

REPORT OF THE EXPERT COMMITTEE
ON

~~GOVERNMENT INSTITUTE OF MANAGEMENT AND ECONOMICS~~
(GIPE), PUNE



UNIVERSITY GRANTS COMMISSION
BAHADUR SHAH ZAFAR MARG
NEW DELHI – 110 002
OCTOBER, 2006

872

CONTENTS

Sl. No.	Particulars	Page No.
1.	Introduction	1
2.	Meetings of the Committee	2
3.	The Issues for the Consideration of the Committee	3-4
4.	Brief History of the Gokhale Institute of Politics and Economics	5-10
	4.1 Deemed University, 5	
	4.2 Research, 6	
	4.3 Teaching, 7	
	4.4 Library as National Resource Centre, 7	
	4.5 Computer Section, 9	
	4.6 Publications, 10 ^a	
	4.7 GIPE and UGC, 10	
5.	Some Developments relating to the Constitution (MOA) of GIPE	11-14
6.	Main Points of Presentations to the Committee	15-24
	6.1 Meeting with Officiating Director and Officiating Registrar, 15	
	6.2 Meeting with the Chairman and Members of Board of Management, 16	
	6.3 Meeting with the Faculty Members, 17	
	6.4 Meeting with Prof. Chitre, Former Director, Prof. Ajit Sinha, Director (on leave) Dr. Honaver, Former member BOM and Dr. Sangeeta Shroff, Former Officiating Registrar, GIPE, 21	
	6.5 Meeting with the Students, 22	
	6.6 Meeting with the Research Scholars, 23	
	6.7 Meeting with the Non-Teaching Staff, 23	
7.	Observations of the Committee	25-30
8.	Recommendation of the Committee	31-34

873

ANNEXURES

- A: **PROGRAMME SCHEDULE OF EXPERT COMMITTEE ON GIPE** - 35
- B: **NAMES OF OFFICIALS WITH WHOM THE EXPERT COMMITTEE HAD DISCUSSION, BOTH COLLECTIVELY AND INDIVIDUALLY** - 36
- C: **NAMES OF OFFICIALS / STAFF WHO GAVE THE WRITTEN REPRESENTATION** - 37
- D: **PROFILE OF GOKHALE INSTITUTE OF POLITICS AND ECONOMICS (GIPE)** - 38

274

1.0 INTRODUCTION

The Ministry of Human Resource Development (MHRD) had forwarded the representations received by Hon'ble Prime Minister's Office from the past Directors/Members of the Governing Board of GIPE, Pune. While forwarding the representations, the MHRD had directed the UGC to enquire into the complaints received with the help of an Expert Committee and send the report to the Ministry. Also, the MHRD specified the terms of reference of the Expert Committee*. Accordingly, the Chairman, UGC constituted the following Expert Committee to look into the complaints and give its recommendations.

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(Former Chairman, UPSC)
C-40 Jaswant Apartment
Jamia Nagar
New Delhi-110025
(Mobile-9818233038, 011-26911102)
2. Prof. D. Narsimha Reddy - Member
(Professor of Economics (Retd.)
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3-33-33, L Venkatreddi Colony
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E.mail: Reddy dn2000@yahoo.com)
3. Dr. R.P. Gangurde - Member
(Additional Secretary (Retd.), UGC
C-13/26, Kendriya Vihar
Nerul Sector-38
Navi Mumbai-400 706
(022-27705504 (R)
09323375089 (Mobile)
4. Dr. K. Gunasekaran - Member Secretary
Joint Secretary, UGC

* Vide letter No. F.9-14/89-U.3(A)(Vol.III) dated 24th February, 2006 from Shri O.P. Pahuja, Under Secretary to the Govt. of India, MHRD)

2.0 MEETINGS OF THE COMMITTEE

The Expert Committee had **two** preliminary meetings at the UGC office on **6th June 2006 and 28th July, 2006** and discussed the modalities to be followed and drew up a programme including a schedule of activities (**Annexure-A**) in connection with its visit to the Institute. The Committee visited GIPE on **21st, 22nd and 23rd August, 2006** and had extensive discussion with various persons connected with GIPE. **Annexure-B** gives the names of officials with whom the Expert Committee had discussions, both collectively and individually. During its visit to GIPE the Committee had received several written representations from various individuals. (**List of individuals Annexure-C**). **Annexure-D** gives a profile of GIPE.

The **fourth** meeting of the Committee was held in the UGC office on **1st September, 2006** at which Prof. Suresh Tendulkar, former Member of BOM, GIPE gave a presentation and the Committee also finalized the first draft report. The **fifth** meeting of the Committee was held on **25th and 26th September, 2006** at the UGC office. Prof. Narendra Jadhav, former member of BOM, GIPE, and presently Vice-Chancellor, Pune University, had offered to give his presentation on **25th September, 2006**. But he could not attend the meeting due to unavoidable circumstances. The Committee worked on the second and third draft of the report. The **sixth** meeting of the Committee was held on **3rd and 4th October, 2006** in the office of the Commission and the **seventh** and final meeting on **11th October, 2006**.

3.0 THE ISSUES FOR THE CONSIDERATION OF THE COMMITTEE

The MHRD had forwarded the representations received from the following persons :

- (a) Prof. Vikas Chitre, Former Professor and Director, GIPE.
- (b) Dr. R.M. Honaver, Former Chief Economic Advisor, Ministry of Finance, Govt. of India, and former Member of Board of Management, GIPE.
- (c) Prof. Ajit Sinha, Director (On leave), GIPE.
- (d) Prof. Suresh Tendulkar, Retd. Professor, Delhi School of Economics, and former Member of Board of Management, GIPE.
- (e) Dr. Narendra Jadhav, Executive Director, RBI, and former Member of Board of Management, GIPE.

