

Bill No. 61 of 2012

THE UNIVERSITIES FOR RESEARCH AND INNOVATION BILL, 2012

ARRANGEMENT OF CLAUSES

CHAPTER I

PRELIMINARY

CLAUSES

1. Short title, extent, commencement and applicability.
2. Declaration of Universities for Research and Innovation as institutions of national importance.
3. Definitions.

CHAPTER II

UNIVERSITIES FOR RESEARCH AND INNOVATION

4. Establishment and incorporation of Universities for Research and Innovation.
5. Objects of University for Research and Innovation.
6. Functions and powers of University for Research and Innovation.
7. University for Research and Innovation to be open to all.
8. University to be a distinct legal entity not for profit.
9. Criteria for establishing a University for Research and Innovation.
10. Memorandum of Agreement.
11. Laying of memorandum of agreement before both Houses of Parliament.
12. Publication of memorandum of agreement and its date of effect.

CHAPTER III

GOVERNANCE OF UNIVERSITIES FOR RESEARCH AND INNOVATION

13. Board of Governors of University for Research and Innovation.
14. Powers and functions of Board of Governors.
15. Academic Board.
16. Faculties or schools of studies.
17. Research Council.
18. The Chancellor, Vice-Chancellor and other officers of University for Research and Innovation.
19. Autonomy over appointments of academic Staff.

(ii)

CHAPTER IV

GRANTS, ACCOUNTS AND AUDIT

CLAUSES

20. Grants by Central Government for supporting higher education and research.
21. University Endowment Fund.
22. Books of account to be kept by University for Research and Innovation.
23. Annual accounts and balance sheet.
24. Appointment, powers and duties of auditors.
25. Report of Vice-Chancellor.
26. Annual Meeting of Board of Governors to consider statement of accounts.
27. Annual report.

CHAPTER V

PROTECTION AND UTILISATION OF INTELLECTUAL PROPERTY EMERGING FROM PUBLIC FUNDED RESEARCH

28. Disclosure of intellectual property created out of public funded research and vesting of title of such property.
29. Protection and utilisation of intellectual property by University for Research and innovation.
30. Powers of Central Government in relation to public funded property.

CHAPTER VI

SPECIAL PROVISIONS REGARDING PUBLIC FUNDED UNIVERSITIES FOR RESEARCH AND INNOVATION

31. Provisions of this Chapter to apply to Universities for Research and Innovation entirely funded by Central Government.
32. Board of Governors of public funded University for Research and Innovation.
33. Visitor.
34. Grants by Central Government for development and maintenance of public funded Universities for Research and Innovation.
35. Statement of accounts and audit of public funded University for Research and Innovation.
36. Annual report of each public funded University for Research and Innovation.
37. Returns and information to Central Government.

CHAPTER VII

REVIEW OF UNIVERSITIES FOR RESEARCH AND INNOVATION

38. Review of Universities for Research and Innovation.

CHAPTER VII

MISCELLANEOUS

39. Proceedings of authorities of bodies not invalidated by vacancies.
40. Application of other law not barred.
41. Power of Central Government to make rules.

(iii)

CLAUSES

42. Statutes, how made.
43. Power to make Ordinances.
44. Laying of rules before Parliament.
45. Power to remove difficulties.

Bill No. 61 of 2012

THE UNIVERSITIES FOR RESEARCH AND INNOVATION BILL, 2012

A

BILL

to provide for the establishment and incorporation of Universities for Research and Innovation and for enabling them to emerge as centres for ecosystems to develop as hubs of education, research and innovation and to promote research and innovation in learning and design, development and delivery of solutions and for matters connected therewith and incidental thereto.

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

CHAPTER I

PRELIMINARY

- 5 1. (1) This Act may be called the Universities for Research and Innovation Act, 2012.
 (2) It extends to the whole of India.
 (3) 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.

Short title,
extent, com-
mencement
and
applicability.

(4) It applies to the Universities for Research and Innovation, declared as such, and so notified by the Central Government.

Declaration of Universities for Research and Innovation as institutions of national importance.
Definitions.

2. Whereas the objects of every University for Research and Innovation as is established under this Act are of national importance, it is hereby declared that every such University for Research and Innovation is an institution of national importance. 5

3. (1) In this Act, unless the context otherwise requires,—

(a) “Academic Board” means the Academic Board constituted under sub-section (1) of section 15;

(b) “Board of Governors” means the Board of Governors constituted under section 13; 10

(c) “Board of Studies”, in relation to a University for Research and Innovation, means the Board of Studies of a Faculty or School of Studies of the University;

(d) “Chancellor” and “Vice-Chancellor”, mean, respectively, the Chancellor and Vice-Chancellor of a University for Research and Innovation ;

(e) “Commission” means the University Grants Commission established under section 4 of the University Grants Commission Act, 1956, or its successor body; 15 3 of 1956.

(f) “distance education systems” means the system of imparting education through any means of communication, such as broadcasting, telecasting, correspondence courses, seminars, contact programmes or a combination of any two or more of such means and includes imparting of education through multiple media and technologies for interactive multi-directional educational delivery involving only limited class room contact between the teacher and student; 20

(g) “intellectual property” refers to patents, trade mark, copyright, design, semiconductor layout, geographical indications and plant variety as respectively defined under the Patents Act, 1970, the Trade Marks Act, 1999, the Copyright Act, 1957, the Designs Act, 2000, the Semiconductor Integrated Circuits Layout-Design Act, 2000, the Geographical Indications of Goods (Registration and Protection) Act, 1999 and the Protection of Plant Varieties and Farmers’ Rights Act, 2001, or any other law governing right to intellectual property; 25 39 of 1970. 47 of 1999. 14 of 1957. 16 of 2000. 37 of 2000. 48 of 1999. 53 of 2001.

(h) “intellectual property creator” means the person employed or engaged by a University for Research and Innovation for research and development and who created the public funded intellectual property; 30

(i) “knowledge clusters” mean local innovation systems in an agglomeration of research and production oriented organisations, for new learning, design, development and delivery of solutions, where first applications of knowledge through research and innovation are obtained leading to value creation. 35

(j) “memorandum of agreement” means a memorandum of agreement referred to in section 10;

(k) “notification” means a notification published in the Official Gazette and the expression “notify” shall be construed accordingly; 40

(l) “prescribed” means prescribed by rules made under this Act;

(m) “programme of study” means a course or programme of study leading to the award of a degree or a diploma by a University for Research and Innovation;

(n) “promoter” means an organisation or university fulfilling the criteria specified in section 9 for being a promoter of a University for Research and Innovation; 45

(o) “public funded intellectual property” means an intellectual property which is the outcome of research and development in a University for Research and Innovation for which the Central Government, or any agency established, by or under any law or otherwise by the Central Government, has provided grants under sub-section (1) of section 20;

(p) “public funded University” means a University for Research and Innovation where the entire capital investment for its establishment is provided, directly or indirectly, by the Central Government;

(q) “Statutes” and “Ordinances” mean, respectively, the Statutes and the Ordinances, for the time being in force, of a University for Research and Innovation ;

(r) “teachers of the University” means the persons as may be, by whatever designation, appointed for imparting instructions, teaching or conducting research in a University for Research and Innovation and are designated as teachers by the Ordinances;

(s) “University for Research and Innovation ” means University notified by the Central Government under sub-section (1) of section 4 and the expression “University shall be construed accordingly;

(t) “utilisation” means the manufacture of a composition or product, the practice of a process or method, operation of a machine or system, or commercialisation thereof.

CHAPTER II

UNIVERSITIES FOR RESEARCH AND INNOVATION

4. (1) The Central Government may, by notification, establish for the purposes of this Act, one or more Universities for Research and Innovation each with such name as may be specified therein and different notifications may be issued for the establishment of different Universities for Innovation.

Establishment and Incorporation Universities for Research and Innovation.

(2) The Central Government may, by notification, specify the name and headquarters of every such University for Research and Innovation established by it under sub-section (1).

(3) Every University for Research and Innovation established under sub-section (1) shall be a body corporate by the name as specified under sub-section (2) having 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 that name, sue or be sued.

(4) The jurisdiction of each University for Research and Innovation shall extend to the whole of India:

Provided that each University for Research and Innovation may, if it so deems fit, establish campuses and study centres in foreign countries in accordance with the provisions of the laws of such foreign country.

5. (1) Every University for Research and Innovation shall, at the time of its establishment and in recognition of the fact that knowledge created is not pure discipline based or propositional but also emerges in response to problems of society, focus on an area or areas with problems of significance and build an ecosystem of research and teaching around different related disciplines and fields of study which are relevant thereto, searching for solutions that are globally valid and in the process develop education at undergraduate and higher levels.

Objects of University for Research and innovation.

(2) Without prejudice to sub-section (1), the objects of every University for Research and Innovation shall be to—

(a) constantly aspire for attainment of the pinnacle of knowledge and learning

by undertaking innovations in design, development and delivery through research and learning;

(b) attempt, through research and application of knowledge to provide a path for mankind free from deprivation and want;

(c) seek to understand and appreciate nature and its laws for the well-being and happiness of present and future generations;

(d) seek and cultivate new knowledge, to engage vigorously and fearlessly, and to interpret old knowledge and beliefs in the light of new needs and discoveries;

(e) provide society with innovators and competent men and women to meet knowledge needs of the society and impart training to professionals, scientists and researchers for the purpose, who will also be cultivated individuals, imbued with a sense of social purpose performing service to the nation and to humanity and cultivating the right moral and intellectual values;

(f) develop competent and capable youth imbued with the spirit of innovation and entrepreneurship with the social and environmental orientation to provide global leadership for the future;

(g) strive to promote equality and social justice and to reduce social and cultural differences through diffusion of quality education;

(h) provide an ambience of learning that celebrates international and comparative perspectives;

(i) promote and provide transparency of highest order in the matters related to admission, appointment at various positions, academic evaluation, administration and finance;

(j) connect the learning and research in such University with the community;

(k) facilitate dissemination of the fruits of research in society through promotion of robust linkages with economy and civil society and through practice;

(l) focus on problems of society or on an area or areas with problems of significance, create knowledge clusters and build an ecosystem of research and teaching in different disciplines and fields of study;

(m) endeavour for solutions which are globally valid and in the process to develop education at undergraduate and higher levels; and

(n) build linkages with research institutions and industry in order to synergise research and innovation efforts and to create innovation clusters for maximum gains.

(3) Every University for Research and Innovation may, for the purpose of achievement of the objects specified in this section, provide facilities for instructions, teaching and innovation experience of such standards that match or surpass the needs of global competitiveness of the education system in various fields of knowledge.

Functions and powers of University for Research and Innovation.

6. (1) Every University for Research and Innovation shall exercise autonomy in financial administration, academic and other matters in regard to the achievement of its objects.

(2) Every University for Research and Innovation shall discharge its functions and exercise the following powers, namely:—

(i) impart instructions in such branches of learning consistent with its objects as such University may, from time to time determine;

(ii) make provisions for research and innovations for the advancement and dissemination of knowledge and experiencing designing, developing and delivery of solutions;

(iii) award degrees, diplomas and other academic distinctions;

(iv) institute teaching including distance education systems, research or other academic positions, required by such university with such designations as it may deem fit;

5 (v) appoint officers and staff on such tenure, term or otherwise to teaching, research and academic faculties as it may deem fit;

(vi) organise, promote and conduct research in such University or in collaboration or association with any other University, institution of research or body corporate;

10 (vii) appoint persons working in any other University or academic institution or involved in research of significance in any industry or any practitioner as adjunct, guest or visiting teacher of the University on such terms and for such duration as the University may decide in consultation with the other University or institution;

(viii) create administrative and other posts and to make appointments thereto;

15 (ix) make provision for dissemination of knowledge emerging from research and for that purpose to enter into such arrangements, including consultancy and advisory services, with other institutions, industry, civil society or other organisations, as such University may deem necessary;

20 (x) to determine and receive payment of fees and other charges, as such University may deem fit, from students and any other person, institution or body corporate for instructions and other services, including training, consultancy and advisory services provided by such University;

(xi) establish chairs of studies through benefactions, donations and collaborations for seminal research in areas of knowledge;

25 (xii) establish campuses and study centres overseas in accordance with the law of the host country applicable to establishment and operation of such campuses and study centres subject to the provisions of this Act;

(xiii) receive benefactions, bequests, grants, donations and gifts from any person;

30 (xiv) acquire, hold, invest, manage or dispose of any movable or immovable property for the purposes of such University;

(xv) establish and maintain such infrastructure as may be necessary, incidental or conducive to the attainment of the objects of the University;

35 (xvi) define standards of admission to the University, including examination, evaluation or any other method as determined by the University;

(xvii) provide consultancy and advisory services and for that purpose to enter into such arrangements with other institutions or bodies as it may deem necessary;

(xviii) to do all such other acts and things as may be necessary, incidental or conducive to the attainment of all or any of its objects;

40 (xix) to establish companies or incubation centres for gainful applications of knowledge and innovations or engage in partnerships with such agencies or entities, which shall undertake research and innovations for value creation to translate the results of research to products and processes useful to society and industry.

