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LEGAL ECOSYSTEM OF OIL AND GAS E&P INDUSTRY IN INDIA

Constitution of India

- Entry 53 of List I of Schedule VII
- Art. 297
- Public Trust Doctrine
- Judicial Interpretations

The Oilfields (Regulation and Development) Act, 1948

- The Petroleum and Natural Gas Rules, 1959
- The Petroleum and Natural Gas (Safety in Offshore) Rules, 2008

Policies

- Policy Regimes Pre-NELP, NELP & HELP
- Policy reforms, notifications, circulars, orders & other legislations

Agreements

- E&P Contracts
- Licences/Leases

OILFIELDS REGULATION AND DEVELOPMENT (AMENDMENT) ACT 2025 – A GAME CHANGER

Act of 1948

- License and lease regime
- Collection of royalty
- Regulation of oilfields
- Petroleum and mining used interchangeably

The Amendment Act of 2025

- Ease of Doing Business.
- Risk Mitigation
- Stronger Enforcement
- Promotes Petroleum Operations & Energy Transition

OVERVIEW OF KEY AMENDMENTS



Single Lease for all Hydrocarbons



Discontinues legacy use of mining terminology



Stable lease



Infrastructure sharing for efficiency

OVERVIEW OF KEY AMENDMENTS



Alternate dispute resolution mechanisms



Fast and fair adjudication and appeals



Comprehensive energy projects at oil fields



Sustainability and Decarbonization

DISPUTE RESOLUTION

- Rule making power added in the Act. Draft Rules build on it.
- Key Features
 - Option to choose seat of arbitration in India or foreign country.
 - In case of foreign seated arbitration, Arbitral seat to be a neutral place.
 - Positive and negative list of arbitrable matters provided.
 - Tiered Mechanism of dispute resolution



ENFORCEMENT MECHANISM



ADJUDICATING AUTHORITY

- Created by the ORD Amendment Act, 2025.
- To be constituted by notification in the Official Gazette.
- Guided by principles of natural justice.
- Draft Rules to provide details.

Eligibility Criteria

Officer not below rank of Joint Secretary to the Government of India.

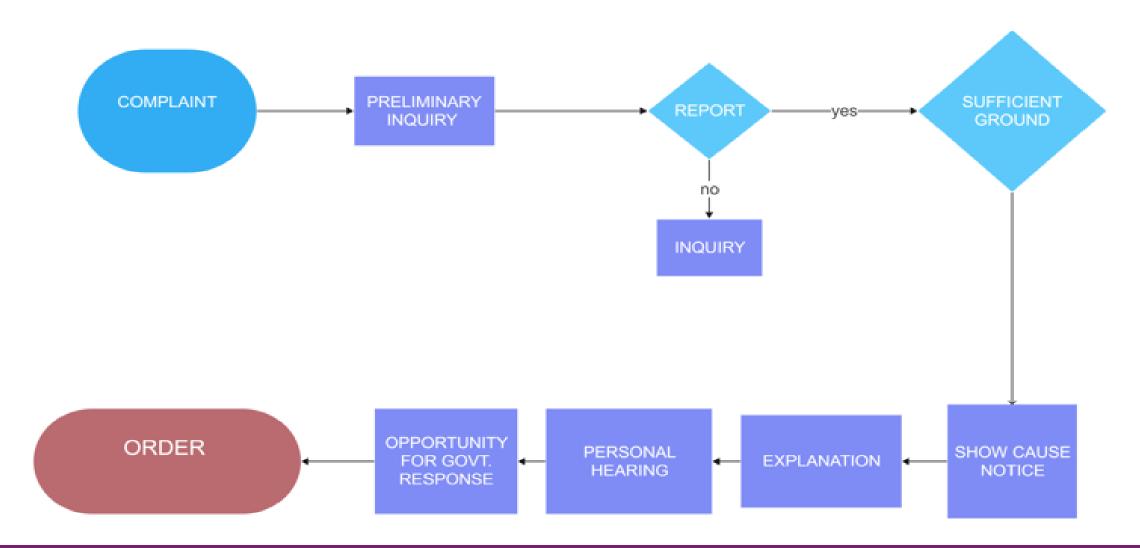
Role

Conduct inquiries and impose penalties under the Act and Rules.

Powers

Summon and enforce attendance of any person or production of document

PROCEDURE - ADJUDICATING AUTHORITY



APPELLATE TRIBUNAL

- Constituted under Section 30 of the Petroleum and Natural Gas Regulatory Board Act, 2006.
- Composition of the Tribunal Chairperson and 3 other Members (1 PNG Member).
- Powers
 - Guided by principles of natural justice
 - Regulate own procedure
 - Summon and enforce the attendance of any person and examining him on oath
 - Discovery and production of documents
 - Receive evidence on affidavits
 - Issue commissions for the examination of witnesses or documents
 - Review its decisions,
 - Dismiss a representation of default or deciding it ex parte
- Appeal to Supreme Court on question of law

PROCEDURE - APPELLATE TRIBUNAL

