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KSK/MCM/4.00/3B

**SHRI P.P. CHAUDHARY (CONTD.):** So far as shell companies are concerned, that issue has also been raised. ...(Interruptions)...

**SHRI VIVEK GUPTA:** Sir...(Interruptions)...

**MR. DEPUTY CHAIRMAN:** Sit down. The Minister is not yielding. ...(Interruptions)...

**SHRI P.P. CHAUDHARY:** I am not yielding. ...(Interruptions)... Now, Sir, the next question was raised by Shri D. Raja with respect to the shell companies. I would like to say that in the last 70 years, this is the first time that under the able leadership of hon. Prime Minister, Shri Narendrabhai Modi, we have taken this action and we have issued notices to 2,97,000 companies. A window was provided that in case of non-compliance, they could make the compliance. Some of the companies have submitted their compliance. Around 70,000 companies have submitted their compliance. Thereafter, we have stuck up around 2,25,000 companies and subsequent action has been taken under Section 248 of the Companies Act, and their bank accounts have also been freezed and we are also investigating the accounts of those companies. We have also revealed that at one place, at one address, 400 companies are registered; one company is having 2,100

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bank accounts; and, one company deposited around Rs.3,700 crores during demonetization and then withdrawn. One another company deposited Rs.2,484 crore during demonetization.

**MR. DEPUTY CHAIRMAN:** You should take action against them.

**SHRI P.P. CHAUDHARY:** It proves that the decision taken by the Government with regard to demonetization was a correct decision, and slowly, we will find that around Rs.3,80,000 crore... Some of the bank accounts are still under suspicion and those are being investigated. So, it is wrong to say that no action has been taken against the shell companies. We have taken action against the shell companies. In some cases, we found that some serious matters were there. Those matters have already been referred to the Serious Fraud Investigation Office and the action will be taken against them also. So, this is the first time that this Government has taken action and this Government is committed. ...(Interruptions)...

**MR. DEPUTY CHAIRMAN:** Let him complete.

**SHRI TAPAN KUMAR SEN:** Sir, the hon. Minister is misguiding the House. The RBI stated that 99 per cent of the money came back to the working system. ...(Interruptions)... All the black money turned white, including the

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fake one. ...(Interruptions)... All turned white. The Minister is misguiding the House. ...(Interruptions)...

**SHRI P.P. CHAUDHARY:** I am not saying that all the money has not come, but I am talking about the suspect accounts. So, those accounts are being investigated. I am not talking with respect to the return of the money. Sir, other hon. Members have also raised very important issues, but due to paucity of time, I am not in a position to respond to them. Thank you very much, Sir.

(Ends)

**SHRI P. CHIDAMBARAM:** Sir, I have three short questions. When there is a Directors' Identification Number (DIN), why are you taking power to prescribe another number? What is the idea? You are not willing to share with us the idea or the reason for which you are taking power to prescribe another number. There is already a number. The Minister must tell us as to why he wants another number to convince us that this provision is a right provision. The Minister has said nothing about why he wants another number.

Number two, there is the issue of loans to Directors and persons in whom a Director is interested. Now, why are you keeping that provision

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under which a company, under sub-section 2 of that section, may give a loan, may give a guarantee, to a person interested in a Director? A company should not give any loan to a Director or a person interested in a Director. Why are you keeping that provision? There is no answer from the Minister.

Number three, as I expected, the Minister said, insider trading and forward trading are regulated by SEBI, and, therefore, we need not have Sections 195 and 196. That is an apparently satisfactory answer, but it is not satisfactory. Please read Sections 195 and 196. SEBI regulates insider trading and forward trading in respect of listed companies.

(Contd. by 3C — GSP)

GSP-SC/4.05/3C

**SHRI P. CHIDAMBARAM (CONTD.):** SEBI has no jurisdiction over unlisted companies but if you look at the existing sections 195 and 196 of the Act, which was passed by this House and this Parliament in 2013, sections 195 and 196 are much wider and say that you cannot have insider trading and forward trading in a company or its holding company or its subsidiary company or its associate company. Now, it is possible that a company will be listed and that company will be regulated by SEBI but it is quite possible

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that its subsidiary or associate company may not be listed and that will not be regulated by SEBI, which is why this House and the other House passed this very Bill with your concurrence and your support in 2013, and, now, you are diluting the whole provisions of sections 195 and 196 and the Minister had no word on why these provisions are being deleted. I know the Minister cannot give an answer now. The Finance Minister and the Minister for Corporate Affairs is not present here.

**MR. DEPUTY CHAIRMAN:** He may give answer. Why do you presume otherwise?

**SHRI P. CHIDAMBARAM:** Sir, the Minister is asking for instructions on what answer he should give. Sir, I do not expect him to answer straightway but I want him to consider this and tell us sometime or the other why these things are being done.

**MR. DEPUTY CHAIRMAN:** Okay.

**SHRI P. CHIDAMBARAM:** I support this Bill. We support this Bill but you must explain as to why these things are being done.

**SHRI TAPAN KUMAR SEN:** Sir, I wish to make a supplementary point. In order to allow this, even the subsidiarisation of the company has been

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widely liberalized. Now, when the company may be listed, subsidiaries are un-listed...

**MR. DEPUTY CHAIRMAN:** That is what he has said.

**SHRI TAPAN KUMAR SEN:** It allows speculation to a proxy route through the subsidiary.

**MR. DEPUTY CHAIRMAN:** He has already said that.

**SHRI TAPAN KUMAR SEN:** That is the purpose of removing the restriction.

**MR. DEPUTY CHAIRMAN:** Mr. Minister, would you like to respond? If you want to respond, please do so, or, I can put it to vote.

**SHRI P.P. CHAUDHARY:** Sir, I have already replied to it. There is nothing more to say. ...(Interruptions)...

**SHRI PRAMOD TIWARI:** Sir, the points raised by Chidambaram ji have to be answered. ...(Interruptions)...

**SHRI NEERAJ SHEKHAR:** Sir, this is very strange. ...(Interruptions)...

**MR. DEPUTY CHAIRMAN:** Please. ...(Interruptions)... Let me also listen to him. ...(Interruptions)... Mr. Chidambaram himself said, if possible, reply to these points, or, otherwise, note these points and address them later. ...(Interruptions)...