The representations draw attention to the "crisis" developing in the GIPE due to certain "uncalled for" actions of Mr. P.K. Dwivedi, the then Chairman, Board of Management (BOM) of GIPE, and President, Servants of India Society (SIS), who are the Trustees of the GIPE. Specifically, they point out to the action taken by Mr. Dwivedi as Chairman of the BOM, between **August 2005** and **November 2005**, which in their view was tantamount to interference in the administration without just ground, which results in the violation of the Constitution with serious consequences. In order to substantiate, the following actions of the then Chairman, BOM, were cited by them:

- 3.1 In **August, 2005** Mr. Dwivedi approached the UGC without consulting the then Director, GIPE, Dr. Ajit Sinha, in an attempt to stop a constitutional amendment that had been duly discussed and approved by the Board of Management in its meetings held on **14th June 2004** and **20th March, 2005**.
- 3.2 In **August 2005**, Mr. Dwivedi announced that two persons nominated to the Board by the previous President of SIS would cease to be the members, even before their terms of membership came to an end.

899

- 3.3** On **October 2005**, Mr. Dwivedi tried to stop a faculty selection committee meeting without just and sufficient ground.

- 3.4** On **October 18, 2005** Mr. Dwivedi announced that he had replaced the Acting Director (Prof. Tirthankar Roy) whose position was authorized by the Constitution.

- 3.5** On **October 2005**, Mr. Dwivedi and two other members of the SIS filed a suit with the Charity Commissioner, Pune bringing charges against the administration of the Institute which were not correct.

- 3.6** On **November 17, 2005** Mr. Dwivedi convened a meeting of the Board of Management inviting persons who were not members of the Board, and at the same time, not inviting few others who were the members on that day, viz., Prof. Tendulkar and Prof. Narendra Jadhav. This meeting overturned several important decisions taken by the previous Board meetings.

878

4.0 BRIEF HISTORY OF THE GOKHALE INSTITUTE OF POLITICS AND ECONOMICS

The Committee felt that before proceeding further, it would be proper to set these issues by due attention to a brief historical account of the primacy of the GIPE as an academic Institution. The Gokhale Institute of Politics and Economics (GIPE) is one of the oldest research and training institutes in Economics in the country. It was founded on the 6th of June 1930 with an endowment offered to the Servants of India Society (SIS) by the late Rao Bahadur R.R. Kale, Member of Legislative Council from Satara. The Servants of India Society, founded by the late Shri Gopal Krishna Gokhale, are the Trustees of the Institute. The Institute is registered under the Societies Registration Act, 1860, and the Bombay Public Trusts Act, 1950.

The object of the Institute is to conduct research into the economic and political problems of India and to train research workers in these subjects. Under the pioneering leadership of the late Professor D.R. Gadgil, the first Director of the Institute, standards were set for high quality research, teaching and training in a number of branches of economics.

4.1 Deemed University

Keeping in view the (i) eminence of the faculty (ii) contribution that the Institute has made in teaching, training and research in economics, (iii) rich library the Institute has developed over the years, and (iv) the potential of the Institute for excellence in teaching and research, the Government of India, on the advice of the University Grants Commission, declared the Institute as a "deemed to be a University" on **May 9, 1993**, which was the birthday of the late Shri Gopal Krishna Gokhale after whom the Institute is named. The Institute started functioning as deemed to be a University with effect from that day. In **January, 2004**, the National

Assessment and Accreditation Council accredited the Institute with A+ grade (score 90-95%) for a period of five years.

4.2 Research

The main thrust areas of the Institute, developed over the years through financial assistance from various sources are : agricultural economics and rural development, population studies, input-output studies for planning and development, microeconomics, macroeconomics, monetary economics and finance, public economics, international economics and the study of economics of East European countries.

Various ministries and public funding agencies including the Government of Maharashtra and private foundations like the Sir Dorabjee Tata Trust financed the research activities of the Institute in the early years. Subsequently, in 1954, the Union Ministry of Food and Agriculture established, and have supported since then, the Agro-Economic Research Centre of the Institute. During the early fifties, the Rockefeller Foundation made a substantial grant, spread over several years, for the conduct of a research programme in rural demography. By the time this grant came to an end, the Union Ministry of Health, which had given grants for conducting some specific demographic studies in 1954-57, decided in 1964 to strengthen and expand the research work on population by financing, on a continuing basis, a Population Research Centre as an integral part of the Institute. Beginning with the year 1956, the Ford Foundation gave a very generous financial assistance for more than a decade. Later on, the Ford Foundation, in cooperation with the Planning Commission, provided a separate grant for research and training in the areas of planning and development, mainly devoted to input-output studies. The Planning Commission has also given an endowment grant to the Institute to establish a Chair and a Unit at the Institute for promoting teaching, research, and informed debate on all issues relating to the Planning

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and Development. The above-mentioned Chair is named as "Professor D.R. Gadgil Chair in Planning and Development."

4.3 Teaching

The Institute, right from its inception, was affiliated to the University of Bombay, conducted the M.A. Programme in economics and supervised the work of students working for research degrees of that University. In 1949, with the establishment of the University of Poona, the Institute became a recognized institute of the University of Poona. Till a few years ago, the Institute was functioning, for all academic purposes, as the Department of Economics of Poona University. With the decision of the University of Poona to establish a separate department of economics at its campus, the Institute, as Centre of Advanced Study in Economics, was granted effective autonomy by the University of Poona in 1986 in designing courses and in teaching and examination of M.A. courses in economics. As stated earlier, the Institute has been granted by the Government of India the status of deemed to be a University with effect from May 9, 1993. With the grant of this status, the Institute now awards its own M.A. and Ph.D. degrees in economics. After acquiring the status of deemed to be a University, the syllabi of the courses offered at the Institute were thoroughly revised on the basis of the recommendations of a committee constituted for that purpose. The courses in the M.A. Programme of the Institute are being regularly revised and updated on the recommendations of the Board of Studies and the Academic Council of the Institute.

