

**Bill No. XXVII of 2019**

THE NATIONAL INSTITUTE OF DESIGN (AMENDMENT) BILL, 2019

A

BILL

*to amend the National Institute of Design Act, 2014.*

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

**1.** (1) This Act may be called the National Institute of Design (Amendment) Act, 2019. Short title and commencement.

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

18 of 2014.

**2.** In the National Institute of Design Act, 2014 (hereinafter referred to as the principal Act), in the long title, for the words “the institution known as the National Institute of Design, Ahmedabad, to be an institution of national importance”, the words “certain institutions of design to be institutions of national importance” shall be substituted. Amendment of long title.

- 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 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. “2. 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.” 5
- Amendment of section 3. **5.** In section 3 of the principal Act,—
- (i) for clause (d), the following clause shall be substituted, namely:—
- ‘(d) “Director”, in relation to any Institute, means the Director of such Institute as appointed under section 18;’; 10
- (ii) for clause (e), the following clause shall be substituted, namely:—
- ‘(e) “Fund”, in relation to any Institute, means the Fund of such Institute as maintained under section 23;’;
- (iii) for clause (f), the following clause shall be substituted, namely:— 15
- ‘(f) “Governing Council”, in relation to any Institute, means the Governing Council of such Institute as constituted under section 11;’;
- (iv) for clause (g), the following clause shall be substituted, namely:—
- ‘(g) “Institute” means any of the institutions mentioned in column (4) of the Schedule;’; 20
- (v) for clause (h), the following clause shall be substituted, namely:—
- ‘(h) “Institute campus” means the campus of an Institute as may be established by such Institute at any place within India or outside India;’;
- (vi) for clause (k), the following clause shall be substituted, namely:—
- ‘(k) “Registrar”, in relation to any Institute, means the Registrar of such Institute as appointed under section 20;’; 25
- (vii) after clause (k), the following clause shall be inserted, namely:—
- ‘(ka) “Schedule” means the Schedule annexed to this Act;’;
- (viii) for clause (l), the following clause shall be substituted, namely:—
- ‘(l) “Senate”, in relation to any Institute, means the Senate of such Institute;’; 30
- (ix) for clause (m), the following clause shall be substituted, namely:—
- ‘(m) “Society” means any of the societies registered under the Societies Registration Act, 1860, and mentioned in column (3) of the Schedule;’; 21 of 1860.
- (x) for clause (n), the following clause shall be substituted, namely:— 35
- ‘(n) “Statutes” and “Ordinances”, in relation to any Institute, mean the Statutes and the Ordinances of such Institute made under this Act.’.
- Substitution of section 4. **6.** For section 4 of the principal Act, the following section shall be substituted, namely:—
- Incorporation of Institute. “4. (I) Each Institute shall be a body corporate by the same name as mentioned in column (4) of the Schedule. 40

(2) Each 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, both movable and immovable, and to contract and shall, by the said name, sue or be sued.

5 (3) The body corporate constituting each Institute shall consist of a Chairperson, Director and other members of the Governing Council for the time being, of the Institute.

(4) Any Institute may establish an Institute campus at such place within India or outside India, as it may deem fit:

10 Provided that each campus of the National Institute of Design, Ahmedabad, established before the commencement of this Act, at Bengaluru in the State of Karnataka and at Gandhinagar in the State of Gujarat, shall be deemed to be the Institute campus thereof.

15 *Explanation.*—The reference in this sub-section to the commencement of this Act shall, in relation to the National Institute of Design, Ahmedabad, be deemed to be the 16th day of September, 2014.”.

7. In section 5 of the principal Act,—

Amendment  
of section 5.

(i) for clause (a), the following clause shall be substituted, namely:—

20 “(a) any reference to the Society mentioned in column (3) of the Schedule in any law or in any contract or other instrument shall be deemed as a reference to the corresponding Institute mentioned in column (4) thereof;”;

(ii) in clause (e), the words “located at Bengaluru in the State of Karnataka and at Gandhinagar in the State of Gujarat,” shall be omitted;

(iii) the following *Explanations* shall be inserted, namely:—

25 “*Explanation I.*—The reference in this section to the commencement of this Act shall, in relation to the National Institute of Design, Ahmedabad, be deemed to be the 16th day of September, 2014.

30 “*Explanation II.*—The reference in this section to the commencement of this Act shall, in relation to the National Institutes of Design in the States of Madhya Pradesh, Assam, Haryana and Andhra Pradesh, be construed as the reference to the date on which the provisions of the National Institute of Design (Amendment) Act, 2019 comes into force.”.

