



**STANDING COMMITTEE ON
PETROLEUM & NATURAL GAS
(2007-08)**

FOURTEENTH LOK SABHA

MINISTRY OF PETROLEUM & NATURAL GAS

**THE RAJIV GANDHI INSTITUTE OF
PETROLEUM TECHNOLOGY BILL, 2007**

EIGHTEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

November, 2007/Kartika, 1929 (Saka)

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Presented to Lok Sabha on 21.11.2007

Laid in Rajya Sabha on 21.11.2007



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November, 2007/Kartika, 1929 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON PETROLEUM & NATURAL GAS
(2007-08)

Shri N. Janardhana Reddy - Chairman

Members

Lok Sabha

- 2 Shri M.Appadurai
- 3 Shri R. Dhanuskodi Athithan
- 4 Shri Ramesh Bais
- 5 Shri Kirip Chaliha
- 6 Dr. Tushar A. Chaudhary
- 7 Shri Lal Muni Choubey
- 8 Shri Ravinder Naik Dharavath
- 9 Dr. M. Jagannath
- 10 Shri Jai Prakash (Hissar)
- 11 Adv. Suresh Kurup
- 12 Shri Sudam Marandi
- 13 Shri P. Mohan
- 14 Shri Sukdeo Paswan
- 15 Shri Nakul Das Rai
- 16 Shri Lakshman Singh
- 17 Shri Rajiv Ranjan 'Lalan' Singh
- 18 Shri Ramjilal Suman
- 19 Shri Ratilal Kalidas Varma
- 20 Shri A.K.S. Vijayan
- 21 Shri Ram Kripal Yadav

Rajya Sabha

- 22 Shri Ahmed Patel
- 23 Ms. Mabel Rebello
- 24 Shri Rajeev Shukla
- 25 Shri Suresh Bhardwaj
- 26 Shri Ramdas Agarwal
- 27 Shri Amir Alam Khan
- 28 Shri Tapan Kumar Sen
- 29 Shri C. Perumal
- 30 Shri Subhash Prasad Yadav
- 31 Shri Satish Chandra Misra

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1. Shri S.K. Sharma - *Additional Secretary*
2. Shri N.K.Sapra - *Joint Secretary*
3. Smt. Anita Jain - *Director*
4. Shri P.C. Tripathy - *Deputy Secretary*

INTRODUCTION

I, the Chairman, Standing Committee on Petroleum and Natural Gas (2007-08) having been authorised by the Committee to submit the Report on their behalf, present this Eighteenth Report on 'The Rajiv Gandhi Institute of Petroleum Technology Bill, 2007' relating to the Ministry of Petroleum & Natural Gas.

2. The Rajiv Gandhi Institute of Petroleum Technology Bill, 2007 was introduced in Rajya Sabha on 7 September 2007. The Hon'ble Speaker, Lok Sabha in consultation with the Hon'ble Chairman, Rajya Sabha referred the Bill to the Standing Committee on Petroleum and Natural Gas on 13 September 2007 for examination and Report within three months.

3. The Standing Committee on Petroleum and Natural Gas (2007-08) heard the views of one non-official witness (Prof. R.C.Malhotra, former Director, Indian Institute of Technology, Kanpur) at their sitting held on 26 October 2007. The representatives of the Ministry of Petroleum and Natural Gas/Rajiv Gandhi Institute of Petroleum Technology Society/Oil and Natural Gas Corporation Limited/Bharat Petroleum Corporation Limited deposed before the Committee at their sittings held on 9 and 26 October 2007.

4. The Standing Committee on Petroleum & Natural Gas considered and adopted the Report at their sitting held on 19 November 2007.

5. The Committee wish to express their gratitude to Prof. R.C.Malhotra, former Director of IIT, Kanpur for enlightening them on various issues relating to the Bill. They also wish to express their thanks to the representatives of the Ministry of Petroleum and Natural Gas/RGIPT Society/ONGC/BPCL for tendering evidence before the Committee and placing the information which Committee desired in connection with the examination of the Bill.

6. The Committee place on record their appreciation for the invaluable assistance rendered to them by the officers of the Lok Sabha Secretariat attached to the Committee.

NEW DELHI;

20 November, 2007
29 Kartika, 1929(Saka)

N. JANARDHANA REDDY,
Chairman,
Standing Committee on
Petroleum & Natural Gas.

REPORT

A. Introductory

The Rajiv Gandhi Institute of Petroleum Technology Bill, 2007 was introduced in Rajya Sabha on 7 September 2007. The Hon'ble Speaker, Lok Sabha in consultation with the Hon'ble Chairman, Rajya Sabha referred it to the Standing Committee on Petroleum & Natural Gas on 13 September 2007 for examination and Report within three months. The Bill seeks to declare 'The Rajiv Gandhi Institute of Petroleum Technology' to be an institution of national importance and to provide for its incorporation and for matters connected therewith.

Planned Activities of the Institute

1.2 The Ministry has informed the Committee that the Institute has been planned so as to cater to the educational and training requirements of all segments of the petroleum industry in the upstream, midstream and downstream sectors. It should also be able to play a prominent role in promoting and coordinating R&D in the domain of petroleum technology. Linkages with industry and with international institutes and agencies would also be promoted.

Academic Programmes

1.3 The Committee have been informed that the Institute proposed to be set up at Jias in Rae Bareli (Uttar Pradesh) shall offer academic programmes at the undergraduate, postgraduate and research levels under the aegis of its Faculty of Engineering & Technology, Faculty of Management Sciences and Faculty of Applied Sciences & Humanities. The Institute shall start its academic activities by offering two B.Tech and one MBA programme with an intake of 30 and 40 each in 2008-09. In line with the above charter it is proposed to offer 7 bachelor's degree programmes; 2 integrated bachelors – master's programmes; 12 master's degree programmes; and 12 domain specific PG Diploma programmes. It is proposed to phase the various types of programmes listed hereinabove in two

phases of 5 and 3 years starting from the academic year 2008-09 when the first set of programmes shall be offered. The Institute shall have its full strength of 2,400 in the year 2015-16.

Cost of the Project

1.4 The Committee have been informed that the total estimated capital cost of the project is Rs. 435 crore which would be met partially through budgetary support of Rs. 285 crore and Rs. 150 crore from the Oil Industry Development Board. The total estimated recurring expenditure of Rs. 260.58 crore would be met from the accrual of interest on endowment fund of Rs. 250.00 crore to be created with the contribution of Oil Public Sector Undertakings (PSUs), student fees, donations and other earnings of the Institute through Research & Development, consultancies, students' placement fees, etc. The Institute is envisaged to be self-sufficient and self-reliant by the year 2015-16.

Similar Institutes in other Countries

1.5 The Ministry of Petroleum & Natural Gas was asked about the details of similar Institutes established world-wide. In reply, the Ministry submitted the following:-

“As per available information, Institutions/Universities having Institutions/departments offering specialized courses in petroleum technology are:

- Institute of Petroleum Studies, Curtin University of Technology, Australia
- Hanoi University of Mining and Geology, Vietnam
- Romania Technical University of Oil and Gas, Romania
- Novosibirsk State University of Oil & Gas, Russia
- Gubkin Russian State University of Oil and Gas, Russia
- China University of Petroleum Technology, Beijing
- Petroleum Authority of Mongolia, Mongolia
- Kazakshtan State Academy of Oil & Gas, Kazakshtan
- Colorado School of Mines, USA
- University of Alberta, Canada
- University of Calgary, Canada
- University of British Columbia, Canada
- University of Aberdeen, UK

- University of Edinburgh, UK
- Robert Gordon University, UK
- University of Newcastle Upon Tyne, UK
- University of Khartoum, Sudan
- Institute of Petroleum, Ethiopia
- Texas A & N University, US
- Sudan University of Science and Technology, Sudan
- Institute of Petrol School, France”

B. Salient Features of the Bill

(a) Location of RGIPT

1.6 The Committee have been informed that on 5 July 2007, the Cabinet accorded approval to establish the Rajiv Gandhi Institute of Petroleum Technology (RGIPT) as an Institute of national importance by an Act of Parliament in order to cater to the educational and training requirements of the oil and gas industry covering the entire hydrocarbon value chain.

1.7 Giving details of the factors which motivated the selection of Rae Bareilly as the location, a representative of the Rajiv Gandhi Institute of Petroleum Technology Society stated during evidence as under:-

“The location of the Institute has been motivated by various factors. The first and foremost is that we did not want to have an institute again in one of the cities because all the cities are over-crowded and all educational institutes are located in various parts of the country, in major cities like Bangalore, Hyderabad, Chennai, Delhi, etc. The second reason is that if we were to move in a distant area from the major cities, then land would be easily available and also we wanted to start it early. If we were to wait for our building to get completed, then that would take some years. In Rae Bareilly we have already found a building where we can start with a temporary campus and the course can start in the next year itself. The third reason was that while being away from cities we wanted to have access to centres of excellence because this is going to be an Institute where we require trained professors and high quality individuals to come and teach. We will have to gather this expertise not only on a full time basis but also on a part time basis. Two premier institutions, namely, IIT and IIM are there and this is also a place where we feel that the permanent faculty will find it comfortable to live in because there is access to international

airports from Delhi and there is also access to big cities while being away.”

1.8 The representative of the RGIPT Society further added during evidence:-

“IIM, Lucknow is near about that place. Then IIT, Kanpur, Kharagpur is also in the same vicinity. Then, there are expectations that a lot of exploration activity will take place in the foothills of the Himalayas and Burma. Another point that was considered while deciding on the location was that for educational institutes, which is not meant to cater to markets and the purpose is to put this on international standards and so the location should be at such places where it would attract people to these institutes.”

1.9 In this connection, a representative of the Oil and Natural Gas Corporation Limited deposited before the Committee as under:-

“..... in the adjoining area there, we have three blocks. Our drilling activity is just going on near Bareilly there. There are three blocks in that area. It is going on there. These are the areas which are going on. In Ganga Valley there are three blocks which we are operating.”

1.10 The Secretary of the Ministry of Petroleum and Natural Gas added the following:-

“Drilling did not start after the location was identified; it started even before that.”

(b) Rationale behind the decision to set up RGIPT

1.11 The main reasons cited by the Government for the decision to establish the RGIPT are as under:-

- (i) The New Exploration and Licensing Policy (NELP) has been attracting foreign companies leading to spurt in demand for trained manpower;
- (ii) Only 26 per cent of the sedimentary basin in India has been explored, leaving considerable opportunities in exploration and production;
- (iii) Large capacities are planned in refining and petrochemicals;

- (iv) Large gas finds have been made in KG basin which would require consequential downstream developments; and
- (v) The gap between the availability and requirement of trained manpower is substantial which is expected to be bridged to some extent by the RGIPT.

1.12 The rationale behind the decision of the Government to set up the RGIPT, as given in the 'Statement of Objects and Reasons', is as under:-

"It has become necessary to intensify exploration efforts in the petroleum sector, with a view to achieve hundred per cent coverage of all unexplored basins in a time bound manner. In this context, apart from technology, availability of adequate number of qualified personnel would be a prime requirement in the coming years. It is estimated that the gap between the availability and requirement of trained manpower in the field of petroleum technology in India would be about thirty-six thousand by the year 2019. The existing institutes are not adequate to meet the increasing requirement of technical manpower and they do not have specific orientation to the requirements of the petroleum sector.

The Central Government has, therefore, decided to set up Rajiv Gandhi Institute of Petroleum Technology (RGIPT) at Jias, District – Rae Bareli, Uttar Pradesh to meet the shortfall of trained manpower in the petroleum sector."

1.13 Further elaborating on the point, a representative of the Ministry of Petroleum and Natural Gas mentioned during evidence:-

"..... the petroleum sector is growing in leaps and bounds. This is happening all across streams. There is tremendous expansion in the upstream sector due to various expansion activities – on shore and off shore. There is tremendous expansion in the midstream activities which are for really supplying the petroleum products and gas by laying pipelines. Thirdly, in the downstream sector which are the refineries and the marketing companies, there is a tremendous expansion. To just give you an idea, in the 11th Plan period, we are going to expand our refining capacity by over 80 million tonnes. At the end of the 11th Plan period, we will have capacities of something like 250 million tonnes in this country. The NELP 7 is starting and we expect that several hundreds more additional blocks will be put on offer. All this will require exceptional number of trained manpower in the country. We do not have any dedicated institution in the country for petroleum technology. Some

of the institutes like the Indian Institute of Technology, Kharagpur, Indian School of Mines, Dhanbad and some other institutes provide a very small capsule for petroleum technology. The purpose of this institute is to set up dedicated institute for petroleum technology which will offer, to begin with a B.Tech programme but in due course specialise programmes leading to masters degree and MBA programme will be offered.”

1.14 The Committee have been informed that the setting up of the RGIPT would help reduce the gap between the requirement and availability of trained manpower in the petroleum industry. Emphasising on this point, the Ministry of Petroleum & Natural Gas, in a written note, stated as under:-

“The country’s energy requirement is presently growing at the rate of 4% CAGR (as compared to 1% for the world as a whole). Furthermore, it is estimated that the nation’s energy requirement will grow by 145% over the current requirement by the year 2010.