4.4 Library as National Resource Centre

The Institute's Dhananjayarao Gadgil Library is considered to be one of the foremost specialized libraries in India in the fields of economics and other related social sciences. A unique feature of the Library is its large number of rare books published before the advent of the twentieth century, which may

891

not be available elsewhere. The oldest book in the Library is a 1680 book entitled " The Works of the Famous Nicholas Machiavel, Citizen and Secretary of Florence". In addition, a few hundred books published during the eighteenth and nineteenth centuries are also available in the Rare Books section, for consultation by scholars. The Library is making every effort for the preservation of these old and rare books with the help of traditional methods of lamination and special binding. The mainstay of an academic library is a collection of general reference books. In addition to the standard Encyclopaedias like Encyclopaedia Britannica, the Library holdings include the International Encyclopaedia of Economics, Sociology, Population (2 volumes each), the International Encyclopaedia of sustainable Development (20 volumes); Encyclopaedia of Education, religion and Ethics, Social Work, and Terrorism; as well as the Marathi Vishwakosh (16 volumes) and the Marathi Dnayanakosh (24 volumes). The Serials section of the Library contains more than 51,738 publications which include annual administration reports, serially published reports, annual conference volumes and other such publications which come out serially once in a year or two. Currently the Library receives 410 journals. It has got bound volumes of about 2000 journals, including unbroken set of most of the leading titles in economics, both Indian and foreign. As already stated, the Library is a depository library for the publications of the United Nations and its specialized agencies, the World Bank, the International Monetary Fund, the European Economic Community and also the Government of Canada. Besides books, it receives a few journals as depository. In its collection of nearly 400 microfilms and 1000 microfiches, the Library provides reference books, books, theses, census volumes, gazetteers, and importantly, also the letters of G.K. Gokhale.

Besides the traditions of research, teaching and training, the Institute is looked upon as a national heritage institution because of its strength as a resource centre for research for scholars in economics from across the country and abroad. The library now has 2,64,933 volumes and 410 journals

822

and periodicals, received on subscription, exchange, gift and depository basis. The library has complete record of Lok Sabha and Rajya Sabha debates from the beginning and also the Assembly debates of several states of which the complete series is available for Maharashtra. The library also has certain rare manuscripts. The library has a microfilm camera, microfilm and micro-fiche readers, and a documentation section. With a view to making known addition of books to the library and the contents of the journals currently received in the library, two fortnightly lists, namely, "Fortnightly List of Additions" and "Fortnightly List of Articles on India" are brought out regularly and circulated in mimeograph form. A monthly Current Awareness Bulletin is brought out by the Library in mimeograph form. The library has recently initiated a major programme of computerization with the help of a grant from the UGC as a part of the development assistance under the IX Plan and a grant under the INFLIBNET programme of the UGC.

4.5 Computer Section

In the Computer Section, the facilities for data processing are available to researchers. The Institute offers consultancy and guidance services in data processing in collaboration with the Indian Council of Social Science Research. The Computer Section is well equipped with hardware and software to support the research, teaching and training programmes in the Institute. The Institute has now made computers available to most of the faculty members in their own offices. A one-year Certificate Course on Computer Applications for Economic Analysis has been introduced for the past and present M.A. and Ph.D. students of the Institute to complement the training in economics received by them at the Institute.

4.6 Publications

The Institute has been regularly publishing a quarterly journal of economics in English, *Artha Vijnana*, since March 1959. This journal publishes results of

research work carried out in the Institute as well as works of scholars from outside the Institute after a rigorous refereeing process. The Institute also publishes research works in the form of books and monograph series. The R.B.R.R. Kale Memorial Lecture, organized by the Institute every year on the occasion of the Founder's Day, is published under the Kale Memorial Lecture Series.

4.7 GIPE and UGC

The antecedents of UGC's direct involvement in promoting the GIPE as a centre of excellence in research, teaching and training in economics predates almost three decades of the conferment of the deemed University status.

In 1962, the University Grants Commission recognized the Institute as a Centre of Advanced Study in Agricultural Economics to start with and later, in 1964, as a Centre of Advanced Study in Economics. In 1977, the UGC, as a part of its Area Studies Programme, established at the Institute a Centre of Study of Economics of East European Countries. In the same year, the Reserve Bank of India instituted a Chair in Finance at the Institute.

In April 1989, the University Grants Commission identified the Institute for conducting refresher courses in economics for in-service university and college teachers from the western region of the country. After the grant of deemed to be a university status to the Institute, the UGC extended the catchment area for the refresher courses to the entire country for the Institute in 1994. The Institute has been regularly conducting UGC-sponsored refresher courses for university and college teachers in economics since the inception of this scheme by the UGC.

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5.0 SOME DEVELOPMENTS RELATING TO THE CONSTITUTION (MOA) OF GIPE

In 1993 the Institute was declared Deemed to be University by the UGC on the request of the Institute after completing the necessary formalities, and the Institute agreed to abide by the Memorandum of Association (MOA) prescribed by the UGC at that time.

5.1 In 2000, the UGC evolved a set of new guidelines proposing a 'model MOA' applicable to all the Deemed to be Universities, and the same was sent to the GIPE for adoption, replacing the earlier MOA. For the GIPE the key differences between the then existing MOA and the one that was proposed under the new guidelines of the UGC are the following:

5.1.1 In the old Constitution, the President of Servants of India Society (SIS) was also the formal head of the GIPE as the Chairman of the BOM.

Under the model constitution, the Institute shall have a President who will be appointed by the sponsoring society (in this case SIS) or by the Government, and the President in turn will appoint the Director / Vice-Chancellor of the Institute, and also nominate three members on the BOM. However, the BOM will be chaired by the Director/Vice-Chancellor of the Institute, whereas under the earlier MOA of the Institute, the President of SIS chaired the BOM. The new Constitution, in other words would change the relationship between the SIS, the Trustees, and the Institute in so far as that the President of the SIS would no longer be the Chairman of the BOM of the GIPE.

5.1.2 Reacting to the proposed change, on **January 11 2004**, 11 out of the 12 members of the SIS had submitted a letter to the BOM requesting four nominees of SIS to the BOM, instead of one as was proposed in the 'model MOA' of the UGC. This request was accepted by the BOM, and forwarded to the UGC for approval. The issue of adoption of the new Constitution was discussed in the meeting of the BOM on **14 June 2004**, and again on

205

28 March 2005. The meeting of **March 28, 2005** finally resolved to adopt the new Constitution by providing three nominees of SIS.

