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THE ANDHRA PRADESH GAZETTE
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**ANDHRA PRADESH ACTS, ORDINANCES AND
REGULATIONS ETC.**

The following Act of the Andhra Pradesh Legislature received the assent of the Governor on the 8th January, 2016 and the said assent is hereby first published on the 11th January, 2016 in the Andhra Pradesh Gazette for general information:-

ACT NO. 3 OF 2016.

AN ACT TO PROVIDE FOR THE ESTABLISHMENT AND REGULATION OF PRIVATE UNIVERSITIES IN THE STATE OF ANDHRA PRADESH WITH OBJECTS TO PROVIDE HIGH QUALITY, RESEARCH ORIENTED AND INDUSTRY RELEVANT HIGHER EDUCATION LEADING TO INTERNATIONAL STANDARDS AND TO IMPROVE ACCESS AND EQUITY IN HIGHER EDUCATION IN ORDER TO ENHANCE THE GROSS ENROLMENT RATIO (GER) AND FOR THE MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

Be it enacted by the Legislature of the State of Andhra Pradesh in the Sixty-sixth year of the Republic of India, as follows :-

CHAPTER I**PRELIMINARY**

Short title, extent and commencement. 1. (1) This Act may be called the Andhra Pradesh Private Universities (Establishment and Regulation) Act, 2016.

(2) It extends to the whole of the State of Andhra Pradesh.

(3) It shall come into force on such date as the State Government may, by notification, appoint.

Definitions. 2. In this Act, unless the context otherwise requires,-

Central Act No.52 of 1987.

(1) "AICTE" means the All India Council for Technical Education established under section 3 of the All India Council for Technical Education Act, 1987;

Central Act No.21 of 1860.

(2) "AIU" means the Association of Indian Universities registered under the Societies Registration Act, 1860;

(3) "BCI" means the Bar Council of India;

(4) "Central Government" means the Government of India;

(5) "Constituent College or Institution" means and includes a college or institution of the Sponsoring body;

(6) "CSIR" means the Council of Scientific and Industrial Research, New Delhi, a society registered under the Societies Registration Act 1860;

(7) "DBT" means the Department of Biotechnology of the Central Government;

(8) "DST" means the Department of Science and Technology of the Central Government;

(9) "Eminent Persons Panel" means a panel of nine persons of impeccable integrity having outstanding knowledge and expertise in academics, scientific research, public administration, finance, law or management etc. notified by the Government from time to time;

(10) "Expert Committee" means a Committee of eminent persons notified by the Government to promote, facilitate and assist in establishment of new Private Universities in Andhra Pradesh constituted under section 8;

- (11) "Fee" means collection of amounts made by the University from students for different purposes under different heads and which is non-refundable;
- (12) "Government" means the Government of Andhra Pradesh;
- (13) "Green Field" means starting of a university fresh for the first time from scratch without any consideration to any existing educational institution(s) or anything related to such institution(s);
- (14) "Higher Education" means study of a curriculum or course for the pursuit of knowledge beyond 10+2 level;
- (15) "ICAR" means the Indian Council of Agricultural Research, registered under the Societies Registration Act, 1860; *Central Act No.21 of 1860.*
- (16) "MCI" means the Medical Council of India constituted under the Medical Council Act, 1956; *Central Act No.102 of 1956.*
- (17) "NAAC" means the National Assessment and Accreditation Council, an autonomous institution of the UGC;
- (18) "NCTE" means the National Council for Teacher Education established under the National Council for Teacher Education Act, 1993; *Central Act No.73 of 1993.*
- (19) "Notification" means a notification published in the Andhra Pradesh Gazette and the word 'notified' shall be construed accordingly;
- (20) "PCI" means Pharmacy Council of India constituted under section 4 of the Pharmacy Act, 1948; *Central Act No.8 of 1948.*
- (21) "Prescribed" means prescribed by rules made under this Act;
- (22) "Private University" means a University established under section 3 of this Act and hereafter also referred to as University;
- (23) "Regulatory Authority" means an Authority established under section 32;
- (24) "Regulatory Body" means and includes a body such as UGC, AICTE, NCTE, MCI, PCI, NAAC, ICAR, DBT, DST, CSIR, BCI established by the Central Government or Government for maintenance of standard of higher education;
- (25) "Regulations" means regulations made by any authority of the University under section 31;
- (26) "Rules" means rules made under section 45;
- (27) "Schedule" means the Schedule appended to this Act;
- (28) "Specified" means specified by Ordinances, Statutes and Regulations under this Act;

- (29) "Sponsoring body" in relation to a University established under this Act means,-
- Central Act No.21 of 1860, Act No.35 of 2001.*
- (i) a society "not for profit" registered under the Societies Registration Act, 1860 or the Andhra Pradesh Societies Registration Act, 2001; or
- Central Act No.2 of 1882.*
- (ii) a public trust "not for profit" registered under the Indian Trusts Act, 1882; or
- Central Act No.13 of 2013.*
- (iii) any other society or trust "not for profit" registered as above and formed by consortia of academic institution(s), industry and/or educational societies; or
- (iv) any company registered under section 8 of the Companies Act, 2013. or
- (v) any company other than the company mentioned in item (iv), with such limitations as specified by the Government from time to time.
- Act No.4 of 1991.*
- (30) "State University" means a university established under the Andhra Pradesh Universities Act, 1991;
- (31) "Statutes" and "Ordinances" mean the Statutes and the Ordinances of the University made under this Act;
- (32) "Student" means a student of the University and includes any person enrolled in the University for pursuing any course of study for a degree, diploma or other academic distinction duly instituted by the University, including a research degree;
- Central Act No.3 of 1956.*
- (33) "Teacher" means a Professor, Associate Professor, Assistant Professor, or any other person required to impart education or to guide research or render guidance in any other form to the students for pursuing a course of study of the University;
- (34) "UGC" means the University Grants Commission established under section 4 of the University Grants Commission Act, 1956.

CHAPTER II

ESTABLISHMENT OF UNIVERSITY

Establishment of University.

3. (1) The Government may permit the establishment of a University by inclusion of the name and location of the University, the name and address of the Sponsoring body and details of its registration in The Schedule.

(2) The location of the University shall be within the State of Andhra Pradesh and shall be notified by the Government.

