

IIM-Ahmedabad wrests autonomy from Centre

FREE New amendment will end govt control on B-school

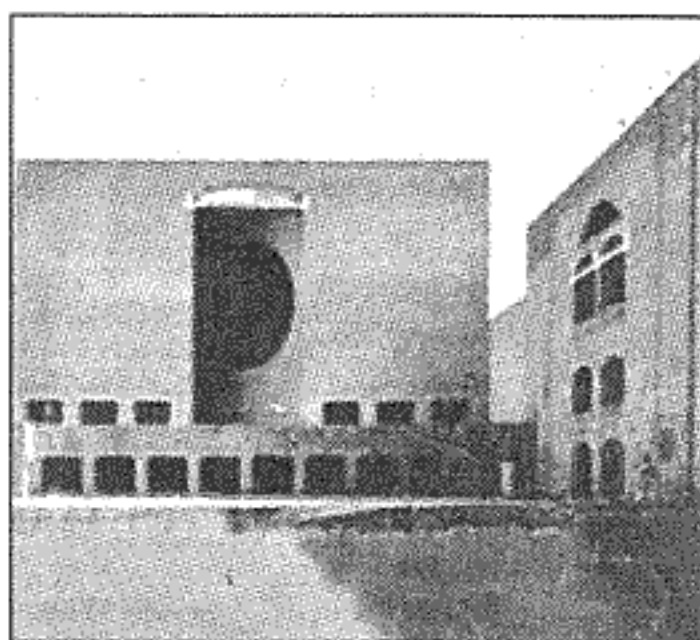
Charu Sudan Kasturi

■ charu.kasturi@hindustantimes.com

NEW DELHI: The Indian Institute of Management (IIM)-Ahmedabad has won a decade-long battle for autonomy, with HRD minister Kapil Sibal approving dramatic amendments to the institution's memorandum of association with the government.

The amendments that end the government's powers to handpick the director of the country's top business school and give it unprecedented financial autonomy follow a decade-long battle between the institute and successive governments.

Directors are at present short-listed by a search-cum-selection committee set up by the government in coordination with the IIM's board of governors. This gives the government the opportunity to influence the



■ **The government will also have no role in the selection of IIM-A's director.** FILE PHOTO

selection of the candidates.

The amended MOA, which has now been sent to the law ministry for vetting before a notification is released, completely eliminates the government's role in short-listing candidates for the director's post.

From now on, the board will shortlist three candidates, while the government can only pick one from those names.

The amendment will also allow

the IIM to purchase and sell assets without seeking the government's approval. This will cut through layers of red-tape that delay key acquisitions and investments planned by the IIM.

The HRD ministry has also given its nod to a proposal to increase the revenue generated for the IIM through membership of its sponsoring society. The IIM can now charge hefty donations in exchange for membership of the society.

This proposal earlier raised concern that some people might enjoy influence over the board of governors simply by buying society membership. Sibal had advised the IIM to put the proposal on hold.

But the IIM later convinced the government that only two nominees of the society are members of the board, and industrialists or individuals who join the society won't be in a position to influence key decisions.