

# THE NATIONAL INSTITUTES OF FOOD TECHNOLOGY, ENTREPRENEURSHIP AND MANAGEMENT ACT, 2021

UNION OF INDIA

India

## THE NATIONAL INSTITUTES OF FOOD TECHNOLOGY, ENTREPRENEURSHIP AND MANAGEMENT ACT, 2021

**MINISTRY OF LAW AND JUSTICE 19 of 2021**

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3THE NATIONAL INSTITUTES OF FOOD TECHNOLOGY, ENTREPRENEURSHIP AND MANAGEMENT ACT, 2021 ACT NO. 19 OF 2021[30th July, 2021.]An Act to declare certain institutions of Food Technology, Entrepreneurship and Management to be the institutions of national importance and to provide for instructions and research in food technology, entrepreneurship and management and for the advancement of learning and dissemination of knowledge in such branches and for matters connected therewith or incidental thereto.BE it enacted by Parliament in the Seventy-second Year of the Republic of India as follows:—[ PRS Legislative Research discussed THE NATIONAL INSTITUTES OF FOOD TECHNOLOGY, ENTREPRENEURSHIP AND MANAGEMENT ACT, 2021 as the Bill declares certain institutes of food technology, entrepreneurship, and management as institutions of national importance.]

### Chapter I PRELIMINARY

#### 1. Short title and commencement.—

(1)This Act may be called the National Institutes of Food Technology, Entrepreneurship and Management Act, 2021.(2)It shall come into force on such date<sup>1</sup> as the Central Government may, by notification in the Official Gazette, appoint:Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.Declaration of certain Institutes as institutions of national importance.—Whereas the objects of the Institutes mentioned in the Schedule are such as to make them institutions of national importance, it is hereby declared that each such Institute is an institution of national importance.Definitions.—In this Act, unless the context otherwise requires,—(a)“Board” in relation to an Institute means the Board of Governors

referred to in section 11;(b)“Chairperson” means the Chairperson of the Board;(c)“corresponding Institute” in relation to an Institute mentioned in column (2) of the Schedule, means an Institute as specified in column (3) of the said Schedule;(d)“Council” means the Council established under section 28;(e)“Director” means the Director of the Institute appointed under section 19;(f)“existing Institute” means an Institute mentioned in column (2) of the Schedule;(g)“Fund” means the Fund of the Institute to be maintained under section 33;(h)“Institute” means the Institute mentioned in column (3) of the Schedule;(i)“Member” means a Member of the Board and includes the Chairperson;(j)“notification” means a notification published in the Official Gazette;(k)“prescribed” means prescribed by rules made under this Act;(l)“Registrar” means the Registrar of the Institute appointed under section 20;(m)“Schedule” means the Schedule appended to this Act;(n)“Senate” means the Senate of the Institute referred to in section 16;(o)“Society” means the existing Institute registered as a Society under the Societies Registration Act, 1860 (21 of 1860); and(p)“Statutes and Ordinances” in relation to any Institute means, the Statutes and Ordinances of that Institute made under this Act.

## **Chapter II**

### **THE INSTITUTES**

#### **4. Incorporation of Institutes.**

On and from the date of commencement of this Act, each of the Institute mentioned in column (3) of the Schedule shall be a body corporate, 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 the said name, sue or be sued.

#### **5. Effect of incorporation of Institutes. —**

On and from the date of commencement of this Act,—(a)any reference to an existing Institute in any other law for the time being in force or in any contract or other instrument shall be deemed as a reference to the corresponding Institute;(b)all properties, movable and immovable, of or belonging to an existing Institute shall vest in the corresponding Institute;(c)all rights and liabilities of an existing Institute shall be transferred to, and be the rights and liabilities of the corresponding Institute;(d)every person employed by an existing Institute immediately before such commencement shall hold his office or service in the corresponding Institute, with the same tenure, for the same remuneration and upon the same terms and conditions and with the same rights and privileges as to pension, leave, gratuity, provident fund and other matters as he would have held had this Act not been enacted, and shall continue to do so unless and until his employment is terminated or until such tenure, remuneration, 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 and conditions of the contract with the said 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 case of permanent employee and one month's remuneration in the case of other employee:Provided further that any reference, by

