> <p>4. A casual vacancy of a member shall be filled up in accordance with the provisions of section 12.</p> <p>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.</p> <p>6. Members of the Board shall be entitled to such allowances, as may be specified in the Statues, for attending meetings of the Board.</p> <p>7. The Board shall meet at least once in every three months.</p>

Powers and functions of Board.

14. (1) Subject to the provisions of this Act, the Board of every Institute shall be responsible for the general superintendence, direction and control of the affairs of the Institute, and shall exercise all the powers of that Institute not otherwise provided for by this Act, the Statutes and the Ordinances, to achieve the objects of the Institute specified in section 6, and shall have the power to review the acts of the Academic Council.

(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 studies in international trade (management and international economics) 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 Statutes;

(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, the pay scales, allowances and term of employment of such posts shall be such as may be determined by the Central Government;

(j) 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;

(k) to set-up centres of studies in international business management, trade and economics and allied areas outside India

in accordance with guidelines laid down by the Central Government from time to time and in accordance with the provisions of the laws for the time being in force in such foreign country;

(l) to specify by Statutes, the fees to be charged for courses of study and examinations in the Institute;

(m) to specify by Statutes the manner of formation of department of teaching;

(n) to specify by Statutes the institution of fellowships, scholarships, exhibitions, medals and prizes;

(o) to specify by Statutes the qualifications, classification, terms of office and method of appointment of the academic, administrative, technical and other staff of the Institute;

(p) to specify by Statutes the constitution of pension, insurance and provident funds for the benefit of the academic, administrative, technical and other staff;

(q) to specify by Statutes, the establishment and maintenance of buildings;

(r) to specify by Statutes, the conditions of residence of students of the Institute and levying of fees for residence in the halls and hostels and of other charges;

(s) to specify by Statutes, the manner of authentication of the orders and decisions of the Board;

(t) to specify by Statutes, 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;

(u) to specify by Statutes, the financial accountability of the Institute; and

(v) 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) The Board of every Institute shall be the final decision-making body of the Institute in respect of every matter of such Institute, including in the academic, administrative, personnel, and financial, developmental matters.

(4) The Board shall not infringe upon the powers of the respective authorities provided under the Statutes or Ordinances, as the case may be;

and where any authority has been given advisory or recommendatory powers, the Board shall obtain advice and recommendations from such authority, before deciding on any matter before it.

(5) The Central Government 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 Central Government.

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

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

(8) The report of the evaluation and review under sub-section (6) shall be submitted by the Board to the Central Government along with an action taken report thereon.

(9) Where in the opinion of the Director the situation is so emergent that an immediate decision needs to be taken in the interest of the Institute, 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.

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

Academic Council.

15. (1) The Academic Council shall be the principal academic body of every Institute, consisting of the following persons, namely:—
- a. Director, who shall be the Chairperson, *ex officio*;
  - 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 members at the level of professors and such number of other full-time faculty members of the Institute as may be determined by the Board; and
  - e. such members, by invitation of the Board on the recommendation of the Director, who are eminent persons in the fields of industry, finance, management, public administration and academics.