8. In section 6 of the principal Act, in sub-section (1), for the words “the Institute shall”, the words “each Institute shall” shall be substituted. Amendment  
of section 6.

35 9. In section 7 of the principal Act, in sub-section (1), for the words “The Institute”, the words “Every Institute” shall be substituted. Amendment  
of section 7.

10. In section 8 of the principal Act, for the words “teaching at the Institute”, the words “teaching at each of the Institutes” shall be substituted. Amendment  
of section 8.

11. In section 9 of the principal Act, in sub-section (1), for the words “the Institute”, the words “each of the Institutes” shall be substituted. Amendment  
of section 9.

40 12. In section 10 of the principal Act, for the words “The following shall be the authorities of the Institute”, the words “Each Institute shall have the following authorities” shall be substituted. Amendment  
of section 10.

45 13. In section 11 of the principal Act, for the words “The Governing Council shall consist of”, the words “The Governing Council of every Institute shall consist of” shall be substituted. Amendment  
of section 11.

Amendment of section 15.	<b>14.</b> In section 15 of the principal Act, for the words “The Senate of the Institute”, the words “The Senate of each Institute” shall be substituted.	
Amendment of section 16.	<b>15.</b> In section 16 of the principal Act, for the words “the Senate of the Institute”, the words “the Senate of an Institute” shall be substituted.	
Amendment of section 18.	<b>16.</b> In section 18 of the principal Act, in sub-section (I), for the words “the Institute”, the words “each of the Institutes” shall be substituted.	5
Amendment of section 20.	<b>17.</b> In section 20 of the principal Act, in sub-section (I), for the words “Registrar of the Institute”, the words “Registrar of each Institute” shall be substituted.	
Amendment of section 22.	<b>18.</b> In section 22 of the principal Act, for the words “enabling the Institute”, the words “enabling an Institute” shall be substituted.	10
Amendment of section 23.	<b>19.</b> In section 23 of the principal Act, in sub-section (I), for the words “The Institute”, the words “Every Institute” shall be substituted.	
Amendment of section 24.	<b>20.</b> In section 24 of the principal Act, for the words “the Institute”, the words “any Institute” shall be substituted.	
Amendment of section 25.	<b>21.</b> In section 25 of the principal Act, in sub-section (I), for the words “The Institute”, the words “Every Institute” shall be substituted.	15
Amendment of section 26.	<b>22.</b> In section 26 of the principal Act, in sub-section (I), for the words “The Institute”, the words “Every Institute” shall be substituted.	
Amendment of section 27.	<b>23.</b> In section 27 of the principal Act,— (i) in the opening portion, for the words “the Institute”, the words “an Institute” shall be substituted; (ii) in clause (a), for the words “Senior Designer”, at both the places where they occur, the words “Principal Designer” shall be substituted.	20
Amendment of section 29.	<b>24.</b> In section 29 of the principal Act, in sub-section (I), for the words “the Institute”, the words “each Institute” shall be substituted.	25
Amendment of section 30.	<b>25.</b> In section 30 of the principal Act, for the words “Ordinances of the Institute”, the words “Ordinances of each Institute” shall be substituted.	
Amendment of section 32.	<b>26.</b> In section 32 of the principal Act, in sub-section (I), for the words “between the Institute”, the words “between an Institute” shall be substituted.	
Amendment of section 33.	<b>27.</b> In section 33 of the principal Act, for the words “the Institute”, the words “any Institute” shall be substituted.	30
Amendment of section 34.	<b>28.</b> In section 34 of the principal Act, for the words “the Institute receives”, the words “an Institute receives” shall be substituted.	
Amendment of section 35.	<b>29.</b> In section 35 of the principal Act, for the words “The Institute”, the words “Every Institute” shall be substituted.	35
Amendment of section 36.	<b>30.</b> In section 36 of the principal Act, for the words “to the Institute”, the words “to any Institute” shall be substituted.	
Amendment of section 37.	<b>31.</b> In section 37 of the principal Act, for the words “the Institute”, the words “every Institute” shall be substituted.	
Amendment of section 39.	<b>32.</b> In section 39 of the principal Act,— (i) in clause (a), for the words “Governing Council of the Institute”, the words “Governing Council of an Institute” shall be substituted; (ii) in clause (c), the words “located at Bengaluru or Gandhinagar, as the case may be” shall be omitted;	40

(iii) the following *Explanations* shall be inserted, namely:—

“*Explanation I.*—The reference in this section to the commencement of this Act shall, in relation to the National Institute of Design, Ahmedabad, be deemed to be the 16th day of September, 2014.