whatever form of words, to the Director or Vice-Chancellor, and other officers of an existing Institute under any law for the time being in force, or any instrument or other document, shall be construed as a reference to the Director, and other officers of the corresponding Institute; (e) every person pursuing, before commencement of this Act, any academic or research course in an existing Institute, shall be deemed to have migrated and registered with the corresponding Institute, on such commencement at the same level of course in the Institute from which such person migrated; and (f) all suits and other legal proceedings instituted or which could have been instituted by or against an existing Institute, immediately before the commencement of this Act, shall be continued or instituted by or against the corresponding Institute.

## **6. Powers and functions of Institutes.—**

(1) Subject to the provisions of this Act, each Institute shall exercise the following powers and perform the following functions, namely:—(a) to provide for instruction and research in such branches of food science and food technology, and any other branches of engineering, technology, science and management as the Institute may think fit, and for the advancement of learning and dissemination of knowledge in such branches; (b) to hold examinations and grant degrees, diplomas, certificates and other academic distinctions or titles; (c) to confer honorary degrees or other distinctions; (d) to fix, demand and receive fees and other charges; (e) to establish, maintain and manage halls and hostels for the residence of students; (f) to supervise and control the discipline of all categories of employees and students of the Institute and to make arrangements for promoting their health, general welfare, cultural and corporate life; (g) to provide for the maintenance of units of the National Cadet Corps for the students; (h) to institute academic and other posts and to make appointments thereto except the Director; (i) 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; (j) to receive gifts, grants, donations or benefactions from the Government and to receive bequests, donations and transfers of movable or immovable property from testators, donors or transferors, as the case may be; (k) to co-operate and collaborate 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 teachers and scholars and generally in such manner as may be conducive to their common objects; (l) to institute and award fellowships, scholarships, exhibitions, prizes and medals; and (m) 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. (2) Notwithstanding anything contained in sub-section (1), an Institute shall not dispose of in any manner any immovable property without the prior approval of the Central Government.

## **7. Institutes to be open to all races, creed and classes.—**

(1) Each Institute shall be open to all persons irrespective of gender, 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, officers, employees or workers or in any other connection whatsoever. (2) No bequest, donation or transfer of any property shall be accepted by any Institute, which in the opinion of the Council involves conditions or obligations opposed to the spirit and object of this section. (3) The admission to every academic course or programme of study in each

Institute shall be based on merit, assessed through transparent and reasonable criteria disclosed through its prospectus, prior to the commencement of the process of admission by such Institute: Provided that nothing in this section shall be deemed to prevent the Institute from making special provisions for the employment or admission of women, persons with disabilities or for persons belonging to any socially and educationally backward classes of citizens and, in particular, for the Scheduled Castes and the Scheduled Tribes: Provided further that each such Institute shall be a Central Educational Institution for the purposes of the Central Educational Institutions (Reservation in Admission) Act, 2006 (5 of 2007).

## **8. Institutes to be not-for-profit legal entity.—**

(1) Each Institute shall be a not-for-profit legal entity and no part of the surplus, if any, in revenue of the Institute, after meeting all expenditures in regard to its operations under this Act, shall be invested for any purpose other than for the growth and development of the Institute or for conducting research therein. (2) Each Institute shall strive to raise funds for self-sufficiency and sustainability.

## **9. Teaching at Institutes.—**

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

# **Chapter III**

## **THE AUTHORITIES OF INSTITUTES**

## **10. Authorities of Institutes.—**

The following shall be the authorities of an Institute, namely:—(a) a Board of Governors; (b) a Senate; and (c) such other authorities as may be declared by the Statutes to be the authorities of the Institute.