45 (3) For the purposes of determination of standards in higher education, every University for Research and Innovation shall determine and declare, on its website, the standards of such education sought to be provided in such University in its teaching, learning and research:

Provided that the standards so determined and declared by such University shall be higher than the minimum standards in the relevant field of knowledge as specified by or under any other law:

Provided further that where no standards have been determined by or under any law in the relevant field of knowledge, the standards so determined and declared by the University shall aim to maximize relative global scales in the relevant field of knowledge:

Provided also that where a dispute arises between such University and a regulatory authority constituted by any law to determine and coordinate standards of higher education in any discipline or field of knowledge, such dispute shall be referred to a committee of three persons of international eminence and standing of whom—

(i) one person shall be nominated by the regulatory body impugning the standards;

(ii) one person shall be nominated by such University for Research and Innovation, which has determined the standards so impugned;

(iii) one person shall be nominated by a University for Research and Innovation, chosen in such manner as may be prescribed, other than such University which has determined the standards so impugned:

Provided also that the decision of such committee shall be final and binding.

(4) Notwithstanding anything contained in the University Grants Commission Act, 1956 or any other law for the time being in force, every University for Research and Innovation shall have the power to determine the nomenclature of degrees, diplomas and other academic distinctions awarded by it.

University for Research and Innovation to be open to all.

7. (1) Every University for Research and Innovation shall be open to all persons of either sex, irrespective of religion, race, caste, creed or class:

Provided that not less than one-half of the students admitted during an academic year to pursue any programme of study in a University for Research and Innovation shall be citizens of India.

(2) All admissions to every programme of study in a University for Research and Innovation 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 University:

Provided that, notwithstanding anything contained in the Central Educational Institutions (Reservation in Admission) Act, 2006, every such University, not being a public funded University for Research and Innovation, shall specify, by Statutes, such criteria in the matter of admission as would account for diversities in entry level benchmarks arising from the social or educational background of any class or category of applicants for admission:

Provided further that every such University, being a public funded University for Research and Innovation, shall be a Central Educational Institution for the purposes of the Central Educational Institutions (Reservation in Admission) Act, 2006:

Provided also that the provisions of the Central Educational Institutions (Reservation in Admission) Act, 2006 shall apply only to the students who are citizens of India and, notwithstanding anything contained in section 3 thereof, the percentage of reservation shall be determined taking into account the total number of seats available for such citizens only.

University to be a distinct legal entity not for profit.

8. (1) Every University for Research and Innovation shall be a not for profit legal entity.

(2) No part of the surplus in revenue of any University for Research and Innovation, 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 University or for conducting research or promoting design, development and delivery of solutions therein:

Provided that no part of such surplus revenue shall be appropriated, distributed or transferred to its promoter or to any other person.

5 **9.** No person shall be eligible for establishing a University under this Act, unless such person is—

Criteria for establishing a University for Research and Innovation.

1 of 1956.
21 of 1860.
2 of 1882.

10 (a) an organisation, being a company registered under section 25 of the Companies Act, 1956 or a society formed and registered under the Societies Registration Act, 1860 or a trust formed under the Indian Trusts Act, 1882 or any other law for the time being in force, which is recognised,—

(i) as an organisation of repute of its kind in India and has demonstrated financial capability and expertise for establishing a University for Research and Innovation; and

15 (ii) has devoted itself to proven innovations in research in unique or emerging areas of knowledge bearing a relationship to the area of focus or problem of significance referred to in sub-section (1) of section 5; or

(b) a University established or incorporated in India which has been functioning as such for at least twenty-five years and is recognised, through accreditation under any law for the time being in force, as amongst the Universities of repute in India; or

20 (c) a University established or incorporated outside India which has been functioning as such for at least fifty years in the country in which it had been established or incorporated and recognised, through internationally accepted standards, as amongst the Universities of repute amongst the countries.

25 **10.** (1) The promoter or promoters of each University for Research and Innovation proposed to be established under sub-section (1) of section 4 shall submit to the Central Government a vision plan and a memorandum of agreement proposed to be entered into with the Central Government along with a project report indicating therein—

Memorandum of Agreement.

(i) the vision for achievement of the objects of such proposed University;

(ii) the name and location of such proposed University;

30 (iii) the focus on area or areas with problems of significance referred to in sub-section (1) of section 5;

(iv) the capital investment plan along with its phasing over a reasonable period for the establishment of such proposed University;

35 (v) the sources of financing the capital investment and the financial contribution, if any, expected from the Central Government;

(vi) information, along with audited accounts, regarding financial resources of the promoters;

(vii) the availability of land and the expected support from the Central Government in obtaining land for the establishment of such proposed University;

40 (viii) the infrastructure expected to be provided in such proposed University;

(ix) the standards of higher education proposed to be maintained in such proposed University;

(x) the programmes of study that are expected to be provided in such proposed University;

45 (xi) the plan for funding the operations and management of such proposed University;

(xii) the constitution of the Board of Governors of such proposed University;

(xiii) the manner, qualifications and tenure of appointment or nomination of members of the Board of Governors;

(xiv) a clause stating therein that the memorandum of agreement proposed to be entered into shall be subject to the approval of both the Houses of Parliament with such modifications as those Houses may deem fit: 5

Provided that if an existing institution, not being a University, is proposed to be converted into a University for Research and Innovation, the “promoter” for the purposes of this Act shall mean such University of which the Institution is a constituent unit.

(2) Notwithstanding anything contained in sub-section (1), the Central Government shall ensure that an existing institution adopts the new governance structure without any dislocation and for this purpose, the Central Government shall prescribe, by rules, the transition process to be followed while declaring an institution as a University for Research and Innovation and the academic content and concern of such existing institutions shall be reoriented towards research and innovation and be aligned with the objects of a University for Research and Innovation. 10 15

(3) On receipt of the vision plan and the project report under sub-section (1), the Central Government shall display a public notice on its website inviting suggestions or objections on the draft memorandum of agreement along with the vision plan and other documents received with the project report, for a period of sixty days from the date of issue of such public notice to provide an opportunity to the public for giving suggestions or objections to, such draft memorandum of agreement. 20

(4) The Central Government may require the applicant to furnish such other document or information as may be required by way of clarifications.

(5) The Central Government shall constitute, with such composition as may be prescribed, a committee of experts to obtain the advice for the purpose of evaluating the competency and expertise of the promoter and vision plan. 25

(6) The promoter shall be afforded an opportunity to respond to the comments and objections received under sub-section (2) or the clarifications sought under sub-section (3). 30

(7) The Central Government shall, as far as practicable, within a period of six months from the receipt of the project report under sub-section (1) and after considering the suggestions or objections or clarifications or recommendations,—

(i) prepare a Memorandum of Agreement, with or without such modifications, as it may deem fit for reasons to be recorded in writing, proposed to be entered into with the promoter or promoters; or 35

(ii) reject, for reasons to be recorded in writing, the proposal for entering into a Memorandum of Agreement, for one or more of the following reasons, namely:—

(a) not falling within the definition of “promoter” under clause (o) of sub-section (1) of section 2; 40

(b) lack of demonstrated financial capability or expertise for establishment of a University;

(c) funds for capital investment being sought from undisclosed or disreputable or dubious sources;

(d) lack of possibility of multi-disciplinary approach or social relevance of the proposed focus on area or areas with problems of significance for the University for Research and Innovation; 45

(e) lack of focus on research and innovation and creation of an innovation ecosystem;

(f) being against national interests or interest of the sovereignty and integrity of India, the security of the State or sensitivity of the proposed location;

(g) such other reasons as may be prescribed.

11. A copy of every draft memorandum of agreement proposed to be entered into by the Central Government under section 10 shall be laid in draft before each House of Parliament for a period of not less than thirty days while it is in session; and if, within that period, either House disapproves of the issue of the Memorandum of Agreement or approves of such issue only with any modification, the Memorandum of Agreement shall not be entered into or, as the case may be, shall be entered into only with such modifications as may be agreed to by the Houses of Parliament.

Laying of memorandum of agreement before both Houses of Parliament.

12. (1) Every memorandum of agreement after having been approved by both the Houses of Parliament, with or without modifications, shall be entered into by the Central Government with the promoter and be published in the Official Gazette to take effect from such prospective date as may be fixed by the Central Government in this regard.

Publication of memorandum of agreement and its date of effect.

(2) The Central Government shall maintain a register wherein the details of the memorandum of agreement entered into by it under sub-section (1) shall be entered and also be displayed on its website.

CHAPTER III

GOVERNANCE OF UNIVERSITIES FOR RESEARCH AND INNOVATION

13. There shall be constituted a Board of Governors for each University for Research and Innovation comprising of such number of persons appointed or nominated or sponsored by the promoter or promoters for being members of the Board of Governors in such manner and having such qualifications and for such tenure, as may be provided in the memorandum of agreement:

Board of Governors of University for Research and Innovation.

Provided that not less than one-third of the members of the Board of Governors shall be appointed or nominated from teachers or officers of the University for Research and Innovation:

Provided further that not less than one-half of the members of the Board of Governors shall be independent persons of whom as nearly as may be, one-half shall be women:

Provided also that the persons nominated to the Board of Governors from independent persons shall be persons who are innovators and industry leaders having experience of innovation.

Explanation.—For the purposes of this section, the expression “independent persons” shall mean such persons who are not in the employment of, or possess pecuniary interest, otherwise than as a member of the Board of Governors, in the operations of the University for Research and Innovation; or not in the employment of, or possess pecuniary interest in any operation directly or indirectly, of the promoter.

14. (1) Subject to the provisions of this Act, the Board of Governors shall be responsible for all the policies and directions of the University for Research and Innovation and management of its affairs and shall exercise or provide for the exercise of all powers and discharge all functions to achieve the objects of such University.

Powers and functions of Board of Governors.

(2) The Board of Governors of each University for Research and Innovation shall make Statutes to provide for the administration, management and operations of such University.

(3) Subject to the provisions of this Act and the Statutes, the Board of Governors may, by order in writing and subject to such conditions and limitations specified therein, delegate the exercise of powers and discharge its functions to the Academic Board or to any other authority or to the Vice-Chancellor or other officer or officers of the University, as the Board of Governors may deem fit. 5

(4) Without prejudice to the generality of the foregoing provisions, the Board of Governors may, *inter alia*, provide for all or any of the following matters, namely:—

(i) establish schools of studies;

(ii) approve the annual budget estimates of such University providing for the budget outlays for each School of Studies and the Research Council and for such other operational and functional areas as it may deem fit; and 10

(iii) modify, revise or amend, from time to time, the annual budget estimates during the course of the year.

Academic Board.

15. (1) The Board of Governors of each University for Research and Innovation shall constitute an Academic Board with such composition and in such manner and for such tenure as may be provided in the Statutes. 15

(2) Subject to the provisions of this Act, the Board of Governors of each University for Research and Innovation shall vest, the Academic Board with such powers and functions as may be provided in the Statutes.

