

Bill No. 54 of 2021

THE NATIONAL INSTITUTE OF PHARMACEUTICAL EDUCATION
AND RESEARCH (AMENDMENT) BILL, 2021

A

BILL

further to amend the National Institute of Pharmaceutical Education and Research Act, 1998.

BE it enacted by Parliament in the Seventy-second year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

5 **1.** (1) This Act may be called the National Institute of Pharmaceutical Education and Research (Amendment) Act, 2021. Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amendment of long title.	2. In the National Institute of Pharmaceutical Education and Research Act, 1998 (hereinafter referred to as the principal Act), for the long title, the following long title shall be substituted, namely:—	13 of 1998.
	“An Act to declare certain institutions of pharmaceutical education and research to be institutions of national importance and for matters connected therewith or incidental thereto.”.	5
Amendment of section 1.	3. In section 1 of the principal Act, in sub-section (I), for the word “Institute”, the word “Institutes” shall be substituted.	
Substitution of new section for section 2.	4. For section 2 of the principal Act, the following section shall be substituted, namely:—	
Declaration of certain institutions as institutions of national importance.	<p style="padding-left: 40px;">“2. (I) Whereas the objects of the institutions mentioned in the Schedule, are such as to make them institutions of national importance, it is hereby declared that each such Institute is an institution of national importance.</p> <p style="padding-left: 40px;">(2) It is hereby declared that every Institute established under sub-section (2A) of section 4, on and after the commencement of the National Institute of Pharmaceutical Education and Research (Amendment) Act, 2021, shall be an institution of national importance.”.</p>	10 15
Amendment of section 3.	5. In section 3 of the principal Act,—	
	(i) for clause (a), the following clause shall be substituted, namely:—	
	‘(a) “appointed day”, in relation to an Institute mentioned in column (3) of the Schedule, means the date of its establishment as mentioned against it in column (4) of that Schedule;’;	20
	(ii) in clauses (b) and (c), for the words “the Institute”, the words “an Institute” shall be substituted;	
	(iii) after clause (c), the following clause shall be inserted, namely:—	
	‘(ca) “Council” means the Council established under sub-section (I) of section 30A;’;	25
	(iv) in clauses (d), (e) and (f), for the words “the Institute”, the words “an Institute” shall be substituted;	
	(v) for clause (g), the following clauses shall be substituted, namely:—	
	‘(g) “Institute” means any of the institutions mentioned in column (3) of the Schedule;	30
	(ga) “member” means a member of the Council nominated or elected under sub-section (2) of section 30A;	
	(gb) “prescribed” means prescribed by rules made under this Act;	
	(gc) “Schedule” means the Schedule to this Act; ’;	35
	(vi) in clauses (h) and (j), for the words “the Institute”, the words “an Institute” shall be substituted.	
Amendment of section 4.	6. In section 4 of the principal Act,—	
	(i) in the marginal heading, for the words “Establishment of Institute”, the words “Establishment and incorporation of Institutes” shall be substituted;	40
	(ii) for sub-section (I), the following sub-section shall be substituted, namely:—	
	“(I) Each of the Institutes mentioned in column (3) of the Schedule shall be a body corporate.”;	

(iii) in sub-section (2), for the words “The Institute”, the words “Each Institute” shall be substituted;

(iv) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) The Board of Governors of an Institute shall consist of the following persons, namely:—

(a) a Chairperson, who shall be an eminent academician or scientist or technologist or professional, to be nominated by the Visitor;

(b) the Director of the institute, *ex officio*;

(c) the Joint Secretary to the Government of India in Department of Pharmaceuticals dealing with the national institutes of pharmaceutical education and research, *ex officio*;

(d) the Secretary, dealing with medical or technical education in the State Government concerned, *ex officio*;

(e) the representative of Drug Controller General of India, Ministry of Health and Family Welfare of the Government of India, *ex officio*;

(f) three eminent pharmaceutical experts, at least one of whom shall be a woman, having special knowledge or practical experience in education, research and biotechnology, to be nominated by the Council;

(g) two pharmaceutical industrialists to be nominated by the Council;

(h) two professors of the institute, to be nominated by the Senate.”;

(v) in sub-section (4), the proviso shall be omitted.

