

***The U.P. Educational Institutions (Prevention of Dissipation
of Assets) Act, 1974***
(U.P. Act No. 3 of 1975)

up731

An Act to provide (or measures to prevent the dissipation of the assets of educational institutions

It is hereby enacted in the Twenty-fifth year of the Republic of India as follows :

1. Short title and extent. - (1) This Act may be called the Uttar Pradesh Educational Institutions (Prevention of Dissipation of Assets) Act, 1974.

(2) It extends to the whole of Uttar Pradesh.

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

- (a) '*director*' means the Director of Education (Higher Education) or the Director of Education (Secondary Education), as the case may be, and includes an Additional Director of Education, Joint Director of Education, Deputy Director of Education, District Inspector of Schools or a Regional Inspectress of Girls' Schools, authorised by the Director in this behalf;
- (b) '*institution*', or '*educational institution*' means an institution recognised by the Board of High School and Intermediate Education, Uttar Pradesh, or a degree college or a post-graduate college affiliated to or recognised by a University established by or under an Uttar Pradesh Act, but does not include an institution which is maintained by the Central Government, the State Government or a local authority;
- (c) '*management*' in relation to an institution, means the managing committee or other body or persons charged with managing the affairs of that institutions;
- (d) '*property*', in relation to an institution, includes all immovable properties belonging to or endowed wholly or purely for the benefit of the institution, including lands, buildings and all other rights and interests arising out of such property as may be in the ownership, possession, power or control of the management.

3. Submission of inventory of property. - The management of every institution shall furnish to the Director initially, within a period of three months from the date of commencement of this Act, and thereafter annually by 30th day of September, an inventory of all properties belonging to or endowed for purposes of the institution together with such particulars as may be considered necessary by the Director in the form prescribed by him.

4. Prevention of dissipation. - (1) Notwithstanding, anything in any other law for the time being in force, the management shall not incur any expenditure which is not in conformity with the aims and objects of the educational institution or is so excessive as to be disproportionate to the income thereof or is, for any other reasons, such as no prudent

management would be deemed fit to incur in the interest of the institution, and which is not sanctioned under this Act.

(2) Without prejudice to the generality of provisions of sub-section (1), the Director may by general or special order prohibit the management from incurring any specified expenditure or expenditure on any specified item or any expenditure beyond a specified limit or except in accordance with specified conditions and restrictions on any specified item.

(3) (a) Where the management is of opinion that certain expenditure is necessary or expedient but the nature or amount of the expenditure is disproportionate to its income the management shall not incur it without the prior sanction in writing of the Director.

Explanation. - Any expenditure in respect of any item which is authorised by or under the Intermediate Education Act, 1921, the Uttar Pradesh High School and Intermediate Colleges (Payment of Salaries of Teachers and other Employees) Act, 1971, the Uttar Pradesh State Universities Act, 1973, or any rule, regulation or bye-law or any Statute or Ordinance made under any of these enactments or under any order of the State Government or of the Director or under any decree of a Court if it is in accordance with the rules, norms or principles or within the limits, prescribed by or under the aforesaid enactment, rule, regulation, bye-law, Statute, Ordinance, order or decree shall not require the sanction of the Director under this sub-section.

(b) The management shall not incur any expenditure which is prohibited under sub-section (2).

(4) (a) The Director shall, upon a representation being made to him against an order under sub-section (2) or upon an application being made to him under sub-section (3), and upon consideration of such matters and information as he may consider necessary, give his orders expeditiously.

(b) On failure of the Director to pass his order within eight weeks from the date of receipt of the representation or application and of such other documents or information as may be required by him in that behalf, his sanction to the expenditure proposed to be incurred by the management shall be deemed to have been granted.

(c) The Director may allow or refuse the representation or application in whole or in part.

(5) If the management be aggrieved against an Order of the Director under sub-section (4) it may prefer an appeal to the State Government within thirty days from the date of communication of the order, and the decision of the State Government thereon shall be final.

5. Previous approval necessary for transfer of property. - (1) Notwithstanding anything in any other law for the time being in force, no transfer of property belonging to or endowed for purposes of an educational institution shall be valid unless prior written sanction of the Director, on the ground of the transfer being necessary or beneficial to or expedient in the interest of the institution, has been obtained.

(2) The management, if aggrieved by an order of the Director refusing sanction under sub-section (1), may within thirty days from the date of communication thereof to it appeal against that order to the District Judge within whose jurisdiction the said institution or the property concerned lies, and the order of the District Judge in appeal shall be final.

6. Power of Director. - For the purposes of an inquiry under sub-section (2) of Section 4 or sub-section (1) of Section 5, the Director shall have the following powers, namely :

- (a) by himself or with such assistance as he may deem fit, to enter the premises of any educational institution;
- (b) by himself or with such assistance as he may deem fit, to inspect all property belonging to, and all records and documents relating to the educational institutions;
- (c) to call for any reports, statements, accounts or other information relating to the funds, property or income of the institution at such time and place and in such form as he may direct;
- (d) to take or direct the management or any other person-in-charge of or having concern with the administration of the institution to take measures for the protection of the property of the institution; and
- (e) to direct the management or any other person-in-charge of or having concern with the administration of the institution to take measures for the recovery of any property lost to the institution.

7. Penalty. - If any member of the management of any educational institution or any other person-in-charge of or having concern with the administration of any such institution-

- (a) refuses, neglects or fails to comply with the provisions of this Act, or the orders and directions issued thereunder or obstructs any proceedings taken under this Act; or
- (b) refuses, neglects or fails to furnish any reports, statements, accounts or other information called for under this Act,

such member or other person shall be punishable with imprisonment which may extend to one year or with fine or with both.

8. Protection of action taken under this Act. - (1) No officer or servant of the State Government shall be liable in any civil or criminal proceedings in respect of any act done or purporting to be done in good faith in pursuance of this Act or any order made thereunder. (2) No suit or other legal proceedings shall lie against the State Government for any damage caused or likely to be caused or any injury suffered or likely to be suffered by virtue of anything in good faith done or intended to be done in pursuance of this Act or any order made thereunder.