The Naga Hospital Authority Act, 2003

Act 1 of 2004

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THE NAGA HOSPITAL AUTHORITY ACT, 2003

(Act No. 1 of 2004)

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An Act

To establish and incorporate an authority for managing the affairs of the Naga Hospital as an autonomous institution and to develop the Naga Hospital into an institution of excellence for providing various services connected with health care.

It is hereby enacted in the fifty fourth year of the Republic of India as follows:

1. Short title and commencement:

   (1) The Act may be called the Naga Hospital Authority Act, 2003.

   (2) It shall come into force on such date as the State Government may, by notification in the official gazette, appoint.

2. Definitions:

   In this Act, unless the context otherwise requires,

   (a) Committee means the Committee constituted under Section 11 of the Act.

   (b) Fund means the Fund of the Naga Hospital Authority referred to in Section 16.

   (c) Governing body means the Governing body of the Naga Hospital Authority.
(d) Member means a member of the governing body of the Naga Hospital Authority.

(e) Regulation means a regulation framed under Section 23.

(f) Rule means rule made under Section 22, and

(g) Section means a Section of the Act.

3. **Establishment and Incorporation**:

1) With effect from such date, as may be specified by notification in the official Gazette, the State Government shall cause to be constituted an authority to be called as the Naga Hospital Authority.

2) The Naga Hospital Authority shall be a body corporate, which shall consist of:

   The governing body, Committee and Chief Executive officer as may be designated as Director.

3) The Naga Hospital Authority shall have perpetual succession and seal and shall sue and be sued by the said name.

4. **Powers and Functions of the Naga Hospital Authority**:

It shall be the duty of the Naga Hospital Authority to manage the affairs of the Naga Hospital and to take all such measures to develop it into an institution of excellence for providing various services connected with health care.
5. **Other Functions:**

The Naga Hospital Authority shall take up and continue to take up such activities connected with nurse education or any para medical education as may be provided under any law for the time being in force.

6. **Composition of Governing Body:**

The governing body shall be composed of:

(i) Minister in-charge of Health & Family Welfare, Nagaland - Chairperson

(ii) Members of Parliament from the State of Nagaland - Member

(iii) Finance Commissioner and Secretary to the State Government - Member

(iv) Development Commissioner and Secretary to the State Government - Member

(v) Secretary to the State Government, Health and Family Welfare - Member

(vi) Director, Medical Services - Member

(vii) 3 Members to be nominated by the State Government from amongst the Medical Officers and Nurses serving in the Naga Hospital - Member

(viii) 2 Members to be nominated by the State Government from amongst prominent citizens - Member

(ix) 2 Members to be nominated by the State Government of persons eminent in Medical Sciences from inside or outside the State - Member

(x) Director of Naga Hospital Authority - Member Secretary
7. **Terms of office of Members of the Governing Body:**

   (1) Save as otherwise provided in this section the term of office of a member shall be three years from the date of his nomination or election.

   (2) Provided that the term of office of a member under Clause (ii) of Section 6 shall come to an end as soon as he ceases to be a Member of Parliament from which he was elected.

   (3) The term of office of an ex-officio member shall continue so long as he holds the office by virtue of which he is a member.

   (4) The term of office of a member nominated or elected to fill a casual vacancy shall continue for the remainder of the term of the member in whose place he is nominated or elected.

   (5) An outgoing member shall, unless the State Government otherwise directs, continue in office until another person is nominated or elected as a member in his place.

   (6) An outgoing member shall be eligible for re-nomination or re-election.

   (7) A member may resign his office by writing under his hand addressed to the State Government but he shall continue in office until his resignation is accepted by that Government.

   (8) The manner of filling vacancies among members shall be such as may be prescribed by rules.

8. **Allowances of Members**

   The members shall receive such allowances, if any, from the Naga Hospital Authority, as may be prescribed by rules.
9. **Meeting of Governing Body**:

(1) The Governing Body shall hold its first meeting at such time and place as may be appointed by the State Government and shall observe such rules of procedure in regard to the transaction of business at the first meeting as may be laid down by the Government and thereafter the Governing Body shall meet at such times and places and observe such rules of procedure in regard to the transaction of business at its meetings as may be prescribed by regulations.

(2) The Chairman shall preside over the meeting of the Governing Body and in his absence the members present shall elect one among themselves to be the Chairman for that particular meeting.

10. **Powers and Functions of the Governing Body**:

(1) The Governing Body shall be the executive committee of the Naga Hospital Authority and shall exercise such powers and discharge such functions as may be conferred or imposed by this Act and rules and regulations made on this behalf.

(2) The procedure to be followed in the exercise of its powers and discharge of functions by the Governing Body shall be as such as may be prescribed by regulations.