7. In section 4A of the principal Act, the words “within its jurisdiction” shall be omitted.

Amendment of section 4A.

8. Section 5 of the principal Act shall be omitted.

Omission of section 5.

9. In section 6 of the principal Act,—

Amendment of section 6.

(i) for the words “On and from the appointed day”, the words “On and from the appointed day, in relation to the National Institute of Pharmaceutical Education and Research, Mohali” shall be substituted;

(ii) after clause (a), the following clause shall be inserted, namely:—

“(aa) all property, movable and immovable of, or belonging to, the Society, shall vest in that Institute;”;

(iii) for the words “the Institute”, wherever they occur, the words “that Institute” shall be substituted.

10. In section 7 of the principal Act,—

Amendment of section 7.

(a) in the marginal heading, for the word “Institute”, the word “Institutes” shall be substituted;

(b) for clause (ii), the following clauses shall be substituted, namely:—

“(ii) to develop courses leading to graduate and post graduate degrees, doctoral and post-doctoral distinctions and research in pharmaceutical education or to develop integrated courses relating thereto;

(iia) to conduct executive education courses, short-term certificate courses, training programmes, online or distant education, diploma courses and such other short-term executive courses;”;

(c) in clause (v), for the words “by exchange of faculty members”, the words “by promoting collaborative research, exchange of faculty members, researchers” shall be substituted;

(d) after clause (x), the following clause shall be inserted, namely:—

“(xa) to establish Centres of Excellence for drug discovery and development and medical devices;”.

Amendment of section 8.	<p>11. In section 8 of the principal Act, for the word “Board”, wherever it occurs, the words “Board of an Institute” shall be substituted.</p>	5
Amendment of section 9.	<p>12. In section 9 of the principal Act,—</p> <p>(i) in the marginal heading, for the word “Institute”, the word “Institutes” shall be substituted;</p> <p>(ii) in sub-section (1), for the words “The Institute”, the words “Every Institute” shall be substituted;</p> <p>(iii) in sub-section (2), for the words “the Institute”, the words “any Institute” shall be substituted.</p>	10 15
Amendment of section 10.	<p>13. In section 10 of the principal Act,—</p> <p>(i) in the marginal heading, for the word “Institute”, the word “Institutes” shall be substituted;</p> <p>(ii) for the words “the Institute”, the words “each of the Institutes” shall be substituted.</p>	20
Amendment of section 11.	<p>14. In section 11 of the principal Act,—</p> <p>(i) in sub-section (1), for the words “the Institute”, the words “every Institute” shall be substituted;</p> <p>(ii) in sub-section (2), for the words “the Institute”, the words “any Institute” shall be substituted.</p>	25
Amendment of section 12.	<p>15. In section 12 of the principal Act,—</p> <p>(i) in the marginal heading, for the word “Institute”, the word “Institutes” shall be substituted;</p> <p>(ii) in the opening portion, for the words “the Institute”, the words “an Institute” shall be substituted.</p>	30
Amendment of section 13.	<p>16. In section 13 of the principal Act, in the opening portion, for the words “the Institute”, the words “each Institute” shall be substituted.</p>	
Amendment of section 14.	<p>17. In section 14 of the principal Act, for the words “senate of the Institute”, the words “senate of each Institute” shall be substituted.</p>	
Amendment of section 16.	<p>18. In section 16 of the principal Act, for the words “Director of the Institute”, the words “Director of each Institute” shall be substituted.</p>	35
Amendment of section 17.	<p>19. In section 17 of the principal Act, for the words “the Institute”, the words “each Institute” shall be substituted.</p>	
Amendment of section 18.	<p>20. In section 18 of the principal Act, for the words “Registrar of the Institute”, the words “Registrar of each Institute” shall be substituted.</p>	40
Amendment of section 20.	<p>21. In section 20 of the principal Act,—</p> <p>(i) for the words “enabling the Institute”, the words “enabling the Institutes” shall be substituted;</p>	

(ii) for the words “pay to the Institute”, the words “pay to each Institute” shall be substituted.