Investment in the spawning of qualified human capital is therefore most essential if the target set forth in “Hydrocarbon Vision 2025” is to be achieved. The opening up of the petroleum sector to private players as well as to the MNCs has further opened up avenues for employment in the petroleum sector. Hence there is likely to be a substantial increase in the requirement for trained manpower for the Petroleum sector in general and for the E&P sector in particular at least up to the year 2015. The gap between availability and requirement of trained manpower is likely to be quite substantial. In a recent study conducted by consultant PricewaterhouseCoopers for M/S Petrofed, it has been estimated that the gap between the availability and requirement of trained manpower in the field of Petroleum Technology in India would be about 36,000 by the year 2019. The existing institutes will not be adequate to meet the increasing requirement of technical human resource in the petroleum sector and also do not have the specific orientation to the requirements of this sector.

To substantiate the need and make India as Petroleum Technology Human Talent Resource, the setting up of the World Class Institute of Petroleum Technology will go a long way in catering to the burgeoning requirements of the petroleum industry in the years to come. It has been decided by the Government of India to set up Rajiv Gandhi Petroleum Technology Institute(RGIPT) at Jais, District Rae Bareli, UP.”

1.15 When asked about the gap between the availability and requirement of trained manpower in the hydrocarbon sector at present and the extent to which the Rajiv Gandhi Institute of Petroleum Technology would be able to fill up this gap in the next 5,10 and 15 years, the Ministry of Petroleum & Natural Gas, in a post-evidence reply, stated as under:-

“The requirement in the upstream sector has been worked out by the consultants in their report as 36,800 by the year 2015. RGIPT would be able to partially fill this gap by providing quality manpower as per estimates given below:-

Years	Number
2008-09 to 2012-13 (First Five Years)	300
2013-14 to 2017-18 (Next Five Years)	2,200
2018-19 to 2022-23 (Next Five Years)	4,550
Total	7,050

The analysis of the gap with availability of trained manpower from RGIPT and other Oil & Gas Universities [UPES, Dehradun, GERMI (Pt Deen Dayal University) Gandhinagar] is given below:-

S.No.	Years	Total	Estimated supply from Institutes/Universities	RGIPT	Other Institutes
1	2005	13,780	60	-	60
2	2005-10	11,600	640	40	600
3	2010	25,380	700	40	660
4	2010-15	11,500	5,920	1,720	4200
5	2015	36,880	6,620	1,760	4,860
	Estimated Short Fall	30,260”			

1.16 When asked about the present system of imparting petroleum technology to engineers, the Ministry gave the following reply:-

“At present, the Petroleum Technology courses are being offered at selected Institutions/University like: ISM, Dhanbad, University Department of Chemical Technology, Mumbai, and AMU. Very

recently University of Petroleum Studies, Dehradun and Pt Deen Dayal University of Petroleum, Gandhinagar have been established, who are offering courses in Petroleum Technology.

At present, the Oil Companies provide in house training of Petroleum Technology to Engineers in different fields to cater to their need and requirement.”

1.17 When asked about the steps that are being taken to improve the quality/status/infrastructure of similar other institutes in the country so as to reduce the gap between availability and demand of trained manpower in the petroleum industry, the Ministry of Petroleum & Natural Gas submitted the following reply:-

“The Ministry is considering to take up this issue with the existing institutes for introduction of more courses on Petroleum Technology on regular basis.”

1.18 The Committee have learnt that the Indian Institute of Petroleum at Dehradun is also committed to providing R&D in hydrocarbons. When asked as to how the proposed Institute will complement the works of IIP, Dehradun, the Ministry submitted as under:-

“IIP is one of the 46 research centres of the Council of Scientific and Industrial Research (CSIR) mainly focusing on research in the field of petro-chemistry and hydrocarbons. The main focus of the RGIPT would be on imparting the education on petroleum technology covering the entire chain of hydrocarbons. To this effect, it would be offering the academic programmes at the undergraduate, postgraduate and research levels under the aegis of its Faculty of Engineering & Technology, Faculty of Management Sciences and Faculty of Applied Sciences & Humanities. The R&D activities of the RGIPT would also be focused on addressing the requirements of the oil industry. Thus, it may be seen that the proposed Institute would be complementing IIP and not competing with IIP.”

1.19 When asked as to whether there is any proposal to elevate the status of IIP so that it can also impart education in petroleum technology, the Ministry furnished the following reply:-

“For IIP, the administrative Ministry is the Ministry of Science & Technology. MoP&NG has not received any proposal from the Ministry of Science & Technology for elevating the status of IIP to impart education in Petroleum Technology.”

1.20 The Committee also heard the views of Prof. R.C.Malhotra, former Director of IIT, Kanpur in this regard. During oral evidence, the Committee desired to know as to whether the existing IITs can start courses in petroleum technology. In response, the non-official witness stated as under:-

“The existing IITs can start courses in petroleum technology. I think the Ministry is in dialogue with them to get involved in petroleum technology education. At the moment none of them have started. Almost every IIT has a strong chemical engineering department which can serve as a nucleus for it. But the emphasis is shifting more to bio-technology and to pharmaceutical chemistry, etc. because of obvious national as well as international requirements in these areas. There has to be push for petroleum technology education. It has to come from somewhere either from a catalyst institute such as RGIPT or from the Ministry itself. Some push has to be given to get the IITs to get into this.”

1.21 When the Committee desired to know as to whether it would be more beneficial to have a separate Institute or ask the IITs to start a course on petroleum technology, the non-official witness mentioned during evidence as under:-

“A Department within an Institution can only concentrate on one area. Here, we are talking in terms of the whole gamut of hydrocarbon technology, including fire engineering. There is only one institution in the country in Nagpur, which is specialising in fire engineering. It is mainly in the realm of civil and forest fires, very little in the petroleum sector. We require drilling technology. It is also required for tunneling for our railways, for the metro and in other places. Drilling technologists will be used both in the petroleum sector as well as elsewhere. In the area of pipeline engineering, as I said, I did some work in IIT, Delhi, but again not towards transport of petroleum, but more towards mineral ore transportation. We require specialists in pipeline engineering for almost everything. Now, we are talking of Iran-Pakistan-India pipeline. We are also talking of gas from the United Arab Emirates. We are flaring up a lot of our gas in Mumbai High. So, a total school covering all aspects is what is needed. Each of the IITs and other institutions, as they are total institutions, will

obviously only specialise in certain aspects. But holistic treatment will not occur there.”

1.22 When asked about the steps proposed to be taken to ensure that the trained manpower do not leave the country in a big way and take up lucrative jobs abroad, the Ministry of Petroleum & Natural Gas submitted the following in a written reply:-

“There is no restrictive policy as of date on the issue of student mobility overseas. However, it is expected that the trained manpower would be successfully employed in the country keeping in view that there is vast gap between demand and supply of the trained manpower in the country and India is progressively becoming more and more attractive for Indian private companies and foreign companies to undertake various upstream and downstream activities.”

(c) Establishment of campus and academic centres

1.23 When asked about the plans of the Government to establish campus/academic centres in other parts of the country especially in the areas where oil and gas reserves have been established, the following information was furnished to the Committee through a written reply:-

“The Bill empowers the Board to establish campus and academic centres at any place within India. (Clause 10(4)). On successful establishment of RGIPT, depending upon the requirement, RGIPT would consider setting up such similar Institute in other parts of the country.”

1.24 When the Committee desired to know as to whether the Government proposes to encourage the private sector to open similar Institutes in the country and also to lay down policy guidelines in this regard, the Ministry furnished the following reply:-

“Setting up of Institutes on Petroleum Technology by the private sector would be a welcome step as it would help in bridging the gap between the available and required trained manpower in this critical sector. Any assistance sought by the private sectors from

government in this regard would be considered as and when such demand arises.”

(d) RGIPT as an Institute of national importance

1.25 Clause 2 of the Bill provides as under:-

“Whereas the objects of the institution known as the Rajiv Gandhi Institute of Petroleum Technology, Jias, District – Rae Bareli, Uttar Pradesh are such as to make the institution one of national importance, it is hereby declared that the institution known as the Rajiv Gandhi Institute of Petroleum Technology is an institution of national importance.”

1.26 Giving the justification for the proposal for incorporation of the RGIPT as an ‘Institute of national importance’, the Ministry has stated the following in a written note:-

“..... it is important that the RGIPT should have a high degree of autonomy in terms of its academic, administrative and financial functioning. RGIPT should have legal empowerment in its own right to enable it to grant degrees and other academic distinctions and titles. Furthermore, it is envisaged that RGIPT would enjoy the patronage and support of the Ministry of Petroleum & Natural Gas of Government of India. It is in the interest of the nation that the Government nurture the Institute in its nascent and crucial stage of development to enable the Institute to launch and run its programmes without compromise and set up world-class infrastructure while offering courses of a high standard.

In view of the proposed mode of establishment of RGIPT as outlined above, it is proposed that RGIPT be incorporated as an ‘Institute of National Importance’ through an Act of Parliament having a governance structure as well as legal empowerment to grant degrees in a manner similar to that enjoyed by the IITs.”

1.27 When asked about the number of Institutions in the country that have been declared as Institutions of national importance so far, the Ministry, in a written reply, stated as under:-

“As per available information, there are **thirteen** Institutes of national importance and they are:-

- Indian Institute of Technology (Guwahati, Delhi, Mumbai, Madras, Kanpur, Roorkee, Kharagpur),
- All India Institute of Medical Sciences - New Delhi,
- Postgraduate Institute of Medical Education and Research - Chandigarh,
- Sree Chitra Tirunal Institute for Medical Sciences and Technology - Trivandrum,
- National Institute of Pharmaceutical Education and Research - Mohali,
- Dakshina Bharti Hindi Prachar Sabha - Chennai, and
- Indian Statistical Institute - Calcutta.”

1.28 As regards the benefits that would accrue on the declaration of the Rajiv Gandhi Institute of Petroleum Technology (RGIPT) as an Institution of national importance, the Ministry has submitted as under:-

“The Institute is planned so as to cater to the educational and training requirements of all segments of the Petroleum industry in the upstream, midstream and downstream sectors. It should also be able to play a prominent role in promoting and coordinating R&D in the domain of petroleum technology. Linkages with industry and with International institutes and agencies would also be promoted.

To achieve the above set objectives, it is important that the RGIPT should have a high degree of autonomy in terms of its academic, administrative and financial functioning. RGIPT should have legal empowerment in its own right to enable it to grant degrees and other academic distinctions and titles. Furthermore, it is envisaged that RGIPT would enjoy the patronage and support of the Ministry of Petroleum & Natural Gas of Government of India. It is in the interest of the nation that the Government nurture the Institute in its nascent and crucial stage of development to enable the Institute to launch and run its programmes without compromise and set up world-class infrastructure while offering courses of a high standard.

In view of the proposed mode of establishment of RGIPT as outlined above, it is proposed that RGIPT be incorporated as an ‘Institute of national importance’ through an Act of Parliament having a governance structure as well as legal empowerment to grant degrees in a manner similar to that enjoyed by the IITs. The status of “Institute of national importance” will help in attracting meritorious students, competent faculty and in promoting academic excellence.”

1.29 In this connection, the Secretary of the Ministry of Petroleum & Natural Gas stated during oral evidence as mentioned below:-

“When you set up an Institute of national importance, firstly, it acquires eminence right from day one. Secondly, it is able to have certain autonomy in terms of its functioning and decision making which is required today instead of having to depend upon Government for everything. Thirdly, we bestow it with a certain amount of financial as well as functional autonomy so that they will be able to really act quickly in response to the changing needs of the situation. That is what really compelled us. And, fourthly in petroleum technology, there is no institution of national importance today whereas within the next 10 to 15 years, India should be feeding the rest of Middle-East and Asia. This is what really compelled us to have this proclaimed as an institute of national importance.”

(e) **Human Resource of the Institute**

1.30 As regards the posts and pay scales proposed in the teaching and research cadres, ‘Other Academics’ cadres and supporting staff, the Ministry has informed the Committee as under:-

“In RGIPT, there will be 267 faculty posts out of which 250 would be in the teaching cadre and the remaining 17 posts in the research cadre. Research cadre positions (17 in number) have been proposed from within the overall faculty strength of 267 based on the adopted faculty to student norm of 1:9 as currently in practice in the IITs. There will also be “Other Academic Cadres” consisting of a Director, a Librarian, 3 Deputy Librarian and 6 Asst. Librarian. Further, the Institute would require 544 in-house supporting staff to man various activities. In addition, there will be 293 supporting staff proposed to be outsourced during the project period, which would eventually be completely phased-out on account of introduction of information technology and office automation. The details of various categories of the proposed faculty cadre and their pay scales are given below:-

FACULTY CADRE STRUCTURE

<u>S.No</u>	Research Cadre (17 posts)	Teaching Cadre (250 posts)	Salary Scale (Rs.)
1.	Chief Research Scientist/Engineer	Professor	18,400-500-22,400
2.	Principal Research Scientist/Engineer	Associate Professor	16,400-450-20,000
3.	Senior Research Scientist/Engineer	Assistant Professor	12,000-420-18,300
4.	Research Scientists (SG)/Engineer (SG)	Lecturer (SG)	10,000-325-15,200

In order to attract and retain competent young faculty, the salary structure has been proposed to commensurate with that given to the IITs, though not quite equivalent to what they might get if they work in industry.

