



**FOR IMMEDIATE RELEASE**

**3 November 2021**

**CAIRN ENERGY PLC ("Cairn")**

**India Update**

Cairn is pleased to announce that it has entered into undertakings with the Government of India in order to participate in the scheme introduced by recent Indian legislation, the Taxation Laws (Amendment) Bill 2021 (the "**Taxation Amendment Act**"), allowing the refund of taxes previously collected from Cairn in India.

Subject to certain conditions, the Taxation Amendment Act nullifies the tax assessment originally levied against Cairn in January 2016 and orders the refund of INR 79bn (approximately US\$1.06bn\*) which was collected from Cairn in respect of that assessment.

In order to satisfy those conditions, Cairn will commence the filing of the necessary documentation under rule 11UF(3) of the Indian Income Tax Rules 1962(Rules) intimating the withdrawal, termination and/or discontinuance of various enforcement actions.

Cairn is working collaboratively with the Government of India towards expediting the refund within the process of the Tax Amendment Act Rules. The previously announced special dividend is expected to be paid by early 2022.

**Notes to Editor:**

Pursuant to the undertakings issued under clause (a) of Rule 11UE of the Indian Income Tax Rules, 1962 (the “**Rules**”), Cairn UK Holdings Ltd (“**CUHL**”) (together with its parent company Cairn Energy PLC as an “Interested Party”, as defined in the Rules, and their related parties) hereby confirms that any claims arising out of or relating to the relevant order(s) (as defined in the Rules) or any related award, judgment or court order, no longer subsist (together the “awards, judgements and court orders”). In particular, CUHL and Cairn Energy PLC confirm that they (and their related parties) have, pursuant to such undertakings:

- forever irrevocably forgo any reliance on any right and provisions under the awards, judgments and court orders; and
- given a complete release of the Republic of India and any Indian Affiliates (as defined in the Rules) with respect to the awards, judgement and court orders and with respect to any claims pertaining to the relevant order(s), as well as an indemnity in respect of any claims brought against the Republic of India or any India affiliate, including by related parties or interested parties, contrary to the above.
- confirmed that they will treat any such awards, judgement and court orders as null and void and without legal effect to the same extent as if they had been set aside by a competent court and will not take any action or initiate any proceeding or bring any claim based on that.

In the event that the Principal Commissioner for Income Tax either rejects the undertaking in Form No.1 under rule 11UE(1) or the intimation of withdrawal given under rule 11UF(3), or declines to grant the relief set out in the Rules, then such undertakings or intimations (as the case may be) shall be treated as having never been furnished.

\*INR Sterling conversion rate on 2 November 2021.

## **Enquiries**

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## **About Cairn Energy PLC**

Cairn is one of Europe's leading independent energy companies. The company has explored, discovered, developed and produced oil and gas in a variety of locations throughout the world as an operator and partner in all stages of the oil and gas lifecycle.

Our exploration activities have a geographical focus in the North Sea, West Africa and Latin America, underpinned by interests in production and development assets. Cairn has its headquarters in Edinburgh, Scotland supported by operational offices in London, Mexico, Cairo and Mauritania.

For further information on Cairn please see: [www.cairnenergy.com](http://www.cairnenergy.com)