22. In section 21 of the principal Act,—

Amendment
of section 21.

5 (i) in the marginal heading, for the word “Institute”, the word “Institutes” shall be substituted;

(ii) in sub-section (1), for the words “The Institute shall”, the words “Every Institute shall” shall be substituted.

23. In section 22 of the principal Act, for the words “the Institute”, the words “every Institute” shall be substituted.

Amendment
of section 22.

10 **24.** In section 23 of the principal Act,—

Amendment
of section 23.

(i) in sub-section (1), for the words “The Institute”, the words “Every Institute” shall be substituted;

(ii) in sub-section (2), for the words “the Institute”, the words “every Institute” shall be substituted;

15 (iii) in sub-section (3), for the words “accounts of the Institute”, the words “accounts of any Institute” shall be substituted;

(iv) in sub-section (4), for the words “the Institute”, the words “every Institute” shall be substituted.

20 **25.** In section 24 of the principal Act, in sub-section (1), for the words “The Institute”, the words “Every Institute” shall be substituted.

Amendment
of section 24.

26. In section 25 of the principal Act, for the words “the Institute”, the words “an Institute” shall be substituted.

Amendment
of section 25.

27. In section 27 of the principal Act, in sub-section (1), for the words “the Institute”, the words “every Institute” shall be substituted.

Amendment
of section 27.

25 **28.** In section 28 of the principal Act, for the words “Ordinances of the Institute”, the words “Ordinances of each Institute” shall be substituted.

Amendment
of section 28.

29. After Chapter II of the principal Act, the following Chapter shall be inserted, namely:—

Insertion of
new Chapter
II-A.

“CHAPTER II-A

THE COUNCIL

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30A. (1) With effect from such date as the Central Government may, by notification in the Official Gazette, specify in this behalf, there shall be established for all the Institutes specified in column (3) of the Schedule, a central body to be called the Council.

Establishment
of Council.

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

(a) Minister in charge of the Ministry or Department of the Central Government having administrative control of the Pharmaceuticals, *ex officio*, as Chairperson;

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(b) Minister of State in the Ministry or Department of the Central Government having administrative control of the Pharmaceuticals, *ex officio*, as Vice-Chairperson;

(c) the Secretary to the Government of India in charge of the Ministry or Department of the Central Government having administrative control of the Pharmaceuticals, *ex officio*;

(d) the Chairperson of every Board of Governors, *ex officio*;

(e) the Director of every Institute, *ex officio*;

(f) the Chairperson, All India Council for Technical Education, *ex officio*;

(g) the Director General, Council of Scientific and Industrial Research, *ex officio*;

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(h) four Secretaries to the Government of India, to represent the Ministries or Departments of the Central Government dealing with Biotechnology, Health Research, Higher Education and Science and Technology, *ex officio*;

(i) not less than three, but not more than five persons to be nominated by the Visitor, at least one of whom shall be a woman, having special knowledge or practical experience in education, pharmaceutical industry, medical devices industry or pharmaceutical research;

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(j) three members of Parliament of whom two shall be elected by the House of the People and one by the Council of States, from amongst its members;

(k) the President, Indian Drugs Manufacturing Association, *ex officio*;

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(l) the President, Organisation of Pharmaceutical Producers of India, *ex officio*;

(m) the President, Pharmacy Council of India, *ex officio*;

(n) the Financial Advisor of the Ministry or Department of the Central Government dealing with Pharmaceuticals, *ex officio*;

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(o) the Joint Secretary to the Government of India in the Ministry or Department of the Central Government having administrative control of the Pharmaceuticals, *ex officio*, as Member-Secretary.

(3) It is hereby declared that the office of a member of the Council shall not disqualify its holder for being chosen as or for being, a member of either House of Parliament.

