

Dated 19 August 2008

Dear Prof. Thorat,

Please refer to your letter of 8 August 2008 addressed to Prof Deepak Nayyar regarding establishment of World Class Universities. The attached concept paper sent by you was discussed at the meeting of the National Knowledge Commission held in New Delhi on 12th-13th August 2008. I am writing to communicate the views of NKC on the aforesaid concept note. These may kindly be shared with all concerned.

You are aware that the XI Plan provisions for these Universities were made partly in pursuance of the recommendations of NKC in this regard. We would like to reiterate some of the essential features of these Universities as articulated in the NKC recommendations submitted to the PM in November 2006. The following concerns of NKC, on some critical issues, may kindly be incorporated in the revised concept note.

Curriculum

NKC had suggested that syllabi shall be revised every year to keep up with changes and current developments in various disciplines. Departments that do not update their syllabus for two consecutive years shall be asked to provide justification. While there is a need to ensure relevance of the curriculum on a continuing basis it may be difficult to devise appropriate methodologies for student originated curriculum. This would need to be tasked to expert academic bodies.

Faculty

An appropriate system of appointments and incentives is required to maximize the productivity of faculty in these Universities. Steps that could be taken are:

- In order to maintain the quality of these Universities, mechanisms should be in place to monitor and evaluate the performance and progress of teachers including peer reviews. The procedures and results of these evaluations should be open and transparent
- Faculty training should be contingent on periodical reviews of research output and student evaluation.
- The most accomplished faculty members should be encouraged to teach undergraduate courses.
- There should be provision for enabling salary differentials between Universities and also between disciplines within Universities.
- No career advancement schemes so that faculty appointments at every level are through open competition.

- The total number of faculty positions for the University may be specified, but there should be complete flexibility in choosing the Department and level at which faculty appointments are made, so that, for talented faculty members, career paths are not constrained by the number of vacancies.

Fees

NKC had envisaged that these universities shall have the autonomy to set *student fee levels* and tap other sources for generating funds such as industry collaborations, overseas operations, as also innovative use of university facilities and alumni networks. They shall adopt the principle of *needs-blind admissions*, thereby ensuring that an applicant's ability or inability to pay shall not influence the admission decision made by a university. Further, once admitted, the university should ensure that no student has to forego his/her place due to financial constraints. This will require a host of scholarships, free-ships, bursaries and awards for economically disadvantaged students.

Governance & Management

NKC has recommended the following:

- There is a need to ensure that the new institutions are allowed a great degree of autonomy coupled with effective accountability.
- Appointments of Vice Chancellors must be freed from direct or indirect interventions on the part of governments, for these should be based on search processes and peer reviews alone. Further, rather than prescribing stringent conditions (as in the concept note) such as 10 years as a Professor/VC in a Central/State University or an Institution of National Importance, experience in research or guiding research, the criteria for appointment of Vice Chancellors should recognize the importance of leadership qualities, a proven track record as well as academic excellence.
- The size and composition of University Courts, Academic Councils and Executive Councils should be compact to facilitate quick decisions.
- In spite of stated intentions that unions should be apolitical, the politicisation of Unions is a reality which has contributed to the deteriorating situation in many universities. Instead, representation of teachers and students in university bodies should be provided through a transparent principle of rotation.
- The time has come for some strategic thinking on the re-allocation of budgets for universities with some allocation for development grants and on needs other than salaries. The criteria for resource allocation should seek to strike a much better balance between providing for salaries/ pensions and providing for maintenance/ development/ investment.
- The non-teaching functions should be outsourced wherever possible, and a maximum ratio of 2:1 should be maintained between non-teaching and teaching staff.
- Each university should appoint an internal ombudsman for the redressal of faculty, staff, student and public grievances.
- Administrative processes, wherever possible, should be streamlined and made transparent and accountable by the use of information and communications technology.

Legislation

NKC would suggest that the draft legislation should contain no more than the critical minimum provisions thereby enabling autonomy, innovation and flexibility. The following may be specifically provided for in the Act:

- The process of appointment of Vice Chancellors, search based, transparent and free of political interference.
- Manageable and compact governance structures. The time has come to rethink structures of governance in universities which were put in place decades ago that are often not conducive to decision making, change and innovation. The new structures of governance should seek to enhance both autonomy and accountability.
- Greater financial autonomy coupled with adequate internal controls and accountability.
- An enabling provision such that these Universities could also be established by a private sponsoring body that sets up a Society, Charitable Trust or Section 25 Company. In the case of privately executed Charitable Trusts, exceptions need to be made in existing Income Tax laws to encourage large *endowments*. In particular, there should be no restriction on the utilization of income in any given time period, the Trusts should be allowed to invest their funds in financial instruments of their choice, and all proceeds from the sale of capital assets should be exempt from capital gains tax. These universities shall have the autonomy to invest in financial instruments of their choice, by employing private fund managers if required. Each such university may be endowed with a substantial *allocation of public land*, in excess of its spatial requirements. The excess land can be a subsequent source of income generation, its value rising over time due to the growing stature of the university.
- The Act should be termed the “National Universities System Act” instead of “Indian World Class University System Act”.

For your reference, I am attaching an extract from the note of NKC on higher education pertaining to National Universities. Of course, this is not exhaustive. There are also other recommendations of the NKC on higher education, elsewhere in its report, which are relevant for the issues in the concept note.

Yours sincerely

(Sunil K. Bahri)

Prof. S. Thorat, Chairman UGC

Copy for information:

1. Dr. Montek Singh Ahluwalia Deputy Chairman Planning Commission
2. Mr. R. P. Agrawal Secretary Department of Higher Education