Director of the Institute and the Library Cadre whose primary function is in the domain of academic management rather than teaching and research is also classified as "Academic Staff". The recommended designations and scales of pay of academic staff with designations other than teaching and research faculty designations are given below:-

‘OTHER ACADEMICS’ CADRES

S.No.	Designations	No. of Posts	Scale of Pay (Rs.)
1.	Director	1	25,000 (fixed)
2.	Librarian	1	16,400-450-20,000
3.	Deputy Librarian	3	12,000-420-18,300
4.	Assistant Librarian	6	8,000-275-13,500
5.	TOTAL	11	

SUPPORTING STAFF

S No.	Category	Pay Scale (Rs.)	Total Nos.	In-house staff	Nos. to be out-sourced.
1	I	16,400-450-20,000	4	4	0
2	II	14,300-400-18,300	11	11	0
3	III	12,000-375-16,500	22	22	0
4	IV	8,000-275-13,500	65	65	0
5	V-D	6,500-200-10,500	215	155	60
6	V-C	5,500-175-900			
7	V-B	4,000-100-6,000			
8	V-A	3,050-60-3,590-100-4,590			
9	VI-D	6,500-200-10,500	317	274	43
10	VI-C	5,500-175-9,000			
11	VI-B	4,000-100-6,000			
12	VI-A	3,050-60-3,590-100-4,590			
13	VII	2,550-25-2,800-40-3,200	203	13	190
TOTAL			837	544	293"

1.31 When asked about the steps that are proposed to be taken to enhance research posts, the Ministry gave the following reply:-

“The Institute is basically designed as a teaching institute providing various courses in the field of entire hydrocarbon chain and to address the R&D needs of the oil industry. Initially, 17 posts have been earmarked for research and development cadre which may be reviewed depending upon the requirements.”

1.32 When asked about the steps that are being taken to enhance the pay of Scientists to be engaged in research work such as Research Scientists, Senior Research Scientists, etc. and the supporting staff, the Ministry submitted the following reply:-

“The pay scales have been taken at par with that of IITs, the increase in the same would also be inline with that of IITs.”

1.33 When asked about the efforts that have been/are being made to ensure availability of trained teachers/faculty members in a short term who can render the needed expertise to students, the Ministry gave the following reply:-

“The Institute is developing curriculum by involving the experts from IITs, IIMs, BHU, DU and people from industry. The experts from IITs, IIMs, BHU, DU etc. have agreed to provide teaching support for the forthcoming academic session. Further, RGIPT Board has resolved to recruit 20 teachers/faculty members on priority basis. Moreover, the specialised course on Petroleum Technology would start only from second year of the engineering i.e. 2009-10 which would provide the time to the Institute to get its faculty trained in Petroleum Technology by sending some of them to world renowned Institutes on Petroleum Technology for training. Foreign Universities have also shown their interest in having collaboration with RGIPT. This collaboration will include inter alia student exchange programme and faculty sharing arrangement.”

1.34 Asked as to whether any agreements have been made with experts from IITs, IIMs, BHU, DU, etc. for teaching in RGIPT, the Ministry stated the following in a post-evidence reply:-

“The dialogues and discussions are being carried out for finalisation of agreement.”

1.35 During oral evidence, the Committee expressed concern that it might not be easy to find trained teachers in a short time to run the specialised Institution and that the persons from the oil sector might not have the requisite qualifications and experience to teach in an academic institution. In reply, a representative of the RGIPT Society stated during evidence as under:-

“I appreciate the concern expressed by the Hon’ble Member. Definitely we are not going to get the faculty readily available anywhere as we are setting up this kind of institution for the first time. We have already contacted near about 11 specialised foreign universities in petroleum technology who have confirmed to us that they will be supporting us by way of their faculty to this institute as exchange programmes. These universities have already sent us MoUs that they will be developing our faculties. We are also getting the support of professionals from the oil industry. They will be coming as faculty. First year of engineering is very generic one. Therefore, the first year’s requirement, up to 2010, we will be meeting from the IIT Kanpur, ISM, Dhanbad, and BHU because these are generic subjects. Specialisation starts only from the second year of engineering. Therefore, we have one and half years period. We are already advertising the requirement for different faculties. We will be training them.”

(f) Financial Plan

1.36 Clauses 23, 24 and 25 of the Bill relate to grants by the Union Government, fund of the Institute and setting up of the endowment fund respectively. These Clauses are reproduced below:-

“23 For the purpose of enabling the Institute to discharge its functions efficiently under this Act, the Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Institute in each financial year such sums of money and in such manner as it may think fit.

24(1) The Institute shall maintain a Fund to which shall be credited -

- (a) all moneys provided by the Central Government;
- (b) all fees and other charges;
- (c) all moneys received by the Institute by way of grants, gifts, donations, benefactions, bequests or transfers; and

- (d) all moneys received by the Institute in any 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 may be decided by the Board,
- (3) The fund shall be applied towards meeting the expenses of the Institute including expenses incurred in the exercise of its powers and discharge of its duties under this Act.

25 Notwithstanding anything contained in section 24, the Institute may,-

- (a) Set up an endowment fund and any other fund for a specified purpose; and
- (b) transfer money from its Fund to the endowment fund or any other fund.”

1.37 The Financial Memorandum to the Bill inter-alia provides as under:-

“Clause 23 of the Bill provides for payment of grants to the Institute by the Central Government after due appropriation made by Parliament by law in this behalf. The establishment of the Institute involves total capital expenditure of Rs. 435 crores and total recurring expenditure of Rs. 260.58 crores. The capital expenditure would partially be met through budgetary support to the tune of Rs. 285 crores and partially through a grant from Oil Industries Development Board to the tune of Rs. 150 crores. The recurring expenditure is proposed to be met out of the interest accruals from the endowment fund to the tune of Rs. 250 crores created by Oil Public Sector Undertakings plus earning from student fees and income from consultancy and research.

The year-wise requirement of budgetary support during the 11th Plan is given below:-

Year	Amount (In Rs. Crores)
2007-08	24
2008-09	81
2009-10	69
2010-11	60
2011-12	51
Total	285

The Bill does not involve any other expenditure of a recurring or non-recurring nature.”

1.38 The Ministry has furnished the details of year/plan-wise proposed expenditure and sources of funding during the project period (2007-2016) as under:-

“(Rs. in crores)

Five Year Plan	Year	Expenditure			Sources of Funding (Capital expenditure)		Sources of Funding (Recurring expenditure)
		Capital	Recurring	Total	OIDB	GOVT	
11 th Plan	2007-08	78*	1.90	79.90	54	24	Interest earned on Endowment Fund of Rs. 250 crore to be created through the contribution from the promoting oil PSUs (IOC, ONGC, GAIL, OIL, HPCL & BPCL) and student fees and other earnings of the Institute.
	2008-09	81	7.40	88.40	0	81	
	2009-10	69	16.22	85.22	0	69	
	2010-11	60	26.56	86.56	0	60	
	2011-12	51	34.91	85.91	0	51	
	Sub Total	339	86.99	425.99	54	285	
12 th Plan	2012-13	35	39.65	74.65	35	0	
	2013-14	31	42.88	73.88	31	0	
	2014-15	30	45.53	75.53	30	0	
	2015-16	0	45.53	45.53	0	0	
	Sub Total	96	173.59	279.59	96	0	
GRAND TOTAL		435	260.58	695.58	150	285	

* Inclusive of the cost of land.”

1.39 The item-wise break-up of the capital cost of Rs.435 crore, as furnished by the Ministry, is as under:-

“Year-wise Requirement for Individual Capital Budget (Rs. in crores)

Sr. No.	Activities	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total
1	Purchase of Land, Land acquisition, Rehabilitation & Resettlement Land Development including boundary fencing; landscaping; leveling; internal roads; etc for 125 acre or 50 Hectare of Land	29	4	3	2	1	1			40
2	Building									
	<i>A. Administrative & Academic Complex</i>	10	15	12	12	10	6	6	5	76

Sr. No.	Activities	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total
	<ul style="list-style-type: none"> · Departments · Central Academic Facilities · Administration · Conference Centre · Classroom Complex 									
	B. Residences <ul style="list-style-type: none"> · Director's Lodge · Faculty & Officers Housing · Support Staff Housing · Warden's Houses · Student Housing · Mess Staff Barracks · Barracks for Outsourcing Staff 	9	13	13	12	11	14	12	12	96
	C. Amenities <ul style="list-style-type: none"> · Schools* · Hospitals* · Guest Houses · Students Activity Centre · Shopping Complex · Satellite Shopping Complex · Faculty Club · Community Centre-cum- Staff Club · Auditorium · Meditation Centre · Post Office / Bank · Telecom Centre 	1	1	2	2	2	1	1	2	12
3	Games and Sports Facilities <ul style="list-style-type: none"> · Playing Fields · Swimming Pool 		2	2	1	1	1	1	2	10
4	Utilities and Services <ul style="list-style-type: none"> · Water Supply · Sewerage Disposal, treatment · Garbage Disposal · Electricity Supply · Drainage 	11	14	9	6	4	3	3	1	51

Sr. No.	Activities	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total
	· Air Conditioning									
5	Equipment	18	32	28	25	22	9	8	8	150
	· Laboratory Equipment									
	· Furniture									
	· Vehicles									
	· Works									
	Equipment & Tools.									
	TOTAL	78	81	69	60	51	35	31	30	435

* To be tied up at District Headquarter”

1.40 The Ministry has also furnished the item-wise break-up of the estimated recurring expenditure of Rs.260.58 crore. The details are as under:-

“The details of recurring expenses in crores of rupees is as under,

Head	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	TOTAL
Salary	0.60	23.30	5.12	8.38	11.01	12.50	13.52	14.36	14.36	82.18
Teaching										
Salary Non-teaching	0.90	3.50	7.67	12.56	16.51	18.76	20.28	21.54	21.54	123.26
Departmental Educational Expenses										
Other educational Expenses	0.01	0.04	0.09	0.14	0.18	0.21	0.23	0.24	0.24	1.38
General Expenses	0.01	0.04	0.09	0.14	0.18	0.21	0.23	0.24	0.24	1.38
Miscellaneous Expenses (including superannuation fund)	0.35	1.37	2.99	4.90	6.44	7.32	7.91	8.40	8.40	48.08
Cost of Maintenance of Facilities	0.02	0.08	0.18	0.30	0.39	0.45	0.48	0.51	0.51	2.92
Total Recurring Expenses	1.90	7.40	16.22	26.56	34.91	39.65	42.88	45.53	45.53	260.58”

1.41 When asked to give details of the contribution to be made by the PSUs, company-wise, to the endowment fund of Rs.250.00 crore, the Ministry furnished the following data in a written reply:-

“The promoting oil companies are required to contribute to the endowment fund for a year in proportion to their net profit of the previous year. The contribution of each promoting company towards the endowment fund is as under :

S. No.	Year	Endowment Fund Company wise breakup	Amount
1.	2006-07	BPCL	1.55
		GAIL	4.52
		HPCL	0.79
		IOCL	10.93
		OIL	3.24
		ONGC	28.97
		SUB TOTAL	50.00
2.	2007-08	BPCL	9.45
		GAIL	11.25
		HPCL	7.39
		IOCL	36.14
		OIL	7.25
		ONGC	78.52
		SUB TOTAL	150.00
3.	2008-09	BPCL	
		GAIL	
		HPCL	
		IOCL	
		OIL	
		ONGC	
		SUB TOTAL	50.00
4		TOTAL	250.00

Contribution for the year 2007-08 has been made by the promoting companies while for 2008-09 it is yet to be made.”

1.42 In this connection, a representative of the Ministry of Petroleum & Natural Gas stated during evidence as under:-

“The endowment fund Rs. 250 crore which will be used for recurring expenditure as we go along, which will ultimately make the institution self-sustaining, will be contributed by the oil public sector undertakings. This was examined in the Ministry whether there should be participation of private sector oil companies. There were some suggestions. But on an examination, we ultimately

rejected this idea of having private sector participation because we would not know whom to select and what will happen in due course if more companies come in the private sector. So it is limited only to the oil public sector undertakings.”

1.43 When asked about the amount expected to be paid by the Central Government each year for the purpose of enabling the Institute to discharge its functions efficiently, the Ministry gave the following reply:-

“It is proposed that RGIPT will be on a self sustaining basis. The Institute’s revenue expenditure is being met out of interest income on endowment fund, fee, research & consultancy and continuing education. No proposal has been envisaged for central government grant for revenue expenditure on yearly basis in the future.”

1.44 When asked about the steps that are proposed to be taken by the Government to ensure proper utilisation of funds, the Ministry gave the following reply:-

“The Board of Governors shall set up the Finance Committee to oversee proper utilisation of funds. The Finance Committee of the Society is being set up.”

1.45 The Committee have been informed through a post-evidence reply that the Finance Committee of Society has been constituted in the 6th Board Meeting of RGIPT Society held on 13 October 2007 and would have first meeting in 3rd week of November, 2007.

(g) Infrastructure Plan

1.46 The Committee have been informed that the RGIPT shall be multistoried campus build up on 50 Hectares (125 acres) of land at Jias, in District Rae Bareli around 27 kilometers from Rae Bareli on State highway connecting Rae Bareli and Sultanpur. Approximately 47.5 acre of land has already been purchased by the RGIPT Society. An application for additional contiguous land measuring 75 acres has been submitted to the Uttar Pradesh Industrial Development Corporation (UPSIDC) for acquisition.

1.47 When asked about the amount of money already spent on purchase of land for building the Institute and the amount likely to be spent on land acquisition, the Ministry furnished the following data in a written reply:-

“The RGIPT Society has already spent Rs. 4.65 crores towards the purchase of land measuring around 47.1 acres of land for building the Institute. An amount of Rs. 15-20 crores is likely to be spent for land acquisition.”