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

30B. (1) Save as otherwise provided in this section, the term of office of a member of the Council shall be three years from the date of his nomination or election, as the case may be.

(2) The term of office of an *ex officio* member shall continue so long as he holds the office by virtue of which he is a member.

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(3) The term of office of a member elected under clause (j) of sub-section (2) of section 30A shall come to an end as soon as he becomes a Minister or Minister of State or Deputy Minister, or the Speaker or the Deputy Speaker of the House of the People, or the Deputy Chairperson of the Council of States or ceases to be a member of the House which elected him.

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(4) The term of office of a member nominated or elected to fill a casual vacancy shall continue for the remainder of the term of the member in whose place he has been nominated or elected.

(5) Notwithstanding anything contained in this section an outgoing member shall, unless the Central Government otherwise directs, continue in office until another person is nominated or elected as a member in his place.

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(6) The members of the Council shall be paid such travelling and other allowances by the Central Government as may be determined by that Government, but no member shall be entitled to any salary by reason of this sub-section.

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30C. (1) It shall be the general duty of the Council to coordinate the activities of all the Institutes and to take all such steps as to ensure planned and coordinated development of pharmaceutical education and research and maintenance of standards thereof.

Functions of Council.

5 (2) Without prejudice to the provisions of sub-section (1), the Council shall perform the following functions, namely:—

(a) to advise on matters relating to the duration of the courses, the degrees and other academic distinctions to be conferred by the Institutes, admission standards and other academic matters;

10 (b) to lay down policy regarding cadres, methods of recruitment and conditions of service of employees, institution of scholarships and free-ships, levying of fees and other matters of common interest;

15 (c) to examine the development plans of each Institute and to approve such of them as are considered necessary and also to indicate broadly the financial implications of such approved plans;

(d) to lay down policy or guidelines for promoting research and development in pharmaceuticals and related areas, fostering collaboration and overseeing developments and on matters incidental thereto;

20 (e) to examine the annual budget estimates of each Institute and to recommend to the Central Government the allocation of funds for that purpose;

(f) to advise the Visitor, if so required, in respect of any function to be performed by him under this Act; and

(g) to perform such other functions as are assigned to it by or under this Act.

25 (3) The Council shall meet at least once every year and follow such procedure in its meetings as may be prescribed.

30D. (1) The Chairperson of the Council shall ordinarily preside at the meetings of the Council:

Chairman of Council.

30 Provided that in the absence of the Chairperson, the Vice-Chairperson shall preside at the meetings of the Council:

Provided further that in the absence of both the Chairperson and the Vice-Chairperson, any other member, chosen from amongst themselves by the members present at the meeting shall preside at that meeting.

35 (2) It shall be the duty of the Chairperson of the Council to ensure that the decisions taken by the Council are implemented.

(3) The Chairman shall exercise such other powers and perform such other duties as are assigned to him by this Act.

40 30E. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Chapter.

Power to make rules in respect of matters in this Chapter.

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

(a) the manner of filling vacancies among the members of the Council;

(b) the disqualifications for being chosen as, and for being, a member of the Council;

45 (c) the circumstances in which, and the authority by which, members may be removed;

(d) the meetings of the Council and the procedure of conducting business thereat;

(e) the travelling and other allowances payable to members of the Council; and

(f) the functions of the Council and the manner in which such functions may be exercised. 5

(3) Every rule made by the Central Government under this Chapter 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.”. 10 15

Amendment of section 31. **30.** In section 31 of the principal Act, for the words “No act of the Institute”, the words “No act of the Council or any Institute” shall be substituted.

Amendment of section 32. **31.** In section 32 of the principal Act,—
(i) in the marginal heading, for the word “Institute”, the word “Institutes” shall be substituted; 20

(ii) for the words “the Institute”, the words “every Institute” shall be substituted.

Amendment of section 33. **32.** In section 33 of the principal Act, for the words “Whenever the Institute”, the words “Whenever an Institute” shall be substituted.