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**SHRI P.P. CHAUDHARY:** Sir, hon. Member, Chidambaram ji, has raised the issue with respect to insider trading. Sir, I would like to make it clear that Section 25 of the Companies Act specifically provides that with respect to all the matters relating to SEBI, in case of conflict between the SEBI Act and the Companies Act, the SEBI Act will have overriding effect. So far as insider trading part is concerned, it is within the domain of the listed company or about to be a listed company.

**MR. DEPUTY CHAIRMAN:** He asked about unlisted company.

**SHRI P.P. CHAUDHARY:** Unlisted company cannot do any trading.

**SHRI NARESH GUJRAL:** Sir, I raised an important issue and the hon. Minister has not replied to that. It is with regard to sections 2 and 3 read with Rule 8A, which says that every company with a paid-up capital of more than five crores of rupees must have a whole-time Company Secretary irrespective of the company's turnover. As I said earlier, there are companies which are just holding companies, SPVs or just investment companies. Now, it does not make sense if they have ten transactions a year and they should have a whole-time Company Secretary. You have not said anything. I hope, you will respond.

**MR. DEPUTY CHAIRMAN:** Do you wish to respond?

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**SHRI P.P. CHAUDHARY:** Sir, the point raised by the hon. Member can be redressed and we are seriously considering to do it under the Rules.

(Ends)

**MR. DEPUTY CHAIRMAN:** Please keep the other points for consideration later. Now, the question is:

"That the Bill further to amend the Companies Act, 2013, as passed by Lok Sabha be taken into consideration."

*The motion was adopted.*

**MR. DEPUTY CHAIRMAN:** Now, we shall take up clause-by-clause consideration of the Bill. In Clause 2, there are two Amendments (Nos. 1 and 2) by Dr. Subbarami Reddy. Are you moving?

**DR. T. SUBBARAMI REDDY:** Sir, my amendment is very simple whereby the parties that have joint control have rights to the net assets of the arrangement.

(Contd. by SK/3D)

SK/3D/4.10

**DR. T. SUBBARAMI REDDY (CONTD.):** So, the hon. Minister may consider this suggestion. I am not moving the Amendment.

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Then, the second point is a very important point. Here, my Amendment is about 'other instruments' which would be issued with the approval of the Reserve Bank of India, not mere consultation with the RBI. Please bear in mind this also. I will not move the Amendment.

**MR. DEPUTY CHAIRMAN:** So, you are not moving the Amendment. I shall now put Clause 2 to vote.

*Clause 2 was added to the Bill.*

*Clause 3 was added to the Bill.*

**MR. DEPUTY CHAIRMAN:** In Clause 4, there are two Amendments (Nos. 3 and 4) by Dr. T. Subbarami Reddy.

**DR. T. SUBBARAMI REDDY:** Sir, my Amendment is to reserve the name of the applicant by the Registrar for a specific period, namely, 25 days and not 'for such other period as may be prescribed'. You please bear this in mind.

My second Amendment is the Registrar may reserve the name for a period of 45 days from the date of approval, instead of 60 days, as in the Bill, for reserving change of name of existing company. You may also examine this suggestion. I am not moving the Amendments.

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**MR. DEPUTY CHAIRMAN:** Amendments not moved. Therefore, I shall now put Clause 4 to vote.

*Clause 4 was added to the Bill.*

*Clauses 5 and 6 were added to the Bill.*

**MR. DEPUTY CHAIRMAN:** In Clause 7, there is one Amendment (No. 5) by Dr. T. Subbarami Reddy.

**DR. T. SUBBARAMI REDDY:** Sir, in Clause 7, my Amendment is to include the Director of the Company for any action taken, instead of a poor employee. The Minister may examine this suggestion. I am not moving it.

**MR. DEPUTY CHAIRMAN:** Amendment not moved. I shall now put Clause 7 to vote.

*Clause 7 was added to the Bill.*

*Clauses 8 and 9 were added to the Bill.*

**MR. DEPUTY CHAIRMAN:** In Clause 10, there are two Amendments (Nos. 6 and 7) by Dr. T. Subbarami Reddy.

**DR. T. SUBBARAMI REDDY:** Here at page 5, line 31, the company making any allotment of securities shall file with the Registrar a return of allotment within '20 days', instead of '15 days'. That is my suggestion.

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Another Amendment is, the company has to refund all monies with interest within a period of 45 days, instead of 30 days in the Bill, for any contravention of the provisions of the Act. You should bear that in mind. I am not moving.

**THE MINISTER OF LAW AND JUSTICE (SHRI RAVI SHANKAR PRASAD):**

Sir, as a Member of this House, I can say one thing that we all are deeply impressed by the profound corporate law knowledge of hon. Subbarami Reddy ji.

**MR. DEPUTY CHAIRMAN:** Yes, you can say that. That is a compliment for him.

Now, Amendments not moved. I shall now put Clause 10 to vote.

*Clause 10 was added to the Bill.*

*Clauses 11 to 21 were added to the Bill.*

**MR. DEPUTY CHAIRMAN:** In Clause 22, there are three Amendments (Nos. 8 to 10) by Dr. T. Subbarami Reddy. This time there are three Amendments, not two.

**DR. T. SUBBARAMI REDDY:** Sir, the Government has provided for a period of 15 days within which the company shall apply to the Tribunal for an

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order. I have suggested for 30 days in my Amendment. The Minister may bear it in mind.

Another one is, the penalty of Rs. 10 lakh has been prescribed in the Bill. I have suggested for Rs. 5 lakh as the maximum amount.

Another Amendment is, the amount of fine should be not less than Rs. 5 lakh, instead of Rs. 10 lakh, and may extend up to Rs. 30 lakh, instead of Rs. 13 lakh. I am suggesting these Amendments, but not moving them.

**MR. DEPUTY CHAIRMAN:** Amendments not moved. I shall now put Clause 22 to vote.

*Clause 22 was added to the Bill.*

*Clauses 23 to 55 were added to the Bill.*

(Contd. by YSR/3E)

YSR-HMS/3E/4.15

**MR. DEPUTY CHAIRMAN (CONTD.):** In Clause 56, there is one Amendment (No.11) by Dr. T. Subbarami Reddy.

**DR. T. SUBBARAMI REDDY:** Sir, in the proviso to Clause 56, for constituting quorum, directors are to be present physically and participate in the meeting. Apart from that, there is a provision for participating in the meeting by absentee director also through video conferencing. The word

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‘also’ is very important, but it is missing in the clause. That is why I am mentioning it in my amendment. This may be examined. I am not moving my amendment.