(3) The University shall be a Green Field one and unitary in nature and shall not have power or provision to affiliate and recognize any college or institution to it, unless expressly permitted by the Government after a minimum period of five (5) years after commencement of the university.

(4) The University shall normally be permitted to have one campus to start with :

Provided that the Government may, under exceptional circumstances such as starting of few specialised courses close by the industrial clusters, if it deems fit, permit two additional campuses centres subject to adherence to quality levels and satisfactory accreditation standards as may be specified:

Provided further that the Government may permit to open additional campuses centres beyond the initial three campuses, if any, anywhere within the State of Andhra Pradesh subject to satisfactory running for a period of five years and an fulfilment of such infrastructure and other requirements as may be specified by Government.

(5) The University will be free to and is encouraged to use technology extensively as a part of its curriculum in line with modern pedagogic concepts.

(6) The University may be permitted by the Government to conduct distance education programmes after satisfactory running for a period of five years and after satisfactory demonstration of quality levels and accreditation standards.

(7) The Governing Body, the Board of Management, the Academic Council and the Chancellor, the Vice Chancellor, the Registrar, the Chief Finance and Accounts Officer and such other officers or authorities, so long as they continue to hold such office or membership of the respective University specified in the Schedule, hereby constitute a body corporate by the name of the said University.

(8) Each such University shall be a body corporate by the name included in the Schedule and shall have perpetual succession and common seal with power, subject to the provisions of this Act, to acquire and hold property, to contract and shall, by the said name, sue or be sued.

(9) The Universities shall not claim, as a matter of right, any grant-in-aid or other financial assistance from Central Government or the Government:

Provided that this shall not prohibit any Private University from applying for research projects or any other prescribed academic projects which may or may not entail financial grants from the Central Government or the State Government or any other institution.

Goals and
Objects of
the
University.

4. The Goals and Objects of the University shall be as follows:-

(a) to provide for instruction, teaching, learning and training in the University in the field of higher education and make provisions for research, advancement and dissemination of knowledge;

(b) to establish and maintain a campus with international standards of education;

(c) to create higher levels of intellectual abilities;

(d) to create and maintain centers of excellence, for research and development and for sharing knowledge and its application;

(e) to encourage and use the latest technology for education, research and training;

(f) to develop state-of-art facilities for education, research and training;

(g) to establish educational programmes for diplomas, degrees and postgraduate courses, doctorate degrees and post-doctoral programmes;

(h) to collaborate with national and global institutions for offering programmes and creating capabilities for upgrading programmes;

(i) to confer degrees, diplomas and other academic distinctions on the basis of an approved method as established by the academic council of the University;

(j) to ensure that the standards of the degrees, diplomas and other academic distinctions are higher than those laid down by the Regulatory Bodies;

(k) to establish appropriate linkages with industry & society so that the programmes so offered are relevant to industry & society at large; and

(l) to pursue any other objectives as may be approved by the Government:

Provided that notwithstanding anything contained in this Act and save as provided in any Central Act, the University shall be eligible to undertake the functions of disseminating of knowledge only in the fields for which the Government has issued Letter of Intent or in the fields subsequently approved by the Government.

5. The University shall exercise the following powers and perform the following functions, namely:-

(1) administer and manage the University;

(2) establish, administer and manage the University's constituent colleges, schools, institutes and centers for research, education, training, extension and outreach;

(3) provide an ecosystem for research, higher education including professional education, teaching, learning, training, extension and outreach in the approved fields of education;

(4) conduct programmes and courses of study that are in the opinion of the University, necessary for the furtherance of its objects;

(5) conduct innovative experiments in educational technologies, teaching and learning methods that improve the delivery of education and assist in achieving international standards of education;

(6) offer joint programmes in collaboration with national and international institutions recognized by Regulatory Bodies;

(7) hold examinations and confer degrees, diplomas and other academic distinctions or titles on persons subject to such condition as the University may determine and to withdraw or cancel any such degrees, diplomas and other academic distinctions or titles in the manner specified by the Regulations;

(8) confer honorary degrees or other distinctions in the manner provided by the Statutes;

(9) establish a new constituent college, institution or center for furtherance of its objects;

Powers and
functions of
the
University.

(10) collaborate with other national and international Universities, and acquire membership of bodies, authorities, or associations, in such manner and for such purpose as the University may determine by Statutes;

(11) sponsor and undertake research and educational programmes in the approved fields of education and obtain the intellectual property rights for such research or any other research;

(12) institute and award fellowships, scholarships, prizes, medals and other awards;

(13) regulate the expenditure, manage the finances and maintain the accounts of the University;

(14) fix, demand and receive or recover fees and such other charges as may be prescribed by the Statutes;

(15) receive funds, movable and immovable properties, from business, industry, other sections of society, national and international;

(16) to purchase or to take on lease or accept as gifts, bequests, legacies or otherwise any land or building or works which may be necessary or convenient for the purpose of the University and on such terms and conditions as it may think fit and proper and to construct or alter and maintain any such building or works;

(17) to sell, exchange, lease or otherwise dispose of all or any portion of the properties of the University, movable or immovable, with the prior permission of the Government, on such terms as it may think fit and consistent with the interest, activities and objects of the University;

(18) to draw and accept, to make and endorse, to discount and negotiate promissory notes, bills of exchange, cheques and other negotiable instruments;

(19) to raise and borrow money on bond, mortgages, promissory notes or other obligations or securities founded or based upon all or any of the properties and assets of the University or without any securities with the prior permission of the Government and upon such terms and conditions as it may think fit and to payout of the funds of the University, all expenses incidental to the raising of money, and to repay and redeem any money borrowed;

(20) to invest the funds of the University in or upon such securities and transpose any investment from time to time with the prior

permission of the Government in such manner as it may deem fit in the interest of the University;

(21) to execute conveyances regarding transfers, mortgages, leases, licenses, agreements, and other conveyances in respect of property, movable or immovable including Government securities belonging to the University or to be acquired for the purpose of the University with the prior permission of the Government;

(22) to admit students for the courses offered by the University in the manner prescribed by the Ordinances; to create academic, technical, administrative, ministerial and other posts prescribing qualifications by the Ordinances and to make appointments thereto;

(23) to create academic, technical, administrative, ministerial and other posts prescribing qualifications by the Ordinances and to make appointments thereto;

(24) to institute professorships, associate professorships, assistant professorships, readerships, lectureships, and any other teaching, academic or research posts and to prescribe by the Statutes, the qualifications for the persons to be appointed on such posts;

(25) to appoint qualified persons as professors, associate professors, assistant professors, or as teachers and researchers or other officers of the University in such manner as may be prescribed by the Statutes;

(26) to delegate all or any of its powers(except the power to make regulations) to any officer or authority of the University; and

(27) to do all such acts and things as the University may consider necessary conducive or incidental to the attainment or enlargement of all or any of the objects

6. Any Sponsoring body desirous of establishing a Private University shall make an application to the Government, containing, among other things, an outline of the purpose and vision of the proposed Private University, the proposal, and the Project Report in such manner, with such particulars and along with such fee as may be prescribed.

