



Software Technology Parks of India (STPI)

Rules for Conducting the Business of the Society
(2004)

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Rules for Conducting the Business of the Society (2004)

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The Software Technology Parks of India
Rules for Conducting the Business of the Society (2004)

1. Title, Applicability and Commencement:

These rules shall be called “the Software Technology Parks of India Rules for Conducting the Business of the Society (2004)”. They shall be applicable to the entire Society including all its constituent units and divisions. They shall come into effect from the date of approval for the same by the Government.

2. Scope of the Rules:

These rules constitute the framework for organizing the legislative and executive business of the Society subject to and consistent with the provisions of the STPI Memorandum of Association (2004) hereinafter called as Memorandum of Association.

3. Definitions:

(1) The following terms and expressions used in these rules are assigned the meanings noted against them herein below:

A

“Administrative Ministry” means the Ministry/Department which, in terms of the statutory rules made by the President of India under the enabling provisions of Article 77(3) of the Constitution of India, has administrative jurisdiction over the STPI.

C

“Chief Executive Officer” means the officer designated as such in Clause 16A of the Memorandum of Association.

“Council” means the Governing Council.

F

“Financial Advisor” means the Financial Advisor of Administrative Ministry not below the rank of Joint Secretary.

G

“Government” means Government of India.

O

“Organs/Authorities of the Society” means the organs/ authorities specified in Clause No.9 of the Memorandum of Association

S

“Statute” comprises the Memorandum of Association, Rules for Conducting the Business of the Society, the General Rules, Bye-laws relating to specific functional areas, Procedure Manuals and the Executive Orders.

T

The terms “Visitor”/ “Chairman”, “Vice-Chairman”, “Chief Executive Officer”, “Deputy Chief Executive Officer” and “Head of Centre” refer to the functionaries specified in Clause Nos.7, 10, 16A, 16B and 16C respectively of the Memorandum of Association.

(2) Terms and expressions used in these rules but not defined herein shall have the same meaning as assigned to them in the Memorandum of Association and if they are not defined in the Memorandum of Association, they shall have the meaning as assigned in the relevant rules of the Government wherever STPI adopts them *mutatis mutandis*.

4. Multi-tier structure of the Statute:

(a) The statute of STPI shall comprise the following tiers. The scope of each tier and the authority competent to approve it are noted against the relevant tier.

Sl. No.	Name of the tier	Scope	Authority competent to approve
1.	Memorandum of Association	The objectives, broad functions of the Society, Constitution of the Society, composition of the various legislative organs and other factors which control the lower tiers of the statute.	Government
2.	Rules for Conducting the Business of the Society	Provisions which regulate the legislative and executive business of the Society and other factors which control the lower tier of the statute.	Government
3.	General Rules	The basic principles and policies in terms of which the functions and activities of the	Governing Council subject to the

		Society are organized viz: Personnel Management, Financial Management etc.	participation of Financial Advisor, Administrative Ministry in the proceedings of the Council
4.	Bye-Laws relating to specific functional areas	<p>a) Provisions such as conditions of service of employees, recruitment, entitlement to various service benefits including pay, allowances, perks, seniority, career progression schemes, retirement benefits, conduct and discipline, delegation of administrative powers, grievance redressal etc and all other matters incidental to personnel management</p> <p>b) Regulation of Financial powers, internal and statutory audit, other aspects of accountability for proper financial management</p> <p>c) Provisions relating to regulation of activities in other functional areas</p>	Governing Council subject to the participation of Financial Advisor, Administrative Ministry in the proceedings of the Council
5.	Procedure Manuals	Detailed instructions for operating the various systems including the duties and responsibilities of the operating staff as well as the supervisory staff, formats for recording the data, processing of the data leading to various outputs including the annual accounts and information reports .	Chief Executive Officer
6.	Executive Orders	All other matters not covered by the tiers at 1 to 5 in this Table.	Authorities to whom the powers are delegated through the bye-laws.



(b) Each of the tiers at Sl. Nos. 2 to 6 of the above Table shall be consistent with the provisions of the tiers placed above it in the hierarchical structure.

5. Notification of the approved Statutes:

The approved Statutes at Sl. Nos. 1 to 5 specified in Rule No.4 shall be notified.

6. Meetings of the Governing Council:

6.1 Schedule of Meeting:

The Governing Council shall meet as often as necessary and at least once in a year by giving notice of at least 21 days to the members. The meeting of the Council shall be convened by the Member Secretary with the approval of the Chairman. In emergent cases, Chairman may call a meeting at notice of less than 21 days.

6.2 Quorum:

The quorum for the meeting of the Governing Council shall be at least five members of the Council. If the meeting cannot be held for want of quorum, it shall be adjourned, and such adjourned meeting shall be held in the next week on the same day, time and venue or shall be held on such a time, venue and date as the Chairman may decide. At such meeting, no quorum shall be necessary and the members present, whatever be the number, shall form the quorum and the proceedings shall have the same validity as taken in a full Governing Council Meeting.