5.1.3 In **August 2005**, approval was received from the UGC for the modification suggested by the BOM. Accordingly, by circular resolution of BOM held in **August 2005**, the revised Constitution was adopted and the same was forwarded to the Ministry of Human Resource Development, Government of India for final clearance.

5.1.4 But, Mr. Dwivedi, who assumed as the new President of the SIS, on **17th August 2005** wrote a letter on **25th August, 2005** to the UGC alleging that the Institute had not sought permission of the SIS for the approval of the revised Constitution of the GIPE. From this it is clear that the SIS has so far not accepted the revised constitution.

5.1.5 In **August 2005**, Mr. Dwivedi wrote to Chairman, UGC to replace Prof. Tendulkar much before his term ended. He was renominated by the Chairman, UGC for another term of three years on April 24, 2003.

5.1.6 On **October 20, 2003** the then President of SIS Dr. R.G. Kakade had nominated Dr. Honaver and Mr. S.S. Ajgaonkar to the BOM for a term of three years. In **August, 2005**, Mr. Dwivedi replaced Dr. Honaver and Mr. S.S. Ajgaonkar, much before their term ended, with Mr. S.M. Bhave and Mr. M.B. Deshmukh.

5.1.7 On **June 14, 2004** it was resolved that the library staff in the scale of Reader and Lecturer should be treated as "research staff", but on **August 20, 2005** the above decision was rescinded. However, the BOM in its meetings held in **November 2005** again approved the restoration of "research staff" status to the library staff.

886

5.1.8 In August 2005 the Institute decided to convene the Selection Committee meetings to appoint Professors and Lecturers which was objected to by Mr. Dwivedi, the Chairman, BOM. Notwithstanding the objections, the then Officiating Director Prof. Tirthankar Roy went ahead with the selection process, and the selections were made. However, later, the BOM Chaired by Mr. Dwivedi, cancelled the selections.

5.1.9 Dr. Ajit Sinha, the then Director of GIPE, went on leave for one year, resorting to the procedure of obtaining approval of the Board of Management through circulation. Dr. Sinha handed over the charge to the Joint Director Prof. Tirthankar Roy on **22nd September, 2005**.

5.1.10 On assuming charge as, the President of the SIS, Mr. Dwivedi objected to the action of Dr. Ajit Sinha, in handing over charge to Prof. Tirthankar Roy as Director, without the approval of the Board.

5.1.11 The SIS, the trustees of the GIPE, approached the Charity Commissioner in **October, 2005** with a complaint that the Institute had not submitted annual audited accounts to the Charity Commissioner for many years, and also that the Institute had not informed about the changes in the composition of the Board. They pleaded with the Charity Commissioner that SIS should be allowed to take over the Management of the Institute. **The notice of the Charity Commissioner was not served on the then Director of the GIPE but on Dr. Kakade, who was no longer associated with the Institute.** The Charity Commissioner, without affording the Institute an opportunity to represent, allowed the prayer of the SIS.

5.1.12 In **November, 2005** the then Officiating Director, Prof. Tirthankar Roy and the Officiating Registrar, Dr. Sangeeta Shroff of the Institute approached the High Court on the plea that the decision of the Charity Commissioner was based on misinformation. The Court, however, dismissed the petition on the

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887

ground that the petitioners were the paid employees of the SIS, and hence they had no **locus standi**. The expenditure incurred by the officiating Director and officiating Registrar in filing the petition in the High Court on behalf of the Institute was not reimbursed by the administration of the Institute.

5.1.13 On 19th October, 2005 the Chairman, Board of Management (Mr. Dwivedi) put up a Notice on the Notice Board of the Institute announcing the removal of Prof. Tirthankar Roy as the Officiating Director, and replacing him by Prof. Maharatna as the new Officiating Director.

877

6.0 MAIN POINTS OF PRESENTATIONS TO THE COMMITTEE

6.1 Meeting with Officiating Director and Officiating Registrar

6.1.1 Both the present Officiating Director, Prof. Maharatna, and the officiating Registrar, Dr. Nagarajan, briefed the Committee that Dr. Kakade, the then President of the SIS and Chairman of BOM was very old (97 years), suffered from senile dementia, and not mentally sound to take any decision, and Prof. Chitre and Prof. Sinha, the successive Directors, utilized this disability to their advantage. They stated that the relationship between the SIS and GIPE was cordial and SIS did not interfere in the academic matters of the Institute. However, there were some differences on the administrative and financial matters as the SIS had to play a supervisory role as Trustees. They further added that taking advantage of the state of health of Dr. Kakade, Prof. Chitre continued to function as the Director of the Institute even after completing his term of five years. Initially, his service was extended for six months beyond his tenure which was agreed to by the State Govt. However, further extension of about five months was given to him by Dr. Kakade and the expenditure of his salary was met out of the corpus funds of the Institute. Finally, Prof. Chitre relinquished his position as the Director on **22nd March 2004**, and Prof. Ajit K. Sinha took over charge from him.

6.1.2 One major complaint against Prof. Chitre was that even though the UGC sent the new guidelines to GIPE in **2000**, no action was taken by him to revise the MOA until he relinquished his position as the Director in **March 2004**. In fact, the UGC had given six months' period to revise the MOA and communicate the same to the UGC. It indicated that in case the revised MOA was not received by the UGC within six months, it shall be deemed that the Institution had revised the MOA as per the revised guidelines. It was also stated that the process of appointment of the new Director of the Institute was intentionally delayed. The Search Committee recommended a panel of four names out of which offer was made to three but all of them declined. On

further request, the Search Committee gave a second set of names out of which Dr. Ajit Sinha was appointed as the Director for five years, though his earlier appointment as a Professor was only for a period of three years, on contract basis.

6.1.3 It was pointed out that while the Chairman of the BOM had the power to appoint a person for the Directorship, the question of extending the service of Professor/Director beyond the contract period had to be approved by the BOM, which in this case was done by the then Chairman himself.