Insertion of new section 33A. **33.** After section 33 of the principal Act, the following section shall be inserted, namely:— 25

Power of Central Government to issue directions. “33A. The Institute shall carry out such directions as may be issued to it from time to time by the Central Government for the efficient administration of this Act.”.

Amendment of section 35. **34.** In section 35 of the principal Act, for clause (b), the following clause shall be substituted, namely:—

“(b) until the first Statutes and the Ordinances in relation to the Institutes mentioned in column (3) of the Schedule are made under this Act, the Statutes and the Ordinances of the National Institute of Pharmaceutical Education and Research, Sector-67, S.A.S. Nagar (Mohali), District Ropar, Punjab as in force, shall apply to those Institutes with the necessary modifications and adaptations in so far as they are not inconsistent with the provisions of this Act.”. 30 35

THE SCHEDULE

[See sections 2, 3(a), (g), (gc), 4(I), 30A and 35(b)]

Sl. No.	Location of	Name of institutions incorporated under this Act institute and the State	Date of establishment of Institute
(1)	(2)	(3)	(4)
1.	Mohali, Punjab	The National Institute of Pharmaceutical Education and Research Society, Mohali	8th July, 1998
2.	Ahmedabad, Gujarat	The National Institute of Pharmaceutical Education and Research, Ahmedabad	6th September, 2007
3.	Hajipur, Bihar	The National Institute of Pharmaceutical Education and Research, Hajipur	6th September, 2007
4.	Hyderabad, Telengana	The National Institute of Pharmaceutical Education and Research, Hyderabad	6th September, 2007
5.	Kolkata, West Bengal	The National Institute of Pharmaceutical Education and Research, Kolkata	6th September, 2007
6.	Guwahati, Assam	The National Institute of Pharmaceutical Education and Research, Guwahati	5th August, 2008
7.	Raebareli, Uttar Pradesh	The National Institute of Pharmaceutical Education and Research, Raebareli	26th September, 2008

STATEMENT OF OBJECTS AND REASONS

The National Institute of Pharmaceutical Education and Research Act, 1998 (13 of 1998) was enacted to declare the National Institute of Pharmaceutical Education and Research at Mohali, Punjab to be an institute of national importance and to provide for its incorporation and matters connected therewith.

2. The Act was subsequently amended in 2007 to empower the Central Government to establish similar institutes in different parts of the country. Thereafter, six new institutes at Ahmedabad, Guwahati, Hajipur, Hyderabad, Kolkata and Raebareli were established during 2007-08.

3. A need is felt to bring clarity that the six institutes so established as well as any other similar institute to be established under the said Act shall be institutes of national importance. In order to coordinate the activities of all such institutes, to ensure coordinated development of pharmaceutical education and research and maintenance of standards, etc., there is a need to establish a central body, to be called the Council. Also, there is a need to rationalise the Board of Governors of each such institute and to widen the scope and number of courses run by such institutes.

4. The National Institute of Pharmaceutical Education and Research (Amendment) Bill, 2021, *inter alia*, seeks to provide for —

(i) amendment of section 2 to declare that—

(a) each such Institute is an institution of national importance;

(b) every Institute established under sub-section (2A) of section 4 on and after the commencement of the National Institute of Pharmaceutical Education and Research (Amendment) Act, 2021 shall also be an institution of national importance;

(ii) amendment of section 4 to rationalise the Board of Governors of each such institute from its existing strength of 23 to 12 members;

(iii) amendment of section 7 to widen the scope and number of courses run by such institutes, including graduate and post-graduate degrees, doctoral and post-doctoral distinctions and research in pharmaceutical education, integrated courses, certificate courses and executive courses;

(iv) insertion of new sections 30A, 30B, 30C, 30D, 30E to provide for establishment of Council, term of office, etc., of members of Council, functions of Council, Chairman of Council and power to make rules by Central Government, respectively;

(v) insertion of a new section 33A to empower the Central Government to issue directions to the Institute for efficient administration of the Act.

5. The Bill seeks to achieve the above objectives.

NEW DELHI;
The 5th March, 2021.

