

LOK SABHA  
UNSTARRED QUESTION NO. 2759  
TO BE ANSWERED ON 12<sup>th</sup> MARCH, 2018

**LEGAL CASES OF OIL COMPANIES**

**2759. SHRI PONGULETI SRINIVASA REDDY :**

पेट्रो लयम एवं प्राकृतिक गैस मंत्री

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

- (a) whether the Oil Marketing Companies such as HPCL, BPCL and IOCL are fighting legal cases in various courts across the country and if so, the details thereof;
- (b) whether it is true that a major share of their revenue is being spent on legal battling or on arbitration;
- (c) if so, the details thereof along with the cases pending in various courts across the country and particularly IOCL cases, which are pending in Andhra Pradesh-Telangana High Court including arbitration cases;
- (d) the details of number of disputes relating to the marketing division of IOCL in respect of Retail Outlets in various courts across the country and legal expenses being borne by IOCL during the last three years particularly court cases pending from Telangana and Andhra Pradesh;
- (e) the company-wise details of legal-expenses relating to marketing issues during each of the last three years; and
- (f) the detailed measures taken/ proposed to be taken by the Government to reduce legal burden on companies and settle the disputes amicably out of the courts?

**ANSWER**

पेट्रो लयम एवं प्राकृतिक गैस मंत्री (श्री धर्मेन्द्र प्रधान)

**MINISTER OF PETROLEUM & NATURAL GAS**  
**(SHRI DHARMENDRA PRADHAN)**

(a) to (c) - At present, HPCL, BPCL and IOCL are engaged in 4613, 3785 & 8999 number of legal cases respectively in various courts across the Country. Oil Marketing Companies (OMCs) pay professional fee to advocates engaged by them on case to case basis.

(d) - Number of disputes relating to Retail Outlets of IOCL in various courts across the country along with legal expenses during the last three years are as under:

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Year	Number of disputes in respect of Retail Outlets	Amount spent on legal expenses (Rs. In crores)
2015-16	2122	2.80
2016-17	2047	2.63
2017-18(FY-till Jan'18)	1988	1.84

Information in respect of Retail Outlets from Telangana & Andhra Pradesh during the last three years are as follows:

Year	Number of Litigations	Number of Arbitration cases	Amount spent on legal expenses (Rs. In crores)
2015-16	12	0	0.13
2016-17	16	3	0.37
2017-18(FY-till Jan'18)	20	0	0.34

(e) - OMC-wise legal expenses relating to Marketing issues during last three years are as under:

Year	Amount spent on legal expenses (Rs. In crores)		
	HPCL	BPCL	IOCL
2014-15	9.25	6.29	-
2015-16	9.59	5.30	11.80
2016-17	11.47	7.00	11.29
2017-18 (Till January, 2018)	-	-	11.70

(f) - IOCL has informed that a conciliation policy to settle disputes amicably out of the court has been formulated. Litigation is resorted to only as a last resort in case negotiation/discussion fails to deliver desired settlement.

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