6.3 Presiding Authority:

The meeting of the Council will be presided over by the Chairman and in his absence by the Vice-Chairman. If both the Chairman and the Vice Chairman are absent, the meeting shall be postponed notwithstanding the fact that quorum existed for that meeting.

6.4 Voting Powers

Each member of the Council shall have one vote. Where there is no unanimity, decisions shall be taken by a majority of votes of the members present and voting. The designated authority who presides over the meeting shall have a casting vote whenever there is a tie.

6.5 Disagreement between the Presiding Authority and the Council:

In the event of any disagreement between the presiding authority and the decision of the Council by majority in matters involving policies, he may, for reasons to be recorded in writing,



reserve such issue for consideration by the Government in terms of Clause 13 of the Memorandum of Association and require that implementation of any measure pursuant to the decision of the Council be kept in abeyance pending action in terms of Clause 13 *ibid*.

6.6 Protection against invalidation of the proceedings:

The proceedings of the Council shall not be invalid on the sole ground that the nomination of any person as member and his participation are *ultra vires* of the Memorandum of Association or these Rules.

6.7 Special invitees:

The Chairman may invite any person to attend the meetings of the Governing Council and participate in its proceedings with a view to securing the benefit of his knowledge in any matter which is on the agenda of the Council. Such invitations may be for specific meeting(s). The special invitees would not have voting power. Upto three (3) Head of STPI Centres may be associated with the meeting of the Council as Special Invitees by virtue of the seniority.

6.8 Date of effect of the decisions:

The decisions of the Council, other than those which are required to be approved by the Government, shall come into effect on the date of meeting unless otherwise provided for in the proposal.

6.9 Other aspects of procedure:

In respect of matters relating to the proceedings of the Governing Council which are not covered either by the Memorandum of Association or these rules, the provisions of the Societies Registration Act 1860 and the relevant statutory rules made by the Government would apply.

7. Disagreement between the Financial Advisor and the Council:

Clause 14.5 of the Memorandum of Association shall *mutatis mutandis* apply to the proceedings of the Council also.

8. Meeting of the General Body and other Organs of the Society:

8.1 General Body:



General Body shall mean all the Members of the Society and Government Representatives in the Governing Council. General Body shall meet at least once a year to consider and adopt the Annual Report and audited statement of Accounts. This meeting will be called as Annual General Meeting of the General Body shall be held alongwith the meeting of the Governing Council which shall be held for the purpose of considering the Annual Report and audited annual Accounts.

8.2 Other Organs:

The matters relating to the procedure for conducting the meetings of the various organs of the society in regard to which these rules are silent may be regulated by the concerned organ by resolution.

9. Visitor:

9.1 The Hon'ble Minister, Administrative Ministry is the Chairman and Visitor vide Clause 7 of the Memorandum of Association.

9.2 He is the Head of the Society and all organs/ authorities of the Society are accountable to him in matters of discharge of their responsibilities.

10A. Chairman:

10A.1 The Chairman may in emergent circumstances, exercise the powers of the Governing Council and report the latter of the facts of the case which warranted the exercise of this power.

10A.2 The orders of the Chairman, including the orders issued in the matter of disciplinary proceedings, shall be authenticated by the Chief Executive Officer.

10B. Vice Chairman:

The Vice-Chairman shall be vested with emergency powers in terms of which he may in consultation with the Chairman pass any order or implement any measure which in terms of the statute falls within the jurisdiction of any of the organs/authorities listed in Clause 9 of the Memorandum of Association and immediately inform the said organ or authority furnishing the reasons thereof and the circumstances which warranted the exercise of the emergency powers.

11. Governing Council:

11.1 The Governing Council shall formulate the policies and administer the Society through the Chief Executive Officer. Except where the statute contains an express provision for retention of any power with the Visitor or Chairman or the Government, the Council shall have full powers in regard to all matters.

11.2 Wherever powers are vested in the Governing Council in terms of Clause 11.1 above, it may delegate any of these powers to any organ/ Authority of the Society.

11.3 The orders of the Governing Council shall be communicated duly authenticated by the Chief Executive Officer/ Member Secretary.

12A. Chief Executive Officer:

12A(1) The Director General is the Chief Executive Officer of the STPI vide Clause No.16A of the Memorandum of Association. He shall exercise general control over all the employees of the Society and shall administer, direct, coordinate, exercise overall control, and supervise the activities of the Society. He shall manage the Finances of the Society as per relevant bye laws and shall submit the Annual Report and audited Accounts to the Council. He shall exercise such powers as are delegated to him by the Governing Council. He may re-delegate any of these powers to his subordinate officers. Overall responsibilities for the powers so delegated shall remain with him.

12A(2) In the matter of filing suits in a Court of Law or defending the STPI against suits filed by others, the Society shall sue and be sued in the official designation of the Director General.