	<p>16. 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.</p> <p>17. 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.</p>
Power and functions of Academic Council.	<p>16. (1) The Academic Council shall perform the following functions, namely:—</p> <ol style="list-style-type: none"> <li>a. to specify the criteria and process for admission to courses or programmes of study offered by the Institute;</li> <li>b. to specify the academic content of programmes and courses of study and undertake modifications therein;</li> <li>c. to specify the academic calendar, guidelines for conduct of examination and recommend grant of degrees, diplomas and other academic distinctions or titles.</li> </ol> <p>(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 Statutes or by the Board.</p>
Finance Committee.	<p>17. The constitution, powers and functions of the Finance Committee of every Institute shall be such as may be laid down in the Statutes of such Institute.</p>
Director.	<p>18. (1) The Director shall be the Chief Executive Officer of every Institute, shall provide leadership to such Institute, and be responsible for proper administration of such Institute, for imparting of instructions and maintenance of discipline therein, and for implementation of the decisions of the Board and the Academic Council.</p> <p>(2) The Director shall be appointed by the Central Government, on such terms and conditions of service as may be prescribed.</p> <p>(3) The Director shall be appointed out of the panel of names recommended by a search-cum-selection committee to be constituted by the Central Government, consisting of:—</p> <ol style="list-style-type: none"> <li>(a) a representative of the Department of Commerce, Government of India, who shall be the Chairperson of the search-cum-selection committee;</li> <li>(b) three members nominated by the Central Government from amongst eminent administrators, industrialists, educationists, scientists, technocrats and specialists in international business management, trade and economics:</li> </ol> <p style="padding-left: 40px;">Provided that where the Central Government is not satisfied with the recommendations of the search-cum-selection committee, it may ask the search-cum-selection committee to make fresh recommendations.</p>

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

Provided that the Central Government may lay down the criteria to be followed by the Director while exercising his powers and performing his duties, which shall be evaluated by the Central Government annually, and if the Central Government is of the opinion that such criteria has not been followed, then it may, after giving an opportunity of being heard to the Director, initiate action for removal of such Director under sub-section (7).

(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, resign his office at any time.

(7) The Central Government may remove from office a Director, who—

(a) has been adjudged as an 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;

(e) has so abused his position or so conducted himself as to render his continuance in office prejudicial to the public interest; or

(f) has been found unfit to serve as a Director pursuant to an inquiry conducted under section 20;

Provided that the Director shall not be removed from office except by an order made by the Central Government, after an inquiry 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 Central Government shall initiate the process of appointment nine months prior to the occurrence of such vacancy.</p> <p>(9) Where the post of Director falls vacant on account of any reason, the Central Government may appoint the senior-most faculty member in the Institute or any other person that the Central Government may deem fit as the Director in charge until a regular Director is appointed.</p>
Registrar.	<p>19. (1) The Registrar of every Institute shall be appointed in such manner and on such terms and conditions as may be laid down in the Statutes.</p> <p>(2) The Registrar 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.</p> <p>(3) The Registrar shall act as the Secretary of the Board, the Academic Council, and other such committees as may be prescribed by the Statutes.</p> <p>(3) The Registrar shall be responsible to the Director for the proper discharge of his functions.</p> <p>(4) The Registrar shall exercise such other powers and perform such other duties as may be assigned to him by this Act or the Statutes or by the Board or by the Director.</p>
Initiation of inquiry.	<p>20. (1) The Central Government may initiate an inquiry as deemed proper against such Institute which has not been functioning in accordance with the provisions and the objectives of the Act:</p> <p>Provided that such an inquiry shall be ordinarily conducted by a retired Judge of a High Court:</p> <p>Provided further that in such exceptional circumstances as the Central Government may determine, it may appoint any other person to conduct an inquiry under this section as it deems fit.</p> <p>(2) The Central Government may, based on the findings of such an inquiry, remove the Director, Registrar, or any other officer or take any other action or issue any other direction as deemed fit, and the Institute shall be bound to comply with such directions within reasonable time:</p> <p>Provided that while taking any action under this sub-section, the Central Government shall be guided by the principles of natural justice.</p>