## **11. Board of Governors.—**

(1) The Board of Governors of each Institute shall be the principal executive body of that Institute. (2) The Board of each Institute shall consist of the following Members, namely:—(a) a Chairperson, from amongst eminent persons distinguished in the field of food industry or education or food science or food processing technology or management or such other field, to be appointed by the Central Government; (b) the Director of the Institute — Member, ex officio; (c) the Chairperson of the Food Safety and Standards Authority of India or his nominee — Member, ex officio; (d) the Director-General of the Indian Council of Agricultural Research or his nominee — Member, ex officio; (e) one representative, not below the rank of a Director, of the Ministry or Department of the Central Government dealing with Food Processing Industries — Member, ex officio; (f) two representatives having special knowledge in the field of food processing industry to be nominated by

the Central Government— Members;(g)one representative from an Indian Institute of Management— Member, ex officio;(h)one representative from an Indian Institute of Technology— Member, ex officio;(i)the Dean of Faculty of the Institute, if any — Member, ex officio;(j)Secretary to the Government of India in the Department of Higher Education or his nominee— Member, ex officio;(k)three faculty members of the Institute from amongst Professors, Associate Professors and Assistant Professors, by rotation of seniority— Members, ex officio;(l)one nominee of the concerned State Government not below the rank of a Joint Secretary— Member, ex officio; and(m)Registrar of the Institute — Member-Secretary, ex officio.(3)The Chairperson shall have the power to invite any number of experts, not being members of the Board, to attend meetings of the Board, but such invitees shall not be entitled to vote at the meeting.

## **12. Powers and functions of Board.—**

(1)Subject to the provisions of this Act, the Board of each Institute shall be responsible for the general superintendence, direction and control of the affairs of the Institute and shall exercise all the powers of the Institute not otherwise provided for by this Act, the Statutes and the Ordinances, and shall have the power to review the acts of the Senate.(2)Without prejudice to the provisions of sub-section (1), the Board of each Institute shall exercise the following powers and perform the following functions, namely:—(a)to take decision on questions of policy relating to the administration and working of the Institute;(b)to examine and approve the annual budget estimates of the Institute;(c)to examine and approve the plan for development of the Institute and to identify sources of finance for implementation of the plan;(d)to establish departments, faculties or schools of studies and initiate programmes or courses of study at the Institute;(e)to set-up centres of food processing studies and allied areas within the country after approval of the Central Government;(f)to grant degrees, diplomas and other academic distinctions or titles, and to institute and award fellowships, scholarships, prizes and medals;(g)to confer honorary degrees in such manner as may be specified by the Statutes;(h)to grant honorary awards and other distinctions;(i)to create academic, administrative, technical and other posts and determine, by Statutes, the qualification, classification, terms and conditions of service and method of appointment of such posts;(j)to set-up centres of food processing studies and allied areas outside India in accordance with the guidelines laid down by the Central Government from time to time and in accordance with the provisions of the laws for the time being in force in such foreign country;(k)to pay, variable pay to the Director of the Institute on the basis of performance objectives as may be specified by the Statutes;(l)to make, amend and repeal the Statutes;(m)to consider and modify or cancel the Ordinances; and(n)to exercise such other powers and perform such other functions as may be conferred on or assigned to it by this Act or the Statutes.(3)Subject to the provisions of this Act, the Board may, by Statutes, delegate such powers and functions of the Board to the Director as it may deem fit.(4)The Board shall conduct an annual review of the performance of the Director, in the context of the achievements of objects of the Institute:Provided that such review shall include performance review of faculty members of the Institute on such parameters, periodicity and terms of reference as may be determined by the Board.(5)The Board shall, through an independent agency or group of experts, within a period of three years from the date of incorporation of the Institute, and thereafter at least once every three years, evaluate and review the performance of the Institute, including its faculty, on the parameters of long term strategy and rolling plans of the Institute and