5                    *Explanation II.*—The reference in this section to the commencement of this Act shall, in relation to the National Institutes of Design in the States of Madhya Pradesh, Assam, Haryana and Andhra Pradesh, be construed as the reference to the date on which the provisions of the National Institute of Design (Amendment) Act, 2019 comes into force.”.

10            **33.** In section 40 of the principal Act, after sub-section (3), the following *Explanations* shall be inserted, namely:— Amendment  
of section 40.

“*Explanation I.*—The reference in this section to the commencement of this Act shall, in relation to the National Institute of Design, Ahmedabad, be deemed to be the 16th day of September, 2014.

15                    *Explanation II.*—The reference in this section to the commencement of this Act shall, in relation to the National Institutes of Design in the States of Madhya Pradesh, Assam, Haryana and Andhra Pradesh, be construed as the reference to the date on which the provisions of the National Institute of Design (Amendment) Act, 2019 comes into force.”.

20            **34.** After section 41 of the principal Act, the following Schedule shall be inserted, Insertion of a  
new Schedule.  
namely:—

“THE SCHEDULE

[See sections 2, 3(g), (ka), (m), 4 (I) and 5 (a)]

Sl. No.	Name of the State	Name of the Society	Name of the institutions incorporated under this Act
(1)	(2)	(3)	(4)
25	1. Gujarat	The National Institute of Design, Ahmedabad, a Society registered under the Societies Registration Act, 1860.	National Institute of Design, Ahmedabad
30	2. Madhya Pradesh	The National Institute of Design, Bhopal, a Society registered under the Societies Registration Act, 1860.	National Institute of Design, Madhya Pradesh
35	3. Assam	The National Institute of Design, Jorhat, Assam, a Society registered under the Societies Registration Act, 1860.	National Institute of Design, Assam
40	4. Haryana	The National Institute of Design, Kurukshetra, a Society registered under the Societies Registration Act, 1860.	National Institute of Design, Haryana
	5. Andhra Pradesh	The National Institute of Design, Andhra Pradesh, a Society registered under the Societies Registration Act, 1860.	National Institute of Design, Andhra Pradesh.”.

## STATEMENT OF OBJECTS AND REASONS

The National Institute of Design Act, 2014 was enacted to declare the National Institute of Design, Ahmedabad to be an institution of national importance for the promotion of quality and excellence in education, research and training in all disciplines relating to design.

2. In pursuance of the National Design Policy and to raise the design education to global standard of excellence in all regions of India, the Government of India set up four new National Institutes of Design in the States of Andhra Pradesh, Madhya Pradesh, Assam and Haryana, as societies under the Societies Registration Act, 1860. Presently, the said Institutes do not have the authority to grant degree, diploma and other academic distinctions. Therefore, a need has been felt to give them statutory status so as to ensure the maintenance of similar standards and quality of education in all areas or disciplines relating to design, as the National Institute of Design, Ahmedabad. It is proposed to declare the aforesaid Institutes as institutions of national importance and to confer power on them to grant degree, diploma and other academic distinctions.

3. It is, accordingly, proposed to amend the National Institute of Design Act, 2014, *inter alia*, to provide for the following:—

(a) to amend section 2 of the said Act, so as to declare the National Institutes of Design in the States of Andhra Pradesh, Madhya Pradesh, Assam and Haryana, as institutions of national importance;

(b) to substitute section 4 so as to provide for incorporation of each of the aforesaid institutes;

(c) to make consequential amendments to various sections of the said Act;

(d) to amend section 27 of the said Act so as to designate the post of Principal Designer instead of the Senior Designer, as equivalent to a Professor.

4. The Bill seeks to achieve the above objectives.

NEW DELHI;  
*The 24th, July, 2019.*

PIYUSHGOYAL.

*Notes on clauses*

*Clause 2.*—This clause seeks to amend the long title of the Act so as to substitute the words “the institution known as the National Institute of Design, Ahmedabad, to be an institution of national importance” with the words “certain institutions of design to be institutions of national importance” in view of proposed incorporation of new Institutions such as National Institutes of Design in the States of Andhra Pradesh, Madhya Pradesh, Assam and Haryana.