Committees and other authorities.	<p>21. (1) The Board may constitute such committees and other authorities of the Institute and specify the duties and functions of such committees and authorities by Statutes.</p> <p>(2) The Board may constitute such ad-hoc committees as it may deem fit, for proper management of affairs of the Institute.</p>
Grants by Central Government.	<p>22. 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.</p>
Fund of Institute.	<p>23. (1) Every Institute shall maintain a Fund to which shall be credited—</p> <ul style="list-style-type: none"> <li>(a) all moneys provided by the Central Government;</li> <li>(b) all fees and other charges received by the Institute;</li> <li>(c) all moneys received by the Institute by way of grants, gifts, donations, benefactions, bequests or transfers;</li> <li>(d) all moneys received by the Institute from utilization of intellectual property arising from research conducted or rendering advisory or consultancy services by it; and</li> <li>(e) all moneys received by the Institute in any other manner or from any other source.</li> </ul> <p>(2) All moneys credited to the Fund of every Institute shall be deposited in such banks or invested with approval from the Central Government, and in such manner as may be laid down by the Board in the Statutes.</p> <p>(3) Every Institute shall create a corpus fund for long term sustainability of the Institute, to which shall be credited such percentage 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:</p> <p style="padding-left: 40px;">Provided that the Board may also create endowment funds for specific purposes to which donations may be specifically made.</p> <p>(4) The Fund of every Institute shall be applied towards meeting its expenses including expenditure incurred in the exercise of its powers and discharge of its duties under this Act, and for such other purposes as may be specified by the Statutes.</p>

<p>Accounts and audit.</p>	<p>24. (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 as per such accounting standard as may be specified by notification by the Central Government in consultation with the Comptroller and Auditor-General of India.</p> <p>(2) Where the statement of income and expenditure and the balance sheet of an 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:—</p> <ol style="list-style-type: none"> <li>a. the deviation from the accounting standards;</li> <li>b. the reasons for such deviation; and</li> <li>c. the financial effect, if any, arising out of such deviation.</li> </ol> <p>(3) The accounts of every Institute shall be audited by the Comptroller and Auditor-General of India and any expenditure incurred by the audit team in connection with such audit shall be payable by the Institute to the Comptroller and Auditor-General of India.</p> <p>(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of any Institute shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the offices of the Institute.</p> <p>(4) The accounts of every Institute as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament in accordance with such procedure as may be laid down by the Central Government.</p>
<p>Books of account to be maintained by Institute.</p>	<p>25. Every Institute shall keep proper updated books of account with respect to—</p> <ol style="list-style-type: none"> <li>a. all sums of money received and expended by it and the matters in respect of which receipt and expenditure takes place;</li> <li>b. the assets and liabilities of the Institute;</li> <li>c. the properties, movable and immovable of the Institute.</li> </ol> <p><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</p>

	<p>its transactions, it shall be deemed as proper books of account with respect to the matters specified therein.</p>
Appointment of auditors.	<p>26. (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 the Institute:</p> <p>Provided that the Board shall change the auditors after every four years.</p> <p>(2) The Board of every Institute shall constitute an Audit Committee to provide expert advice on the effectiveness of the internal control system, risk management and audit report to the Board.</p> <p>(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.</p>
Annual report of Director.	<p>27. (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—</p> <ul style="list-style-type: none"> <li>(a) the state of affairs of such Institute;</li> <li>(b) the amounts, if any, which it proposes to carry to any surplus reserves in its balance sheet;</li> <li>(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;</li> <li>(d) the productivity of research projects undertaken by the Institute measured in accordance with such norms as may be specified by the Board;</li> <li>(e) appointments of the officers and faculty members of the Institute;</li> <li>(f) performance indicators and internal standards set by the Institute, including the nature of innovations in teaching, research and application of knowledge.</li> </ul> <p>(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</p>

	<p>such employees) during the financial year and the contributions made by such employee during the financial year.</p> <p>(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.</p> <p>(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.</p> <p>(5) The Director shall submit the report prepared under this section to the Central Government.</p>
<p>Board to consider statement of accounts.</p>	<p>28. (1) The statement of accounts, including the balance sheet and the statement of income and expenditure, the auditor's report and other documents, including any reports, if any, prepared by the Audit Committee under sub-section (2) of section 26, required to be annexed or attached with such statement, shall be brought before the Board of the Institute in its meeting not later than three months, from the conclusion of the financial year.</p> <p>29. 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.</p> <p>30. 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.</p>
<p>Annual report of Institute.</p>	<p>29. (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.</p> <p><i>Explanation.</i>—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.</p> <p>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 which shall consider the report in its meeting.</p> <p>3. The annual report on its approval by the Board shall be published on the website of the Institute.</p> <p>4. The annual report of every Institute shall be submitted to the Central Government which shall, as soon as may be, cause the same to be laid before both Houses of Parliament.</p>