such other parameters as the Board may decide and the report of such review shall be placed in public domain.(6)The qualifications, experience and the manner of selection of the independent agency or group of experts, referred to in sub-section (5), shall be such as may be specified by the Statutes.(7)The report of the evaluation and review under sub-section (5) shall be submitted by the Board to the Central Government along with an action taken report:Provided that the Central Government may after considering the report, give suggestions to the Board for further actions to be taken by it.(8)Where in the opinion of the Chairperson or the Director, the situation is so emergent that an immediate decision needs to be taken in the interest of the Institute, the Chairperson, in consultation with the Director, may issue such orders as may be necessary after recording the grounds for his opinion:Provided that such orders shall be submitted for ratification by the Board in the next meeting.(9)The Board shall, in exercise of its powers and discharge of its functions under this Act, be accountable to the Central Government, and the Central Government may issue directions to the Board in public interest on the matters of policy.(10)The Board shall have the power to appoint such Committees as it considers necessary for the exercise of its powers and performance of its functions under this Act.

### **13. Term of office of, vacancies among, and allowances payable to, Members of Board.—**

(1)Save as otherwise provided in this section, the term of office of the Chairperson or a Member, other than an ex officio Member, shall be for a period of three years from the date of his appointment or nomination.(2)The term of office of an ex officio Member shall continue so long as he holds the office by virtue of which he is a member of the Board.(3)Notwithstanding anything contained in this section, an outgoing Member, other than an ex officio Member, shall, unless the Council otherwise directs, continue in office until another person is nominated as a Member in his place or until the expiry of six months whichever is earlier.(4)The Members of the Board, other than an ex officio Member, shall be entitled to such allowances, as may be provided by the Statutes.

### **14. Filling of casual vacancy.—**

When a vacancy occurs in the office of the Chairperson or Member whether by reason of removal, resignation, death or otherwise, such vacancy shall be filled within a period of six months from the date of such vacancy in accordance with the provisions of section 11.

### **15. Resignation of Members.—**

The Chairperson or a Member, other than an ex officio Member, may, by notice in writing under his hand addressed to the Central Government, resign his office:Provided that the Chairperson or a Member, other than an ex officio Member, shall, unless he is permitted by the Central Government to relinquish his office sooner, continue to hold office until the expiry of six months from the date of receipt of such notice or until a person duly appointed as his successor enters upon his office or until the expiry of his term of office, whichever is the earliest.

## **16. Senate.—**

(1)The Senate shall be the principal academic body of the Institute, consisting of the following persons, namely:—(a)the Director — Chairperson, ex officio;(b)the Registrar — Member, ex officio;(c)all full time faculty at the level of Professors appointed or recognised as such by the Institute for the purpose of imparting instructions in the Institute — Members, ex officio;(d)three persons, not being employees of the Institute, to be nominated by the Board in consultation with the Director from amongst academicians of repute, one each from the fields of food science, management and food technology — Members; and(e)such other members of the staff as may be laid down in the Statutes— Members, ex officio.(2)The term of office of a Member nominated under clause (d) of sub-section (1) shall be two years from the date of his nomination.(3)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.

## **17. Functions of Senate.—**

Subject to the provisions of this Act, the Statutes and the Ordinances, the Senate of an 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 functions as may be conferred on or assigned to it by the Statutes.

## **18. Powers and functions of Chairperson.—**

(1)The Chairperson shall ordinarily preside at the meetings of the Board and at the Convocations of the Institute.(2)It shall be the duty of the Chairperson to ensure that the decisions taken by the Board are implemented.(3)The Chairperson shall exercise such other powers and perform such other functions as may be conferred on or assigned to him by this Act or the Statutes.

## **19. Director.—**

(1)The Director shall be appointed by the Board.(2)The Director shall be the principal academic and executive officer of the Institute and shall be responsible for the proper administration 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 functions as may be conferred on or assigned to him by this Act or the Statutes or Ordinances.

## **20. Registrar.—**

(1)The Registrar of each Institute shall be appointed on such terms and conditions as may be laid down by the Statutes and shall be the custodian of the records, common seal, 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 specified 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 functions as may be conferred on or assigned to him by this Act or the Statutes or by the Director.

