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Lok Sabha passes Bill to set up petroleum institute in Andhra

NEW DELHI: The Lok Sabha on Friday passed a bill which provides for establishing the Indian Institute of Petroleum and Energy (IIPE) in Andhra Pradesh that will impart high quality education and conduct advance research in all aspects relating to the conventional hydrocarbons.

The IIPE is being set up at Visakhapatnam at a cost of Rs 650 crore as part of a package promised by the Centre to Andhra Pradesh after Telangana was carved out of it.

Moving 'The Indian Institute of Petroleum and Energy Bill, 2017' for consideration and passage, Minister of State for Petroleum and Natural Gas Dharmendra Pradhan said the benefit of the institute would not be accrued only to Andhra Pradesh but India and the world as a whole.

"It will have a futuristic impact... Youth will be benefited," he said, adding it would cover both conventional and non-conventional forms of energy.

He also informed the House that India along with China, Japan and the US are doing research on gas hydrates. For this, the KG basin is expected to be a prolific basin and it may meet the demand of India for 100 years, he said.

Visakhapatnam is the right place for this institute and it holds an important position in India as Houston in America, the minister said, adding that in the coming days, Visakhapatnam, Kakinada and Rajahmundry could become Houston of India.

This institute, he said, will create jobs for local people also as their would be a lot of non-teaching staff.

The government is committed to provide affordable energy to the people of the country, he added.

To be declared as an institution of national importance, the IIPE would provide high quality education and conduct advance research in all aspects relating to the conventional hydrocarbons, according to the Objects and Reasons of the bill.

Among others, the institute would actively pursue research and development in the fields such as liquefied natural gas, biofuels and renewables.

Pradhan said such a status for the institute, which began enrolling students from the last academic year, would pave the way for quality education and research needed to monetise the oil and gas resources available in the region.

KG basin has more resources than the Mumbai gas field, he said, adding however that it had its own challenges.

Quality human resources was needed to monetise the resources on offer, he told the House.

The state government has provided 200 acre land and the central government has made a provision of Rs 650 crore for the institute, which was being mentored by IIT, Kharagpur, he added.

The institute's development was envisaged by the Act, which had divided Andhra pradesh into two states, passed by Parliament in 2014 and Prime Minister Narendra Modi was committed to fulfilling promsies made to the two states, he said.

Participating in the debate on the bill, Adhir Ranjan Chowdhury (Congres) said his party paid a heavy price for dividing the state but it stuck to its commitment, underlining that it puts "country before party".