*Clause 3.*—This clause seeks to amend section 1 of the Act to provide for substitution of the word “Institute” with the word “Institutes” which are consequential in nature.

*Clause 4.*—This clause seeks to substitute section 2 of the Act to provide for declaration of the institutions mentioned in the Schedule, as institutions of national importance.

*Clause 5.*—This clause seeks to amend section 3 of the Act to amend the definitions of Director, Fund, Governing Council, Institute, Institute campus, Registrar, Senate, Society, Statutes and Ordinances and to insert a new definition of Schedule.

*Clause 6.*—This clause seeks to substitute section 4 of the Act to provide for the incorporation of each of the Institutes mentioned in the Schedule. It further provides that each of the Institutes may establish Institute Campuses within or outside India.

*Clause 7.*—This clause seeks to amend section 5 of the Act to provide that any reference to the Society mentioned in the Schedule shall be deemed as a reference to the corresponding Institute mentioned therein. It further provides that commencement of the Act shall, in relation to National Institute of Design, Ahmedabad, be deemed to be 16th day of September, 2014 and in relation to the National Institutes of Design in the States of Andhra Pradesh, Madhya Pradesh, Assam and Haryana, be construed as the reference to the date on which the provisions of the National Institute of Design (Amendment) Act, 2019 comes into force.

*Clause 8.*—This clause seeks to amend section 6 of the Act so as to substitute the words “the Institute” with the words “each Institute”.

*Clause 9.*—This clause seeks to amend section 7 of the Act so as to substitute the words “The Institute” with the words “Every Institute”.

*Clause 10.*—This clause seeks to amend section 8 of the Act so as to substitute the words “teaching at the Institute” with the words “teaching at each of the Institutes”.

*Clause 11.*—This clause seeks to amend section 9 of the Act so as to substitute the words “the Institute” with the words “each of the Institutes”.

*Clause 12.*—This clause seeks to amend section 10 of the Act so as to substitute the words “The following shall be the authorities of the Institute” with the words “Each Institute shall have the following authorities”.

*Clause 13.*—This clause seeks to amend section 11 of the Act so as to substitute the words “The Governing Council shall consist of” with the words “The Governing Council of every Institute shall consist of”.

*Clause 14.*—This clause seeks to amend section 15 of the of the Act so as to substitute the words “The Senate of the Institute” with the words “The Senate of each Institute”.

*Clause 15.*—This clause seeks to amend section 16 of the Act so as to substitute the words “the Senate of the Institute” with the words “the Senate of an Institute”.

*Clause 16.*—This clause seeks to amend section 18 of the Act so as to substitute the words “the Institute” with the words “each of the Institutes”.

*Clause 17.*—This clause seeks to amend section 20 of the Act so as to substitute the words “Registrar of the Institute” with the words “Registrar of each Institute”.

*Clause 18.*—This clause seeks to amend section 22 of the Act so as to substitute the words “enabling the Institute” with the words “enabling an Institute”.

*Clause 19.*—This clause seeks to amend section 23 of the Act so as to substitute the words “The Institute” with the words “Every Institute”.

*Clause 20.*—This clause seeks to amend section 24 of the Act so as to substitute the words “the Institute” with the words “any Institute”.

*Clause 21.*—This clause seeks to amend section 25 of the Act so as to substitute the words “The Institute” with the words “Every Institute”.

*Clause 22.*—This clause seeks to amend section 26 of the Act so as to substitute the words “The Institute” with the words “Every Institute”.

*Clause 23.*—This clause seeks to amend section 27 of the Act so as to substitute the words “the Institute” with the words “an Institute” and the words “Senior Designer” with the words “Principal Designer”.

*Clause 24.*—This clause seeks to amend section 29 of the Act so as to substitute the words “the Institute” with the words “each Institute”.

*Clause 25.*—This clause seeks to amend section 30 of the Act so as to substitute the words “Ordinances of the Institute” with the words “Ordinances of each Institute”.

*Clause 26.*—This clause seeks to amend section 32 of the Act so as to substitute the words “between the Institute” with the words “between an Institute”.

*Clause 27.*—This clause seeks to amend section 33 of the Act so as to substitute the words “the Institute” with the words “any Institute”.

*Clause 28.*—This clause seeks to amend section 34 of the Act so as to substitute the words “the Institute receives” with the words “an Institute receives”.

*Clause 29.*—This clause seeks to amend section 35 of the Act so as to substitute the words “The Institute” with the words “Every Institute”.