**MR. DEPUTY CHAIRMAN:** He is not moving the Amendment. I shall now put Clause 56 to vote.

*Clause 56 was added to the Bill.*

*Clauses 57 to 59 were added to the Bill.*

**MR. DEPUTY CHAIRMAN:** In Clause 60, there is one Amendment (No.12) by Dr. T. Subbarami Reddy.

**DR. T. SUBBARAMI REDDY (ANDHRA PRADESH):** My amendment says that at page 19, line 18, *after* the word “contract”, the words “agreement, deal” be *inserted*. I have included the words “agreement and deal” along with contract in the Bill. I am not moving the Amendment.

**MR. DEPUTY CHAIRMAN:** He is not moving the Amendment. I shall now put Clause 60 to vote.

*Clause 60 was added to the Bill.*

*Clauses 61 to 79 were added to the Bill.*

**MR. DEPUTY CHAIRMAN:** In Clause 80, there is one Amendment (No.13) by Dr. T. Subbarami Reddy.

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**DR. T. SUBBARAMI REDDY:** The additional fee prescribed in the Bill is Rs.100 per day. It is very high. I suggest Rs.50 per day. I am not moving the Amendment.

**MR. DEPUTY CHAIRMAN:** Hundred rupees per day is high! Okay. He has not moved his Amendment. Thank you for not moving the Amendment.

I shall now put Clause 80 to vote.

*Clause 80 was added to the Bill*

*Clause 81 was added to the Bill*

**MR. DEPUTY CHAIRMAN:** In Clause 82, there is one amendment (No.14) by Dr. T. Subbarami Reddy.

**CLAUSE 82 — AMENDMENT OF SECTION 409**

**DR. T. SUBBARAMI REDDY (ANDHRA PRADESH):** Sir, I move:

That at page 25, line 43, *after* the word “Secretary”, the words “Special Secretary” be *inserted*.

Sir, in Clause 82, they have mentioned the rank of Secretary or Additional Secretary but left out “Special Secretary”. I have included the officer of the rank of “Special Secretary” also for being Technical Member in the Tribunal in my Amendment.

*The question was put and the motion was negative.*

*Clause 82 was added to the Bill.*

*Clauses 83 to 93 were added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

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**SHRI P. CHIDAMBARAM:** Sir, before the hon. Minister moves that the Bill be passed, I want to say this. We are passing the Bill, but let the hon. Minister know this. And I say this with humility. We are supporting the Bill but this is not unqualified support. There are issues which need to be addressed. There are questions which have not been answered. But we are supporting the Bill. It is not unqualified support. I hope that you will have an opportunity to come and answer some of these questions at sometime.

**MR. DEPUTY CHAIRMAN:** Thank you very much. Now, hon. Minister.

**SHRI P.P. CHAUDHARY:** Sir, I move:

That the Bill be passed.

*The question was put and the motion was adopted.*

(Ends)

(Followed by VKK/3F)

-YSR/VKK-ASC/3F/4.20

**MESSAGE FROM LOK SABHA**

- (i) **The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Second Bill, 2015; and**

**Uncorrected/ Not for Publication-19.12.2017****(ii) The Financial Resolution and Deposit Insurance Bill, 2017.**

**SECRETARY-GENERAL:** Sir, I have to report to the House the following message received from the Lok Sabha, signed by the Secretary-General of the Lok Sabha:-

“I am directed to inform you that on 18<sup>th</sup> December, 2017, Hon’ble Speaker, Lok Sabha, made the following observation in regard to extension of time for presentation of the Report of the Joint Committee of the Houses on the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Second Bill, 2015 and the Joint Committee of the Houses on the Financial Resolution and Deposit Insurance Bill, 2017:-

**OBSERVATION**

"Hon’ble Members, I have to inform the House that the Joint Committee on ‘The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Second Bill, 2015’ have decided to seek further extension of time for presentation of the Report on the Bill upto the last day of the Monsoon Session, 2018 as the Report could not be finalized by the extended timeline granted by the House i.e. 15<sup>th</sup> December, 2017. Similarly, the Joint Committee on 'The Financial Resolution and Deposit Insurance Bill, 2017' have decided to seek extension of time upto the last day of Budget Session, 2018 as the Report of the Joint Committee would not

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be ready for presentation by the timeline given by the House i.e. 15<sup>th</sup> December, 2017. Motion regarding extension of time of these two Joint Committees could not be moved in the House on 15<sup>th</sup> December, 2017, as the House was adjourned after making Obituary References. Hence, I have on behalf of the House granted extension of time as sought by these two Joint Committees for presentation of the Reports."”

(Ends)

**MR. DEPUTY CHAIRMAN:** Now, the next Bill, the Indian Institutes of Management Bill, 2017. Shri Prakash Javadekar to move.

**THE INDIAN INSTITUTES OF MANAGEMENT BILL, 2017**

**THE MINISTER OF HUMAN RESOURCE DEVELOPMENT (SHRI PRAKASH JAVADEKAR):** Sir, I rise to move:

That the Bill to declare certain Institutes of management to be institutions of national importance with a view to empower these institutions to attain standards of global excellence in management, management research and allied areas of knowledge and to provide for certain other matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration.

...(Interruptions)...

**श्री नरेश अग्रवाल :** सर, यह दूसरा बिल कैसे आ गया? ...(व्यवधान)..... श्रीमन्, आज सुबह यह तय हुआ था कि एक बिल आज लिया जाएगा। ...(व्यवधान)...दो बिल एक दिन में नहीं करेंगे। ...(व्यवधान).....

**MR. DEPUTY CHAIRMAN:** Please listen. ...(Interruptions)... नरेश जी ...(व्यवधान).....

**श्री नरेश अग्रवाल :** माननीय उपसभापति जी ...(व्यवधान).....

**श्री उपसभापति :** नरेश जी, आप सुनिए। पांच बजे तक हाउस में जो गवर्नमेंट बिजनेस बाकी है, वह हमें करना है। There is no point in raising it. ...(Interruptions)...

**श्री नरेश अग्रवाल :** आप 176 (ए) को नहीं ले नहीं रहे हैं, आप कॉलिंग अटेंशन नहीं ले रहे हैं। हम सरकार की नौकरी करने नहीं आए हैं। ...(व्यवधान)..... हम यहां पर जनता की आवाज उठाने आए हैं। ...(व्यवधान).....

**श्री उपसभापति :** आपको क्या चाहिए? ...(व्यवधान).....

**संसदीय कार्य मंत्रालय में राज्य मंत्री (श्री विजय गोयल) :** नरेश जी, आप मेरी बात सुनिए ...(व्यवधान).....आप वोटिंग क्यों करवा रहे हैं? ...(व्यवधान).....