Application
for
establishment
of a
University.

7. In addition to the particulars as may be stated in section 6, the project report shall contain the following, namely:-

Project
Report

- (a) Details of the Sponsoring body along with the copies of its registration certificate, constitution and bye-laws;
- (b) Information regarding financial resources of the Sponsoring body along with audited financial statements for the last five years;.
- (c) Name, location and headquarters of the proposed University;
- (d) Track record, experience and expertise of the Sponsoring Body in specific disciplines;
- (e) Plan for pre-commencement activities, including in academic & non-academic areas;
- (f) Projected detailed financial statements, and key operating ratios, detailed break-up of sources of revenues including student fees, ancillary income from student services such as student housing, and other professional income such as through consulting;
- (g) Proposed fee structure, and proposed minimum concessions or rebates in fee or freeships and scholarships to the poor students from economically poor or socially backward families, including Scheduled Castes, Scheduled Tribes, other Backward Classes and physically challenged students;
- (h) System proposed to be followed for appointment of faculty and other employees in the University;
- (i) Details of facilities proposed to be created for sports and other extra-curricular activities ;
- (j) Proposed approach & initial plan for academic & research excellence, including accreditations to be sought;
- (k) Other required details as may be notified from time to time.

The power of Government for constituting Expert Committee and factors to consider proposal.

8. (1) The Government shall constitute an Expert Committee, consisting of such persons as may be prescribed, to examine the application received under sections 6 and 7.

(2) The Expert Committee shall consider the proposal and the project report based on the information given under sections 6 and 7 and recommend or otherwise whether the proposal to set up a Private University is acceptable and whether the Sponsoring body is competent to set up and manage the University.

(3) The Expert Committee shall consider each proposal and project report with reference to the following factors:

(a) financial soundness and assets of the Sponsoring body and its ability to setup the infrastructure of the proposed University;

(b) background of the Sponsoring body such as experience in the field of education, its credibility and general reputation;

(c) potentiality of the programmes and courses to be offered which are not only of conventional nature but also in tune with the contemporary requirements of emerging branches of learning and relevant to various development sectors and to the society in general;

(d) appropriateness of the objectives of the proposed University against the overall goals & objectives of the State; and

(e) any other factor that the Expert Committee may deem appropriate.

(4) The Expert Committee, while considering the proposal and the project report, may call for such other information from the Sponsoring body as it thinks proper for the purpose.

(5) The Expert Committee shall endeavor to present its recommendations to the Government within 60 days of its receipt of the application from the Government.

9. The Expert Committee may recommend to the Government Additional appropriate additional measures for Private Universities, from time to time. measures.

10. (1) After receipt of the recommendations of the Expert Committee under section 8, the Government shall, as far as possible within a period of 30 days, take a decision on accepting, rejecting, or seeking modifications in the proposal and project report:

Letter of intent.

Provided that the Government may consider the additional measures as recommended by the Expert Committee under section 9.

(2) The Government shall inform the Sponsoring Body about its decision within 10 days of taking such decision, through a Letter of Intent, a Letter of Regret, or a letter seeking additional clarifications.

(3) The Government, while issuing the Letter of Intent, shall require the Sponsoring body to fulfill such terms and conditions as recommended by the Expert Committee. If the letter from the Government seeks additional clarifications, the Sponsoring Body may provide the same and that shall be considered as a re-submission of the Application.

(4) The Sponsoring body shall fulfill the terms and conditions and report compliance to the Government within a period as prescribed from the date of issue of Letter of Intent:

Provided that Government may further extend the term for a maximum period of one year not exceeding six months at a time if it is satisfied that the sponsoring body has taken substantial steps towards setting up of the University.

(5) On receipt of compliance report, the Government shall, within a period of one month, request the Expert Committee, constituted under section 8 or constitute another similar Committee, to verify the compliance report within a period of 30 days.

Establishment
of University
by amending
Schedule.

11. If the Government is satisfied that the Sponsoring body has complied with the conditions of Letter of Intent and on the specific recommendations of the Expert Committee, it shall endeavor within a maximum period of seven months for inclusion of the name of the University in Schedule with details of its location(s) by way of amendment of Schedule.

Management
of certain
Institutions.

12. Subject to the provision of sub-section (4) of section 3, the University may, as and when it deems fit and proper, establish and manage and additional campuses, centers for research, education, training, extension and outreach within the State of Andhra Pradesh.

University
open to all
irrespective of
sex, religion,
class, creed or
opinion.

13. (1) No person shall be excluded from any office of the University or from membership of any of its authorities or from admission to any degree, diploma or other academic distinction or course of study on the ground of sex, race, creed, class, caste, place of birth, religious belief or political or other opinion.

(2) It shall not be lawful for the University to impose on any person any test whatsoever relating to sex, race, creed, caste, class, place of birth, religious belief or political or other opinion in order to entitle him to be admitted as a student or to hold any office or post in the University or to qualify for any degree, diploma or other academic distinction or to enjoy or exercise any privileges of the University or any benefaction thereof.

CHAPTER III
OFFICERS OF UNIVERSITY

14. The following shall be the officers of the University, namely:-

Officers of
University.

(a) The Chancellor;

(b) The Vice Chancellor;

(c) The Registrar;

(d) The Chief Finance and Accounts Officer; and

(e) such other officers as may be declared by the Statutes to be the officers of the University.

