

Bill No. 111 of 2017

THE INDIAN INSTITUTE OF PETROLEUM AND ENERGY BILL, 2017

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Bill No. 111 of 2017

THE INDIAN INSTITUTE OF PETROLEUM AND ENERGY BILL, 2017

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BILL

to declare the institution known as the Indian Institute of Petroleum and Energy to be an institution of national importance and to provide for its incorporation and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Indian Institute of Petroleum and Energy Act, 2017.

Short title and commencement.

5 (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.

10 2. Whereas the objects of the institution known as the Indian Institute of Petroleum and Energy, Vishakhapatnam, Andhra Pradesh are such as to make the institution one of national importance, it is hereby declared that the institution known as the Indian Institute of Petroleum and Energy is an institution of national importance.

Declaration of Indian Institute of Petroleum and Energy as 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;

(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) "General Council" means the General Council constituted under sub-section (1) of section 15;

(g) "Institute" means the Indian Institute of Petroleum and Energy incorporated under section 4;

(h) "President" means the President of the Board appointed under clause (a) of sub-section (1) of section 5;

(i) "Registrar" means the Registrar of the Institute referred to in section 21;

(j) "Senate" means the Senate of the Institute referred to in section 17;

(k) "Society" means the Indian Institute of Petroleum and Energy Society, Vishakhapatnam, Andhra Pradesh registered under the Andhra Pradesh Societies Registration Act, 2001; and

(l) "Statutes" and "Ordinances" mean, respectively, the Statutes and Ordinances of the Institute made under this Act.

Incorporation of Institute.

4. The Indian Institute of Petroleum and Energy, Vishakhapatnam, Andhra Pradesh, an institution registered under the Andhra Pradesh Societies Registration Act, 2001, 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 purposes 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 provided 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 Science, Bangalore to be nominated by the Director of that Institute;

(e) five eminent experts in the field of petroleum technology, renewable and non-renewable energy covering the entire hydrocarbon value chain having specialised knowledge or operational experience in respect of education, research, engineering

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Andhra Pradesh Act 35 of 2001.

Andhra Pradesh Act 35 of 2001.

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

5 (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.

10 **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* members, shall be three years from the date of his appointment or nomination thereto.

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

(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.

15 (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 outgoing member shall, unless the Central Government otherwise directs, continue in office until another person is nominated as a member in his place.

20 (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 member referred to in clause (f) of section 5 shall be entitled to any salary.

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.

Vesting of properties.

25 **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;

Effect of incorporation of Institute.

(b) all the rights and liabilities of the Society shall be transferred to, and be the rights and liabilities of, the Institute.

30 **9.** The Institute shall perform the following functions, namely:—

Functions of Institute.

(i) nurture and promote quality and excellence in education and research in the area of petroleum and hydrocarbons and energy;

35 (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 and energy;

40 (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 standard of proficiency as judged on the basis of examination 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;

45 (v) lay down standards of admission to the Institute through an examination or any other method of testing and evaluation;

- (vi) manage the content, quality, design and continuous evaluation of its academic and research programmes in a manner that earns accreditation of an international stature;
- (vii) promote research and development for the benefit of oil, gas and petrochemical industry and the energy sector through the integration of teaching and research; 5
- (viii) foster close educational and research interaction through networking with national, regional and international players in the oil, gas and petrochemical industry and the energy sector;
- (ix) 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; 10
- (x) organise national and international symposia, seminars and conferences in the area of petroleum and hydrocarbons and energy; 15
- (xi) establish, maintain and manage halls, residences and hostels for students and to lay down conditions for residing in the halls and hostels;
- (xii) 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; 20
- (xiii) supervise and regulate the discipline of students and to make arrangements for promoting their health, general welfare and cultural and corporate life;
- (xiv) frame Statutes and to alter, modify or rescind the same;
- (xv) deal with any property belonging to or vested in the Institute in such manner as the Institute may deem fit for advancing its objects; 25
- (xvi) receive gifts, grants, donations or benefactions from the Central Government and the 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;
- (xvii) borrow money for the purposes of the Institute with or without security of the property of the Institute; 30
- (xviii) integrate new technology in the classroom to encourage student-centric learning strategies and the development of an attitude for learning;
- (xix) 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 energy, science and technology; 35
- (xx) provide for further education to the working professionals and other employees of the Institute in the advanced areas of technology relating to oil, gas, complete hydrocarbon value chain and energy;
- (xxi) offering customised programmes that serve the current and ongoing needs of working professionals for continuing education at the cutting-edge of petroleum and energy sector at the campus of the Institute or at company site; 40
- (xxii) encouraging industry to sponsor their staff to join the Institute for higher degrees and work on problems that interest the sponsoring industry thus helping develop deeper interactions and a research environment in the industry; 45
- (xxiii) fostering the creation of new basic knowledge and applied technology and its active transmission to companies for the benefit of the nation and for this