**श्री नरेश अग्रवाल :** मैं इस बात को गंभीरता से कह रहा हूं। ...(व्यवधान).....मजबूती से कह रहा हूं।...(व्यवधान).....

**श्री विजय गोयल :** आप वोटिंग कल करा लेना। ...(व्यवधान).....

**श्री नरेश अग्रवाल :** श्रीमन् ...(व्यवधान).....

**MR. DEPUTY CHAIRMAN:** Mr. Vijay Goel, please sit down.

...(Interruptions)... नरेश जी, क्या है?

**श्री नरेश अग्रवाल :** मैं इस बात को कह रहा हूँ ...(व्यवधान)..... यह सदन की परम्परा है ...(व्यवधान).....

**MR. DEPUTY CHAIRMAN:** What is your point? ...(Interruptions)...

**श्री नरेश अग्रवाल :** जब सदन चलेगा तो प्रत्येक सप्ताह दो शॉर्ट ड्यूरेशन (176) लगेंगे और एक कॉलिंग अटेंशन लगेगा। श्रीमन्, जब यह तय हुआ, आप उस समय मौजूद थे। ऐसा नहीं कि चेयरमैन साहब बदल गए...(व्यवधान).....लेकिन डिप्टी चेयरमैन आप ही हैं।

**श्री उपसभापति :** बोल दिया?

**श्री नरेश अग्रवाल :** इस सप्ताह में तीन दिन तो पहले निकल गए और दो आज निकल गए हैं। आज तक यह तय नहीं हुआ कि 176 कौन सा लिया जाएगा? हमें यह नहीं बताया गया है कि हम ज़ीरो ऑवर की अपनी वैल्यू कैसे जानें? श्रीमन् ...(व्यवधान).....

**MR. DEPUTY CHAIRMAN:** I got your point. ...(Interruptions)... I understood your point even though you spoke in Hindi. ...(Interruptions)... I understood fully. ...(Interruptions)... Now, listen to me. ...(Interruptions)... See, what have we to do now? There is a List of Business before us and there is time up to 6 p.m. It is my constitutional requirement to see that the House functions up to 6 p.m. with the Listed Business. You can take up your point

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for having Short Duration Discussion or any other discussion with the Chairman. I have no problem. ...(Interruptions)..

**SHRI NARESH AGRAWAL:** Sir, I have a point of order. ...(Interruptions)...

**MR. DEPUTY CHAIRMAN:** No, no. ...(Interruptions)... I am not allowing. ...(Interruptions)... What is the point of order? ...(Interruptions)..

**श्री नरेश अग्रवाल :** मेरा point of order यह है कि श्रीमन्, यह व्यवस्था है कि यह सदन 11 बजे से ...(व्यवधान)... 6 बजे तक चलेगा। ...(व्यवधान) ....

**श्री उपसभापति :** हां, 6 बजे तक बैठना है। ...(व्यवधान) ....

**श्री नरेश अग्रवाल :** आप सुन लीजिए, अगर 6 बजे के बाद सदन को बढ़ाना है

**श्री उपसभापति :** सदन का समय बढ़ता नहीं है ।

**श्री नरेश अग्रवाल :** अगर बढ़ाना है ...(व्यवधान) ....

**श्री उपसभापति:** यह किसने कहा है?

**श्री नरेश अग्रवाल :** मैं एक point of order उठा रहा हूं। अगर सदन का समय बढ़ाना है ..(व्यवधान).....

**श्री उपसभापति :** बढ़ाने के लिए कोई नहीं बोला। ..(व्यवधान).....

**श्री नरेश अग्रवाल :** आप मेरी बात तो सुनिए। ....(व्यवधान)

**श्री उपसभापति :** 6 बजे बोलिएगा।

**श्री नरेश अग्रवाल :** मैं यह कह रहा हूँ कि यह नियमों में कहां दिया हुआ है या कब ऐसी व्यवस्था रही है कि अगर सदन 6 बजे से पहले बंद करना है, तो हमें परमिशन लेनी पड़ेगी?

(3G/LP पर जारी)

-VKK/BHS-LP/3G/4.25

**श्री नरेश अग्रवाल (क्रमागत) :** 6 बजे के बाद की परमिशन तो लेंगे..(व्यवधान)..लेकिन 6 बजे से पहले की परमिशन..(व्यवधान)..

**श्री उपसभापति :** परमिशन लेंगे..(व्यवधान)..

**संसदीय कार्य मंत्रालय में राज्य मंत्री (श्री विजय गोयल) :** 6 बजे तक हाउस का टाइम है। ..(व्यवधान)..गवर्नमेंट का..(व्यवधान)..बिल पास करना है। ..(व्यवधान)..6 बजे के बाद करना होगा तो आपसे बात कर लेंगे। ..(व्यवधान)..

**श्री उपसभापति :** सुनिए, मैं वही बोल रहा हूँ कि अगर 6 बजे के बाद एक्सटेंड करना है तो..(व्यवधान)..

**श्री नरेश अग्रवाल :** अगर 6 बजे से पहले सदन बंद करना है..(व्यवधान)..

**श्री उपसभापति :** पहले बंद नहीं करना ..(व्यवधान)..

**श्री नरेश अग्रवाल :** अगर 6 बजे से पहले सदन बंद करना है..(व्यवधान).. तो क्या करना होगा?..(व्यवधान)..

**MR. DEPUTY CHAIRMAN:** No. no. ...(Interruptions)... Mr. Prakash Javadekar, you proceed. ...(Interruptions)... You sit down.

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...(Interruptions)... Mr. Prakash Javadekar, you proceed.

...(Interruptions)... No, no. ...(Interruptions)... Ruled out.

...(Interruptions)... हमने रूलिंग दी है। ..(व्यवधान)..

**THE MINISTER OF HUMAN RESOURCE DEVELOPMENT (SHRI**

**PRAKASH JAVADEKAR):** Therefore, Sir, incidental

thereto.....(Interruptions)... as passed by the Lok

Sabha.....(Interruptions)...

**श्री उपसभापति :** इस पर रूलिंग दी है, आप बैठिए।..(व्यवधान)..We are taking up

this Bill. We will continue it upto 6.00 p.m.. At 6.00 p.m., if you want to

extend, at that time,.....(Interruptions)... Let me complete.