1.48 The Ministry was asked about the number of people who are likely to be displaced after the full acquisition of land. In a post-evidence reply, it stated as under:-

“Uttar Pradesh State Industrial Development Corporation (UPSIDC) is in the process of acquiring the land for the Institute. As on date no one has been displaced and no information has been provided for displacement of the people by UPSIDC.”

1.49 When asked about the details of the compensation package proposed to be provided to the persons/families likely to be displaced as a result of land acquisition for the RGIPT Institute, the Ministry stated the following in a post-evidence reply:-

“The details are being worked out by UPSIDC.”

(h) Research and Development

1.50 One of the functions of the RGIPT, as stipulated under clause 9(viii) is to promote research and development for the benefit of the oil, gas and petrochemical industry through the integration of teaching and research.

1.51 When asked about the various areas on which R&D would be carried out at RGIPT, the Ministry in a post-evidence reply, mentioned as under:-

“The research and development would be carried out in each teaching department i.e. Chemical Engineering, Computer Science Engineering, Environmental Science Engineering, Energy Engineering, Mechanical Engineering, Petroleum Technology, Instrumentation and Control Engineering, Fire Engineering, Management Science, Geo Sciences, Chemistry, Physics etc. In

addition, specialized focused Centres of Research would be set up like;

- (i) Gas Liquefaction Centre
- (ii) Photovoltaic Centre
- (iii) Nanotechnology Centre
- (iv) Centre for Catalytic Converter
- (v) Oil & Gas Recovery Centre
- (vi) Seismic Data Management Centre”

1.52 When the Committee desired to know the steps that are being taken to give more emphasis on Research and Development (R&D) in the Institute, the Ministry submitted the following in a written reply:-

“As RGIPT is Teaching Cum Research Institute, the R&D at the Institute is being developed in a modular manner with emphasis on Petroleum Technology and covering entire Hydrocarbon Chain. Institute shall provide R&D solutions to industry as per the need of the industry. Institute shall also develop linkages with existing R&D centres of promoting companies and leading national as well as international R&D labs.”

1.53 When asked at to whether the Institute would undertake research in alternative sources of oil and gas, the Ministry stated in affirmative in a written reply:-

“Yes, the Institute shall also be focusing on renewable energy sources like bio-fuel, wind, photovoltaic, etc.”

1.54 The Ministry was asked to cite the reasons for not including an explicit Clause on renewable energy sources in the Bill. The Ministry, in a post-evidence reply, stated the following:-

“The provisions to start any new academic programmes, centre of research, etc have been provided in the Bill and the powers have been given to the Board as per Clause 10(1) and (2). Hence, stating of explicit focus on renewable energy/any specific programme/area would not be desirable. The Senate would recommend to the Board regarding starting of any academic/centre of research departments, etc.”

(i) **General Council**

1.55 Clause 15 of the Bill provides for the constitution and composition of the General Council of the Institute. Clause 15 is reproduced below:-

“15(1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be established, for the purposes of this Act, a body to be known as the General Council.

(2) The General Council shall consist of the following members namely:-

- (a) the Secretary, Ministry of Petroleum and Natural Gas in the Central Government, ex officio, who shall be the Chairperson of the Council;
- (b) the Chairman, Indian Oil Corporation, ex officio;
- (c) the Chairman and Managing Director, Hindustan Petroleum Corporation Limited, ex-officio;
- (d) the Chairman and Managing Director, Bharat Petroleum Corporation Limited, ex officio;
- (e) the Chairman and Managing Director, Oil and Natural Gas Corporation, ex-officio;
- (f) the Chairman and Managing Director, Gas Authority of India Limited, ex officio;
- (g) the Chairman and Managing Director, Oil India Limited, ex officio;
- (h) the Director General of Hydrocarbons, ex officio;
- (i) the Principal Advisor (Energy), Planning Commission, ex officio;
- (j) the Executive Director, Oil Industry Safety Directorate, ex officio;
- (k) the Director, Indian Institute of Technology, Kanpur, ex officio,
- (l) the Director, University Institute of Chemical Technology, Mumbai University, ex officio;
- (m) the Secretary, Oil India Development Board, ex officio;
- (n) the President of the Board, ex officio; and
- (o) the Director of the Institute, ex officio;
- (p) persons, not less than two but not exceeding four, representing the private entities in the field of petroleum sector operating in the country, to be nominated by the Chairperson.

(3) The Registrar of the Institute shall be the ex officio Secretary of the General Council.

(4) The Chairperson of the General Council shall have the power to invite any person who is not a member of the Council to attend a meeting of the Council but such invitee shall not be entitled to vote.”

1.56 Clause 16, which makes provisions for the powers and functions of the General Council, is as under:-

“16 Subject to the provisions of this Act, the General Council shall have the following powers and functions, namely:-

- (a) review from time to time the broad policies and programmes of the Institute and to suggest measures for the improvement and development thereof;
- (b) consider the annual statement of accounts including a balance sheet together with the audit report thereto and the observations of the Board of Governors thereon and to suggest improvements in fiscal management of the Institute;
- (c) review and evaluate overall quality and effectiveness of the Institute and to advise measures for improvement of performance and for confidence- building between the Institute and its stakeholders;
- (d) provide credibility, aura, connectivity and contacts for the Institute especially with regard to student placement and resource mobilization;
- (e) advise the Institute and its Board of Governors in respect of the advanced areas of technology in the field of the petroleum sector covering the entire hydrocarbon value chain that may be desirable for the Institute to pursue as well as in respect of any other matter that may be referred to it for advice by the Board.”

1.57 When the Committee desired to know as to whether the heads/chiefs of companies/organisations like the Centre for High Technology (CHT) and Engineers India Limited (EIL) would be included in the General Council considering the specialised/technical nature of jobs being carried out by them, the Ministry furnished the following information:-

“Clause 15 of the Bill provides for,

- i. The General Council of the Institute would have members, not less than two but not exceeding four, representing the

private entities in the field of petroleum sector operating in the country, to be nominated by the Chairperson.(Section 15(2)(p)).

- ii. The Chairperson of the General Council shall have the power to invite any person who is not a member of the Council to attend a meeting of the Council but such invitee shall not be entitled to vote at such a meeting. Section 15(4).

It may be noted that the above provisions empower the Chairperson to invite any person for seeking his expert advice and therefore, Ministry is not in favour of further expansion of General Council.”

1.58 The Committee have been informed that the meeting of the General Council shall be held once in a year.

(j) Board of Governors

1.59 Clause 5 of the Bill provides for the constitution and composition of the Board of Governors of the Institute. Clause 5 is reproduced below:-

“5(1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be constituted by the Central Government for the purpose of this Act, a Board to be known as the Board of Governors consisting of the following members, namely :-

- a) the President to be appointed by the Central Government in such manner as may be prescribed by the Statutes;

Provided that the first President shall be appointed by the Central Government on such terms and conditions as it deems fit, for a period not exceeding six months from the date the first Statutes comes into force.

- b) the Director of the Institute, ex officio;
- c) two persons from the Board of Directors of the promoting companies to be nominated by the Central Government.

Explanation:- For the purposes of this clause, promoting companies mean those companies contributing to the endowment fund referred to in section 25;

- d) One Professor of the Indian Institute of Technology, Kanpur to be nominated by the Director of that Institute.
- e) Five eminent experts in the field of petroleum technology covering the entire hydrocarbon value chain having specialized knowledge or operational experience in respect

of education, research, engineering and technology to be nominated by the General Council, in consultation with the Director of the Institute;

- f) Two Professors of the Institute to be nominated by the Senate of the Institute; and
 - g) One representative of the graduates of the Institute to be nominated by the Executive Committee of the Alumni Association.
- (2) The Registrar of the Institute shall act as the Secretary of the Board.
- (3) The Board shall ordinarily meet four times during a calendar year.”

Observations/Recommendations of the Committee

1. The Committee have thoroughly examined “The Rajiv Gandhi Institute of Petroleum Technology Bill, 2007”. In the course of their examination, besides the Ministry of Petroleum & Natural Gas/Public Sector Undertakings/Rajiv Gandhi Institute of Petroleum Technology Society, the Committee have also taken oral evidence of a non-official witness (Prof. R.C.Malhotra, former Director of the Indian Institute of Technology, Kanpur). In the light of the facts gathered from these representatives during oral evidence/through notes and written replies, the Committee recommend that the Bill may be passed subject to their observations and recommendations given in the succeeding paragraphs.

2. The Committee observe that the country's energy requirement has been increasing and is likely to increase manifold in the coming years. Besides, the soaring crude prices and the possible offering of significant number of blocks in the future rounds of the New Exploration Licensing Policy (NELP) would lead to intensification of activities in the petroleum sector, especially the upstream activities. Moreover, there is going to be expansion in the midstream and downstream activities of the petroleum sector in the country. All this would require significant number of trained manpower which can be achieved through grooming/spawning of qualified human capital on a large scale. The Committee understand that there is a severe shortage of trained manpower in the country to cater to the requirements of petroleum refining, drilling, reservoir modelling, etc. They, therefore, desire that the Rajiv Gandhi Institute of Petroleum Technology, which aims at meeting the shortfall of trained manpower in the petroleum sector through spawning of human capital, should be set up on a priority basis. The Committee firmly believe that the setting up of the Institute would not only provide engineers, specialised in petroleum technology, to the oil industry but also lead to holistic/all round development covering all areas of petroleum technology. The Committee, therefore, desire the Government to monitor the future progress of work on the project and ensure its fast-track completion.

3. The Committee note that the Government proposes to set up the Rajiv Gandhi Institute of Petroleum Technology (RGIPT) at Jias, district – Rae Bareli, Uttar Pradesh. The Committee have been informed that there are three blocks in the vicinity of the proposed location where drilling activity has been going on and that this drilling activity started prior to the selection of the location for setting up the Institute. Thus, some petroleum related activity has already been going on in proximity to the said location. Besides, relatively easy availability of land vis-a-vis big cities is another factor that weighs in favour of the said location. The Committee have been informed that the Government has already found a building in Rae Bareli where it can start the academic programme from 2008-09 as per the schedule. Moreover, this location would also give easy access to some centres of excellence like IITs at Kanpur and Kharagpur and IIM, Lucknow from where trained teachers can conveniently come and teach at the proposed Institute. Besides, its connection to the air head and proximity to New Delhi would facilitate the easy movement of the international faculty members who might be drafted for the teaching job. Thus, the Committee find some merit in the selection of the location.

4. Clause 10(4) of the Bill empowers the Board of Governors to establish campus and academic centres at any place within or outside India. The Clause also stipulates that for establishing a campus/academic centre outside India, prior approval of the Union Government shall, however, be required. In the opinion of the Committee, this is a welcome provision incorporated in the Bill since establishment of more number of campuses/academic centres would ultimately bridge the gap between the availability and requirement of trained manpower. Moreover, if such Institutes/campuses/academic centres are not set up in large numbers, the country might have to remain dependent on foreign-trained manpower in future which is not desirable. The Committee, therefore, recommend that once the RGIPT is set up, the Government should endeavour to establish similar Institutes in other parts of the country. Besides, it should also encourage/assist the RGIPT to set up campuses/academic centres at different locations. While setting up such Institutes/campuses/academic centres, priority should be given to areas where oil/gas reserves have been established/discovered or production is going on and also in areas with prospects of rich hydrocarbon/coal bed methane like Krishna-Godavari basin, Cauvery basin, Coal-belt areas, North-Eastern States, Gujarat, Rajasthan, etc. The Committee also recommend that the Government should encourage the private sector to establish similar Institutes in the country so as to reduce the shortfall in trained manpower in the petroleum sector.

5. As per the Statement of Objects and Reasons, the gap between the availability and requirement of trained manpower in the field of petroleum technology in the country would be about 36,000 by the year 2019. This figure is stated to have been arrived at through a study conducted by a Consultant recently. The Committee have also been informed that there was a requirement of 13,780 trained manpower in the year 2005 vis-à-vis a supply of 60 from other Institutes and that this requirement is likely to go up to 25,380 in the year 2010 against an estimated supply of 700 from RGIPT and other Institutes. In the opinion of the Committee, there is a need to carry out a study to ascertain the present shortfalls in trained manpower in different areas of the petroleum sector. This would enable the Government/RGIPT/other Institutes to plan and start courses/additional courses in the areas where shortfalls are more prominent and also to increase the intake of students into the courses relating to such areas. The Committee, therefore, desire the Government to urgently conduct a systematic study in a time-bound manner to find out the area-wise shortfalls in manpower in the petroleum sector.

6. The Committee are of the opinion that the establishment of the RGIPT would be definitely welcomed by the petroleum industry in view of its potential in meeting the shortfall in trained manpower in the industry. At the same time, they also visualise that even after the setting up of the RGIPT and similar other Institutes/campuses/academic centres in various parts of the country, this shortfall would still persist. In the Committee's view, if specialised courses relating to petroleum technology are introduced in IITs, Universities and other Institutes, the said shortfall can be filled up quickly. The Committee, therefore, desire the Government to take concrete steps in the direction of introducing specialised courses and enhancing the intake of students in IITs, reputed universities, etc. The Committee further desire that besides introducing courses and increasing the student intake in IITs, etc., the Government should also attempt to enhance/improve the status/infrastructure of other Institutes like the Indian Institute of Petroleum at Dehradun, Indian School of Mines at Dhanbad, etc.