D.V. SADANANDA GOWDA.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 29 of the Bill seeks to insert new Chapter II-A, and new sections 30A to 30E, in the principal Act. Proposed section 30E empowers the Central Government to make rules to provide for (i) the manner of filling vacancies among the members of the Council; (ii) the disqualifications for being chosen as, and for being, a member of the Council; (iii) the circumstances in which, and the authority by which, members may be removed; (iv) the meetings of the Council and the procedure of conducting business thereat; (v) the travelling and other allowances payable to members of the Council; and (vi) the functions of the Council and the manner in which such functions may be exercised.

ANNEXURE

EXTRACTS FROM THE NATIONAL INSTITUTE OF PHARMACEUTICAL EDUCATION AND RESEARCH ACT, 1998

(13 OF 1998)

An Act to declare the institution known as the National Institute of Pharmaceutical Education and Research to be an institution of national importance and to provide for its incorporation and matters connected therewith.

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CHAPTER I

PRELIMINARY

Short title and commencement. **1.** (1) This Act may be called the National Institute of Pharmaceutical Education and Research Act, 1998.

13 of 1998.

* * * * *

Declaration of National Institute of Pharmaceutical Education and Research as an institution of national importance. **2.** Whereas the objects of the institution known as the National Institute of Pharmaceutical Education and Research, Sector-67, S.A.S. Nagar (Mohali), District Ropar, Punjab are such as to make the institution one of national importance, it is hereby declared that the institution known as the National Institute of Pharmaceutical Education and Research is an institution of national importance.

Definitions. **3.** In this Act, unless the context otherwise requires,—

(a) “appointed day” means the date of establishment of the National Institute of Pharmaceutical Education and Research under sub-section (1) of section 4;

(b) “Board” means the Board of Governors of the Institute constituted under sub-section (3) of section 4;

(c) “Chairperson” means the Chairperson of the Institute nominated under clause (a) of sub-section (3) of section (4);

(d) “Dean” means the Dean of the Institute appointed under section 17;

(e) “Director” means the Director of the Institute appointed under section 16;

(f) “Fund” means the fund of the Institute to be maintained under section 21;

(g) “Institute” means a National Institute of Pharmaceutical Education and Research established under sub-section (1) or sub-section (2A) of section 4;

(h) “Senate” means the Senate of the Institute referred to in section 13;

* * * * *

(j) “Statutes” and “Ordinances” mean the Statutes and the Ordinances of the Institute made under this Act.

CHAPTER II

THE INSTITUTE

Establishment of Institute. **4.** (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, the National Institute of Pharmaceutical Education and Research shall be constituted as a body corporate by the name aforesaid.

(2) The Institute shall have perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property and to contract, and shall, by that name, sue and be sued.

* * * * *

(3) The Institute shall consist of the Board of Governors having the following persons, namely:—

(a) a Chairperson, who shall be an eminent academician, scientist or technologist or professional, to be nominated by the Visitor;

(b) the Director of the Institute, *ex officio*;

(c) the Joint Secretary, incharge of Pharmaceutical Industries in the concerned Ministry or Department of the Government of India, *ex officio*;

(d) the Secretary, Technical Education, Government of the State within which the Institute is situated, *ex officio*;

(e) the Financial Adviser of the Ministry or Department of the Government of India dealing with the pharmaceutical industries, *ex officio*;

(f) the Drug Controller General of India, Ministry of Health and Family Welfare of the Government of India, *ex officio*;

(g) the Member Secretary, All-India Council for Technical Education, *ex officio*;

(h) the Director of any one of the national laboratories of the Council of Scientific and Industrial Research to be nominated by the Director General of Council of Scientific and Industrial Research, New Delhi;

(i) the Director of either the All-India Institute of Medical Sciences, New Delhi or the Post-Graduate Institute of Medical Education and Research, Chandigarh, to be nominated by rotation by the Ministry of Health and Family Welfare of the Government of India;

(j) the President, Indian Drugs Manufacturers' Association, *ex officio*;

(ja) a representative of the Pharmacy Council of India;