6.1.4 The present officiating Director and the officiating Registrar were of the opinion that the SIS, as Trustees, had 'proprietary right' to manage the Institute. They were of the opinion that all actions taken by Mr. Dwivedi, the previous Chairman of the Board of Management, were legally in order. They also informed that as a result of elections conducted by the SIS, a new President had joined on 12th June, 2006, and Mr. Dwivedi was no longer the President of the SIS and Chairman of the BOM. **Mr. A.N. Mishra** had taken charge as the President of SIS, and as the Chairman of the BOM on 12th June, 2006.

6.1.5 They also informed the Committee that Prof. Ajit Sinha resorted to the method of getting approval by circulation of important items like accepting assignment abroad, obtaining leave as the Director, and appointing Joint Director as Director-in-Charge.

6.2 Meeting with the Chairman and Members of Board of Management

6.2.1 Those who met the Committee on behalf of the Board included Mr. A.N. Mishra, President of the SIS, Mr. M.B. Deshmukh, Secretary, SIS and Mr. S.M. Bhave, Mrs. Asha Gadre, Mr. Murali Krishna, Mrs. Sulabha Brahme, all members of the BOM.

990

6.2.2 Shri A.N. Mishra, Chairman, Servants of India Society informed the Committee that he assumed the office in **June 2006**, and after going through the records in a short period he felt that in principle it was possible for the **SIS to accept the amendment to the MOA as suggested by the UGC**. He also assured that whatever controversies erupted in the Institute would be amicably sorted out.

6.2.3 The Committee drew the attention of the present Officiating Director and Members of the BOM to the issue of terminating the tenure of Prof. Tendulkar, and seeking a fresh nomination from the UGC, when he had not completed his three-year term. The members of the BOM replied that as per a UGC letter of 2002 issued to all the universities, no Professor beyond the age of 62 years be appointed in any statutory or non-statutory bodies in the Universities/ Colleges.

6.2.4 The Committee drew the attention of the members of BOM that while the above referred Circular was dated 2002 the action was taken in 2005, even through the UGC had never insisted on its compliance of action taken. The Committee then asked the Chairman and members of the BOM on the replacement of Dr. Honaver and Dr. Narendra Jadhav before they had completed their three-year term. There were no satisfactory answers to these queries.

6.3 Meeting with the Faculty Members

The Committee first met all the faculty members collectively and later on individually, on their request. The main concerns expressed by the faculty members are summarized below.

6.3.1 There is no pension, gratuity and medical facilities for the teachers. The Government of Maharashtra rules were followed in respect of DA/HRA but not relating to retirement benefits. There are no adequate number of teachers to

891

relating to retirement benefits. There are no adequate number of teachers to teach various fields of specialization and, therefore, services of visiting faculty are utilized. Most of the visiting faculty could not pay adequate attention to the teaching needs and, therefore, are not good enough. In order to accommodate the visiting faculty, timings of the classes are extended to even Sundays and holidays which was creating problems for the students.

6.3.2 The faculty members appreciated the academic autonomy accorded to them and to the GIPE. They also said that there was complete academic autonomy in publishing papers in journals. However, they felt lack of adequate teachers is affecting the quality of teaching.

6.3.3 Whenever the advertisement was issued for the recruitment of teaching staff the fields of specialization were not indicated. It was pointed out that reservation for SC/ST was not properly implemented and many posts, which were reserved for SC/ST were yet to be filled. It was suggested that since the Institute had become deemed to be University the reservation policy for SC/ST be made applicable on **all India basis**.

6.3.4 It was also pointed out that there was no reservation for SC/ST students in the matter of admissions to M.A. / Ph.D.

6.3.5 There was a mention of discrimination in some cases relating to grant of leave. A few teachers who did not even complete the probation period were sent abroad for presentation of papers in the conferences. They also mentioned that there were no rules, as on date, for granting leave to teachers to go abroad or elsewhere for academic purpose. They felt that the Institute was not being managed properly due to lack of rules and regulations and discrimination was being made in some of the cases. Teachers also felt disturbed because of the tense environment created due to controversy between the Institute and the Trustees. The teachers felt that if the situation did not improve, they will be compelled to look for opportunities elsewhere.

892

6.3.6 The faculty appreciated the rich collection of books and journals that are available in the Library. It was also pointed out that the students who were completing MA programme were getting good placement when they went out of the Institute. However, the teachers also indicated that no good scholars were coming for Ph.D.

6.3.7 A number of teachers met the Committee individually. Since the teachers spoke in confidence to the Committee, their names are not revealed here but only the main points of their statements.

Teacher 1: Prof. Sinha was very good in taking quick decisions, but he was casual in his approach. During Prof. Sinha's tenure he had introduced dissertation, introduced new specialisations/papers, and revised many papers in MA. Internal Seminars were held frequently. He organized the Platinum Jubilee Celebration of GIPE very ably in which scholars from abroad also participated. The President of India inaugurated the same.

Teacher 2: Servants of India Society (SIS) should not be involved in running GIPE. Though the Institute is supposed to be specializing in Economics both the present Director and the Registrar are from the field of Demography. The two library staff who are on BOM presently may be allowed to draw the scale of pay equivalent to the teachers, but they should not be treated as research staff, for representing the faculty on BOM. Recruitment of SC/ST faculty only from Maharashtra is a serious problem as no qualified candidates are available in the State. Instead, SC/ST candidates from all over India may be recruited for the reserved category.

- Teacher 3: Prof. Ajit Sinha's tenure was very good. It was true that he (teacher No.3) went abroad before the completion of probationary period. But, concrete rules of assessment and leave rules need to be framed for the Institute.
- Teacher 4: During Prof. Chitre's tenure the research work was very good. But now there is a lot of unrest (tense environment) which needs to be resolved.
- Teacher 5: Though he (teacher 5) left a leading Institution in India to take up teaching in GIPE, duty leave was not granted to him recently to attend a conference.
- Teacher 6: SC/ST candidates should be taken on all India basis and not restricted only to Maharashtra State. There has been severe shortage of teachers in the Institute for the last ten years.
- Teacher 7: He was a member of Board of Management but was dropped without any reason. Due to the disturbed conditions at the Institute, he was thinking of leaving the Institute.
- Teacher 8: The academic work is very much required to be improved.
- Teacher 9: Since the Institute is not following SC/ST reservation policy, the matter was referred to SC/ST Commission.
- Teacher 10: For certain purposes this teacher has been listed as a research staff, and for other purposes listed as a non-teaching staff. This needs to be rectified.
- Teacher 11: There was no Reservation Cell operating in the Institute to take care of the interest of the SC/ST.