15. (1) The Chancellor shall be appointed by the Sponsoring body from a panel of three names selected by a Search Committee, by following such procedure and on such terms and conditions as may be prescribed.

Chancellor.

Explanation: For the purposes of this Chapter, "Search Committee" shall mean a Search Committee constituted by the Sponsoring body and consisting of a minimum of three members nominated from the Board of Management.

(2) The Chancellor shall be the head of the University.

(3) The Chancellor shall preside at the meetings of the Governing Body and at the convocation of the University for conferring degrees, diplomas or other academic distinctions and in his absence by any other member of the Governing Body nominated by it.

(4) The Chancellor shall have the following powers, namely,-

(a) to call for any information or record;

(b) to remove the Vice Chancellor in accordance with the provisions of sub-section (6) of section 16;

(c) such other powers as may be prescribed by the Statutes.

(5) The term of the office of the Chancellor shall be as may be specified in the Statute.

Vice
Chancellor.

16. (1) The Vice Chancellor shall be appointed by the Chancellor from out of a panel of three persons recommended by the Search Committee shall, and subject to the provisions of sub-section (6) hold office for a term of three years or up to the age of 70 years whichever is earlier;

Provided that after expiry of the term of three years, a person shall be eligible for re-appointment for another term of three years subject to the upper age limit of 70 years:

Provided further that a Vice Chancellor shall continue to hold office even after expiry of his term till a new Vice Chancellor takes charge of the office, but in any case this period shall not exceed one year:

Provided also that the Chancellor may appoint the first Vice Chancellor for a period of one year or until a regular Vice Chancellor is appointed under this section whichever is earlier.

(2) The Vice Chancellor shall be the principal executive and academic officer of the University and shall exercise general superintendence and control over the affairs of the University and shall execute the decisions of various authorities of the University.

(3) Where, in the opinion of the Vice Chancellor, it is necessary to take immediate action on any matter for which powers are conferred on any other officer or authority by or under this Act, he may take such action as he deems necessary and shall at the earliest opportunity thereafter report his action to such officer or authority as would have in the ordinary course dealt with the matter:

Provided that if in the opinion of the concerned officer or authority such action should not have been taken by the Vice Chancellor then such case shall be referred to the Chancellor, whose decision thereon shall be final:

Provided further that where any such action taken by the Vice Chancellor affects any person in the service of the University, such person shall be entitled to prefer, within three months from the date on which such action is communicated to him, an appeal to the Governing Body and it may confirm or modify or reverse the action taken by the Vice Chancellor.

(4) Where, in the opinion of the Vice Chancellor, decision of any officer or authority of the University is not within the powers conferred by this Act or is likely to be prejudicial to the interest of the University, he shall request the concerned authority to revise its decision within fifteen days from the date of its decision and in case the authority refuses

to revise such decision wholly or partly or fails to take any decision within fifteen days, then such matter shall be referred to the Chancellor and his decision thereon shall be final.

(5) The Vice Chancellor shall exercise such powers and perform such functions as may be specified by the Statutes or the Ordinances.

(6) If, at any time upon representation made or otherwise and after making such inquiry as may be deemed necessary, the situation so warrants and if the continuance of the Vice-Chancellor is not in the interests of the university, the Chancellor may, by an order in writing stating the reasons therein, ask the Vice-Chancellor to relinquish his office from such date as may be specified in the order:

Provided that before taking an action under this sub-section, the Vice Chancellor shall be given an opportunity of being heard, in person.

17. (1) The appointment of the Registrar shall be made by the Chancellor in such manner as may be specified by the Statutes. Registrar

(2) All contracts shall be signed and all documents and records shall be authenticated by the Registrar on behalf of the University.

(3) The Registrar shall be the Member-Secretary of the Governing Body, the Board of Management and the Academic Council but he shall not have a right to vote.

(4) The Registrar shall exercise such powers and perform such duties as may be specified in the Statutes or the Ordinances.

18. (1) The appointment of the Chief Finance and Accounts Officer shall be made by the Chancellor in such manner as may be specified by the Statutes. Chief Finance & Accounts Officer.

(2) The Chief Finance and Accounts Officer shall exercise such powers and perform such duties as may be specified in the Statutes or the Ordinances.

19. (1) The University may appoint such other officers as may be necessary for its functioning. Other Officers.

(2) The manner of appointment of other officers of the University and their powers and functions shall be such as may be specified in the Statutes or the Ordinances.

CHAPTER IV
AUTHORITIES OF UNIVERSITY

Authorities of the University. 20. The following shall be the authorities of the University, namely:-

- (a) The Governing Body;
- (b) The Board of Management;
- (c) The Academic Council; and
- (d) such other authorities as may be declared by the Statutes to be the authorities of the University.

Constitution, Tenure, Powers, Quorum, etc. of the Governing Body. 21. (1) The Governing Body of the University shall consist of at least six members, including the Chancellor, the Vice Chancellor, and the remaining members to be nominated by the sponsoring body who shall be eminent people of standing; in the fields as may be specified:

Provided that it shall be the duty of sponsoring body, to maintain the gender parity, in nominating women members not less than one half of the total members in the composition of the Governing body.

(2) (a) Save as otherwise provided in this section, the term of nominated members of the Board shall be a minimum of three and a maximum of five years from the date of nomination:

Provided that each nominated member is eligible to hold the position for additional term not more than 10 years.

- (b) An ex-officio member shall continue so long as he holds the office by virtue of which he is such a member;
- (c) As nearly as one third of the nominated members, except the ex-officio member shall retire by rotation each year. In the first two instances, the Board may decide the procedure to identify the members who will retire;
- (d) A member may resign his office by informing in writing to the Chairperson, but he shall continue in office until his resignation has been accepted.

(3) The Governing Body shall be the overarching supervisory and statutory authority of the University. All the movable and immovable property of the University shall vest in the Governing Body.