(k) the President, Organisation of Pharmaceutical Producers of India, *ex officio*;

(l) three eminent pharmaceutical experts, one of whom shall be an educationist, a research scientist and a biotechnologist, to be nominated by the Central Government;

(m) three eminent public persons or social workers one of whom shall be either from the Scheduled Castes or the Scheduled Tribes to be nominated by the Visitor out of a panel prepared by the Central Government;

(n) two pharmaceutical industrialists to be nominated by the Visitor out of a panel prepared by the Central Government;

(o) three Members of Parliament, two from Lok Sabha to be nominated by the Speaker of Lok Sabha and one from Rajya Sabha to be nominated by the Chairman of Rajya Sabha.

(4) The term of office of the Chairperson and Governors other than *ex officio* Governors shall be three years and they shall be entitled for such allowances as may be determined by the Central Government:

Provided that the term of office of a member nominated under clause (o) of sub-section (3) shall come to an end as soon as he becomes a Minister or Minister of State or Deputy Minister, or the Speaker or the Deputy Speaker of the House of the People, or the Deputy Chairman of the Council of States, or ceases to be a member of the House from which he was nominated.

* * * * *

(d) institute academic and other posts and to make appointments thereto (except in the case of the Director);

(e) frame Statutes and Ordinances and to alter, modify or rescind the same;

(f) institute and award fellowship, scholarship, prizes and medals;

(g) consider and pass resolutions on the annual report, the annual accounts and the budget estimates of the Institute for the next financial year as it thinks fit together with a statement of its development plans; and

(h) do all such things as may be necessary, incidental or conducive to the attainment of all or any of the aforesaid powers.

(3) The Board shall have the power to appoint such committees as it considers necessary for the exercise of its powers and the performance of its duties under this Act.

(4) Notwithstanding anything contained in sub-section (2) of section 4, the Board shall not dispose of in any manner any immovable property without the prior approval of the Central Government.

9. (1) The Institute shall be open to persons of either sex and of whatever race, creed, caste or class, and no test or condition shall be imposed as to religious belief or profession in admitting or appointing members, students, teachers or workers or in any other connection whatsoever. Institute to be open to all races, creeds and classes.

(2) No bequest, donation or transfer of any property shall be accepted by the Institute which in the opinion of the Board involves conditions or obligations opposed to the spirit and object of this section.

10. All teaching at the Institute shall be conducted by or in the name of the Institute in accordance with the Statutes and the Ordinances made in this behalf. Teaching at Institute.

11. (1) The President of India shall be the Visitor of the Institute. Visitor.

(2) The Visitor may appoint one or more persons to review the work and progress of the Institute and to hold inquiries into the affairs thereof and to report thereon in such manner as the Visitor may direct.

* * * * *

12. The following shall be the other authorities of the Institute, namely:— Authorities of Institute.

13. The Senate of the Institute shall consist of the following persons, namely:— Senate.

14. Subject to the provisions of this Act, the Statutes and the Ordinances, the Senate of the Institute shall have the control and general regulation, and be responsible for the maintenance of standards of instruction, education and examination in the Institute and shall exercise such other powers and perform such other duties as may be conferred or imposed upon it by the Statutes. Functions of Senate.

* * * * *

16. (1) The Director of the Institute shall be appointed by the Board with the prior approval of the Visitor. Director.

(2) The Director shall be the principal academic and executive officer of the Institute and shall be responsible for the proper administration and academic performance of the Institute and for imparting of instruction and maintenance of discipline therein.

(3) The Director shall submit annual reports and accounts to the Board.

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

Dean. **17.** (1) The Dean of the Institute shall be appointed on such terms and conditions as may be laid down by the Statutes and shall exercise such powers and perform such duties as may be assigned to him by this Act or the Statutes or the Director.

(2) The Dean shall report to the Director.

Registrar. **18.** (1) The Registrar of the Institute shall be appointed on such terms and conditions as may be laid down by the Statutes and shall be the custodian of records, the common seal, the funds of the Institute and such other property of the Institute as the Board shall commit to his charge.