894

6.4 Meeting with Prof. Chitre, Former Director, Prof. Ajit Sinha Director (on leave) Dr. Honaver, Former member BOM and Dr. Sangeeta Shroff Former Officiating Registrar, GIPE

6.4.1 It was informed that in the Institute there was no sanctioned post of Registrar and one of the faculty members was asked to function as the Registrar.

6.4.2 After Dr. Sinha left for France, Dr. Sangeeta Shroff, Officiating Registrar was directed by the then Officiating Director to approach the High Court to appeal against the orders of the Charity Commissioner. The present management, however, had charge sheeted her for approaching the High Court, which she did in her official capacity. Therefore, she pleaded that the disciplinary proceedings against her should be withdrawn. The expenses incurred by her in her official capacity had not yet been reimbursed by the Institute, whereas the Secretary of SIS had got the reimbursement to the tune of Rs.2.50 lakhs, which included legal expenses (for appealing against the Institute to the Charity Commissioner) as also entertainment expenses.

6.4.3 Meetings of the BOM was generally convened by the Director, GIPE. However, Mr. Dwivedi as the Chairman of BOM convened the meetings on his own. They also informed the Committee that Mr. Dwivedi had put-up a notice on the Notice Board of the Institute declaring that the then Officiating Director, Dr. Tirthanker Roy was removed from the post, and Prof. Maharatna was appointed as the Officiating Director. Thereafter, Dr. Tirthanker Roy left the Institute and joined the London School of Economics.

6.4.4 The question of treating the library staff as research staff was placed before the Board of Management earlier, but it did not agree to the request. However, in 2002 the BOM again decided not to give the status of research staff to the library staff. In 2003, again the BOM decided in favour of giving the status of research staff to the library staff. It was observed that since there was no office of Registrar in the Institute, there was no continuity in the

895

administration on important issues like this one. Eventhough Prof. Ajit Sinha obtained the approval of the BOM to go abroad on an assignment, he had been sent a show cause notice and had been suspended from the post of Director, GIPE by the present Chairman of BOM.

6.5 Meeting with Students

Almost all the I and II year students of MA programme attended the meeting. During the course of discussion the following points emerged.

6.5.1 There were not enough teachers to teach the core courses and these were being taught by visiting faculty. The visiting faculties change their timings at short notice which caused problem for the day scholars to attend the class on short notice. Teaching in Financial Economics was very sub-standard and no action was taken for improving the situation. For instance, the entire one semester course in Econometrics was covered in 15 days only by the visiting faculty. Such instances have created not only serious difficulties for the students but also caused concern for the reputation of the Institute.

6.5.2 There were severe shortages of class rooms. Student grievances were not handled properly. Computer Centre was not working properly. Out of 14 computers only 6 computers were in working condition.

6.5.3 The students said that GIPE being a small institution any tension created between the Institute's Administration and BOM was immediately felt around and students could not remain untouched by it. It affected their studies very much.

6.5.4 Only a few journals in their areas of latest specialization were available in the library. However, the library has very rich collection

6.5.5 Most of the non-teaching staff were doing excellent work. The uneasy atmosphere created by the on-going tension affected the working of non-teaching staff as well.

6.5.6 Some of the teachers are excellent.

6.6 Meeting with the Research Scholars

Only two non-stipend research scholars were available and they met with the Committee. During the course of discussion, they observed that the Library was excellent but there were problems with the Computer Centre. They also said that there was need for a Research Methodology Course.

6.7 Meeting with the Non-teaching Staff

The Non-teaching staff, when they met collectively, did not volunteer to say much. However, they wanted to meet the Committee individually. Accordingly, the Committee met the staff individually. Following points emerged from the meeting.

6.7.1 The Institute did not have any welfare measures either for the teachers or for the non-teaching staff. No pension, gratuity, medical facilities were available to the staff.

6.7.2 Eventhough Govt. rules permitted 12% employer's contribution, the Institute paid only @10%.

6.7.3 They would like to have a Employees' Cooperative Society.

6.7.4 There was no transparency in decision making by the Management. There was no representation for the non-teaching staff in the Board of Management.

797
6.7.5 There was no Planning and Monitoring Board in GIPE, as required by the UGC.

6.7.6 Internal Management Committee was functioning effectively a decade ago but it had been scrapped. It might be revived.

6.7.7 The Management was keeping certain staff on contract basis while giving regular scale of pay to others.

6.7.8 Higher scale of pay was given to some but not given to all those who were working at the same level. Administration was arbitrary in giving higher scale of pay.

6.7.9 Fixation of pay was not done properly.

6.7.10 Allotment of quarters was not done rationally and on a transparent basis.

6.7.11 While the institute was claiming higher scale of pay from the Govt. of India, it was paying less to the staff.

7.0 OBSERVATIONS OF THE COMMITTEE

7.1 The Committee approached the representations made to the Prime Minister and the Ministry of HRD relating to the working of the GIPE in recent times with a lot of concern. It is because, the GIPE has been widely acknowledged as one of the premier institutions of the country for research, teaching and training in economics. It is the considered opinion of the Committee that any complaints relating to the problems of working of such institutions of high academic esteem have to be understood in a larger context. The Committee spent considerable time in looking into the material at hand and in deliberating the procedure to be followed in assessing the situation, before actually visiting the Institution. The visit of the Committee to the Institution apparently presented a picture of normal functioning. The students were very bright, attracted from all over the country, the library facilities were maintained befitting its long-standing reputation as a national resource centre, and students who completed their courses were receiving placements in reputed firms and institutions. There was a wide spread appreciation by the students on the working of non-teaching staff who had been of great support to the institution to carry on smoothly the semester system and timely announcement of results.