## **21. Other authorities and officers.—**

The powers and functions of other authorities and officers, other than those mentioned above, shall be such as may be determined by the Statutes.

## **22. Appointments.—**

All appointments of the staff of every Institute shall be made in accordance with the procedure laid down in the Statutes, by—(a)the Board, if the appointment is of the academic staff in the post of Assistant Professor or above or if the appointment is of the non-academic staff in any post which is above level 7 in the pay matrix; and(b)the Director, in any other case.

## **23. Statutes.—**

Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely:—(a)the conferment of honorary degrees;(b)the formation of departments of teaching;(c)the fees to be charged for courses of study in the Institute and for admission to the examinations for degrees and diplomas of the Institute;(d)the institution of fellowships, scholarships, exhibitions, medals and prizes;(e)the qualifications, classification, terms and conditions of service and method of appointment to academic, administrative, technical and other posts;(f)the constitution of pension, insurance and provident funds for the benefit of the officers, teachers and other staff of the Institute;(g)the constitution, powers and functions of the authorities of the Institute;(h)the establishment and maintenance of halls and hostels;(i)the conditions for residence of students of the Institute and charging of fees for residence in the halls and hostels and other charges;(j)the manner of filling up the vacancies of Members of the Board;(k)the allowances to be paid to the Chairperson and Members of the Board;(l)the authentication of the orders and decisions of the Board;(m)the financial accountability of the Institute;(n)the meetings of the Board, the Senate, or any Committee, the quorum at such meetings and the procedure to be followed in the conduct of their business; and(o)any other matter which, by this Act, is required to be, or may be, specified by the Statutes.

## **24. Statutes how made.—**

(1)The first Statutes of each Institute shall be framed by the Council with the previous approval of the Central Government and a copy of the same shall be laid as soon as may be after they are made before each House of Parliament.(2)The Board may, from time to time, make new or additional Statutes or may amend or repeal the Statutes in the manner hereafter provided in this section.(3)Every new Statute or addition to the Statutes or any amendment or repeal of Statute shall require the previous approval of the Central Government which may approve it or remit it to the Board for consideration.(4)A new Statute or a Statute amending or repealing an existing Statute



shall have no validity unless it has been approved by the Central Government.

## **25. Ordinances.—**

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:—(a)the admission of the students to the Institute;(b)the courses of study to be laid down for all degrees and diplomas of the Institute;(c)the conditions under which students shall be admitted to the degree or diploma courses and to the examinations of the Institute, and shall be eligible for degrees and diplomas;(d)the conditions of award of the fellowships, scholarships, exhibitions, medals and prizes;(e)the conditions and mode of appointment and duties of examining bodies, examiners and moderators;(f)the conduct of examinations;(g)the maintenance of discipline among the students of the Institute; and(h)any other matter which, by this Act or the Statutes, is to be or may be provided for by the Ordinances.

## **26. Ordinances how made.—**

(1)Save as otherwise provided in this section, the Ordinances shall be made by the Senate.(2)All Ordinances made by the Senate shall have effect from such date as it may direct, but every Ordinance so made shall be submitted, as soon as may be after it is made, to the Board and shall be considered by the Board at its next meeting.(3)The Board shall have power by resolution to modify or cancel any Ordinance and such Ordinance shall from the date of such resolution stand modified accordingly or cancelled, as the case may be.

## **27. Tribunal of Arbitration.—**

(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 a Tribunal of Arbitration consisting of one member appointed by the Institute, one member nominated by the employee concerned, and an umpire appointed by the Central Government.(2)The decision of the Tribunal of Arbitration shall be final, and no suit shall lie in any civil court in respect of the matters decided by the said Tribunal:Provided that nothing in this sub-section shall preclude the employee or the Institute, as the case may be, from availing the judicial remedies available under articles 32 and 226 of the Constitution.(3)The Tribunal of Arbitration shall have power to regulate its own procedure.(4)Nothing in any law for the time being in force relating to arbitration shall apply to arbitrations under this section.

