

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

**LOK SABHA
UNSTARRED QUESTION NO. 1110**

TO BE ANSWERED ON MONDAY, THE 8th FEBRUARY, 2021

MAGHA 19, 1942 (SAKA)

RETROSPECTIVE TAXATION

1110. SHRI SYED IMTIAZ JALEEL:

SHRI ASADUDDIN OWAISI:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is true that on retrospective taxation the arbitration panel has unanimously ruled in favour of some companies recently including Cairn Energy Plc;
- (b) if so, whether this is a second instance after Voda case verdict and if so, the details thereof;
- (c) whether the total retrospective tax has to be paid by the Government to these companies and if so, the details thereof;
- (d) whether the Government has appealed against those verdicts; and
- (e) if so, the details thereof along with the steps taken or being taken by the Government to avoid such taxation arbitration?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG THAKUR)**

(a) Yes, Sir. Arbitration Tribunal constituted under the Agreement between UK and India for the Promotion and Protection of Investments And the Arbitration rules of the United Nations

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Commission on International Trade Law (UNCITRAL) has ruled in favour of Cairn group (Cairn Energy Plc and Cairn UK Holdings Limited) vide its order dated 21.12.2020.

(b) Yes, Sir. The above mentioned award in the Cairn group came after the arbitral award dated 25.9.2020 in the case of Vodafone International Holdings BV vs Republic of India under the Agreement between the Republic of India and the Kingdom of The Netherlands for the Promotion and Protection of Investments.

(c) The details terms of the award are under examination by the Government.

(d) & (e) An application has been filed in the High Court of Singapore to set aside the award dated 25.09.2020 in the case of Vodafone International Holdings BV. In the case of Cairn group the matter is under consideration of the government.