purpose establishing an Intellectual Property Rights cell to patent the new developments made at the Institute and to license them nationally and internationally;

5 (xxiv) being proactive in supporting the skill development programmes of the Government of India by training people in various related areas by way of certificate and diploma courses at the campus of the Institute or at other locations and involving industry in design and conduct of curricula;

(xxv) giving broad focus to the functioning of the Institute in the area of petroleum and petroleum related technologies under the wide umbrella of energy; and

10 (xxvi) doing all such things, not specifically covered above, as may be necessary, incidental or conducive to the attainment of all or any of the objects of the Institute.

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.

Powers of Board.

15 (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;

20 (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;

25 (e) guide resource mobilisation 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 security of the property of the Institute;

(g) frame Statutes and to alter, modify or rescind the same;

30 (h) consider and pass resolutions on the annual report, the annual accounts and the budget estimates of the Institute for the next financial year as it thinks fit together with a statement of its development plans;

(i) create academic, administrative, technical and other posts and to make appointments thereto and to provide avenues for their growth and development;

35 (j) examine and approve the development plans of the Institute and the financial implications of such plans;

(k) examine and approve the annual operation and capital budget estimates of Institute for the next financial year and to sanction expenditure within the limits of the approved budget;

40 (l) receive gifts, grants, bequests, donations or benefactions and transfer of movable or immovable properties from the Central Government and the State Governments and from testators, donors, or transferors, as the case may be, and to have custody of the funds of the Institute;

(m) fix, demand and receive fees and other charges;

45 (n) to sue and defend all legal proceedings on behalf of the Institute; and

(o) 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 campus and academic centres at any place within or outside India: 5

Provided that no campus or academic centre shall be established outside India without the 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. 10

(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. 15

Institute to be open 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 students, appointing 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. 20

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. 25

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. 30

Authorities of Institute.

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

(a) the General Council;

(b) the Board of Governors; 35

(c) the Senate; and

(d) such other authorities as may be declared by the Statutes to be the authorities of the Institute.

constitution of General Council.

15. (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be constituted, for the purposes of this Act, a body to be known as the General Council. 40

(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;

(b) the Chairman, Indian Oil Corporation Limited, *ex officio*; 45

(c) the Chairman and Managing Director, Hindustan Petroleum Corporation Limited, *ex officio*;

(d) the Chairman and Managing Director, Oil and Natural Gas Corporation, *ex officio*;

5 (e) the Chairman and Managing Director, Gas Authority of India Limited, *ex officio*;

(f) the Director General of Hydrocarbons, *ex officio*;

(g) the Principal Advisor (Energy), NITI Aayog, *ex officio*;

(h) the Executive Director, Oil Industry Safety Directorate, *ex officio*;

10 (i) the Director, Indian Institute of Science, Bangalore, *ex officio*;

(j) the Director, Indian Institute of Chemical Technology, Hyderabad, *ex officio*;

(k) the Secretary, Oil Industry Development Board, *ex officio*;

(l) the President of the Board, *ex officio*;

(m) the Director of the Institute, *ex officio*; and

15 (n) 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.

20 (4) The Chairperson shall have the power 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.

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

Powers and
functions of
General
Council.

25 (a) review from time to time the broad policies and programmes of the Institute and to suggest measures for the improvement, development and expansion of the Institute 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;

30 (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 mobilisation;

35 (e) advise the Institute and its Board in respect to new cutting edge areas of technology in the domain of energy and hydrocarbon development including oil, gas, renewable and non-renewable energy, etc., that the Institute needs to pursue, as well as in respect of any other matter referred to it by the Board for advice; and

40 (f) advise the Institute and its Board in respect of the advanced areas of technology in the field of petroleum sector covering the entire hydrocarbon value chain as well as in respect of any other matter that may be referred to it for advice by the Board.