Statutes.	<p>30. Subject to the provisions of this Act and rules made thereunder, the Statutes may provide for all or any of the following matters, namely:—</p> <p>(a) the conferment of honorary degrees;</p> <p>(b) the formation of departments of teaching;</p> <p>(c) the fees to be charged for courses of study in the Institute and for admission to the examinations of degree and diplomas of the Institute;</p> <p>(d) the institution of fellowships, scholarships, exhibitions, medals and prizes;</p> <p>(e) the term of office and the method of appointment of officers of the Institute;</p> <p>(f) the qualifications of teachers of the Institute;</p> <p>(g) the classification, the method of appointment and the determination of the terms and conditions of service of teachers and other staff of the Institute;</p> <p>(h) the constitution of pension, insurance and provident funds for the benefit of the officers, teachers and other staff of the Institute;</p> <p>(i) the constitution, powers and duties of the authorities of the Institute;</p> <p>(j) the establishment and maintenance of halls and hostels;</p> <p>(k) the conditions of residence of students of the Institute and the levying of fees for residence in the halls and hostels and of other charges;</p> <p>(l) the manner of filling vacancies among members of the Board;</p> <p>(m) the allowances to be paid to the Chairperson and members of the Board;</p> <p>(n) the authentication of the orders and decisions of the Board;</p> <p>(o) 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;</p> <p>(p) the qualifications, experience and the manner of selection of the independent agency or group of experts for evaluation and review of the performance of Institutes; and</p> <p>(q) any other matter which under this Act is to be or may be provided by the Statutes.</p>
Statutes how made.	<p>31. (1) The first Statutes of the Institute shall be framed with the prior approval of the Visitor within one year of the commencement of this Act and a copy of the same shall be laid as soon as may be before both Houses of Parliament.</p>

	<p>(2) The Board may, from time to time, make new or additional Statutes or may amend or repeal the Statutes in the manner hereafter in this section provided.</p> <p>(3) Every new Statute or addition to the Statutes or any amendment or repeal of a Statute shall require the previous approval of the Visitor who may assent thereto or withhold assent or remit it to the Board or consideration.</p> <p>(4) A new Statute or a Statute amending or repealing an existing Statute shall have no validity unless it has been assented to by the Visitor.</p>
Ordinances.	<p>32. Subject to the provisions of this Act and the rules and Statutes made thereunder, the Ordinances of every Institute may provide for all or any of the following matters, namely:—</p> <ol style="list-style-type: none"> <li>a. the admission of students to the Institute;</li> <li>b. the courses of study to be laid down for all degrees and diplomas of the Institute;</li> <li>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;</li> <li>d. the conditions of award of the fellowships, scholarships, exhibitions, medals and prizes;</li> <li>e. the conditions and model of appointment and duties of examining bodies, examiners and moderators;</li> <li>f. the conduct of examinations;</li> <li>g. the maintenance of discipline among the students of the Institute; and</li> <li>h. any other matter which under this Act or rules or Statutes made thereunder is to be or may be provided for by the Ordinances.</li> </ol>
Ordinances how made.	<p>33. (1) Save as otherwise provided in this section, Ordinances shall be made by the Academic Council.</p> <p>(2) All Ordinances made by the Academic Council shall have effect from such date as the Academic Council 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.</p> <p>(3) The Board shall have power by resolution to approve, modify or cancel any such Ordinance and such Ordinance shall from the date of such resolution stand approved, modified accordingly or cancelled, as the case may be.</p>
Acts and proceedings not to be invalidated by vacancies, etc.	<p>34. No act of any Institute or the Board or the Academic Council or any other body set-up under this Act or the Statutes, shall be invalid merely by reason of—</p> <ol style="list-style-type: none"> <li>a. any vacancy or defect in the constitution thereof; or</li> <li>b. any irregularity in its procedure not affecting the merits of the case; or</li> </ol>