12B. Deputy Chief Executive Officer:

The Senior Director is the Deputy Chief Executive officer of STPI vide clause No. 16B of the Memorandum of Association. He shall act as an interface between Chief Executive Officer and Head of Centres. He shall assist the Chief Executive Officer in administration, supervision, monitoring and coordination of the activities of the Society



and shall perform the duties and functions of Chief Executive Officer in his absence. He shall act as Jurisdictional Director for the jurisdiction associated with the Headquarter. He shall exercise such powers as are delegated to him by the Governing Council. He may re-delegate any of these powers to his subordinate officers. Overall responsibilities for the powers so delegated shall remain with him.

12C. Head of Centre:

Jurisdictional Director is the Head of Center vide clause No. 16C of the Memorandum of Association. He shall administer STP/ EHTP schemes and such other schemes as may be assigned to him by the Government for the jurisdiction associated with the centre. He shall perform other duties and functions as may be assigned to him by the Government. He shall be responsible and accountable for overall management of the functions of the concerned centre and coordinate with Industry, Academia and State governments for facilitating conducive environment for the growth of IT/ITES industry and exports. He shall exercise such powers as are delegated to him by the Governing Council. He may re-delegate any of these powers to his subordinate officers. Overall responsibilities for the powers so delegated shall remain with him.

13. Officers and Staff (Conditions of service):

The conditions of service of the officers and staff of the Society shall be regulated by the General Rules read with the bye-laws relating to personnel management referred to at Rule No.4 in these rules. The Society shall so regulate the conditions of service of its employees that they are, by and large, similar to the conditions of service of employees of corresponding status and position in the Civil Services of the Government of India.

14. Finances of the Society and Audit:

14.1 The finances of the Society shall be managed by the Director General in terms of the policies laid down in the STPI General Rules and the relevant orders of the Governing Council, subject to the guidelines in Rule No.14.2.

14.2 Management of the finances of the STPI shall *inter alia* be regulated by the following guidelines:

- (a) High standards of financial propriety shall be observed by all the employees of the Society.
- (b) Financial transactions shall be characterized with full transparency.
- (c) The approved financial and accounting systems shall be duly documented completely and in detail and authenticated copies circulated.
- (d) Financial management including accounting shall be so organized as to make the transactions amenable to effective statutory audit.

15. Other functional areas:

15.1 Subject to the provisions of these rules, procedure manuals shall be prepared and notified to regulate the functions and activities of the Society which are not covered either by the General Rules or the Bye-laws and also to incorporate operating instructions relating to various systems the outline of which is spelt out in the higher tiers of statute.

15.2 Without prejudice to the generality of the foregoing provisions, the procedure manuals may cover the following functions / activities.

- (a) Office Management (b) Record keeping (c) Security (d) Information systems

16. Concordance of Competent Authorities:

Whenever the statute of STPI mandates application of the rules of the Central Government to regulate the executive business of the Society including the functions of personnel management and implementation of welfare schemes, the organs / officers in STPI named in the following Table shall, for the purpose of exercise of the relevant powers (statutory or delegated powers as the case may be), be deemed to be the competent authorities corresponding to the authorities/ officers in the Government shown against them.

Provided that where a specific provision to the contrary is made in the statute of STPI, it shall prevail over the general provision in the Concordance Table.

Sl. No.	Authorities/officers in Government	Corresponding Authorities/officers in STPI
1.	Administrative Ministry	Governing Council
2.	Head of the Department	Director General
3.	Head of Office	Senior Director for Headquarter Jurisdictional Director of concerned centre
4.	Financial Advisor, Administrative Ministry	Senior Director in consultation with Chief Finance Officer
5.	Ministry of Finance	Governing Council acting on the recommendation of the ECOD.

17. Review of systems:

All the systems in the Society shall be reviewed at intervals not exceeding five years or at an earlier date on the occurrence of any event which necessitates an immediate review. The results of review shall be reported to the Governing Council together with the proposals for revision wherever necessary.

18. Amendments to the Rules:

- (a) The procedure which regulates the making of these rules and formal approval for the same would also apply to amendments thereto.
- (b) All amendments shall have only prospective effect except where expressly stated to the contrary therein.

19. Relaxation:

The authority which is competent to approve these rules may, for reasons to be recorded, relax any of the provisions of these rules subject to such conditions as it may stipulate.

20. Interpretation:

The power to interpret any of the provisions of the Statute shall be vested in the authority which approves the relevant segment.

21. Repeal of Existing Rules:

All the existing rules for Conducting the business of the Society, by whatever name they are called, and the related orders in terms of the enabling provisions thereof are hereby repealed to the extent they are inconsistent with the provisions of these rules without prejudice to the validity of the acts done or measures already implemented prior to the coming into force of these Rules.

22. Removal of difficulties:

If any difficulty arises in giving effect to the provisions of these rules the Chief Executive Officer may, by order, make suitable provision, not inconsistent with these rules and the Memorandum of Association, for removal of the difficulty.
