

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:4279  
ANSWERED ON:20.04.2015  
ARBITRATION CASES OF OILFIELD DISPUTES  
Singh Shri Bhola

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) whether there is increase of arbitration cases of oilfield disputes against the Government;
- (b) if so, the number of such cases including the name of companies pending along with efforts made by the Government to solve these cases and improve the investment climate in exploration, company-wise including multinational companies;
- (c) whether the Directorate General of Hydrocarbons has suggested a fresh approach to minimize incidence of arbitration cases;
- (d) if so, whether the Government has directed the research and analysis wing to investigate such cases and if so, the details thereof; and
- (e) the other concrete steps taken by the Government to solve such cases amicably and in time-bound manner ?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN):

(a) & (b) Government of India has entered into 310 Production Sharing Contracts (PSCs) so far in Pre-NELP field & exploration bidding rounds and NELP exploration bidding rounds. 22 arbitration cases have been initiated with regards to these contracts in the last 15 years, i.e. 5 cases during the period 2001-2005, 6 cases in 2006-2010 and 11 cases in 2011-2015. The names of contractors / companies which have initiated arbitration includes Hindustan Oil Exploration Company Limited (HOEC); Niko Resources Limited (NECO); Cairn India Limited (CIL); Videocon Industries Limited (VIL); Great Eastern Energy Corporation Limited (GEECL); SELAN Technologies; Hardy Exploration & Production India Limited; Canoro Resources Limited; Reliance Industries Limited (RL); British Petroleum Exploration (Alpha) Limited; British Gas Exploration and Production India Limited (BGEPI); Assam Company India Limited (ACL); Rawa Oil Singapore Pte. Limited; etc.

Prompt action is being taken in all the cases by Government for early resolution as per the provision of the PSC.

(c) Yes, Madam. DGH has submitted suggestion for improving the dispute resolution mechanism.

(d) DGH has not recommended any case for investigation by RAW.

(e) The Government has recently come out with a Policy Framework for Relaxation, Extensions and Clarifications at the Development and Production Stage under the PSC Regime for Early Monetization of Hydrocarbons Discoveries, through which many long pending issues pertaining to different blocks have been resolved.