*Clause 30.*—This clause seeks to amend section 36 of the Act so as to substitute the words “to the Institute” with the words “to any Institute”.

*Clause 31.*—This clause seeks to amend section 37 of the Act so as to substitute the words “the Institute” with the words “every Institute”.

*Clause 32.*—This clause seeks to amend section 39 of the Act so as to substitute the words “Governing Council of the Institute” with the words “Governing Council of an Institute” and to omit the words “located at Bengaluru or Gandhinagar, as the case may be”. It further seeks to insert two *Explanations* so as to provide that for the purposes of the said section, the commencement of the Act shall, in relation to the National Institute of Design, Ahmedabad, be deemed to be the 16th day of September, 2014 and in relation to the National Institutes of Design in the States of Andhra Pradesh, Madhya Pradesh, Assam and Haryana, be construed as the reference to the date on which the provisions of the National Institute of Design (Amendment) Act, 2019 comes into force.

*Clause 33.*—This clause seeks to insert two *Explanations* in section 40 of the Act so as to provide that for the purposes of the said section, the commencement of the Act shall, in relation to the National Institute of Design, Ahmedabad, be deemed to be the 16th day of September, 2014 and in relation to the National Institute of Design in the States of Andhra Pradesh, Madhya Pradesh, Assam and Haryana, be construed as the reference to the date on which the provisions of the National Institute of Design (Amendment) Act, 2019 comes into force.

*Clause 34.*—This clause seeks to insert a Schedule after section 41 of the Act containing the names and particulars of the National Institutes of Design.



## FINANCIAL MEMORANDUM

Clause 4 of the Bill seeks to amend section 2 of the National Institute of Design Act, 2014 so as to declare the National Institutes of Design in the States of Andhra Pradesh, Madhya Pradesh, Assam and Haryana, as institutions of national importance and clause 6 seeks to substitute section 4, so as to provide for incorporation of each of the said Institutes.

2. It is estimated that there would be an expenditure of approximately 434 crore rupees for the establishment of these Institutes. Accordingly, a sum of 434 crore rupees was sanctioned during the Twelfth Plan. The non-recurring expenditure is estimated to be 336.72 crore rupees and recurring expenditure is estimated to be 97.28 crore rupees. The expenditure is met through budgetary provision of the Department for Promotion of Industry and Internal Trade. After the Institutes become fully operational and start generating revenues through fees, consultancy income, etc., dependence on Government grants for recurring expenditure will gradually reduce.

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

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clauses 24 of the Bill seeks to amend section 29 of the National Institute of Design Act, 2014, so as to confer powers on the National Institutes of Design in the States of Andhra Pradesh, Madhya Pradesh, Assam and Haryana, to frame Statutes and clause 25 seeks to amend section 30 of the said Act, so as to confer powers on these Institutes to frame Ordinances.

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

ANNEXURE

EXTRACTS FROM THE NATIONAL INSTITUTE OF DESIGN ACT, 2014

(18 OF 2014)

An Act to declare the institution known as the National Institute of Design, Ahmedabad, to be an institution of national importance for the promotion of quality and excellence in education, research and training in all disciplines relating to Design and for matters connected therewith or incidental thereto.

\* \* \* \* \*

CHAPTER I

PRELIMINARY

1. (I) This Act may be called the National Institute of Design Act, 2014.

Short title and commencement.

\* \* \* \* \*

2. Whereas the objects of the institution known as the National Institute of Design, Ahmedabad, are such as to make it the institution of national importance, it is hereby declared that the National Institute of Design, Ahmedabad is an institution of national importance.

Declaration of National Institute of Design, Ahmedabad, as an institution of national importance.

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

Definitions.

\* \* \* \* \*

(d) "Director" means Director of the Institute, as appointed under section 18;

(e) "Fund" means the Fund of the Institute maintained under section 23;

(f) "Governing Council" means the Governing Council of the Institute, as constituted under section 11;

(g) "Institute" means the National Institute of Design, Ahmedabad, incorporated under section 4;

(h) "Institute campus" means the campus of the Institute located at Bengaluru in the State of Karnataka and Gandhinagar in the State of Gujarat, or such other campus as may be established by the Institute at any place within India or outside India;

\* \* \* \* \*

(k) "Registrar" means Registrar of the Institute;

(l) "Senate" means the Senate of the Institute;

(m) "Society" means the National Institute of Design, Ahmedabad, registered as a society under the Societies Registration Act, 1860;

(n) "Statutes" and "Ordinances" mean the Statutes and the Ordinances of the Institute made under this Act.