(4) The Governing Body shall have the following powers, namely,-

- (a) to provide general superintendence and directions and to control functioning of the University by using all such powers as are provided by this Act;
- (b) to review the decisions of other authorities of the University in case they are not in conformity with the provisions of this Act;
- (c) to approve the budget and annual report of the University;
- (d) to lay down the extensive policies to be followed by the University;
- (e) to recommend to the Sponsoring body about the voluntary liquidation of the University; and
- (f) such other powers as may be prescribed by the Statutes.
- (g) to vest to the Board of Management or any other entity or official of the University such of its powers as it deems appropriate, along with the appropriate governance mechanism;

(5) The Governing Body shall meet at least four times in a financial year with one meeting in each quarter.

(6) A minimum of one-half of the members shall form a quorum for a meeting of the Governing Body.

22. (1) The Board of Management shall consist of a minimum of 8 and a maximum of 12 members, including the following persons,-

Board of
Management.

- (a) the Vice Chancellor;
- (b) up to one-fourth members of the Board of Management to be nominated by the Sponsoring body;
- (c) eminent persons from the fields of Management, Finance, Science & Technology or Public Administration, who are not the members of the Governing Body, to be nominated by the Sponsoring body;
- (d) persons from amongst the Heads of Departments of the University, to be nominated by the Sponsoring body:

provided that it shall be the duty of the sponsoring body, to maintain the gender parity in nominating women members in any case not less than one fourth and not more than one half of total members in the composition of the Board.

(2) The Vice Chancellor shall be the Chairperson of the Board of Management:

Provided that in the absence of the Vice Chancellor, the Chancellor may, at his discretion, nominate any other member of the Governing Body to be the Chairperson of the Board of Management.

(3) The Powers and functions of the Board of Management shall be such as may be specified by the Statutes.

(4) The Board of Management shall meet at least once in every two months.

(5) A minimum of one-half of the members shall form a quorum for a meeting of the Board of Management.

Academic Council.

23. (1) The Academic Council shall consist of the Vice Chancellor, the Registrar and such other members as may be specified by the Statutes.

(2) The Vice Chancellor shall be the Chairperson of the Academic Council.

(3) The Academic Council shall be the principal academic body of the University and shall, subject to the provisions of this Act, the Statutes, the Ordinances and the rules made thereunder, co-ordinate and exercise general supervision over the academic policies of the University.

(4) The quorum for meetings of the Academic Council shall be such as may be specified by the Statutes.

Dis-qualifications.

24. (1) A person shall be disqualified from being a member of any of the authorities or bodies of the University, if,-

- (a) he is of unsound mind and stands so declared by a competent court;
- (b) he is an undischarged insolvent;
- (c) he has been convicted of any offence involving moral turpitude;
- (d) he is conducting or engaging himself in private coaching with or without pecuniary gain; or
- (e) he has been punished for indulging in or promoting unfair practice in the conduct of any examination, in any form, anywhere.

25. No act or proceedings of any authority of the University shall be invalid merely by reason of any vacancy in or defect in the constitution of any authority or body of the University.

Vacancies not to invalidate the constitution of, or the proceedings of any authority or body of University.

26. The authorities of the University may constitute such committees with such terms of reference as may be necessary for specific tasks to be performed by such committees. The constitution of such committees, powers to be exercised and duties to be performed shall be such as may be specified by the Statutes.

Constitution of committees.

CHAPTER V

STATUTES, ORDINANCES AND REGULATIONS

27. (1) Subject to the provisions of this Act, and the rules made thereunder, the First Statutes may provide for all or any of the following matters, namely:-

First Statutes.

- (a) the constitution, powers and functions of the authorities and other bodies of the University as may be constituted from time to time;
- (b) the terms and conditions of appointment of the Vice Chancellor, his powers and functions;
- (c) the manner and terms and conditions of appointment of the Registrar and The Chief Finance and Accounts Officer, their powers and functions;
- (d) the manner and terms and conditions of appointment of other officers and teachers and their powers and functions;
- (e) the terms and conditions of service of employees of the University;
- (f) the procedure for arbitration in cases of disputes between employees or students and the University;
- (g) the conferment of honorary degrees;
- (h) framing of policy for admissions, including regulation of reservation of seats;
- (i) fees to be charged from students; and
- (j) the provisions regarding exemption from payment of tuition fee and awarding scholarships and fellowships to the students.

(2) The First Statutes of the University shall be made by the Governing Body and shall be submitted to the Government for its approval.

(3) The Government shall consider the First Statutes, submitted by the University and shall approve it as far as possible within two months from the date of its receipt, with or without modifications, as it may deem necessary provided that the Government shall mention reasons for such modifications, if any.

(4) The University shall communicate its agreement to the First Statutes as approved by the Government, and if it desires not to give effect to any or all the modifications made by the Government under sub-section (3), it may give reasons therefor and after considering such reasons, the Government may or may not accept the suggestions made by the University.

(5) The Government shall publish the First Statutes, as finally approved by it, in the Andhra Pradesh *Gazette*, and thereafter it shall come into force from the date of such publication.

Subsequent
Statutes.

28. (1) Subject to the provisions of this Act and the rules made there under, the subsequent Statutes of the University may provide for all or any of the following matters, namely,-

- (a) creation of new authorities of the University;
- (b) accounting policy and financial procedure;
- (c) representation of teachers in the authorities of the University;
- (d) creation of new departments and abolition or restructuring of existing department;
- (e) institution of medals and prizes;
- (f) procedure for creation and abolition of posts;
- (g) revision of fees;
- (h) alteration of the number of seats in different disciplines;
and
- (i) all other matters which by or under the provisions of this Act require to be specified by the Statutes.

(2) The Statutes of the University other than the First Statutes shall be made by the Board of Management with the approval of the Governing Body.

(3) The Statutes made under sub-section (2) shall be submitted to the Government and it may approve or, if it considers necessary, give reasoned suggestions for modification as far as possible within two months from the date of receipt of the Statutes.

(4) The Governing Body shall consider the modifications suggested by the Government and return the Statutes to it with its agreement to such changes or with its comments on the suggestions made by the Government.

(5) The Government shall consider the comments of the Governing Body and may approve the Statutes with or without modifications and it shall be published by it in the *Andhra Pradesh Gazette*, and shall come into force from the date of such publication.

29. (1) Subject to the provisions of this Act, the rules and the Statutes made thereunder, the first Ordinances may provide for all or any of the following matters, namely,-

First
Ordinances.