Faculties or schools of studies.

16. (1) Each University for Research and Innovation shall establish such faculties or schools of studies, with a Board of studies for each faculty or school comprising the Dean of such school and such other members, as may be specified by the Statutes. 20

(2) The Board of studies of the faculty or school shall have such powers and exercise such functions as may be specified by the Statutes.

(3) Every University for Research and Innovation shall establish a faculty of knowledge manpower assessment to— 25

(i) study and assess, through research, trends in emerging fields of knowledge of relevance of such University;

(ii) assess and project the requirement for knowledge, manpower needs and define the competencies so required; 30

(iii) recommend, on the basis of the results of its study, assessment and projections, revision of curricula and syllabi to schools;

(iv) interface and interact with the *alumni* of such University;

(v) exercise such other powers and perform such other duties as may be conferred and imposed on it by Ordinances or by Statutes. 35

Research Council.

17. (1) Every University for Research and Innovation shall constitute a Research Council consisting of a Director and such other number of members as may be specified by the Board of Governors.

(2) The Research Council shall—

(i) interface with research funding organisations, industry and civil society to identify potential areas for research in areas of enterprise of such University for Research and Innovation; 40

(ii) organise and promote research in such University or in any collaboration with any other university or institute;

(iii) assist teachers in such University in obtaining funding from external sources for research projects prepared by them; 45

(iv) provide, out of the funds placed at its disposal by the Board of Governors, research resources and grant assistance for research projects proposed to be undertaken by teachers in such University;

5 (v) provide for incubation of applications emerging from research undertaken in such University;

(vi) make provisions for research and advisory services and for that purpose enter into arrangements with other institutions, industry, civil society or other organisations and enable the results and benefits of research to be disseminated to the public through such arrangements as it may deem fit;

10 (vii) exercise such other powers and perform such other duties as may be assigned to it by the Ordinances or the Statutes.

(3) The Research Council shall present its annual output on its website three years after the establishment of the University for Research and Innovation and each year thereafter.

15 **18. (1)** The Chancellor of every University for Research and Innovation shall be an academician of international eminence and standing and shall be appointed by the promoter in such manner as may be provided by or under the Statutes.

The Chancellor, Vice-Chancellor and other officers of University for Research and Innovation.

(2) The Vice-Chancellor of every University for Research and Innovation shall be an academician of international eminence and standing, chosen and appointed by the Board of
20 Governors on the basis of recommendations of a search-cum-selection committee, constituted in such manner as may be specified by the Statutes.

(3) Every University for Research and Innovation shall have the Deans of Schools and such other officers and employees as may be specified by the Board of Governors to be officers and employees of the University, by the Statutes:

25 Provided that the provisions of sub-section (1) shall not apply to a public funded University for Research and Innovation.

30 **19. (1)** The Board of Governors shall lay down, by Statutes, its own policies to attract highly qualified and talented academics having sufficient teaching or research experience from any part of India or abroad, and to offer them emoluments and perks commensurate with their standing.

Autonomy over appointments of academic staff.

(2) The policies to attract the highly qualified and talented academics referred to in sub-section (1) may include the following, namely:—

35 (a) appointment by invitation of any person of high academic distinction and professional attainments to accept any post of Professor or Associate Professor in such University for Research and Innovation on such terms and conditions as it may specify, by Statutes;

(b) appointment by invitation of any graduating student with high academic distinction demonstrating exceptional talent for research as Assistant Professor in such University on such terms and conditions as it deems fit.

40 CHAPTER IV

GRANTS, ACCOUNTS AND AUDIT

20. (1) The Central Government may, after due appropriation made by Parliament, by law in this behalf,—

Grants by Central Government for supporting higher education and research.

45 (a) **make to each University for Research and Innovation, grants of such sums of money as may be required for supporting research and the promotion and development of higher education, subject to the provisions of the memorandum of agreement;**

(b) provide to each University for Research and Innovation grants of such sums of money as are required to meet the expenditure on scholarships or fellowships instituted by it, including scholarships or fellowships for students from socially and educationally backward classes or categories of citizens enrolled in such University.

(2) The Board of Governors of each University for Research and Innovation shall constitute, in such manner and for such period as may be provided under its Statutes, an Expert Group for Research Audit for conducting an assessment and evaluation, on the basis of such parameters as may be provided under the Statutes, of the research undertaken out of public funds in each University for Research and Innovation. 5

(3) The Expert Group for Research Audit constituted under sub-section (2) shall submit its assessment and evaluation report of the research undertaken out of public funds in each University for Research and Innovation to the Board of Governors and the Vice-Chancellor shall cause such report to be placed before the Board of Governors along with an explanatory memorandum of the action taken thereon with reasons for such action. 10

(4) The Board of Governors shall, on consideration of the assessment and evaluation report referred to in sub-section (3) and the explanatory memorandum thereof, take such action as it deems fit; and the action taken thereof shall be reported to the Central Government, which shall cause the same to be laid before each House of Parliament. 15

University Endowment Fund.

21. (1) Each University for Research and Innovation shall establish a University Endowment Fund with such initial corpus as may be provided in the Memorandum of Agreement. 20

(2) Each University for Research and Innovation shall have the power to receive donations, contributions from *alumni* and other incomes including revenues from advisory, consulting or training services, into the University Endowment Fund, and invest such Fund for the growth and development of the University and the furtherance of its objects, including development of its research infrastructure, in such manner as may be specified by the Statutes. 25

Books of account to be kept by University for Research and Innovation.

22. (1) Every University for Research and Innovation shall keep proper books of account with respect to—

(a) all sums of money received and expended by such University and the matters in respect of which the receipt and expenditure take place; 30

(b) the assets and liabilities of such University;

(c) the properties, movable and immovable of such University.

(2) For the purposes of sub-section (1), proper books of account shall not be deemed to be kept with respect to the matters specified therein, if such books are not kept— 35

(a) as are necessary to give a true and fair view of the state of affairs of such University and to explain its transactions; and

(b) on accrual basis and according to the double entry system of accounting.

Annual accounts and balance sheet.

23. (1) At every annual meeting of each University for Research and Innovation, the Vice-Chancellor and the Chief Finance and Investment Officer of such University shall lay before the Board of Governors— 40

(a) a balance sheet as at the end of the financial year; and

(b) a statement of income and expenditure for that period.

(2) Every balance sheet and statement of income and expenditure of such University shall give a true and fair view of the state of affairs of such University as at the end of the financial year and shall, subject to the provisions of this section, be in such form and in accordance with such general instructions and accounting standards as may be specified by the Statutes, or as nearly thereto as circumstances admit. 45

(3) Where the statement of income and expenditure and the balance sheet of such University for Research and Innovation do not comply with the accounting standards, such University shall disclose in its statement of income and expenditure and balance sheet, the following, namely:—

- 5 (a) the deviation from the accounting standards;
 (b) the reasons for such deviation; and
 (c) the financial effect, if any, arising due to such deviation.

38 of 1949. 10 *Explanation.*—For the purposes of this section, the expression “accounting standards” means the standards of accounting recommended by the Institute of Chartered Accountants of India constituted under the Chartered Accountants Act, 1949.

24. (1) The Board of Governors of each University for Research and Innovation shall, before the expiry of three months prior to the end of the financial year, appoint one or more auditors, on such remuneration as it thinks fit, to scrutinise the balance sheet and the statement of income and expenditure of such University. Appointment, powers and duties of auditors.

15 (2) No person appointed as auditor or persons in the employment of such auditor shall have any direct or indirect interest, whether pecuniary or otherwise, in any matter concerning or related to the administration or operations (except being enrolled as students) of such University.

1 of 1956. 20 (3) The provisions of section 226 of the Companies Act, 1956 on the qualifications and disqualifications of auditors shall apply *mutatis mutandis* for appointment of auditors under this Act.

1 of 1956. 25 (4) Every auditor of each University for Research and Innovation shall have such powers and perform such duties as the auditors may have for the performance of their duties and as are available to, or are required of, such auditors under the Companies Act, 1956.

25. (1) There shall be attached to every statement of accounts laid before the Board of Governors of each University for Research and Innovation, a report by its Vice-Chancellor, with respect to— Report of Vice-Chancellor.

- 30 (a) the state of affairs of such University;
 (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;
 35 (d) the productivity of research projects undertaken by such University measured in accordance with such norms as may be specified by the Commission;
 (e) appointments of the officers and teachers of the University;
 (f) benchmarks and internal standards set by the University, including the nature of innovations in teaching, research and application of knowledge.

40 (2) The report of the Vice-Chancellor shall also include a statement showing the name of the five officers and other employees of such University who received the highest remuneration (including allowances and other payments made to such employees) during the preceding financial year and the contributions made by such employees during the financial year.

45 (3) The statement referred to in sub-section (2) shall indicate whether any such employee is a relative of any member of the Board of Governors or the Academic Board of such University and if so, the name of such member and such other particulars as may be prescribed.

(4) The Vice-Chancellor shall also be bound to give the fullest information and explanations in his report on every reservation, qualification or adverse remark contained in the auditors' report.

Annual Meeting of Board of Governors to consider statement of accounts.

26. (1) The statement of accounts, including the balance sheet and the statement of income and expenditure, the auditors' report, the report of the Vice-Chancellor and other documents required to be annexed or attached with such statement, shall be brought before the Board of Governors of the University for Research and Innovation in its meeting at such time immediately, but not later than three months, from the conclusion of the financial year. 5

(2) A copy of every statement of accounts (including the balance sheet, statement of income and expenditure, the auditor's report and every other document required to be annexed or attached to the balance sheet) which is to be laid before the Board of Governors of the concerned University for Research and Innovation shall, not less than twenty-one days before the date of the meeting, be sent to every member of the Board of Governors of such University. 10

(3) After the statement of accounts referred to in sub-section (1) has been laid before the Board of Governors of each University for Research and Innovation, such balance sheet, statement of income and expenditure and other documents shall be published on the website of such University. 15

Annual report.

27. (1) The annual report of each University for Research and Innovation shall be prepared under the directions of the Board of Governors, which shall include, among other matters, the steps taken by the University towards the fulfilment of its objects and an outcome based assessment of the research being undertaken in such University, and be submitted to the Board of Governors on or before such date as may be specified by the Statutes and the Board of Governors shall consider the report in its annual meeting. 20

(2) The annual report as approved by the Board of Governors shall be published on the website of the University for Research and Innovation. 25

CHAPTER V

PROTECTION AND UTILISATION OF INTELLECTUAL PROPERTY EMERGING FROM PUBLIC FUNDED RESEARCH

Disclosure of intellectual property created out of public funded research and vesting of title of such property.

28. (1) Where a University for Research and Innovation creates new knowledge from research which is funded by the Central Government, or by any body under the Central Government and leading to an intellectual property, such University shall as soon as the fact of actual realisation of the public funded intellectual property comes to knowledge, make a disclosure thereof to the Central Government or such authority designated, by notification, by the Central Government. 30 35

(2) The University for Research and Innovation shall, within the period required by any law for the time being in force for protection of public funded intellectual property, intimate to the Central Government, its intention to retain the title of the public funded intellectual property and the Central Government shall, subject to such law, allow the title of such public funded intellectual property to vest in such University: 40

Provided that where such University fails to disclose the public funded intellectual property under sub-section (1) or provide the intimation of its intention under this section, the title of the public funded intellectual property shall vest in the Central Government:

Provided further that the Central Government may, by order published in the Official Gazette, refuse the title to such University within ninety days of the receipt of the intimation on any of the following grounds, namely:— 45

(a) that in the public interest and in exceptional circumstances the Central Government deems it expedient so to do;

(b) that it is necessary so to do in the interest of the security of the nation;

and Innovation for the purposes of this Act and with effect from the date of such notification the provisions of this Act shall apply to such University:

Provided that where a University has been established by a State Act, every such notification shall be made only on the recommendation of the Legislature of such State through a resolution to the effect that the University for Research and Innovation may be so notified. 5

Board of
Governors of
public funded
University
for Research
and
Innovation.