CHAPTER II

THE INSTITUTE

4. (I) The National Institute of Design, Ahmedabad, shall be a body corporate by the name aforesaid, having perpetual succession and a common seal with power to acquire, hold and dispose of property and to contract, and shall, by that name, sue or be sued.

Incorporation of Institute.

(2) The body corporate constituting the Institute shall consist of a Chairperson, a Director and other members of the Governing Council for the time being of the Institute.

(3) The headquarters of the Institute shall be in the district of Ahmedabad in the State of Gujarat.

(4) The Institute may establish an Institute campus at such other place within India or outside India, as it may deem fit:

Provided that each campus of the National Institute of Design, Ahmedabad, established before the commencement of this Act, at Bengaluru in the State of Karnataka and Gandhinagar in the State of Gujarat, shall be deemed to be the Institute campus.

Effect of the incorporation of the Institute.

**5.** On and from the date of commencement of this Act,—

(a) any reference to the Society in any law (other than this Act) or in any contract or other instrument shall be deemed as a reference to the Institute incorporated under this Act;

\* \* \* \* \*

(e) every person employed by the Society, immediately before such commencement, shall hold his office or service in the Institute including the Institute campuses, located at Bengaluru in the State of Karnataka and at Gandhinagar in the State of Gujarat, by the same tenure, at the same remuneration and upon the same terms and conditions and with the same rights and privileges as to pension, leave, gratuity, provident fund and other matters as he would have held the same, if this Act had not been enacted, and shall continue to be so, unless and until his employment is terminated or until such tenure, remuneration, terms and conditions are duly altered by the Statutes:

Provided that if the alteration so made is not acceptable to such employee, his employment may be terminated by the Institute in accordance with the terms of the contract with the employee or, if no provision is made therein in this behalf, on payment to him by the Institute of compensation equivalent to three months' remuneration in the case of permanent employee and one month's remuneration in the case of other employee.

Powers of Institute.

**6.** (1) Subject to the provisions of this Act, the Institute shall exercise the following powers and perform the following duties, namely:—

(a) to provide for instructions, research and training in the areas or disciplines relating to design and to nurture and promote quality and excellence thereof in such areas or disciplines;

(b) to develop courses leading to graduate and post-graduate degrees, doctoral and post-doctoral distinctions and research in all areas or disciplines relating to design;

(c) to hold examinations and grant degrees, and diplomas and other academic distinctions or titles in the areas or disciplines relating to design;

(d) to confer honorary degrees, awards or other distinctions in the areas or disciplines relating to design;

(e) to institute and award fellowships, scholarships, exhibitions, prizes and medals;

(f) to fix, demand and receive fees and other charges;

(g) to establish, maintain and manage halls and hostels for the residence of the students;

(h) to supervise and control the residence and regulate the discipline of students of the Institute and to make arrangements for promoting their health, general welfare and cultural and corporate life;

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

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

(k) to co-operate with educational or other institutions in any part of the world having objects wholly or partly similar to those of the Institute by exchange of faculty members and scholars and generally in such manner as may be conducive to their common objective;

(l) to act as a nucleus for interaction between academia and industry by encouraging exchange of designers and other technical staff between the Institute and the industry and by undertaking sponsored and funded research as well as consultancy projects by the Institute;

(m) to establish, equip and maintain workshops or laboratories or studios with modern machinery and equipments in order to undertake scientific and technological research for creating good designs for the production of goods and services and to provide funds for such works and for payment to any person or persons engaged in service, training and research work whether in such workshop or laboratory or studio;

(n) to acquire any patent or licence relating to such invention, improvement or design or standardisation marks whether for general or specific purposes;

(o) to undertake consultancy in the areas or disciplines relating to design;

(p) to deal with any property belonging to, or vested in, the Institute, in such manner as the Institute may deem fit for advancing the objects of the Institute;

(q) to receive gifts, grants, donations or benefactions from the Government and to receive bequests, donations and transfers of movable or immovable properties from testators, donors or transferors, as the case may be;

(r) to encourage and improve education of persons who are engaged or are likely to be engaged in the service, training or research activities by grant of loans, scholarships or other monetary assistance or otherwise;

(s) to prepare, print, publish, issue, acquire and circulate books, papers, periodicals, exhibits, films, slides, gadgets, circulars and other literary undertakings, dealing with or having a bearing upon the subject of industrial design and allied fields;