- (a) the admission of students to the University and their enrolment as such;
- (b) the courses of study to be laid down for degrees and diplomas of the University
- (c) the award of degrees, diplomas and other academic distinctions, the minimum qualifications for the same;
- (d) the rules & procedures for award of fellowships, scholarships, stipends, medals and prizes;
- (e) the conduct of examinations, including the terms of office and manner of appointment and the duties of examining bodies, examiners and moderators;
- (f) fees to be charged for the various courses, examinations, degrees or diplomas of the University;

- (g) provision of various student facilities & services provided by the University including but not limited to student housing;
- (h) provision regarding disciplinary action against the students;
- (i) the creation, composition and functions of any other body which is considered necessary for improving the academic standards of the University;
- (j) the manner of co-operation and collaboration with other Universities and institutions of higher education;
- (k) such other matters which are required to be provided by the Ordinance by or under this Act.

(2) The First Ordinance of University shall be made by the Vice Chancellor which, after being approved by the Board of Management, shall be submitted to the Government for its approval.

(3) The Government shall consider the First Ordinances submitted by the Vice Chancellor under sub-section (2) as far as possible within two months from the date of its receipt and may approve it or give reasoned suggestions for modifications therein.

(4) The Vice Chancellor shall either modify the Ordinances incorporating the suggestion of the Government or give reasons for not incorporating any of the suggestions made by the Government and shall return the First Ordinances, after due consideration by the Board of Management, to the Government and on receipt of the same, it shall consider the comments of the Vice Chancellor and may approve the First Ordinances of the University with or without such modifications and it shall then be published by the Government in the Andhra Pradesh Gazette, and it shall come into force from the date of such publication.

Subsequent Ordinances. 30. All Ordinances other than First Ordinances shall be made by the Academic Council which after being approved by the Board of Management shall be submitted to the Government for its information and publication in the Andhra Pradesh Gazette.

Regulations. 31. The authorities of the University may, subject to the prior approval of the Board of Management make Regulations, consistent with this Act, the Statutes, the Ordinances and the rules made thereunder, for the conduct of business of each such authority and committees constituted by each such authority.

CHAPTER VI**REGULATION AND ACCREDITATION OF UNIVERSITY**

32. (1) A Regulatory Authority shall be established by the Government for the purpose of providing an outcome oriented & light-touch regulatory mechanism at the state level for enabling development of high quality institutions, providing a facilitative environment for universities to operative and thrive, safeguard the interests of students, among others to be notified by the Government from time to time. The regulatory body will work as an interface between the Government, universities, central regulators, and other entities as needed. The Regulatory Authority shall also have the responsibility for setting up the framework under which independent accreditors will be authorized to carry out the task of accrediting universities, and to act as the overall supervision agency for such accreditors. The Regulatory Authority shall not accredit universities and other institutions directly.

Regulation
and
Accreditation
of
University .

(2) Once formed, the Regulator Authority shall create the framework of accreditation, which would cover all universities and colleges in the State, within 90 days after constitution. Accreditors shall be independent and could be a private or public entity. The first set of a minimum of two accreditors shall be identified and authorized for operation within 180 days of setting of the Regulatory Authority.

(3) The Regulatory Authority shall function under the general control of the Chief Minister of Andhra Pradesh.

(4) The Regulatory Authority shall consist of a Chairperson and such other members, not exceeding three, as the Government may decide from time to time.

(5) The Chairperson shall be an eminent educationist or a higher education administrator who has a thorough knowledge of the working of the institutions of higher education. The members shall be persons of repute in the field of education, finance, law, administration or management.

(6) The Chairperson and members shall be appointed by the Chief Minister from a list of three names each selected by a Search Committee of three members which shall be constituted by the Chief Minister. The members nominated shall, to the extent possible, be from the Eminent Persons panel.

(7) The Regulatory Authority shall have a full time Chief Executive Officer who has significant experience with and in higher education, who shall be a professional appointed by the Government and shall be an officer not below the rank of a Secretary to Government. The Regulatory Authority shall also have a full time Director for Accreditation Framework, who shall be a professional appointed by the Government and shall be an officer not below the rank of an Additional Secretary to the Government.

(8) The Chairperson, Chief Executive Officer, Director and the members shall not be connected in any way with any of the private universities established under this Act.

(9) The Chairperson and members of the Regulatory Authority shall hold office for a term of three years from the date on which the individual enters office, or until he attains the age of seventy years, whichever is earlier, and he shall be eligible to be considered for a second term of aforesaid years subject to the upper age limit of seventy years:

Provided that notwithstanding the expiry of the said period the Chairperson shall continue in office until his successor is appointed, but such period shall not exceed six months:

Provided further that after the expiry of the term, the Chairperson and the members of the Regulatory Authority shall be prohibited from accepting any pecuniary benefits in any form or in any name whatsoever and any assignment or employment in any of the private universities established under this Act.

(10) The other terms and conditions of services of Chairperson and the members, mode of authentication of orders and decisions of the Regulatory Authority and instrument issued by the Regulatory Authority, procedure of meeting of the Regulatory Authority, recruitment and service conditions of the staff of the Regulatory Authority, temporary association of persons with the Regulatory Authority for particular purpose, fund of the Regulatory Authority as budget, annual report, accounts, audit and such other matter, as may be required for proper functioning of the Regulatory Authority, shall be as prescribed.

(11) It shall be the general duty of the Regulatory Authority —

- (a) to take all such steps as it considers necessary for enabling maintenance of standards of teaching, examination and research in the private universities;

- (b) to provide the necessary guidance and supervision to the accrediting bodies ;
- (c) notwithstanding anything contained in any other law for the time being in force to ensure that private universities collect such fees and other charges which cover the cost of education imparted by them and also give a reasonable surplus or returns on investment capital to enable them to maintain assets and carry out further expansion or increase endowment & other funds for future growth and expansion of the University.
- (d) to ensure that a nurturing and facilitative ethos is created in the Universities that enables excellence in learning-teaching and research, while ensuring that there is no exploitation of any student from excessive collection of fee.
- (e) to take action pertaining to and pursuant upon liquidation of a private university including arrangement for completion of courses, conduct of examinations, award of degrees etc. by assigning the jobs to some other State University in such a manner that the interest of the students are not adversely affected and the expenditure made for these arrangements for the students along with the process of liquidation of the private university shall be made good from the money deposited in the endowment fund and/or general fund.