11. **Constitution of Committees**:

(1) Subject to such control and restrictions as may be prescribed by rules, the Governing Body may constitute as many standing committees and as many ad hoc committee as
it thinks fit for exercising any power or discharging any function of the Naga Hospital Authority or for inquiring into, or reporting or advising upon, any matter which the Naga Hospital Authority may refer to them.

(2) A standing committee shall consist exclusively of the members of the Governing Body but an ad hoc committee may include persons who are not members of the Governing Body but the number of such persons shall not exceed one half of the total membership of the Governing body.

(3) The member of a standing committee or an ad hoc committee shall receive such allowances, if any, as may be prescribed by regulations.

12. Appointment, Powers & Function of Director:

(1) There shall be a Chief Executive Officer of the Naga Hospital Authority who shall be designated as the Director of the Naga Hospital Authority and shall be appointed as may be prescribed by rules.

(2) The Director shall act as the Member-Secretary to the Naga Hospital Authority as well as the Governing Body.

(3) The Director shall exercise such powers and discharge such functions as may be prescribed by regulations or as may be delegated to him by the Governing Body.

13. Staff of the Naga Hospital Authority:

(1) Subject to such rules as may be made by the State Government in this behalf, the Naga Hospital Authority may
appoint such number of officers and employees against the post sanctioned with the prior approval of the State Government as may be necessary for exercise of powers and discharge of its functions and may determine the designations and grade of such officers and employees.

Provided the officers and such other employees of the State Government so posted at the Naga Hospital on the appointed date of the establishment of the Naga Hospital Authority shall be treated as appointment on deputation.

Provided further that subject to such order issued from time to time regarding the strength of various categories of posts on consideration of the requirement of the Naga Hospital Authority, the officers and the employees of the State Government so posted at the Naga Hospital on the appointed date of the establishment of the Naga Hospital Authority shall be deemed to be appointed against the respective posts held by them on deputation and such respective posts shall be treated as transferred to the establishment of the Naga Hospital Authority and the posts under the respective establishment of the State Government controlling such posts shall be treated as deputation vacancy.

Provided further that after taking due option by a separate order, the State Government may direct that the Grade IV employees be transferred to the Naga Hospital Authority along with the posts under the same conditions of service and in respect of such employees, the Naga Hospital Authority shall be treated as the appointing authority.
(2) The Director and other officers and employees of the Naga Hospital Authority shall be entitled to such salary and allowances as may be prescribed and shall be governed by such conditions of service in respect of leave, Provident Fund and other matters as may be prescribed by rules.

(3) The condition of service of the officers and employees so placed under proviso to Sub Section (1) above shall not be varied except in accordance with any rules that may be made by the State Government in this behalf or any rules that may be in force governing similar category of officers and employees at the commencement of this Act.

(4) For the purpose of placing the officers and employees of the State Government from time to time at the disposal of the Naga Hospital Authority, selection shall be made at a regular interval corresponding to the term of deputation in accordance with the procedure as may be prescribed by rules.

Provided that the selection and placement of officers and employees of the State Government shall be made by the appropriate authorities of the State Government after due consultation with the Naga Hospital Authority.

14. Transfer of assets and Liabilities of State Government etc. to the Naga Hospital Authority:

(1) As from the appointed day in relation to the Naga Hospital all properties, assets and funds vested in the State Government before such day shall vest in the Naga Hospital Authority.
(2) All debts, obligations and liabilities incurred by the Naga Hospital Authority after the appointed day shall be discharged by the Naga Hospital Authority.

15. Power to Borrow:

The Naga Hospital Authority may raise loan from the Central Government or the State Government or from any other sources as may be approved by the State Government.

Provided that the Naga Hospital Authority shall take such measures for generating income to liquidate whole or part of the loan moneys, as may be further directed by the State Government in this behalf.

16. Fund of the Naga Hospital Authority:

(1) The Naga Hospital Authority shall maintain a Fund to which shall be credited-

(a) all moneys provided by the State Government,

(b) all moneys received by the Naga Hospital Authority by way of grants, gifts, donations, benefactions, bequests or transfers,

(c) all fees and other charges received by the Naga Hospital Authority in other manner or from any other source.

(2) All moneys credited to the Fund shall be deposited in such banks or invested in such manner as the Naga Hospital Authority may decide subject to regulations that may be made in this behalf.
(3) The Funds shall be applied towards meeting the expenses of Naga Hospital Authority including the expenses incurred in the exercise of its powers and discharge of its functions.

17. Budget of the Naga Hospital Authority:

The Naga Hospital Authority shall prepare in such form and at such time every year as may be prescribed by rules in respect of every financial year showing its estimated receipts and expenditure and forward to the State Government such number of copies in a manner as may be prescribed by rules.