...(Interruptions)... We are taking up this Bill. We will continue it upto 6.00

p.m.. At 6.00 p.m., if you seek extension, then, I will take the consensus of

the House. ...(Interruptions)... Then, I will take.....(Interruptions)...

**SHRI PRAKASH JAVADEKAR:** I have already moved. ...(Interruptions)...

**MR. DEPUTY CHAIRMAN:** Already moved? ...(Interruptions)...

**SHRI PRAKASH JAVADEKAR:** I have moved. ...(Interruptions)...

**SHRI SUKHENDU SEKHAR RAY:** Sir, there is a suggestion.

...(Interruptions)...

**MR. DEPUTY CHAIRMAN:** Okay, what is your point? ...(Interruptions)...

**SHRI SUKHENDU SEKHAR RAY:** What Nareshji has said, it is right that discussions under Rule 176 and Calling Attention should be taken up. ... (Interruptions)...

**श्री उपसभापति :** अभी मैं क्या करूँ?.. (व्यवधान)..

**SHRI SUKHENDU SEKHAR RAY:** My suggestion is that we would not have any objection to the discussion on the Bill. But, at the same time, there should be an assurance that during this week, one Short Duration and one Calling Attention would be taken up. ... (Interruptions)...

**MR. DEPUTY CHAIRMAN:** I will convey your feelings to the hon. Chairman. ... (Interruptions)...

**SHRI NARESH AGRAWAL:** No. ... (Interruptions)... रूलिंग नहीं। .. (व्यवधान).. आप सेक्शन 9 उठा कर देख लीजिए। नियमावली के नियम 9 में .. (व्यवधान).. आप नियमावली के नियम 9 को पढ़ लीजिए। .. (व्यवधान).. नियम 9 में बताया गया है कि इस चेयर पर जो बैठा है, उसके पास वही सारी पावर्स हैं, जो चेयरमैन के पास हैं, तब आप किसको कन्वे कर देंगे? .. (व्यवधान).. आप नियम 9 में यह पढ़िए। .. (व्यवधान).. आप नियम 9 पढ़ लीजिए। .. (व्यवधान).. नियम 9 में क्या दिया हुआ है? .. (व्यवधान).. नियम 9 में दिया गया है कि चेयर पर जो भी बैठा है .. (व्यवधान)..

**MR. DEPUTY CHAIRMAN:** You want that..... (Interruptions)...

**श्री नरेश अग्रवाल :** उसके वही अधिकार हैं, जो चेयरमैन के अधिकार हैं।..(व्यवधान)..आप हमारी बात किसको कन्वे करेंगे? ..(व्यवधान)..

**MR. DEPUTY CHAIRMAN:** You want that I should be in trouble.  
...(Interruptions)...

**श्री नरेश अग्रवाल :** आप एश्योर कर दीजिए। ..(व्यवधान)..आप कह दीजिए..(व्यवधान)..

**MR. DEPUTY CHAIRMAN:** Okay. ...(Interruptions)... All right.  
...(Interruptions)... See, there are three more days. ...(Interruptions)...

**श्री विजय गोयल :** नरेश जी, आप कहते हैं कि Short Duration Discussion हो, 176 हो, सरकार उन सबके ऊपर भी पूरा ध्यान देगी और मैं समझता हूं..(व्यवधान)..हमने अभी एक Short Duration Discussion accept भी किया है। ..(व्यवधान)..

**श्री नरेश अग्रवाल :** इस हफ्ते लेंगे या नहीं? ..(व्यवधान)..

**श्री विजय गोयल :** हम इस हफ्ते कोई न कोई discussion लेंगे। ..(व्यवधान)..

**श्री नरेश अग्रवाल :** लेंगे। चलिए, तब ठीक है, बिल पेश कीजिए ।

**MR. DEPUTY CHAIRMAN:** Nareshji, ...(Interruptions)...

**श्री विजय गोयल :** अभी छोड़िए..(व्यवधान)..

**MR. DEPUTY CHAIRMAN:** Nareshji, ...(Interruptions)... already one Short Duration Discussion has been notified for this week. ...(Interruptions)... So, be sure. ...(Interruptions)... Now, you proceed. ...(Interruptions)...

**SHRI PRAKASH JAVADEKAR:** Sir, therefore, as passed by Lok Sabha, this Bill be taken into consideration.

Sir, मैं आज सदन के सामने Indian Institute of Management का एक बहुत महत्वपूर्ण बिल ला रहा हूँ। मुझे खुशी है कि दूसरे सदन में यह सर्वसम्मति से पास हुआ है। सभी पार्टियों ने इसका समर्थन किया है, क्योंकि यह बिल मुख्य तीन चीजें करता है।

First, it gives 'Institute of National Importance status' to Indian Institute of Management. आज Indian Institute of Management post-graduate diploma देता है, वह post-graduate degree नहीं दे सकता। यह degree देने की जो power है, इसके लिए बताना चाहता हूँ कि जब इनको national importance का status मिलेगा तो ये degree दे सकेंगे। आज Indian Institute of Management का दुनिया भर में बहुत अच्छा बोलबाला है, लेकिन दुनिया में all these Indian Institute of Management post-graduate diploma holders face many difficulties world over while registering for PhDs for further studies and post doctoral and other research facilities. They are handicapped because it is not a degree, it is a diploma. Therefore, this degree awarding power to be given to Indian Institute of Management is a very important aspect of this Bill. That is the first thing. More importantly what we are changing is the whole culture of running the higher education institutions. Here, we are offering them near

complete autonomy for excellence and autonomy for really achieving greater heights in education.

(Contd. by RL/3H)

-BHS/RL-KLG/4.30/3H

**SHRI PRAKASH JAVADEKAR (CONTD.):** How can this happen? Today, everything comes before the Government that if you want to appoint a Director, then, finally, the Board of Governors suggests three names and ultimately, it comes to the Government to select one out of it. And, if you want to appoint the Chairman, then, we, the Government, appoint the Chairman. If there are Board of Governors, then, there are four representatives of the Government and there are many aspects because we help them for seven years for their infrastructure need as well as in meeting their recurring expenditure. So, we help them financially. Therefore, many times, the Directors of IIM and everybody have to refer the file and its decision practically get endorsed by the Ministry. This Government's interference or you can say the Government's role in management institutes must now be limited because you must trust your best institutes. Today, Indian Institute of Management, Ahmedabad and others, like in Kolkata, Lucknow or in Bangalore and other IIMs have earned their reputation by

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their hard work and excellence. Therefore, this excellence must now get autonomy. We must start believing and trusting them. If the Government wants to manage everything, if Secretaries, Joint Secretaries, Directors and other Under Secretaries will decide the fate of the Indian Institute of Management, then, this is not a good situation. Therefore, this Government decided that we must change this management of higher education facilities in our country. So, from where to start? The starting point is, these Indian Institutes of Management which have stood on their quality...