	<p>c. any defect in the selection, nomination or appointment of a person acting as a member thereof.</p>
Power of Institutes to grant degree etc.	<p>35. Each Institute shall have the power to grant degrees, diplomas, certificates and other academic distinctions under this Act, which shall be equivalent to such corresponding degrees, diplomas, certificates and other academic distinctions granted by any University or Institute established or incorporated under any other law for the time being in force.</p>
Return and information to be provided to Central Government.	<p>36. 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.</p>
Institute to be public authority under Right to Information Act.	<p>37. The provisions of the Right to Information Act, 2005 shall apply to each Institute as if it were a public authority defined in clause (h) of section 2 of that Act.</p>
Power of Central Government to make rules.	<p>38. (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act.</p> <p>(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:—</p> <p>(a) such other powers and duties of the Board under clause (v) of sub-section (2) of section 14;</p> <p>(b) the term and conditions of service of the Director under sub-section (2) of section 18;</p> <p>© 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.</p>
Power to remove difficulties.	<p>39. (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:</p> <p>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.</p> <p>(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.</p>

<p>Rules, Statutes and Ordinances to be published in the official Gazette and to be laid before Parliament.</p>	<p>40. (1) Every rule, Statute or Ordinance made under this Act shall be published in the Official Gazette.</p> <p>(2) Every rule, Statute or Ordinance made 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, Statute or Ordinance or both Houses agree that the rule, Statute or Ordinance should not be made, the rule, Statute or Ordinance 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 Statute or Ordinance.</p> <p>(3) The power to make Statutes or Ordinances shall include the power to give retrospective effect with the approval of the Central Government from a date not earlier than the date of commencement of this Act to Statutes or Ordinances or any of them but no retrospective effect shall be given to any Statute or Ordinance so as to prejudicially affect the interests of any person to whom such Statutes or Ordinances may be applicable.</p>
<p>Transitional provisions.</p>	<p>41. (1) Notwithstanding anything contained in this Act:—</p> <p>(a) The Board of every existing Institute functioning as such immediately before the commencement of this Act shall continue to so function until a new Board is constituted for the corresponding 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;</p> <p>(b) An academic council or faculty council, as the case may be, constituted in relation to every existing Institute before the commencement of this Act shall be deemed to be the Academic Council constituted under this Act until the Academic Council is constituted under this Act for the corresponding 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;</p> <p>(c) Until the first Statutes are made under this Act, the rules, and bye-laws of every existing Institute as in force, immediately before the commencement of this Act shall continue to apply to the corresponding Institute in so far as they are not inconsistent with the provisions of this Act;</p> <p>(d) The Vice Chancellor and Registrar of an existing Institute in office immediately before the commencement of this Act, shall continue to hold office in the corresponding Institute, with the</p>

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 had this Act had not been enacted and shall continue to do so unless and until his tenure expires, his employment is terminated or until such tenure, remuneration and terms and conditions are duly altered by Statutes.

(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 transition of an existing Institute to a corresponding Institute.

THE SCHEDULE

[See section 4(1)]

Sl. No	Name of the existing Institute	Location	Name of the Institute incorporated under this Act
(1)	(2)	(3)	(4)
1.	Indian Institute of Foreign Trade, New Delhi	IIFT Bhawan, B-21, Qutab Institutional Area, New Delhi 110016	Indian Institute of Foreign Trade, New Delhi
2.	Indian Institute of Foreign Trade, Kolkata	1583 Madurdaha, Chowbagha Road, Ward No 108, Borough XII, Kolkata 700107	Indian Institute of Foreign Trade, Kolkata
3.	Indian Institute of Foreign Trade, Kakinada	RS. No. 247 (A), Ponnada Village of U Kothapalli Mandal, East Godavari District, Kakinada 533448	Indian Institute of Foreign Trade, Kakinada