18. Accounts and Audits:

(1) The Naga Hospital Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the Balance Sheet in such form as the State Government may by rules prescribe.

(2) The accounts of the Naga Hospital Authority shall be audited in such manner as may be prescribed by rules made in this behalf.

(3) The audit report shall be forwarded to the State Government and the State Government shall cause the same to be laid before the state Legislative Assembly.

19. Annual Report:

The Naga Hospital Authority shall prepare for every year a report of its activities during that year and submit the report to the
State Government in such form and in such manner as may be prescribed by rules and the State Government shall cause the same to be laid before the State Legislative Assembly.

20. **Powers of State Government to issue directions and policy guidelines:**

The State Government may, from time to time, issue such directions or policy guidelines, not inconsistent with provisions of this Act or the rules made there under, as it may consider necessary, to the Naga Hospital Authority for the purpose of performing its functions under this Act and it shall be the duty of the Naga Hospital Authority to perform such directions or policy guidelines.

21. **Dispute between the Naga Hospital Authority and the State Government:**

If in connection with the exercise of its powers and discharge of its functions under this Act any disputes arises between the Naga Hospital Authority and the State Government, the decision of the State Government on such disputes shall be final.

22. **Powers to make Rules:**

(1) The State Government after consultation with the Naga Hospital Authority, may, by notification in the Official Gazette make rules to carry out the purposes of this Act:

Provided that consultation with the Naga Hospital Authority shall not be necessary on the first occasion of the making of rules under this section but the State Government
shall take into consideration any suggestions which the Naga Hospital Authority may make in relation to the amendment of such rules after they are made.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters namely:

(a) the manner of nomination of members under Section 6;

(b) the control and restrictions in relation to the constitution of standing and ad hoc committees under Section 11;

(c) the conditions of service of the procedure to be followed by, and the manner of filling vacancies among members of the Naga Hospital Authority;

(d) the powers and functions to be exercised and discharged by Naga Hospital Authority;

(e) the allowances, if any, to be paid to the members of the Governing Body;

(f) the number of officers and employees that may be appointed by Naga Hospital Authority and the manner of such appointment;

(g) the form in which and the time at which the budget and reports shall be prepared by the Naga Hospital Authority and the numbers of copies thereof to be forwarded to the State Government;
(h) the form and manner in which returns and information are to be furnished by the Naga Hospital Authority to the State Government;

(i) any other matter which has to be or may be prescribed by rules.

(3) Every rule made under this Section by the State Government shall be laid as soon as after it is made before the State Legislative Assembly.

23. **Powers to make Regulations**:

(1) The Naga Hospital Authority, with the previous approval of the State Government, may, by notification in the Official Gazette, make regulations consistent with this Act and the rules made thereunder to carry out the purposes of this Act and without prejudice to the generality of this power, such regulations may provide for;

(a) the summoning and holding of meetings other than the first meeting of the Naga Hospital Authority. The time and place where such meetings are to be held, the conduct of business at such meetings and the number of members necessary to form a quorum;

(b) the manner of constituting the standing and Ad-hoc Committees. The term of office of and the manner of filling vacancies among the members of the Standing and Ad-hoc Committees;
(c) the powers and functions to be exercised and discharged by the Chairman of the Governing Body;

(d) the allowances, if any, to be paid to the Chairman and the members of the Governing Body and of Standing and Ad-hoc Committees;

(e) the procedure to be followed by the Governing Body and standing and ad hoc committees in the conduct of their business, exercise of their powers and discharge of their functions;

(f) the tenure of office, salaries and allowances and other conditions of services of the Director and other officers and employees of the Institute including teachers appointed by the Institute;

(g) the powers and duties of the Director and other officers and employees of the Naga Hospital Authority;

(h) the management of the properties of the Naga Hospital Authority;

(i) the fees and other charges which may be demanded and received by the Naga Hospital Authority;

(j) the manner in which, and the conditions subject to which, pension and Provident Funds may be constituted for the benefit of officers and other employees of the Institute;

(k) any other matter for which under the Act provisions may be made by regulations.
(2) Every regulation made under this section shall be laid, as soon as may be after it is made before the State Legislative Assembly.

24. **Power to remove difficulties**: 

(1) If any difficulty or doubt arises in giving effect to the provisions of this Act, the State Government may, by order published in Official Gazette, make any provisions, not inconsistent with the purpose of this Act as it appears to be necessary or expedient for removing such difficulty or doubt.

Provided that no such order shall be made after the expiry of a period of two years from the date of coming into force of this Act.

(2) Every order made under Sub-Section (1) above shall, as soon as may be after it is made, be laid before the State Legislative Assembly.