

**LOK SABHA
UNSTARRED QUESTION NO. 4341
TO BE ANSWERED ON 12th DECEMBER, 2016**

UNDERTAKING GIVEN BY CAIRN INDIA IN RAJASTHAN

4341: SHRI GAJENDRA SINGH SHEKHAWAT:

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

- (a) whether the Government proposes to approve and insert the special condition to Mangla Oil, Kaameshwari West Fields and Bhagyam Shakti Field as per the undertaking by M/s Cairn India Limited to avoid the loss of VAT revenue in Rajasthan; and
- (b) if so, the details thereof?

ANSWER

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(धर्मेन्द्र प्रधान)

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

(a) & (b) VAT/CST is collected by the States in accordance with the provisions contained in the relevant Act. It is not dependent on the provisions of the Production Sharing Contract signed by the contractors with the Central Government. Presently, the operator of the block on behalf of the Joint Venture (JV) is paying CST on the crude being sold to the domestic refineries situated outside the State of Rajasthan. The issue of applicability of VAT instead of CST has been agitated by State Government of Rajasthan before the High Court of Rajasthan.