# **Chapter IV**

## **THE COUNCIL**

## **28. Establishment of Council.—**

(1)With effect from such date as the Central Government may, by notification, specify in this behalf,

there shall be established a central body to be called the Council.(2)The Council shall consist of the following members, namely:—(a)the Minister in-charge of Food Processing Industries, Central Government — Chairperson, ex officio;(b)the Minister of the State for Food Processing Industries, Central Government— member, ex officio;(c)Chairperson, Food Safety and Standards Authority of India— member, ex officio;(d)the Secretary to the Government of India in-charge of the Ministry or Department of the Central Government dealing with Finance — member, ex officio;(e)the Chief Executive Officer, National Institution for Transforming India — member, ex officio;(f)the Secretary to the Government of India in-charge of the Ministry or Department of the Central Government dealing with Higher Education — member, ex officio;(g)three representatives of eminence from Food Processing Industry to be nominated by the Chairperson of the Council— members;(h)three eminent academicians known for their contribution in the field of food processing, to be nominated by the Chairperson of the Council — members;(i)three Members of Parliament, of whom two shall be elected by the House of the People and one by the Council of States —members:Provided that the office of member of the Council shall not disqualify its holder for being chosen as or for being a Member of either House of Parliament;(j)the Secretary to the Government of India in-charge of the Ministry of the Central Government dealing with Food Processing Industries — Member-Secretary, ex officio.(3)The Central Government may, by order, designate one amongst the members as Vice-chairperson to the Council.

## **29. Term of office of, vacancies among, and allowances payable to members of Council.—**

(1)Save as otherwise provided in this section, the term of office of a member of the Council, other than an ex officio member, shall be for a period of three years from the date of his nomination:Provided that the term of member referred to in clause (i) of sub-section (2) of section 28 shall come to an end as soon as the member 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 elected.(2)The term of office of an ex officio member shall continue so long as he holds the office by virtue of which he is a member.(3)The members of the Council referred to in clauses (g) and (h) of sub-section (2) of section 28 shall hold office during the pleasure of the Central Government.(4)The vacancy of a member of the Council, other than an ex officio member, shall be filled up in such manner as may be prescribed.(5)The term of office of a member nominated to fill a casual vacancy shall continue for the remainder of the term of the member in whose place he has been so nominated.(6)Notwithstanding anything contained in this section, an outgoing member, other than an ex officio member, shall, unless the Central Government otherwise directs, continue in office until another person is nominated as a member in his place or until the expiry of six months whichever is earlier.(7)The members of the Council, other than ex officio members, shall be paid such travelling and other allowances as may be provided by the Statutes.(8)A member of the Council other than an ex officio member may be removed from his office by the Central Government in such circumstances and manner as may be prescribed.

### **30. Functions of Council.—**

(1) It shall be the general function of the Council to co-ordinate the activities of all the Institutes and it shall facilitate the sharing of experiences, ideas and concerns with a view to enhance the performance of the Institutes. (2) Without prejudice to the provisions of sub-section (1), the Council shall perform the following functions, namely:—(a) to lay down broader policy framework for the functioning of the Institutes; (b) to recommend to the Central Government, the institution of scholarships including for research and for the benefit of students belonging to the Scheduled Castes, the Scheduled Tribes and other socially and educationally backward classes of citizens; (c) to deliberate on such matters of common interest to Institutes as may be referred to it by an Institute; (d) to promote necessary coordination and co-operation in the working of the Institutes; (e) to review the achievement of policy objectives; and (f) to perform such other functions as may be prescribed.

### **31. Meetings of Council.—**

The Council shall meet at such time and place and follow such procedure in its meetings (including quorum at such meetings) as may be prescribed.