7. The setting up of the RGIPT and similar other Institutes that might be set up in future, would produce a lot of qualified manpower in due course which would be of vital importance for the petroleum industry. The Committee, however, apprehend a large scale flight of this human capital who might prefer to take up lucrative jobs abroad. Though the Government has expressed the hope that the trained manpower would be successfully employed in the country in view of the vast gap between the demand and supply of the trained manpower, the Committee are not very optimistic that most of them would render their services in our country, especially in the Public Sector petroleum companies. The Committee desire the Government to take appropriate steps in the direction of checking the large-scale flight of the trained manpower to foreign countries for taking up jobs there.

8. The Bill aims to declare the RGIPT as an 'Institution of national importance'. In the opinion of the Committee, the grant of the status of 'national importance' would give the desired autonomy to the Institute in its functioning and decision making which are essential for the smooth conduct of its state of affairs. The Committee also feel that the contention of the Ministry that the said status would attract meritorious students and reputed faculty and also promote all-round academic excellence has merit. The Committee, therefore, concur with the decision to confer the status of 'national importance' on the Institute.

9. The functioning of the RGIPT is proposed to start from the academic year 2008-09 for which the Institute would require a regular and competent faculty. In the opinion of the Committee, senior executives of the oil companies may not have the requisite teaching experience or expertise to form part of the faculty. Thus, the Institute would have to heavily depend upon experts from IITs, IIMs, etc. to provide the teaching support in the beginning. The Committee have been informed that discussions with experts from IITs, IIMs are going on regarding their assistance in teaching at the RGIPT. Besides, some foreign universities have also sent MoUs that they would develop the faculty at the RGIPT. The Committee desire the Government to act fast in the matter and develop a core faculty in a systematic manner.

10. The Committee have been informed that in the RGIPT, out of a total of 267 faculty posts, only 17 posts would be there in the Research Cadre. In the opinion of the Committee, this is too meagre a number considering the importance of the Research Cadre. They, therefore, desire that the number of posts in the Research Cadre should be suitably enhanced. The Committee also recommend that adequate increase in the pay scales and perquisites of the faculty members/research scientists and the supporting staff should be made from time to time in line with the stature of the Institute so as to keep their morale high. This step alone is likely to put a check on their temptation to move abroad for lucrative assignments.

11. Clause 5(1)(c) of the Bill provides for the nomination to the Board of Governors of two persons from the Board of Directors of the 'promoting companies'. The 'Explanation' to sub-clause (c) clarifies that 'promoting companies' mean those companies which contribute to the endowment fund referred to in Clause 25. The Committee find that Clause 25 of the Bill does not specify the names of such companies. In this connection, the Financial Memorandum to the Bill gives only a reference to 'Oil Public Sector Undertakings' without specifying their names, even though the Ministry has informed the Committee through a written reply that the companies making contribution to the endowment fund are BPCL, GAIL, HPCL, IOCL, OIL and ONGC. The Committee recommend that the names of the companies contributing to the endowment fund should be incorporated in Clause 25 of the Bill in order to avoid any confusion in the matter.

12. The Committee note that the establishment of the RGIPT involves a capital expenditure of Rs. 435 crore. The said expenditure would be met through budgetary support amounting to Rs. 285 crore and grant of Rs. 150 crore from the Oil Industry Development Board (OIDB). A glance at the item-wise break-up of the expenditure reveals that out of the total capital expenditure of Rs. 435 crore, a meagre amount of Rs. 12 crore has been earmarked for 'Amenities' like schools, hospitals, shopping centre, auditorium, etc. Similarly, for 'Games and Sports Facilities', an amount of Rs. 10 crore only has been earmarked. In the opinion of the Committee, the amounts earmarked for such important items, having a direct bearing on the physical and mental health of students and also the well-being of the faculty members and the staff of RGIPT, are grossly inadequate. The Committee desire the Government to enhance the allocation for these items suitably.

13. The Committee have been informed that the RGIPT would be built up on 125 acre of land and that about 47.5 acre of land have already been purchased for this purpose. They have further been informed that no one has been displaced as a result of acquisition of such land. As regards the rehabilitation/compensation package for the persons likely to be displaced as a result of land acquisition for the RGIPT, the Ministry of Petroleum and Natural Gas has conveyed that these details are being worked out by the Uttar Pradesh State Industrial Development Corporation (UPSIDC), the agency looking after the land acquisition job for the Institute. The Committee desire that the matter regarding the said package should be decided/finalised on a priority basis and the details conveyed to the persons, who might be displaced, at the initial stage which would not only enable such persons to plan their future course of action in advance but also ease the process of land acquisition. They also desire the Ministry to supervise/monitor the activities relating to the rehabilitation process so as to ensure that the persons, who might be displaced, get a proper package at the earliest.

14. An important function of the RGIPT, as provided under Clause 9(viii), is to promote research and development for the benefit of the oil, gas and petrochemical industry through the integration of teaching and research. The Committee have been informed that besides providing R&D solutions to the petroleum industry as per the needs of the latter, the Institute would also be focusing on renewable energy sources like bio-fuel, wind, photovoltaic, etc. The Committee appreciate the initiative/proposal of the Government since R&D on alternative sources of hydrocarbons/non-conventional energy sources deserve the added focus in view of its impact on reduction of emissions from greenhouse gases. The Committee desire the Government to give an added thrust to R&D on alternative hydrocarbons/non-conventional energy sources and also establish the linkage with the organisations/companies/institutes which are engaged in similar R&D activities. The Committee also recommend that provisions should be made to give suitable incentives like cash awards, medals, out-of-turn promotions to teachers/research scientists who make significant breakthroughs in the field of R&D. They further recommend that an appropriate mechanism should be put in place to continuously monitor/evaluate the R&D activities of the Institute.

15 The composition of the General Council of the Institute has been stipulated under Clause 15(2) of the Bill. As per these provisions, the Secretary of the Ministry of Petroleum and Natural Gas would chair the Council, with Chiefs/heads of a number of Public Sector Oil Companies, among others, as members. The Committee find that the head/chief of some specialised companies/organisations like the Engineers India Limited (EIL) and Centre for High Technology (CHT) have not found a place in the said composition. Since one of the powers and functions of the Council is to advise the Institute and its Board in respect of the advanced areas of technology in the field of petroleum sector, the Committee feel that the nomination of the head/chief of EIL and CHT to the Council would be in the fitness of things in view of the specialised nature of jobs they are undertaking. The Committee, therefore, recommend that the head/chief of EIL and CHT should be nominated to the General Council. Besides, the Committee also recommend that Members of Parliament - the representatives of the people – should be given adequate representation, befitting their status, in the Council as has been the case with some other Institutes. Accordingly, suitable amendments may be made in Clause 15 of the Bill.

16. The Secretary of 'Oil India Development Board' has been proposed to be a member of the General Council of the Institute as per Clause 15(2)(m) of the Bill. The Committee understand that the words 'Oil India Development Board' have been erroneously used instead of 'Oil Industry Development Board'. Accordingly, suitable correction may be effected in this regard.

17. Clause 15(2) (p) of the Bill provides for nomination of two to four persons from the private entities in the field of petroleum sector operating in the country to the General Council of the Institute. As numerous private entities in the petroleum sector are operating in the country with varying sizes, diverse business models and uneven market cap, the Committee recommend that suitable criteria should be laid down for the nomination of such persons to the General Council so as to ensure fair, equitable and transparent representation of such entities in the Council. Besides, provisions should also be made to ensure contribution of such entities to the development of the Institute and its subsequent campuses/centres since the Institute would ultimately serve the entire petroleum industry including such entities by way of providing the much-needed qualified manpower.

NEW DELHI;

20 November, 2007
29 Kartika, 1929(Saka)

N. JANARDHANA REDDY,
Chairman,
Standing Committee on
Petroleum & Natural Gas.

**THE RAJIV GANDHI INSTITUTE OF PETROLEUM TECHNOLOGY BILL,
2007**

ARRANGEMENT OF CLAUSES

**CHAPTER I
PRELIMINARY**

CLAUSES

1. Short title and commencement.
2. Declaration of Rajiv Gandhi Institute of Petroleum Technology as an Institution of national importance.
3. Definitions.

**CHAPTER II
THE INSTITUTE**

4. Incorporation of Institute.
5. Constitution of Board of Governors.
6. Term of office of, vacancies among, and allowances payable to, members of Board.
7. Vesting of properties.
8. Effect of incorporation of Institute.
9. Functions of Institute.
10. Powers of Board.
11. Institute to be open to all races, creeds and classes.
12. Teaching at the Institute.
13. Visitor.
14. Authorities of Institute.
15. Establishment of General Council.
16. Powers and functions of General Council
17. Senate.
18. Functions of Senate.
19. President of Board.

20. Director.
21. Registrar.
22. Powers and duties of other authorities and officers.
23. Grants by Central Government.
24. Fund of Institute.
25. Setting up of endowment fund.
26. Accounts and audit.
27. Pension and provident fund.
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33. Conduct of business by authorities of Institute.
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CHAPTER III

MISCELLANEOUS

35. Acts and proceedings not to be invalidated by vacancies.
36. Grant of degrees, etc., by Institute.
37. Sponsored schemes.
38. Power to remove difficulties.
39. Transitional provisions.
40. Statutes, ordinances and notifications to be published in the Official Gazette and to be laid before Parliament.

**THE RAJIV GANDHI INSTITUTE OF PETROLEUM TECHNOLOGY
BILL, 2007**

A

BILL

to declare the institution known as the Rajiv Gandhi Institute of Petroleum Technology to be an institution of national importance and to provide for its incorporation and matters connected therewith.

Be it enacted by Parliament in the Fifty-eighth Year of the Republic of India as follows:-

CHAPTER 1

PRELIMINARY

- | | |
|--|---|
| Short title and commencement | 1. (1) This Act may be called the Rajiv Gandhi Institute of Petroleum Technology Act, 2007.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act. |
| Declaration of Rajiv Gandhi Institute of Petroleum Technology as an institution of national importance. | 2. Whereas the objects of the institution known as the Rajiv Gandhi Institute of Petroleum Technology, Jias, District – Rae Bareli, Uttar Pradesh are such as to make the institution one of national importance, it is hereby declared that the institution known as the Rajiv Gandhi Institute of Petroleum Technology is an institution of national importance. |
| Definitions. | 3. In this Act, unless the context otherwise requires:-
a) “appointed day” means the date appointed under sub-section (2) of section 1 for coming into force of this Act;

b) “Board” means the Board of Governors of the Institute constituted under sub-section (1) of section 5;

c) “Chairperson” means the Chairperson of the General Council established under section 15;

d) “Director” means the Director of the Institute appointed under section 20; |

- e) “fund” means the fund of the Institute to be maintained under section 24;
- f) “Institute” means the Rajiv Gandhi Institute of Petroleum Technology incorporated under section 4;
- g) “President” means the President of the Board appointed under clause (a) of the sub-section(1) of section 5;
- h) “Registrar” means the Registrar of the Institute referred to in section 21;
- i) “General Council” means the General Council established under sub-section (1) of section 15;
- j) “Senate” means the senate of the Institute referred to in section 17;
- k) “Society” means the Rajiv Gandhi Institute of Petroleum Technology Society, Jais, District – Rae Bareli, Uttar Pradesh registered under the Societies Registration Act, 1860; and
- l) “Statutes” and “Ordinances” mean respectively, the Statutes and Ordinances of the Institute made under this Act.

CHAPTER II

THE INSTITUTE

Incorporation of Institute

- 4.** The Rajiv Gandhi Institute of Petroleum Technology shall be a body corporate having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property and to contract, and shall, by that name, sue and be sued.

Constitution of Board of Governors

- 5.** (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be constituted by the Central Government for the purpose of this Act, a Board to be known as the Board of Governors consisting of the following members, namely :-

- a) the President to be appointed by the Central Government in such manner as may be prescribed by the Statutes;

Provided that the first President shall be appointed by the Central Government on such terms and conditions as it deems fit, for a period not exceeding six months from the date the first Statutes comes into force.

- b) the Director of the Institute, ex officio;
- c) two persons from the Board of Directors of the promoting companies to be nominated by the Central Government.

Explanation:- For the purposes of this clause, promoting companies mean those companies contributing to the endowment fund referred to in section 25;

- d) One Professor of the Indian Institute of Technology, Kanpur to be nominated by the Director of that Institute.
 - e) Five eminent experts in the field of petroleum technology covering the entire hydrocarbon value chain having specialized knowledge or operational experience in respect of education, research, engineering and technology to be nominated by the General Council, in consultation with the Director of the Institute;
 - f) Two Professors of the Institute to be nominated by the Senate of the Institute; and
 - g) One representative of the graduates of the Institute to be nominated by the Executive Committee of the Alumni Association.
- (2) The Registrar of the Institute shall act as the Secretary of the Board.

(3) The Board shall ordinarily meet four times during a calendar year.

Terms of office of, vacancies among and allowances payable to members of Board.

6. (1) Save as otherwise provided in this section, the term of office of the President or any other member of the Board, other than ex officio member shall be three years from the date of his appointment or nomination thereto.

(2) An ex officio member shall cease to be a member of the Board as soon as he vacates the office by virtue of which he is a member of the Board.

(3) The term of a member nominated to fill a casual vacancy shall continue for the remainder of the term of the member in whose place he has been nominated.