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

Senate.

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.	5
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.	10
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 provided 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 one year from the date the first Statutes come into 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.	15 20
Registrar.	21. (1) The Registrar of the Institute shall be appointed in such manner and on such terms and conditions as may be provided 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 provided 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.	25 30
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 such sums of money and in such manner as it may think fit.	35
Fund of Institute.	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	40

(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.

5 (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.

Setting-up of
endowment
fund.

10 **26.** The Institute shall prepare in such form and at such time every year a budget in respect of the financial year next ensuing showing the estimated receipts and expenditure of the Institute and shall forward to the Central Government such number of copies thereof as may be provided by the Statutes.

Budget of
Institute.

15 **27. (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.

Accounts and
audit.

20 (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.

25 (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.

30 (4) 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 that Government shall cause the same to be laid before each House of Parliament.

28. The Institute shall prepare for every year a report of its activities during that year and submit the report to the Central Government in such form and on or before such date as may be provided by the Statutes and a copy of this report shall be laid before both Houses of Parliament within one month of its receipt.

Annual
report.

35 **29. (1)** The Institute shall constitute for the benefit of its employees, including the Director, such pension, insurance and provident fund scheme as it deems fit, in such manner and subject to such conditions as may be provided by the Statutes.

Pension,
provident
fund, etc.

19 of 1925. 40 (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.

30. All orders and decisions of the Institute shall be authenticated by the Director or any other member authorised by the Institute in this behalf and all other instruments shall be authenticated by the signature of the Director or such officers as may be authorised by the Institute.

Authentication
of orders and
instruments of
Institute.

45 **31.** 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,—

Appointments.

(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.

32. 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, term 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 Scheduled Castes, the Scheduled Tribes and other categories of persons as may be determined by the Central Government;

(f) the form in which and the time at which the budget and reports shall be prepared by the Institute;

(g) the form of annual report;

(h) the constitution of pension, insurance and provident funds for the benefit of the officers, teachers and other staff of the Institute;

(i) the constitution, powers and duties of the other authorities of the Institute referred to in clause (d) of section 14;

(j) the delegation of powers;

(k) 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;

(l) the conferment of honorary degrees;

(m) the establishment and maintenance of halls, residences and hostels;

(n) the authentication of the orders and decisions of the Board; and

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

Statutes how made.

33. (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 after it is made, 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.

Ordinances.

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

(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;

5 (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;

10 (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;

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

(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 for by the Ordinances.

20 **35. (1)** The First Ordinance of the Institute shall be framed by the Central Government.

Ordinances
how made.

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

25 (3) 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.

(4) 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.

30 **36.** The authorities of the Institute may have their own rules of 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.

Conduct of
business by
authorities of
Institute.

35 **37. (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.

Tribunal of
Arbitration.

(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 sub-section (1) to be referred to the Tribunal of Arbitration.

40 (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.

Acts and proceedings not to be invalidated by vacancies.	<p>38. No act of the Institute or the General Council or Board or Senate or any other body set-up under this Act or the Statutes, shall be invalid merely by reasons of—</p> <p>(a) any vacancy in, or defect in the constitution thereof, or</p> <p>(b) any defect in the election, nomination or appointment of a person acting as a member thereof, or</p> <p>(c) any irregularity in its procedure not affecting the merits of the case.</p>	5
Grant of degrees, etc., by Institute.	<p>39. Notwithstanding anything 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.</p>	3 of 1956.
Sponsored schemes.	<p>40. 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, to be executed or endowed at the Institute,—</p> <p>(a) the amount received shall be kept by the Institute separately from the fund of the Institute and utilised only for the purpose of the scheme; and</p> <p>(b) the staff required to execute the same shall be recruited in accordance with the terms and conditions stipulated by the sponsoring organisation:</p> <p>Provided that any money remaining unutilised under clause (a) shall be transferred to the endowment fund created under section 25.</p>	10 15
Control by Central Government.	<p>41. The Institute shall carry out such directions as may be issued to it from time to time by the Central Government for the efficient administration of this Act.</p>	20
Resolution of differences.	<p>42. If in, or in connection with, the exercise of its powers and discharge of its functions by the Institute under this Act, any dispute or difference arises between the Institute and the Central Government, the decision of the Central Government thereon shall be final.</p>	25
Power to remove difficulties.	<p>43. (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 to be necessary or expedient for removing the difficulty:</p> <p>Provided that no such order shall be made after the expiry of two years from the appointed day.</p> <p>(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.</p>	30
Transitional provisions.	<p>44. Notwithstanding anything contained in this Act,—</p> <p>(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</p> <p>(b) until the first Statutes and the Ordinances are made under this Act, the Statutes and the Ordinances of the Indian Institute of Petroleum and Energy Society, as in force, immediately before the commencement of this Act, shall continue to apply to the Institute insofar as they are not inconsistent with the provisions of this Act.</p>	35 40