32. (1) There shall be constituted a Board of Governors for each public funded University for Research and Innovation.

(2) The Board of Governors shall consist of such number of members not exceeding seven having such qualifications as may be prescribed. 10

(3) The tenure and terms and conditions of appointment or nomination of the members, shall be such as may be prescribed.

(4) The provisions of Chapter III shall, *mutatis mutandis*, apply to all public funded Universities for Research and Innovation and any reference to the Board of Governors shall mean the Board constituted by the Central Government under this section. 15

Visitor.

33. (1) The President of India shall be the Visitor of every public funded University for Research and Innovation.

(2) The Visitor shall appoint, in such manner as may be provided by the Statutes, an academic of international eminence and standing as the Chancellor of each public funded University for Research and Innovation. 20

(3) The Chancellor shall have such powers and perform such other functions as may be provided by or under the Statutes and the Ordinances.

Grants by
Central
Government
for
development
and
maintenance
of public
funded
Universities
for Research
and
Innovation.

34. The Central Government may, after due appropriation made by Parliament, by law is this behalf, make, on the basis of such norms and criteria as may be determined, by that Government, grants of such sums of money, to each public funded University for Research and Innovation, as are required for its development and maintenance: 25

Provided that prior approval of the Central Government shall be necessary for the University for Research and Innovation to dispose of any immovable property created from such grants.

Statement of
accounts and
audit of
public funded
University
for Research
and
Innovation.

35. (1) The statement of accounts of each public funded University for Research and Innovation shall be audited by such auditor as may be appointed in this behalf by the Comptroller and Auditor-General of India. 30

(2) Notwithstanding anything contained in any other law for the time being in force, such part of the grants provided by the Central Government or by any organisation or agency to each public funded University for Research and Innovation for research in such University shall be subjected only to assessment and audit by the Comptroller and Auditor-General of India on such outcome based parameters as may be prescribed by the Central Government with the concurrence of the Comptroller and Auditor-General of India. 35

(3) A copy of the statement of accounts including the balance sheet and the statement of income and expenditure, the report of the auditor, the report of the Academic Board and other documents required to be annexed or attached with such statement, shall be submitted to the Central Government, which shall, as soon as may be, cause the same to be laid before each House of Parliament. 40

(4) The Expert Group for Research Audit constituted under sub-section (2) of section 20 shall submit its assessment and evaluation of the research undertaken in each public 45

funded University for Research and Innovation to the Academic Board and the Academic Board shall cause such report to be placed before the Board of Governors along with an explanatory memorandum of the action taken thereon with reasons for such action.

5 **36.** A copy of the annual report, as prepared under section 27, shall be submitted by each public funded University for Research and Innovation to the Central Government, which shall, as soon as may be, cause the same to be laid before each House of Parliament.

Annual report of each public funded University for Research and Innovation.

10 **37.** Every public funded University for Research and Innovation shall furnish to the Central Government within such period as may be specified by that Government such returns or other information with respect to its property or activities as that Government may, from time to time, require.

Returns and information to Central Government.

CHAPTER VII

REVIEW OF UNIVERSITIES FOR RESEARCH AND INNOVATION

15 **38. (1)** Every University for Research and Innovation shall, within fifteen years from the establishment and incorporation of such University under this Act and thereafter at the expiration of every tenth year, constitute a committee of experts to evaluate and review the performance in achievement of the objects of such University during the said period of fifteen years or ten years, as the case may be.

Review of Universities for Research and Innovation.

20 (2) The Committee constituted under sub-section (1) shall consist of such number of members of international repute in academia recognised as amongst the foremost in the world in their sphere of study not exceeding seven, nominated from different fields of knowledge as may have relevance to the teaching, learning and research in such University of Innovation and such member shall be paid such fee or allowances as may be provided by the Statutes.

25 (3) The Committee constituted under sub-section (1) shall assess the performance of such University for Research and Innovation and make recommendations on—

(a) the extent of fulfilment of the objects of the University for Research and Innovation specified in section 5, as demonstrated by the state of teaching, learning and research and its contribution to society;

30 (b) the promotion of transformational and multi-disciplinary research requiring an integrated approach to complex problems of society;

(c) the advancement of fundamental research beyond the current frontiers of knowledge;

(d) the establishment of such University as amongst the global leaders in higher education and research;

35 (e) the impact and contribution of *alumni* of such University to institutions, industry or civil society;

(f) the extent of achievement of social equality through education and research in such University;

40 (g) the connection established by such University between innovation spurred through the efforts of the University to its neighborhood and to society;

(h) the breadth of impact that education and research in such University have had on society.

45 (4) The Committee constituted under sub-section (1) shall conduct its evaluation and review of the performance of the University for Research and Innovation on the basis of such metrics as may be defined, prior to the commencement of such review, by the Commission.

(5) The recommendations of the Committee shall be submitted, along with the response of the University for Research and Innovation, to the Central Government and the Central Government shall cause such recommendations to be laid before each House of Parliament.

CHAPTER VII

MISCELLANEOUS

5

Proceedings of authorities or bodies not invalidated by vacancies.

39. No act or proceedings of any authority or any other body of a University for Research and Innovation shall be invalid merely by reason of the existence of a vacancy or vacancies among its members.

Application of other laws not barred.

40. Subject to the provisions of sub-sections (2) and (3) of section 6, the provisions of this Act shall be in addition to, and not in derogation of, the provisions of any other law, including such law on reservation in admission as applicable to the University for Research and Innovation, for the time being in force.

10

Power of Central Government to make rules.

41. (1) The Central Government may, by notification, make rules to carry 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:—

15

(a) the manner of choosing a person of international eminence to be a member of the committee under clause (iii) of the third proviso to sub-section (3) of section 6;

(b) the composition of the committee of experts constituted under in sub-section (4) of section 10;

20

(c) the other reasons for rejecting a proposal for entering into a memorandum of agreement under sub-clause (f) of clause (ii) of sub-section (6) of section 10;

(d) the other particulars of the report of the Vice-Chancellor under sub-section (3) of section 25;

(e) period of limitation which may be extended under the proviso to sub-section (2) of section 28;

25

(f) the number and qualifications of members of the Board of Governors of a public funded University for Research and Innovation under sub-section (2) of section 32;

(g) the tenure, terms and conditions of appointment or nomination of members of the Board of Governor of a public funded University for Research and Innovation under sub-section (3) of section 32;

30

(h) the outcome based parameters for assessment and audit by the Comptroller and Auditor General of India of the part of the grants provided, by the Central Government or by any other organisation or agency, to each public funded University for Research and Innovation for research under sub-section (2) of section 35;

35

(i) any other matter which is required to be, or may be, specified by rules or in respect of which provision is to be made by rules.

Statutes, how made.

42. (1) Subject to the provisions of this Act, the Board of Governors of every University for Research and Innovation shall, by publication on its website make Statutes to carry out the provisions of this Act.

40

(2) In particular, and without prejudice to the generality of the foregoing power, such Statutes may provide for all or any of the following matters, namely:—

(a) the objective criteria, to account for disparities in educational attainments arising from the socio-educational background of any class or category of applicants in the matter of admission under the proviso to sub-section (2) of section 7;

45

(b) to provide for the administration, management and operations of a University for Research and Innovation by the Board of Governors under sub-section (2) of section 14;

5 (c) the manner of composition of the Academic Board and its tenure under sub-section (1) of section 15;

(d) the powers and functions which may be vested in the Academic Board by the Board of Governors under sub-section (2) of section 15;

(e) the establishment of faculties or schools of studies under sub-section (1) of section 16;

10 (f) the powers and functions of the Board of Studies under sub-section (2) of section 16;

(g) the powers and duties which may be conferred upon a faculty of knowledge manpower assessment by a University for Research and Innovation under clause (v) of sub-section (3) of section 16;

15 (h) the powers and duties which may be assigned to a Research Council under clause (vii) of sub-section (2) of section 17;

(i) the manner of appointment of the Chancellor by the promoter under sub-section (1) of section 18;

20 (j) the manner of constitution of a search-cum-selection Committee for selection of a Vice-Chancellor of a University for Research and Innovation, under sub-section (2) of section 18;

(k) the deans of schools and other officers and employees of a University for Research and Innovation to be specified under sub-section (3) of section 18;

25 (l) policy to attract highly qualified and talented academics having sufficient teaching or research experience from any part of India or abroad, and to offer them emoluments and perks commensurate with their standing under sub-section (1) of section 19;

(m) the terms and conditions of appointment of Professors and Associate Professors under clause (a) of sub-section (2) of section 19;

30 (n) the manner of constitution of an Expert Group for Research Audit, the period for which such Group shall be constituted and the parameters for conducting an assessment and evaluation of the research undertaken out of public funds in each University for Research and Innovation under sub-section (2) of section 20;

35 (o) the manner of investment of the University Endowment Fund under sub-section (2) of section 21;

(p) the form and the general instructions and accounting standards in accordance with which the balance sheet and the statement of income and expenditure of a University for Research and Innovation is to be prepared under sub-section (2) of section 23;

40 (q) the date by which an annual report may be submitted to the Board of Governors, under sub-section (1) of section 27;

(r) the manner of appointment of Chancellor under sub-section (2) of section 33;

45 (s) the powers and functions of the Chancellor of a public funded University for Research and Innovation under sub-section (3) of section 33;

(t) the fee and allowances payable to the members of the Committee of Experts under sub-section (2) of section 38;

(u) any other matter which is required to be, or may be, specified by Statutes or in respect of which provision is to be made by Statutes.

(3) The Board of Governors of each such University may, from time to time, make or amend or repeal any Statutes, and each such Statute, its amendment or repeal, as the case may be, shall come into effect from the date of its publication on the website of the University for Research and Innovation. 5

Power to make Ordinances.

43. (1) The Academic Board may, by publication on University’s website, make Ordinances to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such Ordinances may provide for all or any of the following matters, namely:— 10

(a) the designation of persons appointed for imparting instruction or conducting research under sub-section (1) of section 3;

(b) the powers and duties which may be conferred upon a faculty of knowledge manpower assessment by a University for Research and Innovation under clause (v) of sub-section (3) of section 16; 15

(c) the powers and duties which may be assigned to a Research Council under clause (vii) of sub-section (2) of section 17;

(d) the powers and functions of the Chancellor under sub-section (3) of section 33;

(e) any other matter which is required to be, or may be, specified by Ordinances or in respect of which provision is to be made by Ordinances. 20

Laying of rules before Parliament.

44. Every rule 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 or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule. 25

Power to remove difficulties.

45. (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 appear to it to be necessary or expedient for removing the difficulty: 30

Provided that no order shall be made under this section after the expiry of two years from the date of commencement of this Act. 35

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

STATEMENT OF OBJECTS AND REASONS

Innovation carries spin-off benefits and yields social dividends for the society through reduction in poverty, improved health, greater education, wealth creation, empowerment of women and vulnerable groups. Universities are places where ideas germinate, applications emerge from ideas, and innovation flourished in an atmosphere of intellectual challenge and freedom. Universities where the faculty and students constantly challenge existing boundaries of knowledge, amidst a prevailing culture of creativity, are ideally positioned to be the powerhouse of an innovation led knowledge economy.

2. There is also a growing realization that if India has to achieve a leadership role in the future global knowledge economy, mere public expenditure on higher education is not going to be sufficient and a substantial part of the funding must flow into the education sector through not-for-profit private participation.

3. The “Universities for Research and Innovation Bill, 2012” provides for establishment and incorporation of Universities for Research and Innovation which would be at the fount of making India the global knowledge hub and set benchmarks for excellence for other institution of higher learning through path-breaking research and promoting synergies between teaching and research to create institutions universally recognized for quality in teaching, learning and research. The Bill aims to lay down an enabling legislative framework for establishment of Universities for Research and Innovation. The Bill provides for setting up of Universities for Research and Innovation both in the private sector, and the public sector. Presently there is no central law which provides for this framework, hence the need for a central legislation.

