

FICCI Welcomes Measures Taken To Boost Domestic E&P Activities

New Delhi, 10 March 2016: FICCI welcomes the slew of measures taken by the CCEA chaired by Prime Minister Shri Modi to usher in much awaited reforms in the hydrocarbon sector that will have positive impact on our Energy Security.

Mr. Harshavardhan Neotia, President, FICCI “commended the measures which have prioritized accelerated exploration and ensuring India’s energy security rather than Govt. intervention in micro management of projects. ”

Mr. Neotia welcomed “the focus of the Govt. to incentivize E&P in domestic oil and gas basins, offer the right risk and reward balance for different geographies based on the risk profile and risk capital employed by the operator.” He commended “the decision of the Govt. to extend PSCs of 28 small and medium size discovered fields which would accelerate the employment generation both in the exploration and production stage.”

“The relaunching of the bidding rounds after a gap of 6 years as Hydrocarbons Exploration and Licensing Policy (HELP), announcing uniform license for all areas coupled with arms-length price discovery in an open acreage framework will boost the investor confidence in our domestic basins”, **added Mr. Neotia.**

President FICCI also pointed out that while the Govt. has walked the talk on a majority of industry concerns to alleviate the domestic production, however the issue of rationalizing the cess on crude production in India is not addressed on the expected lines of the industry.

FICCI MEDIA DIVISION