(12) When there is evidence that may necessitate inspection of the University, the Regulatory Authority shall have powers to do so at any time after giving sufficient prior notice of such inspection.

(13) The findings of the Regulatory Authority shall be communicated to the University formally, with a request to rectify deficiencies or problems noted within an acceptable timeframe. At all times, the University shall have both the right to appeal to the Authority against conclusions on deficiencies or problems, as well as the responsibility to set them right expeditiously. A well-structured mechanism for appeals and their resolution shall be framed by the Authority, keeping in mind that an unnecessarily litigious environment should not be created, while working hard to enable the overall goal of the Government, viz, providing a high-quality higher education framework for the State.

(14) If the Regulatory Authority is not satisfied with the reply given and the remedial action by the University, it shall report to the Government for appropriate action.

(15) The Government may issue directions on matters of policy to the Regulatory Authority which shall be binding.

Admissions
and Fee
Structure

33. (1) The University shall have full autonomy, along with full disclosure and transparency, on starting various academic programme, and the admissions process thereof, so long as it adheres fully to the admission norms that it has committed to in its approved project proposal.

(2) The University shall have full autonomy, along with full disclosure and transparency, on setting fees for the various programmes that it decides to offer. Fees shall be determined by each University through a Fee Fixation Committee which would consist of members drawn from Board of Management, Academic Council, as well as external membes. The Fee Fixation Committee shall be headed by a member of the Board of Management.

Convocation.

34. The Convocations of the University for conferring degrees, diplomas or for any other purpose, may be held in every academic year in the manner as may be specified by the Statutes.

Accreditation
University.

35. Within a period of five years from commencement of programmes, the University shall obtain such accreditation as may be prescribed by the Government from time to time. It shall also obtain certification/ accreditation from such other Regulating Bodies which are connected with the courses taken up by the University. It shall inform the Government about the grade provided to the University. The University shall ensure renewal of such accreditation from time to time.

University to
follow rules,
regulations,
norms, etc. of
regulating
bodies.

36. Notwithstanding anything contained in this Act, the University shall be bound to comply all the rules, regulations, norms, etc., of the Regulating Bodies and provide all such facilities and assistance to such Bodies as are required by them to discharge their duties and carry out their functions.

CHAPTER VII**FUNDS OF UNIVERSITY**

37. (1) The Sponsoring body shall establish an Endowment Fund for the University with an amount specified in the Letter of Intent. Endowment
Fund.

(2) The Endowment Fund shall be used as security deposit to ensure that the University complies with the provisions of this Act and functions as per provisions of this Act, the Statutes, the Ordinances, the Regulations and the rules. The Government shall have the powers to order forfeiture, a part or whole of the Endowment Fund in case the University or the Sponsoring body contravenes the provisions of this Act or the Statutes, or the Ordinances, or the Regulations or the rules made thereunder. In such a case the forfeited amount shall be utilized for due compliance with the provisions of this Act, Statutes Ordinances, Regulations or the rules as the case may be:

Provided that before issuing an order of forfeiture under this subsection, the Government shall afford an opportunity of representation to the University or the Sponsoring body as the case may be.

(3) The University if required may utilize 75% of the income from Endowment Fund for the development of infrastructure of the University and not to meet the recurring expenditure of the University. The balance and unutilized income shall be added to the Endowment Fund.

(4) The amount of Endowment Fund shall be invested in such highly secure & liquid instruments and kept invested until the dissolution of the University.

(5) The Governing Body shall be responsible and accountable for the safety & correct utilization of the Endowment Fund.

(6) The Governing Body shall ensure that the University prepares an audited report on the status and utilization of interest proceeds of the Endowment Fund annually, which may be sought by the Government from time to time:

Provided that the University which fails to maintain such a report may be enquired into as per section 44.

General Fund. 38. Every University shall establish a fund, which shall be called the General Fund to which the following shall be credited, namely:-

- (a) fees and other charges received by the University;
- (b) for procurement & upkeep of the assets of the University;
- (c) any income received from consultancy and other work undertaken by the University in pursuance of its objectives;
- (d) trusts, bequests, donations, endowments and any other grants; and
- (e) all other sums received by the University.

Application of General Fund. 39. The General Fund shall be utilized for the following objects, namely:-

- (a) for the repayment of debts including interest charges thereto incurred by the University for the purposes of this Act and the Statutes, the Ordinances, the Regulations and the rules made thereunder with the prior approval of the Governing Body;
- (b) for upkeeping the assets of the University;
- (c) for the payment of the fee for audit of the funds created under sections 37 and 38;
- (d) for meeting the expenses of any suit or proceedings by or against the University;
- e) for the payment of salaries, allowances, Provident Fund contributions, gratuity and other benefits to officers, employees and members of the teaching and research staff;
- (f) for the payment of travelling and other allowances of the members of the Governing Body, the Board of Management, the Academic Council, other authorities and the members of any committee appointed by any of the authorities or the Chancellor or the Vice Chancellor ;
- (g) for the payment of fellowships, freeships, scholarships, assistantships and other awards to the students belonging to economically weaker sections of the society or research associates, trainees or, as the case may be, to any student otherwise eligible for such awards under the Statutes, the Ordinances, the Regulations or the Rules;

- (h) for the payment of any expenses incurred by the University in carrying out the provisions of this Act or the Statutes, the Ordinances, the Regulations or the Rules;
- (i) for the payment of cost of capital, not exceeding the prime lending rate from time to time of the State Bank of India, incurred by the Sponsoring body for setting up the University and the investments made there for;
- (j) for the payment of charges and expenditure relating to the consultancy work undertaken by the University in pursuance of the provisions of this Act or the Statutes, the Ordinances, the Regulations or the rules made there under;
- (k) for the payment of any other expenses including service fee payable to any organization charged with the responsibility of providing any specific service, including the managerial services to the University, on behalf of the sponsoring body, as approved by the Board of Management to be an expense for the purposes of the University:

Provided that no expenditure shall be incurred by the University in excess of the limits for total recurring expenditure and total non-recurring expenditure for the year, as may be fixed by the Board of Management, without prior approval of the Board of Management.