(4) Notwithstanding anything contained in this section, an out-going member shall, unless the Central Government otherwise directs, continue in office until another person is nominated as a member in his place.

(5) The members of the Board shall be entitled to such allowances, if

any, from the Institute as may be provided for in the Statutes but no member other than the members referred to in clause (f) of section 5 shall be entitled to any salary.

Vesting of properties.

7. On and from the appointed day and subject to the other provisions of this Act, all properties which had vested in the Society immediately before that day, shall, on and from that day, vest in the Institute.

Effect of incorporation of Institute

8. On and from the appointed day, -

- a) any reference to the Society in any contract or other instrument shall be deemed as a reference to the Institute;
- b) all the rights and liabilities of the Society shall be transferred to, and be the rights and liabilities of, the Institute; and
- c) every person employed by the Society immediately before the appointed day shall hold office or service in the Institute by the same tenure, at the same remuneration and upon the same terms and conditions and with the same rights and privileges as to pension, leave, gratuity, provident fund and other matters as he would have held the same if this Act had not been passed, and shall continue to be so unless and until his employment is terminated or until such tenure, remuneration and terms and conditions are duly altered by the Statutes:

Provided that if the alteration so made is not acceptable to such employee, his employment may be terminated by the Institute in accordance with the terms of the contract with the employee or, if no provision is made therein in this behalf, on payment to him by the Institute of compensation equivalent to three months' remuneration in the case of permanent employees and one month's remuneration in the case of other employees.

Functions of Institute

9. The Institute shall perform the following functions, namely :-

- (i) nurture and promote quality and excellence in education and research in the area of petroleum and hydrocarbons;
- (ii) provide for programmes and courses of instruction and research leading to the award of the Bachelors, Masters and Doctoral degrees in engineering and technology, management, sciences and arts in the area of petroleum and hydrocarbons;
- (iii) grant, subject to such conditions as the Institute may determine, degrees, diplomas, certificates or other academic distinctions or titles at various academic levels to candidates who have attained the prescribed standards

of proficiency as judged on the basis of examinations or on any other basis of testing and evaluation and to withdraw any such degrees, diplomas, certificates or other academic distinctions or titles for good and sufficient reasons;

- (iv) confer honorary degrees or other distinctions and to institute and award fellowships, scholarships, exhibitions, prizes and medals;
- (v) lay down standards of admission to the Institute through an examination or a viva voce or any other method of testing and evaluation;
- (vi) fix, demand and receive fees and other charges;
- (vii) manage the content, quality, design and continuous evaluation of its academic and research programmes in a manner that earns accreditation of an international stature;
- (viii) promote research and development for the benefit of the oil, gas and petrochemical industry through the integration of teaching and research;
- (ix) foster close educational and research interaction through networking with national, regional and international players in the oil, gas and petrochemical industry;
- (x) co-operate with educational and research institutions in any part of the world having objects wholly or partly similar to those of the Institute by exchange of teachers and scholars, conduct of joint research, undertaking sponsored research and consultancy projects, etc;
- (xi) organize national and international symposia, seminars and conferences in the area of petroleum and hydrocarbons;
- (xii) establish, maintain and manage halls of residences and hostels for students;
- (xiii) create academic, administrative, technical and other posts and to make appointments thereto;
- (xiv) lay down conditions of service including a code of conduct for teachers and other categories of employees;
- (xv) supervise, control and regulate the discipline of all categories of employees of the Institute and to make arrangements for promoting their health and general welfare;
- (xvi) supervise and regulate the discipline of students and to make arrangement for promoting their health, general

welfare and cultural and corporate life;

- (xvii) frame Statutes and Ordinances and to alter, modify or rescind the same;
- (xviii) deal with any property belonging to or vested in the Institute in such manner as the Institute may deem fit for advancing its objects;
- (xix) receive gifts, grants, donations or benefactions from the Central and State Governments and to receive bequests, donations, grants and transfers of movable or immovable properties from testators, donors, transferors, alumni, industry or any other person;
- (xx) borrow money for the purposes of the Institute with or without security of the property of the Institute;
- (xxi) integrate new technology in the classroom to encourage student-centric learning strategies and the development of an attitude for learning;
- (xxii) develop and maintain an information resource centre of print and non-print knowledge resources in the field of petroleum sector covering the entire hydrocarbon value chain as well as other related areas of science and technology;
- (xxiii) provide for further education to the working professionals and other employees of the Institute in the advanced areas of technology relating to oil, gas and complete hydrocarbon value chain;
- (xxiv) do All things, not specially covered above, as may be necessary, incidental or conducive to the attainment of all or any of the objects of the Institute.

Powers of Board

10. (1) Subject to the provisions of this Act, the Board shall be responsible for the general superintendence, direction and control of the affairs of the Institute and shall exercise all the powers not otherwise provided for by this Act, the Statutes and the Ordinances, and shall have the power to review the acts of the Senate.

(2) Without prejudice to the provisions of sub-section (1), the Board shall –

- a) take decisions on questions of policy relating to the administration and working of the Institute;
- b) lay down policy regarding the duration of the courses, nomenclature of the degrees and other distinctions to be conferred by the Institute;
- c) institute courses of study and to lay down standards of

proficiency and other academic distinctions in respect of the courses offered by the Institute;

- d) lay down policy regarding the cadre structure, qualification, the method of recruitment and conditions of service of the teaching and research faculty as well as other employees of the Institute;
- e) guide resource mobilization of the Institute and to lay down policies for investment;
- f) consider and approve proposals for taking loans for purposes of the Institute with or without the security of the property of the Institute;
- g) frame Statutes and to alter, modify or rescind the same;
- h) consider and pass resolutions on the annual report, the annual accounts and the budget estimates of the Institutes for the next financial year as it thinks fit together with a statement of its development plans; and
- i) do all such things as may be necessary, incidental or conducive to the attainment of all or any of the aforesaid powers.

(3) The Board shall have the power to appoint such committees as it considers necessary for the exercise of its powers and the performance of its duties under this Act.

(4) The Board shall have the power to establish campuses and academic centers as at any place within or outside India:

Provided that no campus or academic center shall be established outside India without prior approval of the Central Government.

(5) Notwithstanding anything contained in section 4, the Board shall not dispose of in any manner, any immovable property of the Institute without prior approval of the Central Government.

(6) The Board may, through a specific resolution to this effect, delegate any of its powers and duties to the President, Director, any officer or any authority of the Institute subject to reserving the right to review the action that may be taken under such delegated authority.

Institute to be opened to all races, creeds and classes.

11. (1) The Institute shall be open to persons of either sex and of whatever race, creed, caste or class, and no test or condition shall be imposed as to religious belief or profession in admitting or appointing members, students, teachers or employees or in any other connection whatsoever.

(2) No bequest, donation or transfer of any property shall be accepted by the Institute which in the opinion of the Board involves conditions or obligations opposed to the spirit and object of

this section.

Teaching at the Institute

12. All teaching and other academic activities at the Institute shall be conducted by or in the name of the Institute in accordance with the Statutes and the Ordinances made in this behalf.

Visitor

13. (1) The President of India shall be the Visitor of the Institute.

(2) The visitor may appoint one or more persons to review the work and progress of the Institute and to hold inquiries into the affairs thereof and to report thereon in such manner as the Visitor may direct.

(3) Upon receipt of any such report, the Visitor may take such action and issue such directions as he considers necessary in respect of any of the matters dealt with in the report and the Institute shall be bound to comply with such directions.

Authorities of the Institute

14. The following shall be the authorities of the Institute, namely:-

- (a) the General Council;
- (b) the Board of Governors;
- (c) the Senate;
- (d) such other authorities as may be declared by the Statutes to be the authorities of the Institute.

Establishment of General Council

1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be established, for the purposes of this Act, a body to be known as the General Council.

(2) The General Council shall consist of the following members namely:-

- (a) the Secretary, Ministry of Petroleum and Natural Gas in the Central Government, ex officio, who shall be the Chairperson of the Council;
- (b) the Chairman and Managing Director, Indian Oil Corporation, ex officio;
- (c) the Chairman and Managing Director, Hindustan Petroleum Corporation Limited, ex-officio;
- (d) the Chairman and Managing Director, Bharat Petroleum Corporation Limited, ex officio;
- (e) the Chairman and Managing Director, Oil and Natural Gas Corporation, ex-officio;
- (f) the Chairman and Managing Director, Gas Authority of India Limited, ex officio;
- (g) the Chairman and Managing Director, Oil India Limited, ex officio;
- (h) the Director General of Hydrocarbons, ex officio;

- (i) the Advisor (Energy), Planning Commission, ex officio;
 - (j) the Executive Director, Oil Industry Safety Directorate, ex officio;
 - (k) the Director, Indian Institute of Technology, Kanpur, ex officio,
 - (l) the Dean School of Chemical Technology, Mumbai University, ex officio;
 - (m) the Secretary, Oil India Development Board, ex officio;
 - (n) the President of the Board, ex officio; and
 - (o) the Director of the Institute, ex officio;
 - (p) persons, not less than two but not exceeding four, representing the private entities in the field of petroleum sector operating in the country, to be nominated by the Chairperson.
- (4) The Registrar of the Institute shall be the ex officio Secretary of the General Council.
- (5) The Chairperson shall have the power to invite any person who is not a member of the Council to attend its meeting of the Council but such invitee shall not be entitled to vote.

**Powers and Functions of
General Council**

16. Subject to the provisions of this Act, the General Council shall have the following powers and functions, namely:-

- (a) review from time to time the broad policies and programmes of the Institute and to suggest measures for the improvement and development thereof;
- (b) consider the annual statement of accounts including a balance sheet together with the audit report thereto and the observations of the Board of Governors thereon and to suggest improvements in fiscal management of the Institute;
- (c) review and evaluate overall quality and effectiveness of the Institute and to advise measures for improvement of performance and for confidence- building between the Institute and its stakeholders;
- (f) provide credibility, aura, connectivity and contacts for the Institute especially with regard to student placement and resource mobilization;
- (g) advise the Institute and its Board in respect of the advanced areas of technology in the field of the petroleum sector covering the entire hydrocarbon value chain that may be desirable for the Institute to pursue as well as in respect of any other matter that may be referred to it for advice by the Board of Governors.

Senate

17. The Senate of the Institute shall be the principal academic body and its composition shall be such as may be prescribed by the Statutes.

Functions of Senate

18. Subject to the provisions of this Act, the Statutes and the Ordinances, the Senate shall have the control and general regulation, and be responsible for the maintenance of standards of instruction, education and examination in the Institute and shall exercise such other powers and perform such other duties as may be conferred or imposed upon it by the Statutes.

President of Board

19. (1) The President shall ordinarily preside at the meetings of the Board and at the Convocations of the Institute.

(2) It shall be the duty of the President to ensure that the decisions taken by the Board are implemented.

(3) The President shall exercise such other powers and perform such other duties as may be assigned to him by this Act or the Statutes.

Director

20. (1) The Director of the Institute shall be appointed by the Central government in such manner and on such terms and conditions as may be prescribed by the Statutes:

Provided that the first Director shall be appointed by the Central Government on such terms and conditions as it deems fit, for a period not exceeding six months from the date the first Statutes comes in to force.

(2) The Director shall be the principal academic and executive officer of the Institute and shall be responsible for the proper administration and academic performance of the Institute and for imparting of instruction and maintenance of discipline therein.

(3) The Director shall submit annual reports and accounts to the Board.

(4) The Director shall exercise such other powers and perform such other duties as may be assigned to him by this Act, the Statutes or the Ordinances.

Registrar

21. (1) The Registrar of the Institute shall be appointed in such manner and on such terms and conditions as may be laid down by the Statutes and shall be the custodian of records, the common seal, the funds of the Institute and such other property of the Institute as the Board shall commit to his charge.

(2) The Registrar shall act as the Secretary of the General Council, the Board, the Senate and such committees as may be prescribed by the Statutes.

(3) The Registrar shall be responsible to the Director for the proper discharge of his functions.

(4) The Registrar shall exercise such other powers and perform such other duties as may be assigned to him by this Act, the Statutes or by the Director.

Powers and duties of other authorities and officers.

22. The powers and duties of authorities and officers, other than those hereinbefore mentioned, shall be determined by the Statutes.

Grants by Central Government

23. For the purpose of enabling the Institute to discharge its functions efficiently under this Act, the Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Institute in each financial year such sums of money and in such manner as it may think fit.

Fund of Institute

24.(1) The Institute shall maintain a Fund to which shall be credited -
(e) all moneys provided by the Central Government;
(f) all fees and other charges;
(g) all moneys received by the Institute by way of grants, gifts, donations, benefactions, bequests or transfers; and
(h) all moneys received by the Institute in any other manner or from any other source.

(4) All moneys credited to the fund shall be deposited in such banks or invested in such manner as may be decided by the Board,

(5) The fund shall be applied towards meeting the expenses of the Institute including expenses incurred in the exercise of its powers and discharge of its duties under this Act.

Setting up of endowment fund

25. Notwithstanding anything contained in section 24, the Institute may,-

(b) Set up an endowment fund and any other fund for a specified purpose; and

(b) transfer money from its Fund to the endowment fund or any other fund.

Accounts and audit

26. (1) The Institute shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including the balance-sheet, in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Institute shall be audited by the Comptroller and Auditor-General of India and any expenditure incurred by him in connection with such audit shall be payable by the Institute to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Institute shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor General of

India has in connection with the audit of the Government accounts, and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the offices of the Institute.

