

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1491
ANSWERED ON:18.11.2010
LOSS OF SHARE OF ROYALTY
Shukla Shri Balkrishna Khanderao Balu Shukla

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

- (a) whether the Government has lost share of royalty on Vedanta-Cairn deal on crude oil produced from Rajasthan Oil fields; and
- (b) if so, the details alongwith the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS(SHRI JITIN PRASADA)

(a) & (b): Cairn Energy PLC informed Ministry of Petroleum & Natural Gas Vide letter 16.8.2010 about the proposed disposal of their 51% shareholding in Cairn India Limited (CIL) to Vedanta Resources PLC. This Ministry advised Cairn Energy PLC and its Subsidiaries (operators) that they have to seek the prior consent of the Government for the proposed transfer as required under the provisions of the Production Sharing Contract (PSC). Accordingly, certain subsidiaries of Cairn Energy PLC have applied vide letters dated 9.9.2010 seeking consent of the Government of India. As of now, there is no question of loss of share of royalty by the Government.