45. (1) Every Statute and every Ordinance made or notification issued under this Act shall be published in the Official Gazette.

(2) Every Statute and every Ordinance made or notification issued under this Act shall be laid, as soon as may be after it is made, before each House of 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 commencement of this Act, to the Statutes, 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.

Statutes,
Ordinances
and
notifications
to be
published in
the Official
Gazette and
to be laid
before
Parliament.

STATEMENT OF OBJECTS AND REASONS

In pursuance of the commitment of the Government of India to establish a Petroleum University in the successor State of Andhra Pradesh as per the Andhra Pradesh Reorganisation Act, 2014, it has been decided to set-up the Indian Institute of Petroleum and Energy in Visakhapatnam district of Andhra Pradesh. The Institute is expected to be a domain-specific energy Institute that will serve as the fountain-head for nurturing world class technical human resources capable of serving as leaders and innovators in the field of petroleum technology and energy.

2. The Institute will provide high quality education and conduct advance research in all aspects relating to the conventional hydrocarbons. At the same time, as the energy sector evolves and the non-conventional hydrocarbons as well as new sources, like, Liquefied Natural Gas, biofuels and renewables gain market share, the Institute will actively pursue research and development in these fields in order to strive for and maintain a leadership position in the Indian and global energy arena. The curriculum of the Institute is proposed to be a specialised one and would include advanced programmes at the post-graduate and doctoral level.

3. Accordingly, the Indian Institute of Petroleum and Energy Bill, 2017, *inter alia*, proposes to—

(a) establish the Institute of Petroleum and Energy and declare it as an institution of national importance;

(b) provide for constitution of the Board of Governors which shall be responsible for the general superintendence, direction and control of the affairs of the Institute;

(c) provide for a General Council of the Institute, *inter alia*, to review from time to time the broad policies and programmes of the Institute and suggest measures for the improvement, development and expansion of the Institute;

(d) confer power upon the Central Government to frame the first Statutes and first Ordinances of the Institute and thereafter, the Board may make new or additional Statutes or amend or repeal the Statutes, and the Senate to have the power to make Ordinances;

(e) provide for Tribunal of Arbitrator consisting of one member appointed by the Institute, one member nominated by the employee, and an umpire appointed by the Visitor, to decide any dispute arising out of a contract between the Institute and any employee of the Institute.

4. The Notes on Clauses explain in detail the various provisions of the Bill.

5. The Bill seeks to achieve the above objects.

DHARMENDRA PRADHAN

NEW DELHI;

The 23rd June, 2017.

Notes on clauses

Clause 2 seeks to declare the Indian Institute of Petroleum and Energy as an institution of national importance.

Clause 3 defines the various expressions used in the Bill.

Clause 4 provides for the establishment of the Indian Institute of Petroleum and Energy.

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

Clause 6 provides 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 energy 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 centres at any place within India and with the prior approval of the Central Government, establish any campus or academic centre 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 or 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 constitution and composition of the General Council. Sub-clause (2) provides that the 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 Council to attend a meeting of the Council but such invitee shall not be entitled to vote at such a meeting.

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 behalf, 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 where 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 prepare in such form and at such time every year a budget in respect of the financial year next ensuing showing the estimated receipts and expenditure of the Institute and shall forward to the Central Government such number of copies thereof as may be provided by the Statutes.

Clause 27 provides that 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. Sub-clause (4) also provides that 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 that Government shall cause the same to be laid before each House of Parliament.

Clause 28 provides that the Institute shall prepare for every year a report and its activities during that year and submit the report to the Central Government in such form and on or before such date as may be provided by the Statutes and copy of this report shall be laid before both Houses of Parliament within one month of its receipt.

Clause 29 requires the Institute to constitute pension, insurance and provident fund schemes for the benefit of its employees.