## **Chapter V**

## **FINANCE, ACCOUNTS AND AUDIT**

### **32. Grants by Central Government.—**

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

### **33. Fund of Institutes.—**

(1) Each Institute shall maintain a Fund to which shall be credited,—(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. (2) All moneys credited to the Fund of each Institute shall be deposited in such banks or invested in such manner as the Institute may, with the approval of the Board, decide. (3) The Fund of each Institute shall be applied towards meeting the expenses of the Institute including expenses incurred in the exercise of its powers and discharge of its functions under this Act.

**34. Accounts and audit.—**

(1) Each Institute shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the balance sheet in such form and manner as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India. (2) The accounts of each 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 any Institute shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of the Government accounts, and, in particular shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the offices of the Institute. (4) The accounts of each Institute as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament in accordance with such procedure as may be laid down by the Central Government.

**35. Pension, insurance and provident funds.—**

(1) Each Institute shall constitute for the benefit of its employees, including the Director, in such manner and subject to such conditions as may be specified by the Statutes, such pension, insurance and provident funds as it may deem fit. (2) Where the provident fund referred to in sub-section (1) has been constituted, the Central Government may declare that the provision of the Provident Funds Act, 1925 (19 of 1925) shall apply to such fund as if it were a Government Provident Fund.

**Chapter VI****MISCELLANEOUS****36. Acts and proceedings not to be invalidate by vacancies, etc.—**

No act of the Council, or any Institute, or Board, or Senate or any other Committee 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 nomination or appointment of a person acting as member thereof; or (c) any irregularity in its procedure not affecting the merits of the case.

**37. Protection of action taken in good faith.—**

No suit, prosecution or other legal proceeding shall lie against the Chairperson or Members of the Board, Senate or Council or any officer or employee of the Institute for anything which is in good faith done or intended to be done in pursuance of the provisions of this Act, the Statutes or the Ordinances.

**38. Power to make rules.—**

(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:—(a)the manner of filling up the vacancy under sub-section (4) of section 29;(b)the circumstances and the manner in which a member of the Council may be removed from his office under sub-section (8) of section 29;(c)the other functions of the Council under clause (f) of sub-section (2) of section 30;(d)the time and place of meeting of the Council, its quorum and the procedure for conducting business therein under section 31;(e)the form and manner in which the annual statement of accounts including the balance sheet shall be prepared under sub-section (1) of section 34; and(f)any other matter which is required to be, or may be, prescribed.

**39. Rules, Statutes and Ordinances to be published in Official Gazette and to be laid before Parliament.—**

(1)Every rule, every Statute and every Ordinance made under this Act shall be published in the Official Gazette.(2)Every rule, every Statute and every Ordinance made under this Act shall be laid, as soon as may be, after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule, Statute or Ordinance or both Houses agree that the rule, Statute or Ordinance should not be made, the rule, Statute or Ordinance shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule, Statute or Ordinance.

**40. Power to remove difficulties.—**

(1)If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to it to be necessary or expedient for removing the difficulty:Provided that no order shall be made under this section after the expiry of three years from the date of commencement of this Act.(2)Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

**41. Transitional provisions.—Notwithstanding anything contained in this Act,—**

(a)the Board of Governors of an Institute functioning as such immediately before the commencement of this Act shall continue to function until a new Board is constituted for that Institute under this Act, but on the constitution of a new Board under this Act, the members of the existing Board holding office before such constitution shall cease to hold office;(b)until the first

Statutes and Ordinances are made under this Act, the Statutes and Ordinances of the existing Institutes, as in force immediately before the commencement of this Act, shall continue to apply to the corresponding Institutes in so far as they are not inconsistent with the provisions of this Act. THE SCHEDULE [See section 4]

<b>Sl. No.</b>	<b>Name of existing Institute</b>	<b>Name of corresponding Institute</b>
1.	National Institute of Food Technology Entrepreneurship and Management (NIFTEM) Kundli, Haryana.	National Institute of Food Technology Entrepreneurship and Management, Kundli,
2.	Indian Institute of Food Processing Technology (IIFPT) Thanjavur, Tamil Nadu.	National Institute of Food Technology, Entrepreneurship and Management, Thanjavur, Tamil Nadu.