

Indian Institutes of Management (IIM) Bill, 2017

Why in news?

\n\n

The Rajya Sabha has recently passed the Indian Institutes of Management (IIM) Bill, 2017 which was earlier passed by the Lok Sabha.

\n\n

What are the highlight provisions?

\n\n

\n

- **Autonomy** - India has 20 Indian Institutes of Management in all, functioning as elite Business-schools.

\n

- The legislation seeks to grant greater administrative, academic and financial autonomy to these IIMs.

\n

- The institutes will be made free of government interference and will now be board-driven.

\n

- Consequently, the power to appoint the chairperson as well as, the director will now lie with the board of the institutes.

\n

- It means neither the HRD ministry nor the President of India will have any say in the selection of top executives and the faculty members.

\n

- The government will also not have any say in the fees charged at these institutes.

\n

- The Board will now reserve the power to review the performance of each IIM and will be the principal executive body.

\n

- The bill also has provisions for the representation of SC, ST and women in the board of governors.

\n

- **Degrees** - Until now, the IIMs have not been governed by an act of Parliament or overseen by the University Grants Commission (UGC).

- \n
- So they were awarding only postgraduate diplomas to its students.
- \n
- The legislation would make IIMs institute of national importance, granting them the power to award full-fledged degrees instead of diplomas.
- \n
- **Regulation** - The bill contains a provision for a “Coordination Forum of IIMs”.
- \n
- But it will have limited power and will work as an advisory body.
- \n
- It will be a forum of 33 members, and its chairman will be selected by a search-cum-selection committee.
- \n
- The HRD minister will not head it.
- \n
- The central government may frame rules to give additional powers and duties to IIM boards.
- \n
- It will also decide on the terms and conditions of service of directors, although the appointments will be made by the boards.
- \n
- It will notify the IIM coordination forum to be headed by an eminent person.
- \n
- The accounts of the IIMs will now be audited by the Comptroller and Auditor General (CAG) of India.
- \n

\n\n

What are the shortfalls?

\n\n

- \n
- The bill is seen as a needed reform in the education sector.
- \n
- However, there is a concern that the government would control the IIMs via the coordination forum.
- \n
- Besides, the government is fails to clearly spell out the process of appointing the board of governors that will control IIMs now.
- \n
- The bill is also silent on any reservations in the faculty recruitment.
- \n
- There is also a concern with IIMs being granted the complete control over

the fee structure.

\n

- There are now demands for similar independence from government control to the Indian Institutes of Technology (IITs) and other top schools in the government and private sector.

\n

\n\n

\n\n

Source: Financial Express, Livemint

\n