7.2 However, there were certain subterranean currents which have been the cause for concern of all those who are interested in the efficient and satisfactory functioning of the institution keeping with its academic stature. There appeared to be lack of harmony among the teaching faculty because of certain recent developments in the form of strained relations between the Servants of India Society (SIS), the trustees, and some of the functionaries of the Institute. This had resulted in a certain amount of groupism within the faculty. There appeared to be a feeling of disaffection among the administrative personnel because of the long neglect of attention to their problems, and this had been aggravated by the recent developments at the top level of the management of the institution. The students had also

899

expressed concern about these happenings in the institute, which they feared would undermine the reputation of the Institute. Added to this was the long neglected issue of unfilled vacancies in the teaching staff, particularly of the reserved categories. Because of a large number of persistent vacancies, resort was made to the conduct of classes depending heavily upon the visiting faculty whose commitment to the institution and the students could only be perfunctory. As a result, the quality of teaching also had been adversely affected causing concern among the student community. There are also certain visible deficiencies in the physical facilities which were voiced by students and research scholars. Though there was certain improvement externally in terms of landscaping, refurbishing of a lecture gallery and a couple of other rooms used by the administration, there was inadequacy of class rooms to match the large number of specializations offered. To an extent, this was not entirely due to lack of space, but due to lack of proper utilization of the existing space. For instance, there was a spacious computer lab facility which, however, presents a picture of underutilization, even as there have been demands by students and research scholars for better and longer access to computer facilities. Similarly, if some attention had been paid, there would not have been any problem in providing proper waiting and dining facilities for students. Past accumulated neglect apart, the present tensions arising out of the rift at the top level of management seemed to be at the root of the neglect of attention to the important aspects of smooth running of the institution. There was an urgent need to check these tendencies and to restore normalcy.

- 7.3** The origin of the present state of tensions in the institute could be traced to the inordinate delay and neglect in the process of institutionalization of the transition of the institute from the status of a research institute with M.A./Ph.D. courses affiliated to the Pune University, to that of emerging as an autonomous Deemed University, a status which was accorded to it in 1993. As one of the basic requirements for obtaining the Deemed University status,

the UGC requires a clearly laid down set of rules and a constitution (MOA). There was a flexible framework in which the UGC originally granted the status of Deemed to be University to several institutions including the GIPE. However, anticipating certain difficulties which would arise in the case of institutions which were originally started by trusts or charities or private agencies, and with a view to having a more or less common set of rules for all Deemed Universities, the UGC evolved "New Guidelines" for all these institutions in 2000. In April 2000, the "New Guidelines" were sent to GIPE for implementation within six months. However, for reasons in explicable, the then Director, GIPE, Prof. Chitre did not make any effort to implement the "New Guidelines". Thus, until March 2004, for almost four years, there was no attempt on the part of GIPE to adopt the "New Guidelines" and to evolve a new MOA as the basic constitution of the institute. The effort to adopt the "New Guidelines" coincided with the appointment of new Director of the Institute, Prof. Ajit Sinha in March 2003. The process began with certain objections raised by the SIS to the proposal of the new Director for adoption of the "New Guidelines".

7.4 The members of the SIS represented that they should have more representatives (4) than provided for Trustees by the UGC in the guidelines (1). As a compromise, it was decided to provide three representatives for the SIS, as against the one provided under the new guidelines of the UGC. The same was recommended by the BOM to the UGC in June 2004, which was accepted by the UGC in 2005.

7.5 Even while the process of implementing the change in the MOA was underway, the new Director, Prof. Ajit Sinha proceeded on leave for one year with effect from 22 September 2005. The very process of obtaining leave by the Director in June 2005, through circular resolution of the BOM was contested by the SIS. Not only did Dr. Sinha, the Director proceed on leave for one year, but also through a circular resolution of the BOM he handed

901

over charge to the Joint Director, Prof. Tirthankar Roy, who assumed charge as Officiating Director. The process of handing over charge through circular resolution was also contested by the SIS.

- 7.6** Many more differences between the SIS and the Officiating Director, Dr. Tirthankar Roy surfaced when the former President of the SIS, Dr. Kakade resigned on **16 August 2005** and Mr. P.K. Dwivedi assumed charge as President on SIS on **17 August 2005**. Between **August 2005** and **December 2005** Mr. P.K. Dwivedi, Chairman of BOM, brought about several drastic changes in the management of the Institute which have precipitated a serious crisis and became the main cause of complaint by several well meaning erstwhile members of the BOM.
- 7.7** Most of the acts and decisions at the behest of Mr. P.K. Dwivedi, Chairman, BOM, during the period from **17 August 2005** when he assumed office, till his term ended in **June 2006**, were highly unconscionable. We would only cite here a few instances, through it is not the intention of the Committee to appear as a fault-finding mission.
- 7.7.1** On **25 August 2005**, the SIS under his Presidentship replaced two of their nominees, Shri S.S. Ajoankar and Dr. R.M. Honavar, on the BOM of GIPE even before their respective terms of three years expired. On the same day he wrote to the UGC not to give effect to the revised MOA and the GIPE constitution flowing from it.
- 7.7.2** The surreptitious act of replacing Prof. S.D. Tendulkar, UGC nominee on the BOM in **November 2005** much before his second three-year term ended, by citing an obscure UGC circular of 2002 smacks of utter disregard for respected academics and norms of procedures in academic institutions.

7.7.3 Summary removal and replacement of Prof. Tirthankar Roy as the Officiating Director in **October 2005**, by putting a notice at the entrance of the Institute's main building doesn't behove the Chairman, BOM in a university campus.

7.7.4 Similarly, in **November 2005**, the decision to take matters of management of an academic institution like the GIPE to the Charities Commissioner on flimsy technical grounds appears to be a deliberate attempt to usurp the entire powers of management of GIPE.

7.8 For an autonomous deemed university like the GIPE, such acts could be a body-blow to its academic credentials. While the acts of those at the helm of affairs of the SIS since August 2005 were the main cause for the present state of disturbing affairs at the GIPE, there were also several acts of omission on the part of Institute's administration which precipitated the matters. Prof. Chitre, former Director, stands out as the one who was the cause of much neglect in facilitating smooth transition to the new status of deemed university by non-implementation of the "New Guidelines" of the UGC for almost four years since 2000 to 2004, while he was in office. Later, Dr. Ajit Sinha and Prof. Tirthankar Roy who succeeded as Director and Officiating Director respectively, though academically highly regarded, added to the woes of the Institute's management partly due to lack of appreciation of certain long cherished traditions of the GIPE and partly due to inexperience in carrying along a larger body of people and interests in running an institution like a deemed university.