(t) to establish, form and maintain museums, libraries and collections of literature and films, slides, photographs, prototypes and other information relating to design and allied subjects;

(u) to nominate designers, engineers (mechanical or electrical or civil), architects, craftsmen, technicians or investigators to study in India or outside India in regard to the service, training and research in such fields as the Institute may think fit;

(v) to retain or employ skilled professional, technical advisers, consultants, workers or craftsmen in connection with the objects of the Institute;

(w) to encourage artisans, technicians and others with inventive skill to work out details and specifications of processes, appliances and gadgets by giving awards, financial or technical assistance;

(x) to construct buildings and alter, extend, improve, repair, enlarge or modify and to provide and equip the same with light, water, drainage, furniture, fittings and all other accessories;

(y) to borrow and raise moneys, with or without security or on the security of a mortgage, charge, or hypothecation or pledge of any of the movable or immovable properties belonging to the Institute or in any other manner;

(z) to do all such things as may be necessary, incidental or conducive to the attainment of all or any of the objects of the Institute.

\* \* \* \* \*

Institute be open to all races, creeds and classes.

**7.** (I) 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.

\* \* \* \* \*

Teaching at Institute.

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

Visitor.

**9.** (I) The President of India shall be the Visitor of the Institute.

\* \* \* \* \*

Authorities of Institute.

**10.** The following shall be the authorities of the Institute, namely:—

(a) the Governing Council,

(b) a Senate, and

(c) such other authorities as may be declared by the Statutes to be the authorities of the Institute.

Governing Council.

**11.** The Governing Council shall consist of the following members, namely:—

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

(b) the Director, *ex officio*;

(c) the Financial Adviser in the Ministry or Department of the Government of India dealing with the National Institute of Design, *ex officio*;

(d) the Joint Secretary, in the Ministry or Department in the Government of India dealing with the National Institute of Design, *ex officio*;

(e) one representative of the Ministry or Department of the Government of India not below the rank of Joint Secretary dealing with Higher Education, to be nominated by the Secretary of that Ministry or Department, *ex officio*;

(f) one representative of the Ministry or Department of the Government of India not below the rank of Joint Secretary dealing with Information Technology to be nominated by the Secretary of that Ministry or Department, *ex officio*;

(g) one representative from the State in which the Institute campus is located, to be nominated by that State Government;

(h) five professionals, one each from the fields of architecture, engineering, fine arts, mass media and technology, to be nominated by the Central Government;

(i) an outstanding Designer, to be nominated by the Visitor in consultation with the Central Government;

(j) a management expert, to be nominated by the Chairperson;

(k) a representative of the Micro, Small and Medium Enterprises, to be nominated by the Central Government;

(l) three persons to be nominated by the Senate from amongst persons recommended by companies, firms or individuals who have provided financial assistance or contribution to the Institute:

Provided that the threshold of financial assistance or contribution and other requirements to qualify for such nomination shall be such as may be provided for in the Statutes; and

(m) Dean of each Institute campus, *ex officio*.

\* \* \* \* \*

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

(a) the Director, *ex officio*, who shall be the Chairman of the Senate;

(b) Dean of each Institute campus, *ex officio*;

(c) Senior Professors of the Institute and of the Institute campuses;

(d) three persons, not being employees of the Institute, to be nominated by the Chairperson in consultation with the Director, from amongst educationists of repute, one each from the fields of science, engineering and humanities and at least one of them shall be a woman;

(e) one alumnus of the Institute to be nominated by the Chairperson in consultation with the Director; and

(f) such other members of the staff as may be laid down in the Statutes.

**16.** 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.

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**18.** (1) The Director of the Institute shall be appointed by the Central Government for a tenure of five years in such manner and on such terms and conditions of service as may be prescribed. Director.

\* \* \* \* \*

**20.** (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 Governing Council shall commit to his charge. Registrar.

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**22.** 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. Grants by Central Government.