4. The proposed Universities for Research and Innovation Bill, 2012, *inter-alia* provides for the following:—

(a) Each University for Research and Innovation would provide for the knowledge needs of the country, in training professionals, specialists, scientists and researchers needed by society and the economy and in generating new knowledge to support national innovation systems.

(b) Each University would offer exposure to an international classroom environment. However, a minimum of 50% students have to be Indian citizens.

(c) Each University would focus on one area or problem of significance to India and build an ecosystem of research and teaching around different related disciplines and fields of study. Significant dividends in terms of Intellectual Property Right creations are expected due to focused and inter-disciplinary research in an area of study.

(d) These universities would have autonomy in matters of academics, faculty, personnel, finances, administration and in the development of a vision for the future.

(e) Different modes of establishment of these universities are contemplated. They can be either fully public funded or fully private funded. The Bill also provides for public private partnership.

(f) The President of India would be the Visitor of the publicly funded Universities for Research and Innovation.

(g) The Chancellor would be appointed from amongst eminent academicians who shall be the nominal head of the University and preside over convocations and annual meetings of the Board of Governors (BoG). The Chancellor for Publicly funded Universities would be appointed by the Visitor while for private Universities, the Chancellor would be appointed by the Promoter.

(h) The Vice Chancellor shall be the principal academic and executive officer responsible for day to day administration and management of the University. The Vice Chancellor too shall be appointed by the BoG.

(i) The BoG is envisaged to be the principal executive body of the University, and shall be responsible for all its policies and directions with powers to frame Statutes of the university. It would also decide the academic calendar, structure the intake for research programmes, assign funding to the Faculties and Schools of Studies, consider the manpower needs assessment for the knowledge economy, establish Chairs, consider proposals for undertaking research funded by industry or Government, appoint Professors and Associate Professors, Deans and Heads of Faculties and other officers of the University and create new faculties or schools.

(j) Each publicly funded University for Research and Innovation shall be subjected only to assessment and audit by the Comptroller and Auditor General of India. For private funded Universities for Research and Innovation, accountability will be ensured through reviews by the Academic Research Peer Group for research work and Academic Audit of Teaching through a Peer Group.

(k) The Bill deals with the protection and utilization of intellectual property emerging from public funded research. It provides that the concerned University shall disclose the fact of creation of intellectual property emerging out of public funded research to the Central Government or such authority as designated by the Government. It also provides for the concerned University to retain the title of such intellectual property, with previous approval of the Central Government. It further provides for acquisition by the Central Government of an intellectual property if it is so considered in the “interest of the security of India”.

(l) Provisions of the Central Educational Institutions (Reservation in Admission) Act, 2006 would be applicable to publicly funded Universities for Research and Innovation in so far as the Indian citizen students admitted in different courses and programmes are concerned. A provision of self disclosure of affirmative action towards members of socially and economically disadvantaged groups by the Universities for Research and Innovation set up by private promoters has also been included.

5. The Notes on Clauses explain in detail the various provisions contained in the Bill.

6. The Bill seeks to achieve the above objectives.

Notes on clauses

Clause 1.—This clause relates to the short title, extent, commencement and applicability of the proposed legislation. It provides that the proposed legislation shall extend to the whole of India and enables the Central Government to appoint a date with respect to the commencement of the proposed legislation and different dates of appointment for different provisions of the proposed legislation.

It further provides that the proposed legislation shall apply to the Universities for Research and Innovation, declared as such, and so notified by the Central Government.

Clause 2.— This clause relates to declaration of Universities for Research and Innovation as institutions of national importance. This clause provides that whereas the objects of every University for Research and Innovation as is established under this Act are of national importance, it is hereby declared that every such University for Research and Innovation is an institution of national importance.

Clause 3.—This clause defines certain expressions used in the proposed legislation. These definitions, *inter alia*, include "Academic Board", "distance education systems", "intellectual property", "intellectual property creator", "knowledge clusters", "memorandum of agreement", "programme of study", "promoter", "public funded intellectual property", "public funded University", "utilisation", etc.

Clause 4.—This clause relates to the establishment and incorporation of Universities for Research and Innovation. Sub-clause (1) of the said clause provides that the Central Government may, by notification, establish for the purposes of the proposed legislation, one or more Universities for Research and Innovation each with such name as may be specified therein and different notifications may be issued for the establishment of different Universities for Innovation. Sub-clause (2) of the said clause provides that the Central Government may, by notification, specify the name and headquarters of every such University for Research and Innovation. Sub-clause (3) of the said clause provides that every University for Research and Innovation shall be a body corporate having perpetual succession and a common seal, with power, subject to the provisions of the proposed legislation, to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall, by that name, sue or be sued. Sub-clause (4) of the said clause provides that the jurisdiction of each University for Research and Innovation shall extend to the whole of India. However, each University for Research and Innovation may, if it so deems fit, establish campuses and study centres in foreign countries in accordance with the provisions of the laws of such foreign country.

Clause 5.—This clause relates to the objects of the University for Research and Innovation. Sub-clause (1) of the said clause provides that every University for Research and Innovation shall, at the time of its establishment and in recognition of the fact that knowledge created is not pure discipline based or propositional but also emerges in response to problems of society, focus on an area or areas with problems of significance and build an ecosystem of research and teaching around different related disciplines and fields of study which are relevant thereto, searching for solutions that are globally valid and in the process develop education at undergraduate and higher levels. Sub-clause (2) of the said clause provides that without prejudice to the measures referred in sub-section (1), *inter alia*, provide for the following the objects of every University for Research and Innovation, namely,- constantly aspire for attainment of the pinnacle of knowledge and learning by undertaking innovations in design, development and delivery through research and learning; (b) attempt, through research and application of knowledge to provide a path for mankind free from deprivation and want; (c) seek and cultivate new knowledge, to engage vigorously and fearlessly, and to interpret old knowledge and beliefs in the light of new needs and discoveries;

(d) provide society with innovators and competent men and women to meet knowledge needs of the society and impart training to professionals, specialists, scientists and researchers for the purpose, who will also be cultivated individuals, imbued with a sense of social purpose performing service to the nation and to humanity and cultivating the right moral and intellectual values; (e) strive to promote equality and social justice and to reduce social and cultural differences through diffusion of quality education; (f) develop competent and capable youth imbued with the spirit of innovation and entrepreneurship with the social and environmental orientation to provide global leadership for the future; (g) facilitate dissemination of the fruits of research in society through promotion of robust linkages with economy and civil society and through practice; (h) build linkages with research institutions and industry in order to synergise research and innovation efforts and to create innovation clusters for maximum gains; (i) focus on problems of society or on an area or areas with problems of significance, create knowledge clusters and build an ecosystem of research and teaching in different disciplines and fields of study; and (j) endeavour for solutions which are globally valid and in the process to develop education at undergraduate and higher levels. Sub-clause (3) of the said clause provides that every University for Research and Innovation may, for the purpose of achievement of the objects specified in this section, provide facilities for instructions, teaching, research and innovation experience of such standards that match or surpass the needs of global competitiveness of the education system in various fields of knowledge.

Clause 6.—This clause relates to functions and powers of the university. Sub-clause (1) of the said clause provides that every University for Research and Innovation shall exercise autonomy in financial administration, academic and other matters in regard to the achievement of its objects. Sub-clause (2) of the said clause provides that the university shall discharge its functions and exercise the powers which, *inter alia*, include, (i) impart instructions in such branches of learning consistent with its objects as such University may, from time to time determine; (ii) award degrees, diplomas and other academic distinctions; (iii) institute teaching including distance education systems, research or other academic positions, required by such university with such designations as it may deem fit; (iv) organise, promote and conduct research in such University or in collaboration or association with any other University, institution of research or body corporate; (v) make provision for dissemination of knowledge emerging from research and for that purpose to enter into such arrangements, including consultancy and advisory services, with other institutions, industry, civil society or other organisations, as such University may deem necessary; (vi) establish campuses and study centres overseas in accordance with the law of the host country applicable to establishment and operation of such campuses and study centres subject to the provisions of the proposed legislation; (vii) provide consultancy and advisory services and for that purpose to enter into such arrangements with other institutions or bodies as it may deem necessary; (viii) to establish companies or incubation centres for gainful applications of knowledge and innovations or engage in partnerships with such agencies or entities, which shall undertake research and innovations for value creation to translate the results of research to products and processes useful to society and industry;

Sub-clause (3) of the said clause provides that for the purposes of determination of standards in higher education, every University for Research and Innovation shall determine and declare, on its website, the standards of such education sought to be provided in such University in its teaching, learning and research. However, the standards so determined and declared by such University shall be higher than the minimum standards in the relevant field of knowledge as specified by or under any other law and where no standards have been determined by or under any law in the relevant field of knowledge, the standards so determined and declared by the University shall aim to maximize relative global scales in the relevant field of knowledge and where a dispute arises between such University and a regulatory authority constituted by any law to determine and coordinate standards of higher education in any discipline or field of knowledge, such dispute shall be referred to a committee of three persons of international eminence and standing of whom, one person each shall be nominated,

(i) by the regulatory body impugning the standards; (ii) by such University for Research and Innovation, which has determined the standards so impugned; (iii) by a University for Research and Innovation, chosen in such manner as may be prescribed, other than such University which has determined the standards so impugned and the decision of such committee shall be final and binding. Sub-clause (4) of the said clause provides that notwithstanding anything contained in the University Grants Commission Act, 1956 or any other law for the time being in force, every University for Research and Innovation shall have the power to determine the nomenclature of degrees, diplomas and other academic distinctions awarded by it.

Clause 7.— This clause relates to University for Research and Innovation to be open to all. Sub-clause (1) of the said clause provides that every University for Research and Innovation shall be open to all persons of either sex, irrespective of religion, race, caste, creed or class. However, not less than one-half of the students admitted during an academic year to pursue any programme of study in a University for Research and Innovation shall be citizens of India. Sub-clause (2) of the said clause provides that all admissions to every programme of study in a University for Research and Innovation 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 University. However, notwithstanding anything contained in the Central Educational Institutions (Reservation in Admission) Act, 2006, every such University, not being a public funded University for Research and Innovation, shall specify, by Statutes, such criteria in the matter of admission as would account for diversities in entry level benchmarks arising from the social or educational background of any class or category of applicants for admission and every such University, being a public funded University for Research and Innovation, shall be a Central Educational Institution for the purposes of the Central Educational Institutions (Reservation in Admission) Act, 2006 and the provisions of the said Act shall apply only to the students who are citizens of India and, notwithstanding anything contained in section 3 thereof, the percentage of reservation shall be determined taking into account the total number of seats available for such citizens only.

Clause 8.—This clause provides that university to be a distinct legal entity not for profit. This clause states that every University for Research and Innovation shall be a not for profit legal entity and no part of the surplus in revenue of any University for Research and Innovation, after meeting all expenditure in regard to its operations under the proposed legislation, shall be invested for any purpose other than for the growth and development of such University or for conducting research or promoting design, development and delivery of solutions therein. However, no part of such surplus revenue shall be appropriated, distributed or transferred to its promoter or to any other person.

Clause 9.—This clause relates to criteria for establishing a University for Research and Innovation. This clause provides that no person shall be eligible for establishing a university under the proposed legislation, unless such person is an organisation, being a company registered under section 25 of the Companies Act, 1956 or a society formed and registered under the Societies Registration Act, 1860 or a trust formed under the Indian Trusts Act, 1882 or any other law for the time being in force, which is recognised as an organisation of repute of its kind in India and has demonstrated financial capability and expertise for establishing a University for Research and Innovation; and has devoted itself to proven innovations in research in unique or emerging areas of knowledge bearing a relationship to the area of focus or problem of significance referred to in sub-section (1) of section 5; or a university established or incorporated in India which has been functioning as such for at least twenty-five years and is recognised, through accreditation under any law for the time being in force, as amongst the universities of repute in India; or a university established or incorporated outside India which has been functioning as such for at least fifty years in the country in which it had been established or incorporated and recognised, through internationally accepted standards, as amongst the universities of repute amongst the countries.