(6) The accounts of the Institute as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and the Central Government shall cause the same to be laid before each House of Parliament.

Pension and Provident Fund

27. (1) The Institute shall constitute for the benefit of its employees, including the Director, such as pension, insurance and provident fund scheme as it may deem fit, in such manner and subject to such conditions as may be prescribed by the Statutes.

(2) Where any such provident fund has been so constituted, the Central Government may declare that the provisions of the Provident Funds Act, 1925 shall apply to such fund as if it were a Government provident fund.

Appointments

28. All appointments of the staff of the Institute, except that of the Director, shall be made in accordance with the procedure laid down in the Statutes,-

(a) by the Board, if the appointment is made on the academic staff in the post of Assistant Professor or above or if the appointment is made on the non-academic staff in any cadre, the maximum of the pay-scale for which is the same or higher than that of Assistant Professor; and

(b) by the Director, in any other case.

Statutes

29. Subject to the provisions of this Act, the statutes may provide for all or any of the following matters, namely:-

(a) the formation of departments of teaching and other academic units;

(b) the institution of fellowships, scholarships, exhibitions, medals and prizes;

(c) the classification of posts, terms of office, method of appointment, powers and duties and other terms and conditions of service of the officers of the Institute including the President, the Director, the Registrar, and such other officers as may be declared as officers of the Institute by the Statutes;

(d) the classification, the method of appointment and the determination of the terms and conditions of service of officers, teachers and other staff of the Institute;

- (e) the reservation of posts for the Schedule Castes, the Schedule Tribes and other categories of persons as may be determined by the Central Government;
- (f) the constitution of pension, insurance and provident funds for the benefit of the officers, teachers and other staff of the Institute;
- (g) the constitution, powers and duties of the authorities of the Institute referred in clause (d) of section 14;
- (h) the delegation of power;
- (i) the code of conduct, disciplinary actions thereto for misconduct including removal from service of employees on account of misconduct and the procedure for appeal against the actions of an officer or authority of the Institute;
- (j) the conferment of honorary degrees;
- (k) the establishment and maintenance of halls, residences and hostels;
- (l) the authentication of the orders and decisions of the Board;
- (m) any other matter which by this Act is to be, or may be, prescribed by the statutes.

Statutes how made.

30. (1) The first Statutes of the Institute shall be framed by the Central Government and a copy of the same shall be laid as soon as may be before each House of Parliament.

(2) The Board may, from time to time, make new or additional Statutes or may amend or repeal the Statutes in the manner hereafter in this section provided.

(3) A new Statute or addition to the Statutes or any amendment or repeal of a Statute shall require the previous approval of the General Council who may assent thereto or withhold assent or remit it to the Board for consideration.

(4) A new Statute or a Statute amending or repealing an existing Statute shall have no validity unless it has been assented to by the General council.

31. Subject to the provisions of this Act and the Statutes, the Ordinances may provide for all or any or the following matters, namely:-

Ordinances

- (a) the admission of the students to the Institute;
- (b) the reservation for the Scheduled Castes, the Scheduled Tribes and other categories of persons;
- (c) the courses of study to be laid down for all degrees, diplomas

and certificates of the Institute;

(d) the conditions under which students shall be admitted to the degree, diploma and certificate courses and to the examinations of the Institute and the eligibility conditions for awarding the same;

(e) the conditions of award of the fellowships, scholarships, exhibitions, medals and prizes;

(f) the conditions and manner of appointment and duties of examining bodies examiners and moderators;

(g) the conduct of examinations;

(h) the maintenance of discipline among the students of the Institute.

(i) the fees to be charged for courses of study in the Institute and for admission to the examinations of degrees of the Institute;

(j) the conditions of residence of students of the Institute and the levying of the fees for residence in the halls and hostels and of other charges; and

(k) any other matter which by this Act or the Statutes is to be, or may be, provided by the Ordinances.

Ordinance how made.

32.(1) Save as otherwise provided in this section, Ordinances shall be made by the Senate.

(2) All Ordinances made by the Senate shall have effect from such date as it may direct, but every Ordinance so made shall be submitted, as soon as may be, to the Board and shall be considered by the Board at its next succeeding meeting.

(3) The Board shall have power by resolution to modify or cancel any such Ordinance and such Ordinance shall from the date of such resolution stand modified accordingly or cancelled, as the case may be.

Conduct of business by authorities of Institute.

33. The authorities of Institute may have their own rules, procedure, consistent with the provisions of this Act, the Statutes and the Ordinances for the conduct of their own business and that of the committees, if any, appointed by them and not provided for by this Act, the Statutes or the Ordinances.

Tribunal of Arbitration.

34.(1) Any dispute arising out of a contract between the Institute and any of its employees shall, at the request of the employee concerned or at the instance of the Institute, be referred to a Tribunal of Arbitration consisting of one member appointed by the Institute, one member nominated by the employee, and an umpire appointed by the Visitor.

(2) The decision of the Tribunal of Arbitration shall be final.

(3) No suit or proceeding shall lie in any court in respect of any matter which is required by the sub-section (1) to be referred to the Tribunal of Arbitration.

(4) The Tribunal of Arbitration shall have power to regulate its own procedure.

(5) Nothing in any law for the time being in force relating to arbitration shall apply to arbitrations under this section.

CHAPTER III MISCELLANEOUS

Acts and Proceedings not to be invalidated by vacancies.

35. No act of the Institute or Council or Board or Senate or any other body set up under this Act or the Statutes, shall be invalid merely by reasons of -

(a) any vacancy in, or defect in, the constitution thereof, or

(b) any defect in the election, nomination or appointment, of person acting as member thereof, or

(c) any irregularity in its procedure not affecting the merits of the case.

Grant of degrees, etc., by Institute.

36. Notwithstanding anything contained in the University Grants Commission Act, 1956 or in any other law for the time being in force, the Institute shall have power to grant degrees and other academic distinctions and titles under this Act.

Sponsored schemes.

37. Notwithstanding anything in this Act, whenever the Institute receives funds from any Government, the University Grants Commission or any other agency including industry sponsoring a research scheme, a consultancy assignment, a teaching programme or a chaired professorship or a scholarship, etc., to be executed or endowed at the Institute;

(a) the amount received shall be kept by the Institute separately from the Fund of the Institute and utilized only for the purpose of the scheme; and

(b) the staff required to execute the same shall be recruited in accordance with the terms and conditions stipulated by the sponsoring organisation:

Provided that any money remaining unutilised under clause (a) shall be transferred to the endowment fund created under section 25..

Power to remove difficulties. 38. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions or give such directions not inconsistent with the provisions of this Act, as appears to it be the necessary or expedient for removing the difficulty;

Provided that no such order shall be made after the expiry of two years from the appointed day.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Transitional provisions. 39. Notwithstanding anything contained in this Act,-

- (a) the Board of Governors of the Society functioning as such immediately before the commencement of this Act shall continue to so function until a new Board is constituted for the Institute under this Act, but on the constitution of a new Board under this Act, the members of the Board holding office before such constitution shall cease to hold office; and
- (b) until the first Statutes and the Ordinances are made under this Act, the Statutes and the Ordinances of the Rajiv Gandhi Institute of Petroleum Technology Society, or notification as in force, immediately before the commencement of this Act, shall continue to apply to the Institute in so far as they are not inconsistent with the provisions of this Act.

Statutes, Ordinances and Regulations to be published in the Official Gazette and to be laid before Parliament. 40.(1) Every Statute or Ordinance made or notification issued under this Act shall be published in the Official Gazette.

(2) Every Statute or Ordinance made or notification issued made under this Act shall be laid, as soon as may be after it is made, before each House or Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the Statute, Ordinance or notification or both Houses agree that the Statute, Ordinance or notification should not be made or issued, the Statute, Ordinance or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that Statute, Ordinance or notification.

(3) The power to make the Statutes, Ordinances or notifications shall include the power to give retrospective effect from a date not earlier than the date of commence of this Act, to the Statues, Ordinances, notifications or any of them but no retrospective effect shall be given to any Statute, Ordinance or notification so as to prejudicially affect the interests of any person to whom such Statute, Ordinance or notification may be applicable.

STATEMENT OF OBJECTS AND REASONS

It has become necessary to intensify exploration in the petroleum sector, with a view to achieve hundred per cent. coverage of all unexplored basins in a time bound manner. In this context, apart from technology, availability of adequate number of qualified personnel would be a prime requirement in the coming years. It is estimated that the gap between the availability and requirement of trained manpower in the field of petroleum technology in India would be about thirty-six thousand by the year 2019. The existing institutes are not adequate to meet the increasing requirement of technical manpower and they do not have specific orientation to the requirements of the petroleum sector.

2. The Central Government has, therefore, decided to set up Rajiv Gandhi Institute of Petroleum Technology (RGIPT) at Jias, District – Rai Bareli, Uttar Pradesh to meet the shortfall of trained manpower in the petroleum sector. The Institute is designed to serve as the fountainhead for the nurturing of world class technical human resources capable of serving as the leaders and innovators of tomorrow in the field of petroleum technology and engineering covering the entire hydrocarbon value chain. The Bill aims to declare the Rajiv Gandhi Institute of Petroleum Technology as an “Institute of National Importance”.

3. The bill seeks to achieve the above objects.

MURLI DEORA

New Delhi;
The 23rd August, 2007.

Notes on Clauses

Clause 2 seeks to declare the Rajiv Gandhi Institute of Petroleum Technology as an institution of national importance.

Clause 3 defines the various expressions used in the Bill.

Clause 4 provides for the incorporation of the Rajiv Gandhi Institute of Petroleum Technology.

Clause 5 provides for the constitution of the Board of Governors.

Clause 6 provide for the term of office of vacancies among and allowances payable to the members of the Board.

Clause 7 provides that on and from the appointed day, all properties which had vested in the Society shall vest in the Institute.

Clause 8 provides for the effect of incorporation of the Institute in respect of the rights, liabilities and employees of the Institute.

Clause 9 lays down the various functions of the Institute in respect of promotion of quality and excellence in education and research in the area of petroleum and hydrocarbons and other related matters.

Clause 10 enumerates the various powers and functions of the Board of Governors. The powers of the Board, *inter alia*, include the power to appoint such committees as it considers necessary for the exercise of its powers and the performance of its duties under the Bill. The power to establish campus and academic centers at any place within India and with the prior approval of the Central Government, establish any campus or academic center outside India.

Clause 11 provides that the Institute shall be open to persons of either sex and of whatever race, creed, caste or class, and no test condition shall be imposed as to religious belief or profession in admitting or appointing students, teachers or employees or in any other connection whatsoever. Sub-clause (2) also provides that no bequest, donation or transfer of any property shall be accepted by the Institute which in the opinion of the Board involves conditions or obligations opposed to the spirit and object of this clause.

Clause 12 provides that all teaching and other academic activities at the Institute shall be conducted by or in the name of the Institute in accordance with the Statutes and Ordinances made in this behalf.

Clause 13 provides that the President of India shall be the Visitor of the Institute. Sub-clause (2) also empowers the Visitor to appoint one or more

persons to review the work and progress of the Institute and to hold inquiries into the affairs thereof and to report thereon in such manner as the Visitor may direct.

Clause 14 enumerates various authorities of the Institute such as the General Council, the Board of Governors, the Senate, and such other authorities as may be declared by the Statutes to be the authorities of the Institute.

Clause 15 provides for the establishment and composition of the General Council.

Sub-clause (2) provides that Chairperson of the Council shall be the Secretary, Ministry of Petroleum and Natural Gas in the Central Government.

Sub-clause (4) empowers the Chairperson to invite any person who is not a member of the General Council to attend its meeting but such invitee shall not be entitled to vote.

Clause 16 provides for the powers and functions of the General Council.

Clause 17 provides that the Senate of the Institute shall be the principal academic body and its composition shall be such as may be provided by the Statutes.

Clause 18 provides that the Senate of the Institute shall have the control and general regulation, and be responsible for the maintenance of standards of Instruction, education and examination in the Institute and shall exercise such other powers and perform such other duties as may be conferred or imposed upon it by the Statutes.

Clause 19 provides for the duties, powers and functions of the President of the Board.

Clause 20 makes provision for the appointment, functions and powers of the Director of the Institute.

Clause 21 makes provision for the appointment, functions and powers of the Registrar.

Clause 22 provides that the powers and duties of other authorities and officers shall be determined by the Statutes.

Clause 23 provides that the Central Government may, after due appropriation made by Parliament by law in this regard, pay to the Institute in each financial year such sums of money and in such manner as it may think fit.

Clause 24 provides that the Institute shall maintain a fund to which all moneys provided by the Central Government, all fees and other charges, all moneys received by the Institute by way of grants, gifts, donations, benefactions, bequests or transfers and all moneys received by the Institute in any other manner or from any other source shall be credited.

Clause 25 provides for creation of an endowment fund and any other fund for a specified purpose.

Clause 26 provides that the Institute shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India and the Central Government shall cause the audit report to be laid before each House of Parliament.

Clause 27 requires the Institute to constitute pension, insurance and provident fund schemes for the benefit of its employees.

Clause 28 provides that all appointment of the staff of the Institute, except that of the Director, shall be made in accordance with the procedure as may be laid down in the Statutes.

Clause 29 provides for various matters in respect of which Statutes may be framed subject to the provisions of the Bill.