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

(a) all moneys provided by the Central Government;

(b) all fees and other charges received by the Institute;

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

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

\* \* \* \* \*

Setting up of Endowment Fund.	<p><b>24.</b> Notwithstanding anything contained in section 23, the Central Government may direct the Institute to—</p> <p>(a) set up an Endowment Fund and any other Fund for specified purpose; and</p> <p>(b) transfer money from its Fund to Endowment Fund or any other Fund.</p>	*
Accounts and audit.	<p><b>25.</b> (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 prescribed, in accordance with such general directions as may be issued by the Central Government in consultation with the Comptroller and Auditor-General of India.</p>	*
Pension and provident fund.	<p><b>26.</b> (1) The Institute shall constitute, for the benefit of its employees, including the Director, such pension, insurance and provident funds as it may deem fit, in such manner and subject to such conditions as may be laid down in the Statutes.</p>	*
Appointment of staff.	<p><b>27.</b> 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 by—</p> <p>(a) the Governing Council, if the appointment is made on the academic staff in the post of Senior Designer or 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 Senior Designer or Professor; and</p>	*
Statutes how to be made.	<p><b>29.</b> (1) The first Statutes of the Institute shall be framed by the Governing Council 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.</p>	*
Ordinances.	<p><b>30.</b> 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:—</p> <p>(a) admission of the students to the Institute including Institute campus;</p> <p>(b) reservation in admission to various courses or programmes of the Institute for the Scheduled Castes, the Scheduled Tribes and Other Backward Classes;</p> <p>(c) courses of study to be laid down for all degrees, diplomas and certificates of the Institute;</p> <p>(d) conditions under which students shall be admitted to the degree, diploma and certificate courses and to the examinations of the Institute and award of degrees, diplomas and certificates;</p> <p>(e) conditions for award of fellowships, scholarships, exhibitions, medals and prizes;</p> <p>(f) conditions and mode of appointment and duties of examining body, examiners and moderators;</p> <p>(g) conduct of examinations;</p> <p>(h) maintenance of discipline among the students of the Institute; and</p> <p>(i) any other matter which by this Act or the Statutes is to be or may be provided for by the Ordinances.</p>	*



**32.** (1) Any dispute arising out of a contract between the Institute and any of its employees shall, at the request of the employee concerned or at the instance of the Institute, be referred to an Arbitral Tribunal consisting of one member appointed by the Institute, one member nominated by the employee and an umpire appointed by the Visitor.

Arbitral  
Tribunal.

\* \* \* \* \*

### CHAPTER III

#### MISCELLANEOUS

**33.** No act of the Institute or Governing Council or Senate or any other authority, set up under this Act or the Statutes, shall be invalid merely by reason of—

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

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

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

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

**34.** Notwithstanding anything contained in this Act, whenever the Institute receives funds from any Government, the University Grants Commission or any other agency including industry sponsoring a research scheme or a consultancy assignment or a teaching programme or a Chaired Professorship or a scholarship, etc., to be executed or endowed at the Institute,—

Sponsored  
schemes.

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

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

Provided that any money remaining unutilised shall be transferred to the Endowment Fund set up under section 24 of this Act.

**35.** The Institute shall have the power to grant degrees, diplomas, certificates and other academic distinctions under this Act, which shall be equivalent to such corresponding degrees, diplomas, certificates and other academic distinctions granted by any University or Institute established or incorporated under any other law for the time being in force.

Power of  
Institute to  
grant degrees,  
etc.

**36.** The Central Government may give such directions as it may deem necessary to the Institute for effective administration of this Act and the Institute shall comply with such directions.

Powers of  
Central  
Government  
to issue  
directions.

22 of 2005.

**37.** The provisions of the Right to Information Act, 2005 shall apply to the Institute, as if it were a public authority as defined in clause (h) of section 2 of the Right to Information Act, 2005.

Institute to be  
public  
authority  
under Right to  
Information  
Act, 2005.

\* \* \* \* \*

**39.** Notwithstanding anything contained in this Act—

Transitional  
provisions.

(a) the Governing Council of the Institute functioning as such, immediately before the commencement of this Act, shall continue to so function until a new Governing Council is constituted for the Institute under this Act, but on the constitution of a new Governing Council under this Act, the members of the Governing Council holding office before such constitution shall cease to hold office;

\* \* \* \* \*

(c) until the first Statutes and Ordinances are made under this Act, the rules and regulations, instructions, guidelines and bye-laws of the Society, in force immediately before the commencement of this Act, shall continue to apply to the Institute and Institute campuses located at Bengaluru or Gandhinagar, as the case may be, in so far as they are not inconsistent with the provisions of this Act.

RAJYA SABHA

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to amend the National Institute of Design Act, 2014.

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*(Shri Piyush Goyal, Minister of Railways and Commerce and Industry)*

MGIPMRND—2140RS(S3)—26-07-2019.