**MR. DEPUTY CHAIRMAN:** So, you are giving them the university status.

**SHRI PRAKASH JAVADEKAR:** Sir, not the university status but as institutes of national importance, they can give degrees. That is one thing and the second thing is the autonomy. We are now withdrawing all the Government powers from it. So, who will appoint the Chairman? The present Board of Governors will appoint the next Board of Governors and they will appoint the Chairman; they will appoint the Directors. That is how the world-class institutes function world over and that the Government doesnot interfere. And, here also, we are also not interfering now. We will withdraw the four representatives of the Government and there will be representatives of alumni. Good universities world over are run by participation of the alumini.

वे पूर्व छात्र, सब लोग यह करते हैं और इसी के आधार पर एक अच्छी संस्था और अच्छी बनती है। Every time, interference from the Government side doesn't help in increasing the quality. Yes, there has to be the Parliamentary scrutiny and there are two scopes where this will be because we are providing finance and there will be CAG audit. The CAG audit reports are before the PAC and everybody can scrutinize it and we can discuss it. Then, the next thing is when they make rules. The rule making will also give freedom to the Indian Institutes of Management by governing rules for their own institutes. Of course, they will abide by the national laws but the rules also will be placed before the Parliament. So, there are two points where the Parliamentary scrutiny will be done but barring that, there is no interference of bureaucracy and there is no interference of Government. And, even the council of All Indian Institutes of Management, of which as a Minister, I am the Chairman now, but, I will not remain the Chairman because the council of Indian Institutes of Management will elect its own Chairman to conduct the co-ordination activities. So, practically, the Government with a new vision for education is coming out with the running of institutions.... (Interruptions)...

**श्री नरेश अग्रवाल:** डिप्टी चेयरमैन साहब, अगर मंत्री महोदय एक घंटा लेंगे, तो हम लोग कैसे बोलेंगे? ...(व्यवधान)...

श्री प्रकाश जावडेकर: मैं इतना नहीं बोल रहा हूँ। एक मिनट, प्लीज। ...(व्यवधान)...

श्री नरेश अग्रवाल: आप स्टार्ट कीजिए। ...(व्यवधान)

श्री प्रकाश जावडेकर: दो मिनट, दो मिनट। ...(व्यवधान)..

श्री नरेश अग्रवाल: सर, कुछ लोगों की आदत बहुत ज्यादा बोलने की होती है। अगर आपको बिल पास कराना है, तो शॉर्ट में बोलिए। बिल को पास ही करना है, तो कहिए।  
...(व्यवधान)...

श्री उपसभापति: नरेश जी, बैठिए, बैठिए। ...(व्यवधान)...

श्री प्रकाश जावडेकर: सर, यह एक अच्छा बिल है। दूसरे सदन के सभी सदस्यों ने इसका समर्थन किया है।

(3जे/एकेजी पर जारी)

-RL/DC-AKG/3J/4.35

श्री प्रकाश जावडेकर (क्रमागत) : मैं इस सदन से भी request करता हूँ कि यहाँ सभी दल और सभी सदस्य इसको समर्थन दें, क्योंकि यह हमारी शिक्षा संस्था के प्रबन्धन में एक अच्छा बदलाव ला रहा है। इसका सब स्वागत करेंगे, यह मुझे आशा है। मैं इसे चर्चा के लिए प्रस्तुत करता हूँ।

(समाप्त)

*The question was proposed.*

**MR. DEPUTY CHAIRMAN:** Now, again, the time allotted for this Bill is two hours and as I have already told, it has been decided that the parties' time

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will not be extended. Members will speak within the allotted time to the parties. Now, Prof. M.V. Rajeev Gowda. Your party's time is 29 minutes and you are the only speaker.

**PROF. M.V. RAJEEV GOWDA (KARNATAKA):** Mr. Deputy Chairman, Sir, before I was elected to this august House, for 14 years, I had the privilege of being a faculty member at the Indian Institute of Management, Bangalore. So, it is a matter of great pride and joy to see a Bill coming through to elevate the status of not only IIM, Bangalore, but other Indian Institutes of Management to the status of Institutions of National Importance. Sir, we know that the economy has been growing tremendously ever since Independence and for a growing economy, it is extraordinarily important that we have the talent pool to manage the companies in the private sector and even the public sector to ensure that the resources are managed well, industries are led well and the economy booms and that resource pool comes significantly from the Indian Institutes of Management over the years. Sir, the Institutes of Management were first set up by Prime Minister Shri Jawaharlal Nehru and this was a very, very far reaching example of the vision of Pt. Nehru in terms of understanding what the growing economy needs and what India needed.

**(THE VICE-CHAIRMAN, SHRI SUKHENDU SEKHAR RAY, in the Chair)**

True to the spirit of looking for the best what is possible, what is available in the rest of the world, the institutes were set up with the guidance and involvement of the Planning Commission of India, and also with the cooperation of leading institutes like Harvard and M.I.T. in the rest of the world. So that is the kind of vision that Prime Minister Jawaharlal Nehru had and that various Governments have been taking forward in the years that have followed. The U.P.A. during its term, essentially, established seven more institutes and under the N.D.A., during the last three-and-a-half years, I think, seven more institutes have also been established. What these new institutes are doing is providing a geographic spread and opportunity for these institutions to serve as beacons of management knowledge in every corner of the country to ensure that industry, business and commerce can thrive along with interaction with the best of academic knowledge and expertise. We have made tremendous progress over the years and this Bill is taking things forward in the right direction. Sir, this Bill has been a few years in coming. A few years ago, this Bill was proposed but ran into different kinds of controversies. Luckily, wisdom dawned on the Government and after extensive consultations, after paying attention to the

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criticisms of various groups, the Bill has been modified to ensure that its controversial provisions have actually been dispensed with. When the Minister talks about granting autonomy, this is indeed a Bill, which is a pioneering Bill in the sense of taking away the heavy hand of governmental regulation, intrusion in the education sector and ensuring that some of our premier, best and reputed institutions have the capacity to pursue their academic and other missions without the heavy hand of governmental interference. Sir, what is the context of this whole degree-granting provision? Over the years, the IIMs, essentially, provided something called a Post-Graduate Diploma in Management. You know that in the Indian culture, a degree is something that everyone aspires for, while this was just a Post-Graduate Diploma. Well, it was not really a problem all these years because the market had accepted this Post-Graduate Diploma...