Clause 30 provides that all orders and decisions of the Institute shall be authenticated by the Director or any other member authorised by the Institute in this behalf and all other instruments shall be authenticated by the signature of the Director or such officers as may be authorised by the Institute.

Clause 31 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 32 provides for various matters on which the Statutes may be framed subject to the provisions of the Bill.

Clause 33 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 34 provides for various matters in respect of which the Ordinances may be framed subject to the provisions of the Bill.

Clause 35 provides that the first Ordinance of the Institute shall be framed by the Central Government. Sub-clause (2) provides that the Ordinances shall be made by the Senate and sub-clause (3) provides that such Ordinances shall be submitted, as soon as may be, to the Board and shall be considered by the Board at its next succeeding meeting. Sub-clause (4) 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 36 provides that the authorities of the Institute may have their own rules and procedure 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 37 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 38 provides for circumstances under which the act of the Institute or the General Council or Board or Senate or any other body set-up under the Bill or the Statutes, shall not be declared invalid.

Clause 39 empowers the Institute to grant degrees and other academic distinctions and titles.

Clause 40 provides that funds received for specific assignments or sponsored projects shall be kept separately from the fund of the Institute and utilised only 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 41 provides that the Institute shall carry out such directions as may be issued to it from time to time by the Central Government for the efficient administration of the Bill.

Clause 42 provides that in case any dispute or difference arises between the Institute and the Central Government, the decision of the Central Government thereon shall be final.

Clause 43 empowers the Central Government to remove by order 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 44 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 Indian Institute of Petroleum and Energy Society, as in force, immediately before such enactment, shall continue to apply to the Institute insofar as they are not inconsistent with the provisions of the Bill.

Clause 45 requires all Statutes, Ordinances and notifications to be published in the Official Gazette and to be laid before each House of Parliament.

FINANCIAL MEMORANDUM

Clause 4 of the Bill provides for the establishment of the Indian Institute of Petroleum and Energy at Visakhapatnam in Andhra Pradesh.

2. Clause 23 of the Bill provides that the Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Institute such sums of money and in such manner as it may think fit. Clause 25 of the Bill provides that the Institute may set-up an endowment fund and any other fund for a specified purpose and may transfer money from its fund to the endowment fund or any other fund.

3. The establishment of the Institute involves total capital expenditure of 655.46 crore rupees and an endowment fund of 400 crore rupees (200 crore rupees from budgetary support and 200 crore rupees from five Oil Public Sector Undertakings). Around half of the interest accruing from endowment fund of 400 crore rupees will be utilised to meet the deficit against the recurring expenses and remaining recurring expenses will be met through students fees, donations and other earnings of the Institute such as research and development, consultancies, students placement fees, etc.

4. The year-wise requirement of budgetary support is as under:

Year	Capital expenditure (in Rs. Crores)	Endowment Fund (in Rs. Crores)
2016-2017	196.19	66.66
2017-2018	133.23	66.66
2018-2019	101.96	66.68
2019-2020	92.32	—
2020-2021	71.64	—
2021-2022	55.96	—
2022-2023	4.16	—
Total	655.46	200.00

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

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (1) of clause 33 of the Bill empowers the Central Government to frame the first Statutes of the Institute. Clause 32 provide for matters in respect of which Statutes may be made, which, *inter alia*, include matters relating to 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, etc., of employees of the Institute, the conferment of honorary degrees, the establishment and maintenance of the residences and hostels and the authentication of the orders and decisions of the Board. Sub-clause (2) of clause 33 of the Bill empowers the Institute, from time to time, to make new or additional Statutes or to amend or repeal the Statutes.

2. Clause 35 of the Bill empowers the Senate to make Ordinances. Clause 34 provide for matters in respect of which the 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.

3. Clause 45 of the Bill provides for every Statute and Ordinance to be laid, as soon as may be after it is made, before each House of Parliament.

4. The matters in respect of which the Statutes and Ordinances may be made are matters of procedure and administrative detail, and as such, it is not practicable to provide for them in the proposed Bill itself. The delegation of legislative power is, therefore, of a normal character.

LOK SABHA

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to declare the institution known as the Indian Institute of Petroleum and Energy to be an institution of national importance and to provide for its incorporation and for matters connected therewith or incidental thereto.

(Shri Dharmendra Pradhan, Minister of State for Petroleum and Natural Gas)