Clause 30 provides that the first Statutes of the Institute shall be framed by the Central Government and a copy of the same shall be laid as soon as may be before each House of Parliament. Sub-clause (2) provides that the Board may, from time to time, make new or additional Statutes or may amend or repeal the Statutes with the previous approval of the General Council, who may assent thereto or withhold assent or remit it to the Board for consideration.

Clause 31 provides for various matters in respect of which Ordinances may be framed subject to the provisions of the Bill.

Clause 32 provides that Ordinances shall be made by the Senate and submitted, as soon as may be, to the Board for its consideration. Sub-clause (2) provides that the Board shall have power by resolution to modify or cancel any such Ordinance and such Ordinance shall from the date of such resolution stand modified accordingly or cancelled, as the case may be.

Clause 33 provides that the authorities of Institute may have their own rules and procedures consistent with the provisions of the Bill, the Statutes and the Ordinances for the conduct of their own business and that of the committees, if any, appointed by them and not provided for by the Bill, the Statutes or the Ordinances.

Clause 34 provides that any dispute arising out of a contract between the Institute and any of its employees shall, at the request of the employee concerned or at the instance of the Institute, be referred to a Tribunal of Arbitration consisting of one member appointed by the Institute, one member nominated by the employee, and an umpire appointed by the Visitor.

Clause 35 provides for circumstances under which the act of the Institute or General Council or Board or Senate or any other body set up under the Bill or the Statutes, shall not be declared invalid.

Clause 36 empowers the Institute to grant degrees and other academic distinctions and titles.

Clause 37 provides that funds received for specific assignments or sponsored projects shall be kept separately from the fund of the Institute and utilised exclusively for the purpose of such specific assignments or sponsored projects and the staff required to execute the same shall be recruited in accordance with the terms and conditions stipulated by the sponsoring organisation.

Clause 38 empowers the Central Government to remove any difficulty that may arise in giving effect to the provisions of the Bill, within a period of two years from the appointed day and every such order shall be laid, as soon as may be after it is made, before each House of Parliament.

Clause 39 relates to transitional provisions. The clause provides that the Board of Governors of the Society functioning as such immediately before the enactment of the Bill shall continue to so function until a new Board is constituted for the Institute under the new enactment, but on the constitution of a new Board the members of the Board holding office before such constitution shall cease to hold office. Similarly, until the first Statutes and the Ordinances are made on the enactment of the proposed Bill, the Statutes and the Ordinances of the Rajiv Gandhi Institute of Petroleum Technology Society, or notification as in force, immediately before such enactment, shall continue to apply to the Institute in so far as they are not inconsistent with the provisions of the Bill.

Clause 40 requires all Statutes, Ordinances and notifications to be published in the Official Gazette and to be laid before each House of Parliament.

FINANCIL MEMORANDUM

The Bill provides for establishment of the Rajiv Gandhi Institute of Petroleum Technology (RGIPT) at Jias, District – Rai Bareli, Uttar Pradesh. Clause 23 of the Bill provides for payment of grants to the Institute by the Central Government after due appropriation made by Parliament by law in this behalf. The establishment of the Institute involves total capital expenditure of Rs. 435 crores and total recurring expenditure of Rs. 260.58 crores. The capital expenditure would partially be met through budgetary support to the tune of Rs. 285 crores and partially through a grant from Oil Industries Development Board to the tune of Rs. 150 crores. The recurring expenditure is proposed to be met out of the interest accruals from the endowment fund to the tune of Rs. 250 crores created by Oil Public Sector Undertakings plus earning from student fees and income from consultancy and research.

2. The year-wise requirement of budgetary support during the 11th Plan is given below:-

Year	Amount (In Rs. Crores)
2007-08	24
2008-09	81
2009-10	69
2010-11	60
2011-12	51
Total	285

3. The Bill does not involve any other expenditure of a recurring or non-recurring nature.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause(1) of clause 30 of the Bill empowers the Central Government to frame the first Statutes of the Institute. Clause 29 provide for matters in respect of which Statutes may be made, which *inter alia*, include the formation of departments of teaching and other academic units, the institution of fellowships, scholarships, exhibitions, medals and prizes, the classification of posts, terms of office, method of appointments, powers and duties and other terms and conditions of service of the officers of the Institute including the President, the Director and the Registrar, the code of conduct, the conferment of honorary degrees, the establishment and maintenance of halls, residences and hostels and the authentication of the orders and decisions of the Board. Sub-clause(2) of clause 30 of the Bill empowers the Institute, from time to time, to make new or additional Statutes or amend or repeal the Statutes. Clause 32 of the Bill empowers the Senate to make Ordinances. Clause 31 provide for matters in respect of which ordinances may be made, which inter alia, include the admission of the students to the Institute, the courses of study to be laid down for all degrees, diplomas and certificates of the Institute, the conditions under which students shall be admitted to the degree, diploma and certificate courses and to the examinations of the Institute and eligibility conditions for awarding the same, the conditions of award of the fellowships, scholarships, exhibitions, medals and prizes, the conduct of examinations, the fees to be charged for courses of study at the Institute and for admission to the examinations, the conditions of residence of students of the Institute and the levying of the fees for residence in the halls and hostels and of other charges. Clause 40 of the Bill makes it mandatory for every Statute or Ordinance to be laid, as soon as may be after it is made, before each House of Parliament.

2. The matters in respect of which the Statutes and Ordinances may be made are matters of administrative details and procedure and, as such, the delegation of legislative power is of a normal character.

RAJYA SABHA

A

BILL

To declare the institution known as the Rajiv Gandhi Institute of Petroleum Technology to be an institution of national importance and to provide for its incorporation for matters connected therewith.

(Shri Murli Deora, Minister of Petroleum and Natural Gas)

APPENDIX II

MINUTES

**STANDING COMMITTEE ON PETROLEUM & NATURAL GAS
(2007-08)**

**THIRD SITTING
(09.10.2007)**

The Committee sat on Tuesday, October 09 2007 from 1530 hrs. to 1630 hrs. in Committee Room `E', Basement, Parliament House Annexe, New Delhi.

PRESENT

Shri N. Janardhana Reddy - Chairman

MEMBERS

Lok Sabha

- 2 Shri M.Appadurai
- 3 Shri R. Dhanuskodi Athithan
- 4 Dr. Tushar A. Chaudhary
- 5 Dr. M. Jagannath
- 6 Adv. Suresh Kurup
- 7 Shri P. Mohan
- 8 Shri Sukdeo Paswan
- 9 Shri Lakshman Singh

Rajya Sabha

- 10 Ms. Mabel Rebello
- 11 Shri Amir Alam Khan
- 12 Shri Tapan Kumar Sen
- 13 Shri C. Perumal
- 14 Shri Subhash Prasad Yadav

Secretariat

- | | | | |
|---|--------------------|---|----------------------|
| 1 | Shri S.K.Sharma | - | Additional Secretary |
| 2 | Smt. Anita Jain | - | Director |
| 3 | Shri P.C. Tripathy | - | Deputy Secretary |

Representatives of the Ministry of Petroleum & Natural Gas

- | | | | |
|----|-------------------------|---|----------------------|
| 1. | Shri S.Sundareshan | - | Additional Secretary |
| 2. | Shri D.N.Narasimha Raju | - | Joint Secretary |

Representatives of Rajiv Gandhi Institute of Petroleum Technology Society

- | | | | |
|----|----------------|---|--------------------|
| 1. | Shri D.M.Reddy | - | President |
| 2. | Shri R.K.Suri | - | Executive Director |

2. At the outset, the Hon'ble Chairman welcomed the officers of the Ministry of Petroleum and Natural Gas and other accompanying officials to the sitting of the Committee.

3. Thereafter, the Additional Secretary of the Ministry made some introductory remarks on the subject under examination, viz. 'The Rajiv Gandhi Institute of Petroleum Technology Bill, 2007'. The President of RGIPT Society, then, briefed the Committee about the various issues pertaining to the subject matter of the said Bill.

4. The Members raised a number of queries on various issues, viz. selection of the site for the proposed Institute, policy of reservations in admission, enhancement of research posts, fee structure, salary of scientists and supporting staff, recruitment of teaching staff/supporting staff, setting up of similar Institutes in other parts of the country, gap between availability and requirement of trained manpower in the hydrocarbon sector, involvement of the private sector in the opening up of similar Institutes, precautions to check the possible flight of the

trained manpower from the Institute to abroad, etc. The representatives of the Ministry/RGIPT Society responded to these queries.

5. The Hon'ble Chairman also read out the broad contents of a letter written to him by the Hon'ble Minister of Petroleum & Natural Gas in which the latter had requested that the RGIPT Bill, 2007 may be examined by the Committee on a priority basis so that the same could be taken up for consideration and passing in the ensuing Session of Parliament.

6. A verbatim record of the proceedings of the sitting has been kept.

The Committee then adjourned.

APPENDIX III

MINUTES

**STANDING COMMITTEE ON PETROLEUM & NATURAL GAS
(2007-08)**

**FOURTH SITTING
(26.10.2007)**

The Committee sat on Friday, October 26 2007 from 1530 hrs. to 1730 hrs. in Committee Room `E', Basement, Parliament House Annexe, New Delhi.

PRESENT

Shri N. Janardhana Reddy - Chairman

MEMBERS

Lok_Sabha

- 2 Shri R. Dhanuskodi Athithan
- 3 Shri Ramesh Bais
- 4 Shri Kirip Chaliha
- 5 Shri Lal Muni Choubey
- 6 Dr. M. Jagannath
- 7 Shri Jai Prakash
- 8 Adv. Suresh Kurup
- 9 Shri Lakshman Singh
- 10 Shri Ramjilal Suman

Rajya Sabha

- 11 Ms. Mabel Rebello
- 12 Shri Rajeev Shukla
- 13 Shri Amir Alam Khan
- 14 Shri Tapan Kumar Sen
- 15 Shri Subhash Prasad Yadav

Secretariat

1. Shri N.K.Sapra - Joint Secretary
2. Smt. Anita Jain - Director
3. Shri P.C. Tripathy - Deputy Secretary
4. Shri Ram Kishan - Under Secretary

Non-official Witness

Prof. R.C.Malhotra - Former Director, IIT, Kanpur

Representatives of the Ministry of Petroleum & Natural Gas/PSUs/Organisations

1. Shri M.S.Srinivasan - Secretary
2. Shri D.N.Narasimha Raju - Joint Secretary
3. Shri Ashok Sinha - CMD, BPCL
4. Dr. A.K.Balyan - Director (HR), ONGC
5. Shri D.M.Reddy - President, RGIPT Society

2. At the outset, the Hon'ble Chairman welcomed the non-official witness, Prof. R.C.Malhotra, former Director, IIT, Kanpur to the sitting of the Committee and asked him to give his views on 'The Rajiv Gandhi Institute of Petroleum Technology Bill, 2007'. The non-official witness gave his views on the various issues relating to the Bill.

3. Thereafter, the Members raised a number of queries on various issues, viz. selection of the site for the proposed Rajiv Gandhi Institute of Petroleum Technology, according status of national importance to the Institute, desirability of setting up of similar Institutes in other parts of the country, introduction of courses on petroleum technology in the IITs, etc. The witness responded to these queries.

4. The witness, then, withdrew.

5. Thereafter, the representatives of Ministry of Petroleum & Natural Gas, Public Sector Undertakings and Rajiv Gandhi Institute of Petroleum Technology Society were called in whom the Chairman welcomed. The Secretary of the Ministry, then, gave introductory remarks on the RGIPT Bill.

6. Thereafter, the Members raised a number of queries on the Bill which included availability of funds for the RGIPT, involvement of the private sector in the opening up of similar Institutes, precautions to check the possible flight abroad of the trained manpower from the Institute, compensation package for persons likely to be displaced by land acquisition for the Institute, provision for some special benefits for companies contributing to the endowment fund, setting up of campuses at petroleum related areas of the country, etc.

7. A verbatim record of the proceedings of the sitting has been kept.

The Committee then adjourned.

APPENDIX IV

MINUTES

**STANDING COMMITTEE ON PETROLEUM & NATURAL GAS
(2007-08)**

**FIFTH SITTING
(19.11.2007)**

The Committee sat on Monday, 19 November 2007 from 1530 hrs. to 1600 hrs. in Committee Room `D', Parliament House Annexe, New Delhi.

PRESENT

Shri N. Janardhana Reddy - Chairman

MEMBERS

Lok Sabha

- 2 Shri Ramesh Bais
- 3 Shri Kirip Chaliha
- 4 Dr. M. Jagannath
- 5 Shri Jai Prakash (Hissar)
- 6 Adv. Suresh Kurup
- 7 Shri Ramjilal Suman

Rajya Sabha

- 8 Ms. Mabel Rebello
- 9 Shri Ramdas Agarwal
- 10 Shri Tapan Kumar Sen
- 11 Shri C. Perumal

Secretariat

- 1 Shri N.K.Sapra - Joint Secretary
- 2 Smt. Anita Jain - Director
- 3 Shri P.C. Tripathy - Deputy Secretary
- 4 Shri Ram Kishan - Under Secretary

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee.

3. The Committee, then, took up the draft Report on 'The Rajiv Gandhi Institute of Petroleum Technology Bill, 2007' for consideration and adopted the same without any modification.

4. The Committee authorised the Chairman to finalise the Report in the light of consequential changes, if any, arising out of the factual verification of the Report by the Ministry and present the same to both Houses of Parliament.

The Committee then adjourned.