(Contd. by KR/13K)

KR/3K/4.40

**PROF. M.V. RAJEEV GOWDA (CONTD.):** .. and numerous other private sector and non profit sector institutions have also instituted the post-graduate diploma because that will enable these institutions to create their own syllabi which could be up to date and to be cutting edge and everything

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else that make the management education practical and relevant to their times and context and the PDGM was not a problem because the people and market place accepted it. When it came to placement season you would find the best companies within India and the rest of the world go to the institutes and hire the best graduates. That is the kind of reputation even the post-graduate diploma had managed to create itself over the years. Still there is nothing like a concrete formal degree and that is why this move to give the Indian Institutes of Management the freedom, the authority to grant degrees is a very, very good thing. Certainly as the Minister has pointed out, when it comes to higher education, when it comes to having degrees accepted and recognized across the country, across the world, then, this removes the barrier that would have been a problem in terms of recognition and progression of alumni as they move forward. So, in that sense, this is now very, very good movement forward. Let us look at the issue of autonomy. The Minister has pointed out that the previous decades worth of approach that we have taken which was to have a very active involvement of the Human Resource Development Ministry in the running of these institutions, this approach has now been shelved and a whole new era is before us in terms of academic autonomy. Academic autonomy is a

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fundamental pre-requisite for an institution to blossom and to have the freedom to take its intellectual capacity in new directions. When there is a heavy hand of regulation, the Government can also stifle creativity, growth, the research capabilities and many other such features; and so, this is the first instance where the Government is actually letting it go. That is actually a very bold move. But it is a move that I will actually discuss a little bit more in detail as we go forward. In the years past when I was a faculty member there were times when the HRD Ministry would suddenly slash fees and essentially create a situation where institutions would beholden to the Government for financial aid and assistance that would change the nature of the freedom of the institute to go forward and do whatever else it wanted. So, here, with this autonomy basically the management and the Board essentially is empowered to go all out and build the institutions the way they deem fit.

Another very, very good initiative is this coordination forum of the Indian Institutes of Management, not just creating a forum for all these institutions come together, to work together, to learn from one another, to nurture one another but also the previous role of the Minister serving as the Chairman is also being removed. So, again this is a bold step. I commend the Minister

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for this. But what do I mean when I say, I have a little concern about the autonomy? Sir, in a different domain, the domain of judiciary, many of us are very concerned that there is a self-perpetuation that takes place. The Minister will be aware that this is an issue of contention between different branches of the Government. Here again what we are doing is we are giving the Board the opportunity to be self-perpetuating. The issue is that, as the Minister said, this is the way the best institutions in the world are run. The best institutions are mostly not set up by the Government. Where they have been set up by the Government there is still some kind of a role for the Government in the management of the institution not with a heavy hand but with a light touch. So, when you think about that aspect even here in one of the Sections, let me just read it for you.

(Continued by 3L/KS)

KS/3L/4.45

**PROF. M.V. RAJEEV GOWDA (contd.):** Sir, on page 7, Section 35, it is said that the Board shall, in exercise of its power and discharge of its functions under this Act, be accountable to the Central Government. Now, that sounds beautiful; that sounds very appropriate, but what is the actual meaning of this? You have empowered the Board to create its own

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regulations which are supposed to be, again, within the ambit of this larger Act. We have Committees of Subordinate Legislation, which would actually look into these things and see whether those regulations are within the ambit of this Act and, of course, other Central legislations. But the question is this: Do you have a mechanism in place to ensure that these rules and regulations would be consistently checked, reviewed and, in some ways, managed such that the Board cannot actually hijack an institution and turn it into some kind of a club just for its own members. That is actually one of the great concerns that we have, that, fundamentally, these are institutions set up by the Government of India and, therefore, for all the autonomy that we absolutely want to yield to them, we should ensure that they do not get hijacked by small self-propitiating groups without the ability of the Government and Parliament to play some kind of a role in ensuring that they are functioning within the letter and spirit of this Act and any other.

Sir, another very good thing about this Bill is the autonomy that is provided for these Institutes to set up branch campuses. That is how I read what the Bill is saying, that they can actually expand, they can have branch campuses, not only in India but even possibly abroad. Now, this freedom is actually something that is very welcome because some of our Institutes are

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so renowned that brand India would be furthered if these Institutes can also have an occasional branch campus elsewhere. Of course, I do understand that their mission is to educate the people of India, but that same mission would be served well with the ability to have one foot or, at least, one toe in some other market, so that faculty and students get a chance to explore and engage with other business contexts, which actually would enhance their own capabilities in this globalized, multi-national world.

Sir, the other freedom that this Bill provides to the Institutes is the freedom to fix their fees. This is, again, a good thing because this would allow the Government to stop worrying about how much they have to allocate on a continuous basis. The Government would do the initial incubation and after that the Institutes would be substantially on their own. The Indian Institutes of Management in Ahmedabad, Bangalore and Kolkata, I know, for many years, have only relied on the Government for capital expenditure, and have run their regular expenses on their own earnings. Sir, this is fine. This is a very, very good move, to grant this kind of autonomy as well in terms of fee fixation. But we all know that when it comes to fees, there is a possibility of great inequality resulting from the way fees are fixed. So, this was a concern many years ago, and when this happened, the Indian

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Institute of Management came forward and said, ‘we have created scholarship funds and even though we are increasing the fees, no student would ever be left out on the basis of financial need.’ And, Sir, that is absolutely the case so far, but many students do get discouraged. When they see the fee that is listed, they say, ‘this is too much for us. We cannot aspire to study in this institution.’ That itself is something to worry about. So, when we allow the institutes to go out there and set their fees, make sure somehow that the message goes out that no one is going to be denied free-ships, scholarships, and the ability to study in these institutions for lack of resources.

Sir, there again, the involvement of alumni is a very welcome step. I got my Ph.D. from the Wharton School at the University of Pennsylvania, the world’s first Business School, and the amount of engagement of alumni with the institutions in terms of building them, in terms of contributing resources, to help create Faculty Chairs, support research, support scholarships, etc., is immense. These Institutes would not run without that kind of alumni engagement. And, Sir, Government should do whatever is possible to facilitate alumni contributions, engagement and involvement. So, we are not

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just asking the alumni for their money, but also giving them a chance to sit at the table, be part of the Board and to help these institutions grow.