Clause 10.—This clause relates to memorandum of agreement. Sub-clause (1) of the said clause provides that the promoter or promoters of each University for Research and Innovation proposed to be established under sub-section (1) of section 4 shall submit to the Central Government a vision plan and a memorandum of agreement proposed to be entered into with the Central Government along with a project report indicating, *inter alia*, therein, the vision for achievement of the objects of such proposed University; the name and location of such proposed University; the capital investment plan along with its phasing over a reasonable period for the establishment of such proposed University; the sources of financing the capital investment and the financial contribution, if any, expected from the Central Government; the infrastructure expected to be provided in such proposed University; the programmes of study that are expected to be provided in such proposed University; the constitution of the Board of Governors of such proposed University; the manner, qualifications and tenure of appointment or nomination of members of the Board of Governors; and a clause stating therein that the memorandum of agreement proposed to be entered into shall be subject to the approval of both the Houses of Parliament with such modifications as those Houses may deem fit. However, if an existing institution, not being a University, is proposed to be converted into a University for Research and Innovation, the "promoter" for the purposes of the proposed legislation shall mean such University of which the Institution is a constituent unit.

Sub-clause (2) of the said clause provides that notwithstanding anything contained in sub-section (1), the Central Government shall ensure that an existing institution adopts the new governance structure without any dislocation and for this purpose, the Central Government shall prescribe, by rules, the transition process to be followed while declaring an institution as a University for Research and Innovation and the academic content and concern of such existing institutions shall be reoriented towards research and innovation and be aligned with the objects of a University for Research and Innovation. Sub-clause (3) of the said clause provides that on receipt of the vision plan and the project report under sub-section (1), the Central Government shall display a public notice on its website inviting suggestions or objections on the draft memorandum of agreement along with the vision plan and other documents received with the project report, for a period of sixty days from the date of issue of such public notice to provide an opportunity to the public for giving suggestions on or objections to, such draft memorandum of agreement and the Central Government may require the applicant to furnish such other document or information as may be required by way of clarifications. Sub-clause (5) of the said clause provides that the Central Government shall constitute, with such composition as may be prescribed, a committee of experts to obtain the advice for the purpose of evaluating the competency and expertise of the promoter and vision plan and the promoter shall be afforded an opportunity to respond to the comments and objections received under sub-section (2) or the clarifications sought under sub-section (3).

Sub-clause (7) of the said clause provides that the Central Government shall, as far as practicable, within a period of six months from the receipt of the project report under sub-section (1) and after considering the suggestions or objections or clarifications or recommendations, prepare a memorandum of agreement, with or without such modifications, as it may deem fit for reasons to be recorded in writing, proposed to be entered into with the promoter or promoters; or reject, for reasons to be recorded in writing, the proposal for entering into a Memorandum of Agreement, for one or more of the reasons, such as, not falling within the definition of "promoter" under clause (o) of sub-section (1) of section 2; lack of demonstrated financial capability or expertise for establishment of a University; funds for capital investment being sought from undisclosed or disreputable or dubious sources; lack of possibility of multi-disciplinary approach or social relevance of the proposed focus on area or areas with problems of significance for the University for Research and Innovation; lack of focus on research and innovation and creation of an innovation ecosystem; being against national interests or interest of the sovereignty and integrity of India, the security of the State or sensitivity of the proposed location; and such other reasons as may be provided under rules.

Clause 11.— This clause relates to laying of memorandum of agreement before both Houses of Parliament. It provides that a copy of every draft memorandum of agreement proposed to be entered into by the Central Government under section 10 shall be laid in draft before each House of Parliament for a period of not less than thirty days while it is in session; and if, within that period, either House disapproves of the issue of the Memorandum of Agreement or approves of such issue only with any modification, the Memorandum of Agreement shall not be entered into or, as the case may be, shall be entered into only with such modifications as may be agreed to by the Houses of Parliament.

Clause 12.—This clause relates to publication of memorandum of agreement and its date of effect. It provides that every memorandum of agreement after having been approved by both the Houses of Parliament, with or without modifications, shall be entered into by the Central Government with the promoter and be published in the Official Gazette to take effect from such prospective date as may be fixed by the Central Government in this regard and the Central Government shall maintain a register wherein the details of the memorandum of agreement entered into by it with the promoter and display the same on its website.

Clause 13.— This clause relates to the Board of Governors of University for Research and Innovation. It provides that there shall be constituted a Board of Governors for each University for Research and Innovation comprising of such number of persons appointed or nominated or sponsored by the promoter or promoters for being members of the Board of Governors in such manner and having such qualifications and for such tenure, as may be provided in the memorandum of agreement. However, not less than one-third of the members of the Board of Governors shall be appointed or nominated from teachers or officers of the University for Research and Innovation and not less than one-half of the members of the Board of Governors shall be independent persons of whom as nearly as may be, one-half shall be women and the persons so nominated to the Board of Governors from independent persons shall be persons who are innovators and industry leaders having experience of innovation. The Explanation to the said clause provides that the expression "independent persons" shall mean such persons who are not in the employment of, or possess pecuniary interest, otherwise than as a member of the Board of Governors, in the operations of the University for Research and Innovation; or not in the employment of, or possess pecuniary interest in any operation directly or indirectly, of the promoter.

Clause 14.— This clause relates to powers and functions of Board of Governors. Sub-clause (1) of the said clause provides that subject to the provisions of the proposed legislation, the Board of Governors shall be responsible for all the policies and directions of the University for Research and Innovation and management of its affairs and shall exercise or provide for the exercise of all powers and discharge all functions to achieve the objects of such University. Sub-clause (2) of the said clause provides that the Board of Governors of each University for Research and Innovation shall make Statutes to provide for the administration, management and operations of such University. Sub-clause (3) of the said clause provides that subject to the provisions of the proposed legislation and the Statutes, the Board of Governors may, by order in writing and subject to such conditions and limitations specified therein, delegate the exercise of powers and discharge its functions to the Academic Board or to any other authority or to the Vice- Chancellor or other officer or officers of the University, as the Board of Governors may deem fit and the Board of Governors may, *inter alia*, establish schools of studies; approve the annual budget estimates of such University providing for the budget outlays for each School of Studies and the Research Council and for such other operational and functional areas as it may deem fit; and modify, revise or amend, from time to time, the annual budget estimates during the course of the year.

Clause 15.— This clause contains provisions for Academic Board. It provides that the Board of Governors of each University for Research and Innovation shall constitute an Academic Board with such composition and in such manner and for such tenure as may be provided in the Statutes and subject to the provisions of the proposed legislation, the Board of Governors of each University for Research and Innovation shall vest, the Academic Board with such powers and functions as may be provided in the Statutes.

Clause 16.— This clause deals with faculties or schools of studies. It provides that each University for Research and Innovation shall establish such faculties or schools of studies, with a Board of studies for each faculty or school comprising the Dean of such school and such other members, as may be specified by the Statutes. It further provides that the Board of studies of the faculty or school shall have such powers and exercise such functions as may be specified by the Statutes. It also provides that every University for Research and Innovation shall establish a faculty of knowledge manpower assessment to, study and assess, through research, trends in emerging fields of knowledge of relevance of such University; assess and project the requirement for knowledge, manpower needs and define the competencies so required; recommend, on the basis of the results of its study, assessment and projections, revision of curricula and syllabi to schools; interface and interact with the alumni of such University; and exercise such other powers and perform such other duties as may be conferred and imposed on it by Ordinances or by Statutes.

Clause 17.—This clause contains provisions for the constitution of Research Council. It provides that every University for Research and Innovation shall constitute a Research Council consisting of a Director and such other number of members as may be specified by the Board of Governors and it shall, interface with research funding organisations, industry and civil society to identify potential areas for research in areas of enterprise of such University for Research and Innovation; organise and promote research in such University or in any collaboration with any other university or institute; assist teachers in such University in obtaining funding from external sources for research projects prepared by them; provide, out of the funds placed at its disposal by the Board of Governors, research resources and grant assistance for research projects proposed to be undertaken by teachers in such University; provide for incubation of applications emerging from research undertaken in such University; make provisions for research and advisory services and for that purpose enter into arrangements with other institutions, industry, civil society or other organisations and enable the results and benefits of research to be disseminated to the public through such arrangements as it may deem fit; exercise such other powers and perform such other duties as may be assigned to it by the Ordinances or the Statutes; and the Research Council shall present its annual output on its website three years after the establishment of the University for Research and Innovation and each year thereafter.

Clause 18.— This clause relates to the Chancellor, Vice- Chancellor and other officers of the University for Research and Innovation. Sub-clause (1) of the said clause provides that the Chancellor of every University for Research and Innovation shall be an academician of international eminence and standing and shall be appointed by the promoter in such manner as may be provided by or under the Statutes. Sub-clause (2) of the said clause provides that the Vice-Chancellor of every University for Research and Innovation shall be an academician of international eminence and standing, chosen and appointed by the Board of Governors on the basis of recommendations of a search-cum-selection committee, constituted in such manner as may be specified by the Statutes. Sub-clause (3) of the said clause provides that every University for Research and Innovation shall have the Deans of Schools and such other officers and employees as may be specified by the Board of Governors to be officers and employees of the University, by the Statutes. However, the provisions of sub-clause (1) shall not apply to a public funded University for Research and Innovation.

Clause 19.— This clause relates to autonomy over appointments of academic staff. Sub-clause (1) of the said clause provides that the Board of Governors shall lay down, by Statutes, its own policies to attract highly qualified and talented academics having sufficient teaching or research experience from any part of India or abroad, and to offer them emoluments and perks commensurate with their standing. Sub-clause (2) of the said clause provides that the policies to attract the highly qualified and talented academics referred to in sub-clause (1) may include, appointment by invitation of any person of high academic distinction and professional attainments to accept any post of Professor or Associate Professor in such

University for Research and Innovation on such terms and conditions as it may specify, by Statutes; and appointment by invitation of any graduating student with high academic distinction demonstrating exceptional talent for research as Assistant Professor in such University on such terms and conditions as it deems fit.

Clause 20.— This clause contains provision for grants by the Central Government for supporting higher education and research. Sub-clause (1) of the said clause provides that the Central Government may, after due appropriation made by Parliament, by law in this behalf, make to each University for Research and Innovation, grants of such sums of money as may be required for supporting research and the promotion and development of higher education, subject to the provisions of the memorandum of agreement; and provide to each University for Research and Innovation grants of such sums of money as are required to meet the expenditure on scholarships or fellowships instituted by it, including scholarships or fellowships for students from socially and educationally backward classes or categories of citizens enrolled in such University. Sub-clause (2) of the said clause provides that the Board of Governors of each University for Research and Innovation shall constitute, in such manner and for such period as may be provided under its Statutes, an Expert Group for Research Audit for conducting an assessment and evaluation, on the basis of such parameters as may be provided under the Statutes, of the research undertaken out of public funds in each University for Research and Innovation.

Sub-clause (3) of the said clause provides that the expert group for research audit constituted under sub-clause (2) shall submit its assessment and evaluation report of the research undertaken out of public funds in each University for Research and Innovation to the Board of Governors and the Vice-Chancellor shall cause such report to be placed before the Board of Governors along with an explanatory memorandum of the action taken thereon with reasons for such action. Sub-clause (4) of the said clause provides that the Board of Governors shall, on consideration of the assessment and evaluation report referred to in sub-clause (3) and the explanatory memorandum thereof, take such action as it deems fit; and the action taken thereof shall be reported to the Central Government, which shall cause the same to be laid before each House of Parliament.

Clause 21.— This clause relates to University Endowment Fund. Sub-clause (1) of the said clause provides that each University for Research and Innovation shall establish a University Endowment Fund with such initial corpus as may be provided in the memorandum of agreement. Sub-clause (2) of the said clause provides that each University for Research and Innovation shall have the power to receive donations, contributions from alumni and other incomes including revenues from advisory, consulting or training services, into the University Endowment Fund, and invest such Fund for the growth and development of the University and the furtherance of its objects, including development of its research infrastructure, in such manner as may be specified by the Statutes.

