

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO- 2859
ANSWERED ON- 18/08/2025

KEY FEATURES OF ORDA (AMENDMENT) ACT, 2025

2859 SHRI MANAN KUMAR MISHRA:

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

- (a) key features of ORDA (Amendment) Act 2025, and the necessity of amending the ORD Act 1948;
- (b) the salient features of this amendment that are anticipated to ease out the difficulties faced by E&P operators and boost the confidence of global E&P players;
- (c) the key benefits in this Act for prospective E&P players;
- (d) whether the Act has stringent provisions for non-compliance with terms & conditions of lease/contracts; and
- (e) its impact on the industry and in attracting foreign investment?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI SURESH GOPI)

(a) to (e): The Oilfield (Regulation and Development) Amendment Act, 2025 was notified on 28th March 2025 and was made effective from 15th April, 2025. The Oilfields (Regulation and Development) Act, 1948 was required to be amended to meet the needs and aspirations of the country for energy access, energy security and energy affordability. The amendment act provides for unlocking valuable mineral oil resources by making necessary provisions to attract investment in the sector to infuse required capital and technology for expediting petroleum operations in the country by creating an investor friendly environment that promotes ease of doing business, prospects for exploration, development and production of all types of hydrocarbons. The amended act introduces penalty of Rs 25 Lakhs for contravention of provisions of the Act.

The Salient Features of the Oilfield (Regulation and Development) Amendment Act, 2025 which *inter-alia* include easing out difficulties and boost investors' confidence, are as under:

- (i) delinking of petroleum operations from mining operations;
- (ii) broadening of the scope of the expression “mineral oils”;
- (iii) introducing the concept of “petroleum lease”;
- (iv) granting lease on stable terms;

(v) strengthening petroleum operations through rules framed for governing various functional aspects, such as, grants of leases or licences, their extension or renewal, sharing of production and processing facilities including infrastructure and safety at oilfields;

(vi) providing for efficacious dispute resolution;

(vii) decriminalising the provisions of the Act.

(viii) introduction of penalties, adjudication by an adjudicating authority and appeal as against the order of adjudicating authority;

(ix) creating an environment for facilitating energy transition by enabling development of comprehensive energy projects for harnessing wind and solar energy along with mineral oil at oilfields.