(CONTD. BY KGG/3M)

KGG/3M/4.50

**PROF. M.V. RAJEEV GOWDA (contd.):** This is a commendable step. The other issue which is good in this Bill is that there will be periodic evaluations --periodic evaluations of the Director, of the faculty and of the Board and the institution itself. But, who is going to evaluate these institutions? They are not going to be that many established entities or frameworks. That is a matter of concern that these evaluations could potentially get rigged and, therefore, once again, there has to be some kind of a check and balance, some kind of a supervisory or engagement role for the Ministry in ensuring that that evaluation process happens in the manner that is supposed to happen. So, I would urge the Minister to actually look into. Many of these things can be worked out in the rules such that we ensure that autonomy is there but there is no scope for misuse, that rigging and such other mismanagement does not take place.

Sir, the other issue has to do with the fact that these institutions have been set up by the Government of India and have a larger social mission.

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So, I want to talk about issues relating to diversity and inclusion. When I think about these topics, my mind goes back to the classroom when I was teaching a course called ‘Business, Government and Society’. We were discussing the Indian society. In the Indian society, as you know, historically we have had tremendous hierarchy, stratification, limitation of opportunities, discrimination and many of those kinds of issues. So, this is a very, very tricky topic to bring up in a classroom to discuss in a manner that would enable people to shed their identity barriers, identity labels and to look at issues in a dispassionate manner.

Sir, one of the exercises that I conducted was to ask the students whether they would be willing to share what their identity was. When we asked them to do this—this is before the introduction of Shri Arjun Singh’s OBC reservation in the institutions of higher education move; when we went through this exercise, what turned out to be the case was that the composition of the class, one quarter or 25 per cent of the class comprised of the people from the historic priestly caste, one quarter of the class comprised of the people from the historic trading/business caste, one quarter was reserved, and the other quarter has had people from different

parts of the country from different backgrounds. There were very few minorities. Overall, in that classroom, we had about 10-15 per cent women.

One of the things that stood out was that even when you have an open examination process which is free and fair and level-playing field which is known as the common entrance test, which is an acclaimed examination, the result of that tends to reflect historic social inequity. There is a fact that, without intending to, you favour some groups over the other. There was nothing which says that women and men should be 50:50 in that classroom. But, that has become the outcome because of other kinds of social barriers to aspiration, to participation in the workforce, to cultural pressures to get married and settle down, etc. So, basically, there are lots of other problems with regard to diversity and inclusion. So, this aspect of ensuring, for first, the gender balance is something that we need to bring in that these institutions shall strive through whatever means possible to ensure that gender equality is promoted in these institutions. So, that is the first aspect of diversity and inclusion that I want to emphasise.

The other aspects of diversity and inclusion pertain to the composition of the faculty. Recently, two of my old colleagues, Deepak Malgham and Siddharth Joshi, have been conducting surveys of different Indian Institutes

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of Management asking them about the social composition of their faculty. It turns out that most institutions have either refused to respond; when they have responded, they have said that they don't really keep account of the social background of their faculty; or, basically they have said that they don't think that this is something that they should be paying that much attention to. But, if you think about the larger mission of a Government institution, affirmative action is very much a part of that larger mission. I have heard the Minister speak in the past where he has also said that reservation in faculty is a matter of concern and all these must be paid attention to.

(Contd. by KLS/3N)

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**PROF. M.V. RAJEEV GOWDA (CONTD):** Now the standard response is that they are not enough qualified people. The part of the job of these institutes is also to generate those qualified people by ensuring that the PhD programmes, what are currently called the Fellow programmes in Management, also pay attention to diversity in their admissions. We have reservation quotas in many other domains. We don't have them here or when it comes to doctorate admissions or certainly to faculty hiring. That is something that needs to be remedied. That needs to be remedied through

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not just the actions of the institute, but I would urge the Minister to set up some kind of a special initiative on the part of the Government to identify talented people from the Scheduled Castes, Scheduled Tribes, OBC communities and ensure that they get scholarships, they get an opportunity to get admission -- even minorities-- and ensure that they get admission into not just their PM programmes within India but to doctorate programmes across the world because that is where they often come back to these institutes and become professors. So, that is from where they come back. So, this has to be taken up on as a mission to address this diversity deficit. This is something that the Government can do even when it is not involved with the direct day-to-day management of these institutes. When you do that you will discover that there is all kinds of other talent out of them. If you are looking at the *dalit* community, you have something called the Dalit Chamber of Commerce now where *dalit* entrepreneurs have been able to make a mark and demonstrate their capabilities. So, this is something that needs to be nurtured, this is something for the Government to pay absolute attention to in a very, very constructive way. It will take a few years but after these few years you will see that gender diversity, caste diversity, religious and other minority diversities will also be addressed. That is important

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because faculty members not only serve as role models for the students, they will also reach out to different communities in the market place when they engage with research, etc. and they bring special knowledge, understanding and empathy from their own experiences and their own social networks to the classroom, to the research, etc. That is the standard argument for affirmative action and that applies here as well. Sir, there is this other issue about the quality of management education. One of the big concerns we have is that after the first few institutes, the quality of management degrees drops dramatically. So, why are we giving the IIMs the freedom to go out there and do amazing things where we also need to fix management education more broadly? Lots of youngsters aspire for an MBA but they don't really get a quality MBA. Lots of institutes are being shut down now. So, this is something that again the Ministry and the regulatory bodies have to work together to remedy because it is important that MBA really means something. It is a practical degree and it requires that the students get what they are paying for in terms of their understanding the training and the ability to go and hit the running in the business world. Sir, one or two other things I want to mention. The new institutes that have been set up in recent times have been set up across the

country partly with the mission of ensuring that different areas get developed. But if you are not very close to a business centre, it is all to a large city, it is a challenge for these institutes to attract faculty or for that matter to engage their students and others with the world of business and industry. So, somehow these institutes need to be facilitated in ensuring that they are able to attract the best faculty, they are able to build linkages with industry, etc. On that larger note, these institutes are still Indian Institutes of Management. They have a large mission in terms of doing research that matters to India. Some years ago, when scholars like C.K. Prahalad wrote about India and its potential, then it was like a light bulb going on because until then all our case studies, all our knowledge came from the West.

(Contd by 30/SSS)