7.9 Dr. Ajit Sinha, the then Director of GIPE, gave room for inconsistent decisions by obtaining the status of "research staff" to the library staff, in one meeting of BOM, and working for the withdrawal of the same status in another meeting. He obtained, even crucial decisions like going on leave for one year and

appointing Joint Director as Officiating Director without convening the meeting of BOM but through circular resolutions. Similarly, by asking for a written proof of nomination from the nominee (Mrs. Sulabha Brabhme) of the Founder's Trust who has been there on the BOM for several years, was an uncalled for provocation.

7.10 Prof. Tirthankar Roy as Officiating Director was in an unenviable position when the SIS was crying foul on him for all the acts of omission of his immediate predecessors. He added fuel to the fire by ignoring the objections of the Chairman, BOM and going ahead and completing the selection of faculty in October 2005 (which was anyway set aside by the BOM headed by Mr. P.K. Dwivedi). His act of putting up a notice that the President of the SIS should not enter the Office of the GIPE without his (Officiating Director's) permission was not an act that would add to the prestige of campus. It did expose the rift in the management to the larger public as much as disturbing the young students on the campus.

904

8.0 RECOMMENDATIONS OF THE COMMITTEE

The Committee, after going through the documents and presentations submitted by various concerned groups and individuals, and after interacting with them at the Institute, and visiting various facilities available at the institute, recommends the following measures for improving the functioning of the Institute and contributing to its further development as a centre of excellence in teaching and research in the field of economics.

- 8.1 In the year 2000, the UGC suggested guidelines for a "Model MOA" for all the Deemed to be Universities. The Committee recommends that GIPE adopt the model MOA suggested by UGC with immediate effect, with a few modifications as suggested below.

The composition of the BoM suggested in the "model" MOA is as follows:

"Composition of the Board of Management

The Board of Management shall consist of:

1. Vice-Chancellor ... Chairman
2. Deans of Faculties (if any) not exceeding three by rotation and on seniority.
3. Three nominees of the President of the Institute.
4. One nominee of the Chairman, UGC
5. One nominee of the Government of India
6. One nominee of the funding agency/agencies.
7. Three Teachers (Professor, Reader, Lecturer) (by rotation) according to seniority
8. One nominee of the sponsoring Society
9. The Registrar shall be the non – Member Secretary"

Keeping in view the special character of the Institute, the following modifications to the model MOA are recommended.

- (a) The President of Board of Management who will be appointed by the "sponsoring society" (in this case the SIS) shall be an eminent

405

academician. At this particular juncture, this appointment may be made in consultation with the UGC.

(b) A representative of R.R. Kale Trust shall be a member of BOM. This is in addition to the nominee of SIS, and the nominees of the President on the BOM.

(c) The representation of three teachers on the Board of Management (Lecturer, Reader and Professor) on seniority basis by rotation shall be from the faculty of the Institute.

(d) Considering the importance of Dhananjayrao Gadgil Library, the Librarian or Deputy Librarian, shall be on the BOM by rotation.

8.2 At present, the GIPE receives non-plan funds to meet recurring expenditure on salaries of staff etc. from the State Government of Maharashtra. The Plan funds for development are provided by the U.G.C. In addition, the institute also receives grants from various departments of Govt. of India, and foundations under project-mode. In order to develop this premier heritage Institute as a centre of excellence, it is desirable that the Govt. of India provide plan as well as non-plan funds through the UGC, as in the case of Tata Institute of Social Sciences, Mumbai and several other deemed to be Universities.

8.3 The Institute does not have a regular post of Registrar. The post of Registrar is being managed by one of the faculty members. Registrar being head of the administration and custodian of records, it is desirable that a regular position of Registrar be created as per the qualifications and pay scales prescribed by the U.G.C.

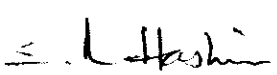
- 8.4** In order to bring back a positive and harmonious academic atmosphere in the Institute, there is a need to withdraw all punitive actions initiated against Prof. Ajit Sinha, Prof. Tirthankar Roy, the former Directors, and the former Registrar, Dr. Sangeeta Shroff. The expenditure incurred by the Officiating Director, Prof. Tirthankar Roy, and the former Officiating Registrar, Dr. Sangeeta Shroff, on legal matters in their official capacity be reimbursed to them.
- 8.5** The library of the Institute is an important national resource centre in the area of Economics and related disciplines. It needs to be further strengthened by providing adequate special grants. A post of Librarian with qualifications and scale of pay prescribed by the UGC be created.
- 8.6** Rules relating different types of leave, service conditions, deputation, etc., appear to be inadequate at present. The Institute should take immediate steps to frame detailed rules and regulations wherever such rules are missing or have not been framed adequately to meet all the situations.
- 8.7** The Institute should provide medical and post retirement benefits to the teaching and non-teaching staff.
- 8.8** The Institute should fill up all vacant positions of Lectures, Readers and Professors. The number of visiting faculty be kept at a minimum.
- 8.9** Vacancies of SC/ST category against the reserved posts, in teaching as well as non-teaching positions, be filled on all India basis.
- 8.10** The institute should maintain reservation to SC/ST categories in the matter of admission as well.


907

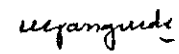
8.11 The institute should take steps to remove disparity and stagnations, if any, in the category of non-teaching staff.


8.12 The institute should pay more attention to providing appropriate and adequate research, computer and class room facilities. An addition facilities like common rooms, entertainment, sports facilities, etc. may also be provided.

8.13 The Institute should improve its research base by attracting adequate number of research scholars, and teacher fellows, for doctoral and post-doctoral research work.


(Prof. S.R. Hashim)


(Prof. D. Narsimha Reddy)


(Dr. R.P. Gangurde)


(Dr. K. Gunasekaran)