

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4322
ANSWERED ON:22.03.2013
BIPPA WITH COUNTRIES
Ajay Kumar SHRI

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to undertake a renegotiation of Bilateral Investment Promotion and Protection Agreements (BIPPA) of India with other countries;
- (b) if so, the details thereof indicating the main clauses renegotiated/likely to be renegotiated therein;
- (c) whether several companies have served notices on the Government for breach of bilateral investment protection pacts;
- (d) if so, the details thereof and response of the Government thereon, case-wise; and
- (e) the mechanism available/proposed to be put in place by the Government to safeguard the interests of the country in this regard?

Answer

Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a) to (b) : In view of the recent developments, including an adverse arbitration award in the case of White Industries Australia Limited and various other dispute/arbitration notices served on Government of India by foreign investors invoking provisions of various Bilateral Investment Promotion and Protection Agreements (BIPA), the Government has decided to put all BIPA negotiations on hold.

(c) to (d) : Several foreign investors/companies have served notices on the Government of India invoking provisions of the various BIPAs viz. (i) CC/Devas (Mauritius) Ltd., Devas Employee Mauritius Pvt. Ltd. (Devas) and Telecom Devas (Mauritius) Ltd.; (ii) Deutsche Telekom, Germany; (iii) Vodafone International Holdings BV; (iv) Sistema Joint Stock Financial Corporation, Russia; (v) Capital Global Ltd., Mauritius; and Kaif Investment Ltd., Mauritius; (vi) Axiata Investment 1 Ltd. & Axiata Investment 2 Ltd., Mauritius and Axiata Berhad Group; (vii) Children's Investment Fund Management (UK) LLP and TCI Cyprus Holdings Limited; and (viii) Mr. Maxim Naumchenko, Mr. Andrey Polouektov and Tenoch Holdings Limited, Cyprus.

(e) : The Government has decided to handle various disputes through the mechanism of an Inter-Ministerial Group (IMG) chaired by the Secretary of the Administrative Ministry/ Department concerned.