Clause 22.— This clause deals with the provisions relating to books of account to be kept by University for Research and Innovation. Sub-clause (1) of the said clause provides that every University for Research and Innovation shall keep proper books of account with respect to all sums of money received and expended by such University and the matters in respect of which the receipt and expenditure take place, the assets and liabilities of such University and the properties including movable and immovable of such University. Sub-clause (2) of the said clause provides that proper books of account shall not be deemed to be kept with respect to the matters specified therein, if such books are not kept as are necessary to give a true and fair view of the state of affairs of such University and to explain its transactions; and on accrual basis and according to the double entry system of accounting.

Clause 23.— This clause provides for annual accounts and balance sheet. Sub-clause (1) of the said clause provides that at every annual meeting of each University for Research and Innovation, the Vice-Chancellor and the Chief Finance and Investment Officer of such University shall lay before the Board of Governors a balance sheet as at the end of the financial year and a statement of income and expenditure for that period. Sub-clause (2) of

the said clause provides that every balance sheet and statement of income and expenditure of such University shall give a true and fair view of the state of affairs of such University as at the end of the financial year and shall, subject to the provisions of this section, be in such form and in accordance with such general instructions and accounting standards as may be specified by the Statutes, or as nearly thereto as circumstances admit. Sub-clause (3) of the said clause provides that where the statement of income and expenditure and the balance sheet of such University for Research and Innovation do not comply with the accounting standards, such University shall disclose in its statement of income and expenditure and balance sheet, the deviation from the accounting standards; the reasons for such deviation; and the financial effect, if any, arising due to such deviation. The Explanation to the said sub-clause provides that the expression "accounting standards" means the standards of accounting recommended by the Institute of Chartered Accountants of India constituted under the Chartered Accountants Act, 1949.

Clause 24.— This clause relates to appointment, powers and duties of auditors. Sub-clause (1) of the said clause provides that the Board of Governors of each University for Research and Innovation shall, before the expiry of three months prior to the end of the financial year, appoint one or more auditors, on such remuneration as it thinks fit, to scrutinise the balance sheet and the statement of income and expenditure of such University. Sub-clause (2) of the said clause provides that no person appointed as auditor or persons in the employment of such auditor shall have any direct or indirect interest, whether pecuniary or otherwise, in any matter concerning or related to the administration or operations (except being enrolled as students) of such University.

Sub-clause (3) of the said clause provides that the provisions of section 226 of the Companies Act, 1956 on the qualifications and disqualifications of auditors shall apply *mutatis mutandis* for appointment of auditors under the proposed legislation and sub-clause (4) of the said clause provides that every auditor of each University for Research and Innovation shall have such powers and perform such duties as the auditors may have for the performance of their duties and as are available to, or are required of, such auditors under the Companies Act, 1956.

Clause 25.—This clause relates to the report of the Vice-Chancellor. Sub-clause (1) of the said clause provides that there shall be attached to every statement of accounts laid before the Board of Governors of each University for Research and Innovation, a report by its Vice-Chancellor, with respect to, the state of affairs of such University; the amounts, if any, which it proposes to carry to any surplus reserves in its balance sheet; 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; the productivity of research projects undertaken by such University measured in accordance with such norms as may be specified by the Commission; appointments of the officers and teachers of the University; and benchmarks and internal standards set by the University, including the nature of innovations in teaching, research and application of knowledge.

Sub-clause (2) of the said clause provides that the report of the Vice-Chancellor shall also include a statement showing the name of the five officers and other employees of such University who received the highest remuneration (including allowances and other payments made to such employees) during the preceding financial year and the contributions made by such employees during the financial year. Sub-clause (3) of the said clause provides that the statement shall also indicate whether any such employee is a relative of any member of the Board of Governors or the Academic Board of such University and if so, the name of such member and such other particulars as may be prescribed. Sub-clause (4) of the said clause provides that the Vice-Chancellor shall also be bound to give the fullest information and explanations in his report on every reservation, qualification or adverse remark contained in the auditors' report.

Clause 26.—This clause seeks to provide for annual meeting of Board of Governors' to consider statement of accounts. Sub-clause (1) of the said clause provides that the statement of accounts, including the balance sheet and the statement of income and expenditure, the auditor's report, the report of the Vice-Chancellor and other documents required to be annexed or attached with such statement, shall be brought before the Board of Governors of the University for Research and Innovation in its meeting at such time immediately, but not later than three months, from the conclusion of the financial year. Sub-clause (2) of the said clause provides that a copy of every statement of accounts (including the balance sheet, statement of income and expenditure, the auditors' report and every other document required to be annexed or attached to the balance sheet) which is to be laid before the Board of Governors of the concerned University for Research and Innovation shall, not less than twenty-one days before the date of the meeting, be sent to every member of the Board of Governors of such University. Sub-clause (3) of the said clause provides that after the statement of accounts has been laid before the Board of Governors of each University for Research and Innovation, such balance sheet, statement of income and expenditure and other documents shall be published on the website of such University.

Clause 27.—This clause provides for the annual report. Sub-clause (1) of the said clause provides that the annual report of each University for Research and Innovation shall be prepared under the directions of the Board of Governors, which shall include, among other matters, the steps taken by the University towards the fulfilment of its objects and an outcome based assessment of the research being undertaken in such University, and be submitted to the Board of Governors on or before such date as may be specified by the Statutes and the Board of Governors shall consider the report in its annual meeting. Sub-clause (2) of the said clause provides that the annual report as approved by the Board of Governors shall be published on the website of the University for Research and Innovation.

Clause 28.—This clause relates to disclosure of intellectual property created out of public funded research and vesting of title of such property. Sub-clause (1) of the said clause provides that, where a University for Research and Innovation creates new knowledge from research which is funded by the Central Government, or by any body under the Central Government and leading to an intellectual property, such University shall as soon as the fact of actual realisation of the public funded intellectual property comes to knowledge, make a disclosure thereof to the Central Government or such authority designated, by notification, by the Central Government. Sub-clause (2) of the said clause provides that the University for Research and Innovation shall, within the period required by any law for the time being in force for protection of public funded intellectual property, intimate to the Central Government, its intention to retain the title of the public funded intellectual property and the Central Government shall, subject to such law, allow the title of such public funded intellectual property to vest in such University. However, where such University fails to disclose the public funded intellectual property or provide the intimation of its intention, the title of the public funded intellectual property shall vest in the Central Government and the Central Government may, by order published in the Official Gazette, refuse the title to such University within ninety days of the receipt of the intimation on any of the grounds that, in the public interest and in exceptional circumstances the Central Government deems it expedient so to do and it is necessary so to do in the interest of the security of the nation and also where the Central Government is satisfied that such University has, for reasons beyond its control failed to give intimation within the time specified, it may, for reasons to be recorded in writing, extend the said period to such limit as may be prescribed.

Clause 29.— This clause relates to protection and utilisation of intellectual property by University for Research and Innovation. Sub-clause (1) of the said clause provides that the University for Research and Innovation retaining the title to a public funded intellectual property shall protect and utilise it in such manner as it may deem fit. However, where the public funded intellectual property has such immense public interest that it is necessary or expedient for the Central Government to initiate the process for utilisation of such intellectual property, then such University shall assist the Central Government in providing for such

utilisation, but the royalties or income received, if any, from such intellectual property shall be made over to such University. Sub-clause (2) of the said clause provides that the income or royalties arising out of the public funded intellectual property shall be shared by the University for Innovation with the intellectual property creator in accordance with the provisions of any agreement which may be entered into in this regard between such intellectual property creator and such University.

Clause 30.—This clause provides for powers of Central Government in relation to public funded property. Sub-clause (1) of the said clause provides that the Central Government shall protect, maintain and utilise the public funded intellectual property for which the title vests with it in any country in such manner as it may deem fit. Sub-clause (2) of the said clause provides that save as otherwise provided in any other law for the time being in force relating to intellectual property such as trade mark, copyright, patent, design, domain names and brands (hereinafter referred to as "intellectual property"), the Central Government may give directions for prohibiting or restricting the publication of information with respect to any public funded intellectual property or communication of such information to any person or entity which it considers prejudicial to the interest of the security of India.

Sub-clause (3) of the said clause provides that the Central Government may acquire title to any intellectual property emerging out of research in a University for Research and Innovation which it considers necessary in the interest of the security of India. The Explanation to the said clause provides that the expression "interest of the security of India" means any action for the security of India that relates to the use of public funded intellectual property for making a product which, relates to fissionable materials or the materials from which they are derived; or relates to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying to a defence establishment; or is taken in time of war or other emergency; or relates to the maintenance of law and order or can cause a threat to life and liberty of citizens of India. Sub-clause (4) of the said clause provides that the provisions of the protection and utilisation of intellectual property emerging from public funded research shall be in addition to, and not in derogation of, any other law for the time being in force, relating to intellectual property.

Clause 31.—This clause relates to the application of provisions of this Chapter to the Universities for Research and Innovation entirely funded by Central Government. Sub-clause (1) of the said clause provides that the provisions of the protection and utilisation of intellectual property emerging from public funded research shall apply to such Universities for Research and Innovation as are wholly or substantially funded by the Central Government (hereinafter referred to as the public funded University for Research and Innovation). Sub-clause (2) of the said clause provides that notwithstanding anything to the contrary contained in any other law, the Central Government may, by notification, declare a University established by any law for the time being in force, other than a privately funded university, having regard to the high standards of and potential for research and innovation in higher education, as may be assessed by the committee of experts referred to in sub-section (4) of section 10, as a University for Research and Innovation for the purposes of the proposed legislation and with effect from the date of such notification the provisions of the proposed legislation shall apply to such University. However, where a University has been established by a State Act, every such notification shall be made only on the recommendation of the Legislature of such State through a resolution to the effect that the University for Research and Innovation may be so notified.

Clause 32.— This clause relates to Board of Governors of public funded University for Research and Innovation. It provides that there shall be constituted a Board of Governors for each public funded University for Research and Innovation and such Board of Governors shall consist of such number of members not exceeding seven having such qualifications as may be prescribed and the tenure and terms and conditions of appointment or nomination of the members, shall be such as may be prescribed and the provisions of Chapter III shall,

mutatis mutandis, apply to all public funded Universities for Research and Innovation and any reference to the Board of Governors shall mean the Board constituted by the Central Government under this section.

Clause 33.—This clause provides for the Visitor. It provides that the President of India shall be the Visitor of every public funded University for Research and Innovation. It further provides that the Visitor shall appoint, in such manner as may be provided by the Statutes, an academic of international eminence and standing as the Chancellor of each public funded University for Research and Innovation. It also provides that the Chancellor shall have such powers and perform such other functions as may be provided by or under the Statutes and the Ordinances.

Clause 34.—This clause relates to grants by the Central Government for development and maintenance of public funded Universities for Research and Innovation. It provides that the Central Government may, after due appropriation made by Parliament, by law in this behalf, make, on the basis of such norms and criteria as may be determined, by that Government, grants of such sums of money, to each public funded University for Research and Innovation, as are required for its development and maintenance. However, prior approval of the Central Government shall be necessary for the University for Research and Innovation to dispose of any immovable property created from such grants.

Clause 35.—This clause relates to Statement of accounts and audit of public funded University for Research and Innovation. Sub-clause (1) of the said clause provides that the statement of accounts of each public funded University for Research and Innovation shall be audited by such auditor as may be appointed in this behalf by the Comptroller and Auditor-General of India. Sub-clause (2) of the said clause provides that notwithstanding anything contained in any other law for the time being in force, such part of the grants provided by the Central Government or by any organisation or agency to each public funded University for Research and Innovation for research in such University shall be subjected only to assessment and audit by the Comptroller and Auditor-General of India on such outcome based parameters as may be prescribed by the Central Government with the concurrence of the Comptroller and Auditor-General of India.