CHAPTER VIII

ACCOUNTS, AUDIT AND ANNUAL REPORT

40. The Annual Report shall be prepared by the University every financial year which shall include among other matters, the steps taken by the University towards the fulfilment of its objectives and shall be submitted to the Government.

Annual
Report.

Explanation: Financial year for the purpose of this Chapter shall be from April 1st to March 31st of the following year.

41. (1) The Annual Accounts including balance sheet of the University shall be prepared by the University in a fair and transparent manner and the annual accounts shall be audited at least once in every year by the auditors appointed by the University for this purpose.

Annual
Accounts
and Audit.

(2) A copy of the Annual Financial Statements together with the Audit Report shall be submitted to the Government every financial year.

(3) The Governing Board shall be responsible for accurate and detailed preparation of the Annual Financial Statements, and the timely submission of the same with the Annual Report.

(4) The advice of the Government, if any, arising out of the accounts and audit report of the University shall be placed before the Governing Body. The Governing Body shall issue such directions, as it may deem fit, and compliance shall be reported to the Government.

CHAPTER IX

WINDING UP OF UNIVERSITY

Management of
University on
dissolution of
Sponsoring Body.

42. (1) If the Sponsoring body proposes to dissolve itself according to the provisions of law governing its constitution, it shall give at least six months prior notice to the Government.

(2) The Government shall, on receipt of such notice make such arrangements as may be necessary, for the administration of the University from the date of dissolution of the Sponsoring body till the completion of syllabus by the last batch of students admitted to the University.

(3) The Government may continue the functioning of the University by appointing an administrator in place of Sponsoring body, who shall be entrusted with the prescribed powers and functions.

(4) The Government on dissolution of the Sponsoring body after due consideration, may dissolve the University in such manner as may be prescribed.

Dissolution
of
University.

43. (1) The Government, after due consideration, may dissolve the University in such manner as may be prescribed:

Provided that the dissolution of the University shall have effect only after the last batches of students of the regular courses have completed their courses and they have been awarded degrees, diplomas or awards, as the case may be.

Provided further that the Government may continue the functioning of the University by appointing an administrator in place of the Sponsoring body entrusted with powers and functions as per sub-section (3) of section 42.

(2) On dissolution of the University all the assets and liabilities of the University shall vest in the sponsoring body in the manner as may be prescribed:

Provided that any specific concessions assigned by the Government to the University shall be resumed to the Government.

44. (1) Where the Government is of the opinion that the University has contravened any of the provisions of this Act, the Statutes or the Ordinances or the Regulations or the rules made thereunder or has violated any of the directions issued by it under this Act or a situation of Financial mismanagement or maladministration has arisen in the University, it shall issue notice requiring the University to show cause within forty-five days as to why an administrator be not appointed.

Special
Powers of
State
Government
in certain
circumstances.

(2) On receipt of reply of the University on the notice issued under sub-section (1), if the Government is satisfied that there is a prima facie case of contravention of any of the provisions of this Act or the Statutes or the Ordinances or the Regulations or the rules made thereunder or violation of directions issued by it under this Act or there is financial mismanagement or maladministration, it shall make an order of such inquiry as it may consider necessary.

(3) The Government shall, for the purposes of any such inquiry under sub-section (2), appoint an inquiry officer or officers to inquire into any of the allegations and to make report thereon.

(4) The inquiry officer or officers appointed under sub-section (3) shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 while trying a suit in respect of the following matters namely,-

Central Act
No.5 of
1908.

- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) requiring the discovery and production of any such documents or any other material as may be predicable in evidence; and
- (c) requisitioning any public record from any court or office.

(5) On receipt of the inquiry report from the officer or officers appointed under sub-section(3), if the Government is satisfied that the University has contravened all or any of the provisions of this Act or the Statutes or the Ordinances or the Regulations or the rules made thereunder or has violated any of the directions issued by it under this Act or a situation of financial mismanagement and maladministration has arisen in the University which threatens the academic standards of the University, it may appoint an administrator.

(6) The administrator appointed under sub-section (5) shall exercise all the powers and perform all the duties of the Governing Body and the Board of Management under this Act and shall administer the affairs of the University until the last batch of the students of the regular courses have completed their courses and they have been awarded with degrees, diplomas or awards as the case may be.

(7) After having been awarded the degrees, diplomas or awards as the case may be, to the last batches of the students of the regular courses, or after transfer of all students to other institutions,if applicable, the administrator shall make a report to that effect to the Government.

(8) On receipt of the report under sub-section(7), the Government after due consideration, may decide to continue the functioning of the University by vesting the powers of the Governing body in the prescribed manner to other societies having similar objects or the government may decide to dissolve the University in such manner as may be prescribed.

CHAPTER X

MISCELLANEOUS

Powers of
Government
to make
rules.

45.(1) The Government may, by notification, make rules to carry out all or any of the purposes of this Act.

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

(a) the manner of making proposal and Project Report to establish University and the fees payable under section 6;

- (b) other particulars of the Project Report under section 7;
- (c) terms and conditions under sub-section (2) of Section 10;
- (d) other matters relating to Statutes and Ordinances under sub-section (1) of sections 27, 28 and 29;
- (e) matters relating to dissolution of the Sponsoring body under section 42;
- (f) matters relating to dissolution of the University under section 43 and section 44.

(3) Every rule made under this Act shall, immediately after it is made, be laid, before each House of the State Legislature, if it is in session and if it is not in session, in the session immediately following for a total period of fourteen days which may be comprised in one session or in two successive sessions and if, before the expiration of the session in which it is so laid or the session immediately following the Legislature of the State agrees in making any modification in the rule or in the annulment of the rule, the rule shall, from the date on which the modification or annulment is notified, have effect only in such modified form or shall stand annulled 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.

46. (1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the Andhra Pradesh Gazette, make provisions not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Power to
remove
difficulties.

Provided that no such 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, as soon as may be after it is made, be laid before the State Legislature.

SCHEDULE(See section 3)

Sl.No.	Name and location (address) of the Private University	Name & Address of the Sponsoring body	Details of registration of the Sponsoring body
(1)	(2)	(3)	(4)
1.			
2.			
3.			
4.			

C.S.S.V. DURGA PRASAD,
*Secretary to Government,
Law Department.*