

Increase in arbitration cases of oilfield disputes

283. SHRI RAVI PRAKASH VERMA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is an increase of arbitration cases of oilfield disputes against Government;

(b) if so, the details thereof;

(c) whether Directorate General of Hydrocarbons (DGH) has suggested a fresh approach for dealing with disputes with explorers to minimize incidence of arbitration cases against Government;

(d) if so, the details of suggestion made by the DGH; and

(e) the steps taken by the Central Government to ensure that approach by DGH does not indicate any dilution in Government rights or revenue?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) and (b) Government of India has entered into 310 Production Sharing Contracts (PSCs) so far in Pre-NELP field and exploration bidding rounds and NELP exploration bidding rounds out of which 150 contracts are presently operative. 21 arbitration cases have been initiated with regards to the contracts in the last 15 years, *i.e.* 5 cases during the period 2001-2005, 6 cases in 2006-2010 and 10 cases in 2011-2015.

(c) and (d) Yes, DGH has submitted suggestion for improving the dispute resolution mechanism such as – encouraging Conciliation proceedings; examination by Multi Disciplinary Team and Executive Committee of DGH on potential litigations; timely appointment of arbitrators by the Government; appointing arbitrators having domain expertise; delegating powers to DGH to create its own panel of law firms/advocates; delegation of powers for fee approval to the Executive Committee of DGH; vetting of the proposals by Advisory Committee for referring the matters to Sole Expert/Conciliation etc.

(e) The said proposals of DGH shall be approved, if they are in conformity with the views of Ministry of Law and Justice as well as in conformity with the provisions of PSCs.

Benefits given to consumers due to fall in prices of crude oil

284. SHRI BALWINDER SINGH BHUNDER: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the prices of crude oil have come down heavily in the last ten months;