Sub-clause (3) of the said clause provides that a copy of the statement of accounts including the balance sheet and the statement of income and expenditure, the report of the auditor, the report of the Academic Board and other documents required to be annexed or attached with such statement, shall be submitted to the Central Government, which shall, as soon as may be, cause the same to be laid before each House of Parliament. Sub-clause (4) of the said clause provides that the Expert Group for Research Audit constituted under sub-section (2) of section 20 shall submit its assessment and evaluation of the research undertaken in each public funded University for Research and Innovation to the Academic Board and the Academic Board shall cause such report to be placed before the Board of Governors along with an explanatory memorandum of the action taken thereon with reasons for such action.

Clause 36.— This clause relates to annual report of each public funded University for Research and Innovation. It provides that a copy of the annual report, as prepared under section 27, shall be submitted by each public funded University for Research and Innovation to the Central Government, which shall, as soon as may be, cause the same to be laid before each House of Parliament.

Clause 37.— This clause relates to furnishing of returns and information to the Central Government. It provides that every public funded University for Research and Innovation shall furnish to the Central Government within such period as may be specified by that Government such returns or other information with respect to its property or activities as that Government may, from time to time, require.

Clause 38.— This clause relates to review of Universities for Research and Innovation. Sub-clause (1) of the said clause provides that every University for Research and Innovation

shall, within fifteen years from the establishment and incorporation of such University under the proposed legislation and thereafter at the expiration of every tenth year, constitute a committee of experts to evaluate and review the performance in achievement of the objects of such University during the said period of fifteen years or ten years, as the case may be. Sub-clause (2) of the said clause provides that the committee of experts shall consist of such number of members of international repute in academia recognised as amongst the foremost in the world in their sphere of study not exceeding seven, nominated from different fields of knowledge as may have relevance to the teaching, learning and research in such University of Innovation and such member shall be paid such fee or allowances as may be provided by the Statutes.

Sub-clause (3) of the said clause provides that the committee of experts shall assess the performance of such University for Research and Innovation and make recommendations on, the extent of fulfilment of the objects of the University for Research and Innovation specified in section 5, as demonstrated by the state of teaching, learning and research and its contribution to society; the promotion of transformational and multi-disciplinary research requiring an integrated approach to complex problems of society; the advancement of fundamental research beyond the current frontiers of knowledge; the establishment of such University as amongst the global leaders in higher education and research; the impact and contribution of alumni of such University to institutions, industry or civil society; the extent of achievement of social equality through education and research in such University; the connection established by such University between innovation spurred through the efforts of the University to its neighborhood and to society; and the breadth of impact that education and research in such University have had on society.

Sub-clause (4) of the said clause provides that the committee of experts shall conduct its evaluation and review of the performance of the University for Research and Innovation on the basis of such metrics as may be defined, prior to the commencement of such review, by the Commission. Sub-clause (5) of the said clause provides that the recommendations of the Committee of experts shall be submitted, along with the response of the University for Research and Innovation, to the Central Government and the Central Government shall cause such recommendations to be laid before each House of Parliament.

Clause 39.—This clause relates to proceedings of the authorities or bodies not invalidated by vacancies. It provides that no act or proceedings of any authority or any other body of a University for Research and Innovation shall be invalid merely by reason of the existence of a vacancy or vacancies among its members.

Clause 40.—This clause provides for application of other laws not barred. It provides that subject to the provisions of sub-sections (2) and (3) of section 6, the provisions of the proposed legislation shall be in addition to, and not in derogation of, the provisions of any other law, including such law on reservation in admission as applicable to the University for Research and Innovation, for the time being in force.

Clause 41.—This clause empowers the Central Government to make rules. Sub-clause (1) of the said clause provides that the Central Government may, by notification, make rules to carry out the provisions of the proposed legislation. Sub-clause (2) of the said clause enumerates the matters for which such rules may be made by the Central Government.

Clause 42.—This clause relates to making of Statutes. Sub-clause (1) of said clause provides that subject to the provisions of the proposed legislation, the Board of Governors of every University for Research and Innovation shall, by publication on its website make Statutes to carry out the provisions of the proposed legislation. Sub-clause (2) of the said clause specifies the matters for which such Statutes may be made by the Board of Governors of every University for Research and Innovation and sub-clause (3) of the said clause provides that the Board of Governors may, from time to time, make or amend or repeal any Statutes, and each such Statute, its amendment or repeal, as the case may be, shall come into effect from the date of its publication on the website of the University for Research and Innovation.

Clause 43.—This clause relates to power to make Ordinances. Sub-clause (1) of the said clause provides that the Academic Board may, by publication on University's website, make Ordinances to carry out the purposes of the proposed legislation. Sub-clause (2) of the said clause specifies the matters for which such Ordinances may be made by the Academic Board of every University for Research and Innovation.

Clause 44.—This clause provides for laying of rules before Parliament. It provides that every rule made under the proposed legislation 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 both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Clause 45.—This clause relates to power to remove difficulties. Sub-clause (1) of the said clause provides that if any difficulty arises in giving effect to the provisions of the proposed legislation, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of the proposed legislation as appear to it to be necessary or expedient for removing the difficulty. However, the said sub-clause provides that no order shall be made under this section after the expiry of two years from the date of commencement of the proposed legislation. Sub-clause (2) of the said clause provides that every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

FINANCIAL MEMORANDUM

Clause 4 of the Bill provides for establishment and incorporation of the Universities for Research and Innovation.

2. Clause 8 of the Bill provides that every University for Research and Innovation shall be a not for profit legal entity. Clause 20 of the Bill provides that the Central Government may, after due appropriation made by Parliament by law in this behalf make to each University for Research and Innovation, grants of such sums of money as may be required for supporting research and the promotion and development of higher education and expenditure on scholarships or fellowships instituted by it, including scholarships or fellowships for students from socially and educationally backward classes or categories of citizens enrolled in such University.

3. Clause 21 of the Bill provides for each University for Research and Innovation to establish a Endowment Fund with such initial corpus as may be provided in the Memorandum of Agreement and each University has been empowered to receive donations, contributions from alumni and other incomes including revenues from advisory, consulting or training services and invest such Fund for the growth and development of the University.

4. Clause 34 of the Bill provides that the Central Government may, after due appropriation made by Parliament by law in this behalf, on the basis of such norms and criteria as may be determined, grants of such sums of money to each public funded University for Research and Innovation for its development and maintenance.

5. At this stage it is difficult to make any estimate of the expenditure which may be involved as it would depend upon the number of public funded Universities for Research and Innovation that the Government may decide to establish.

6. The Bill does not involve any other expenditure of recurring or non-recurring nature from the Consolidated Fund of India.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (1) of clause 41 of the Bill empowers the Central Government to make, by notification in the Official Gazette, rules for carrying out the provisions of the proposed legislation. Sub-clause (2) enumerates the matters in respect of which such rules may be made. These matters shall, *inter alia*, include--(a) the manner of choosing a person of international eminence to be a member of the committee under clause (iii) of the third proviso to sub-section (3) of section 6; (b) the composition of the committee of experts constituted under in sub-section (4) of section 10; (c) the other reasons for rejecting a proposal for entering into a memorandum of agreement under sub-clause (f) of clause (ii) of sub-section (6) of section 10; (d) the other particulars of the report of the Vice-Chancellor under sub-section (3) of section 25; (e) the period of limitation which may be extended under the proviso to sub-section (2) of section 28; (f) the number and qualifications of members of the Board of Governors of a public funded University for Research and Innovation under sub-section (2) of section 32; (g) the tenure, terms and conditions of appointment or nomination of members of the Board of Governor of a public funded University for Research and Innovation under sub-section (3) of section 32; (h) the outcome based parameters for assessment and audit by the Comptroller and Auditor General of the part of the grants provided, by the Central Government or by any other organisation or agency, to each public funded University for Research and Innovation for research under sub-section (2) of section 35; (i) any other matter which is required to be, or may be, specified by rules or in respect of which provision is to be made by rules.

2. Sub-clause (1) of clause 42 of the Bill empowers the Board of Governors to make, by publication on its website, Statutes to carry out the provisions of the proposed legislation. Sub-clause (2) of the said clause enumerates the matters in respect of which such Statutes may be made. These matters shall, *inter alia*, include--(a) the objective criteria, to account for disparities in educational attainments arising from the socio-educational background of any class or category of applicants in the matter of admission under the proviso to sub-section (2) of section 7; (b) to provide for the administration, management and operations of a University for Research and Innovation by the Board of Governors under sub-section (2) of section 14; (c) the manner of composition of the Academic Board and its tenure under sub-section (1) of section 15; (d) the powers and functions which may be vested in the Academic Board by the Board of Governors under sub-section (2) of section 15; (e) the establishment of faculties or schools of studies under sub-section (1) of section 16; (f) the powers and functions of the Board of Studies under sub-section (2) of section 16; (g) the powers and duties which may be conferred upon a faculty of knowledge manpower assessment by a University for Research and Innovation under clause (v) of sub-section (3) of section 16; (h) the powers and duties which may be assigned to a Research Council under clause (vii) of sub-section (2) of section 17; (i) the manner of appointment of the Chancellor by the promoter under sub-section (1) of section 18; (j) the manner of constitution of a search-cum-selection Committee for selection of a Vice-Chancellor of a University for Research and Innovation, under sub-section (2) of section 18; (k) the deans of schools and other officers and employees of a University for Research and Innovation to be specified under sub-section (3) of section 18; (l) policy to attract highly qualified and talented academics having sufficient teaching or research experience from any part of India or abroad, and to offer them emoluments and perks commensurate with their standing under sub-section (1) of section 19; (m) the terms and conditions of appointment of Professors and Associate Professors under clause (a) of sub-section (2) of section 19; (n) the manner of constitution of an Expert Group for Research Audit, the period for which such Group shall be constituted and the parameters for conducting an assessment and evaluation of the research undertaken out of public funds in each University for Research and Innovation under sub-section (2) of section 20; (o) the manner of investment of the University Endowment Fund under sub-section (2) of section 21; (p) the

form and the general instructions and accounting standards in accordance with which the balance sheet and the statement of income and expenditure of a University for Research and Innovation is to be prepared under sub-section (2) of section 23; (q) the date by which an annual report may be submitted to the Board of Governors, under sub-section (1) of section 27; (r) the manner of appointment of Chancellor under sub-section (2) of section 33; (s) the powers and functions of the Chancellor of a public funded University for Research and Innovation under sub-section (3) of section 33; (t) the fee and allowances payable to the members of the Committee of Experts under sub-section (2) of section 38; (u) any other matter which is required to be, or may be, specified by Statutes or in respect of which provision is to be made by Statutes.

3. Sub-clause (1) of clause 43 of the Bill empowers the Academic Board to make, by publication on its website, Ordinances to carry out the purposes of the proposed legislation. Sub-clause (2) of the said clause enumerates the matters in respect of which such Ordinances may be made. These matters shall include-(a) the designation of persons appointed for imparting instruction or conducting research under sub-section (1) of section 3; (b) the powers and duties which may be conferred upon a faculty of knowledge manpower assessment by a University for Research and Innovation under clause (v) of sub-section (3) of section 16; (c) the powers and duties which may be assigned to a Research Council under clause (vii) of sub-section (2) of section 17; (d) the powers and functions of the Chancellor under sub-section (3) of section 33; (e) any other matter which is required to be, or may be, specified by Ordinances or in respect of which provision is to be made by Ordinances.

4. Clause 44 of the Bill provides that every rule made by the Central Government under the proposed legislation is required to be laid before each House of Parliament.

5. The matters in respect of which the rules, the Statutes or the Ordinances may be made are matters of administrative or procedural detail and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

LOK SABHA

A

BILL

to provide for the establishment and incorporation of Universities for Research and Innovation and for enabling them to emerge as centres for ecosystems to develop as hubs of education, research and innovation and to promote research and innovation in learning and design, development and delivery of solutions and for matters connected therewith and incidental thereto.

(Shri Kapil Sibal, Minister of Human Resource Development)