(2) The Registrar shall act as the Secretary of the Board, the Senate and such committees as may be prescribed by the Statutes.

(3) The Registrar shall be responsible to the Director for the proper discharge of his functions.

(4) The Registrar shall exercise such other powers and perform such other duties as may be assigned to him by this Act or the Statutes or the Director.

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Grants by Central Government. **20.** For the purpose of enabling the Institute to discharge its functions efficiently under this Act, the Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Institute in each financial year such sums of money and in such manner as it may think fit.

Fund of Institute. **21.** (1) The Institute shall maintain a Fund to which shall be credited—

(a) all moneys provided by the Central Government;

(b) all fees and other charges;

(c) all moneys received by the Institute by way of grants, gifts, donations, benefactions, bequests or transfers; and

(d) all moneys received by the Institute in any other manner or from any other source.

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Setting up of endowment fund. **22.** Notwithstanding anything contained in section 21, the Central Government may direct the Institute to—

(a) set up an endowment fund and any other fund for specified purpose;

(b) transfer money from its Fund to endowment fund or any other fund.

Accounts and audit. **23.** (1) The Institute shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including the balance-sheet, in such form as may be specified, in accordance with such general directions as may be issued by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Institute shall be audited by the Comptroller and Auditor-General of India and any expenditure incurred by him in connection with such audit shall be payable by the Institute to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Institute shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of the Government accounts, and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the offices of the Institute.

(4) The accounts of the Institute as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

24. (1) The Institute shall constitute, for the benefit of its employees, including the Director, in such manner and subject to such conditions as may be prescribed by the Statutes, such pension, insurance and provident funds as it may deem fit.

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25. All appointments of the staff of the institute except that of the Director, shall be made in accordance with the procedure laid down in the Statutes—

(a) by the Board, if the appointment is made on the academic staff in the post of Assistant Professor or above or if the appointment is made on the non-academic staff in any cadre, the maximum of the pay-scale for which is the same or higher than that of Assistant Professor; and

(b) by the Director, in any other case.

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27. (1) The first Statutes of the Institute shall be framed by the Board with the previous approval of the Visitor and a copy of the same shall be laid as soon as may be before each House of Parliament.

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28. Subject to the provisions of this Act and the Statutes, the Ordinances of the Institute may provide for all or any of the following matters, namely:—

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CHAPTER III

MISCELLANEOUS

31. No act of the Institute or Board or Senate or any other body set up under this Act or the Statutes, shall be invalid merely by reason of—

(a) any vacancy in, or defect in, the constitution thereof, or

(b) any defect in the election, nomination or appointment of person acting as a member thereof, or

(c) any irregularity in its procedure not affecting the merits of the case.

3 of 1956.

32. Notwithstanding anything contained in the University Grants Commission Act, 1956 or in any other law for the time being in force, the Institute shall have power to grant degrees and other academic distinctions and titles under this Act.

33. Whenever the Institute receives funds from any Government, the University Grants Commission or any other agency sponsoring a scheme to be executed by the Institute, notwithstanding anything in this Act,—

(a) the amount received shall be kept by the Institute separately from the Fund of the Institute and utilised only for the purpose of the scheme;

(b) the staff required to execute the same shall be recruited in accordance with the terms and conditions stipulated by the sponsoring organisation:

Provided that any money remaining unutilised under clause (a) shall be transferred to the endowment fund created under section 22 of this Act.

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Transitional provisions.

35. Notwithstanding anything contained in this Act,—

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(b) until the first Statutes and the Ordinances are made under this Act, the Statutes and the Ordinances of the National Institute of Pharmaceutical Education and Research, Sector-67, S.A.S. Nagar (Mohali), District Ropar, Punjab as in force, immediately before the commencement of this Act, shall continue to apply to the Institute in so far as they are not inconsistent with the provisions of this Act.

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LOK SABHA

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further to amend the National Institute of Pharmaceutical Education and Research Act, 1998.

(Shri D.V. Sadananda Gowda, Minister of Chemicals and Fertilizers)