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For getting its \$1.2-bn arbitration, Cairn sues Air India in US	Indian Express	1	Pranav Mukul	Neutral
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For getting its \$1.2-bn arbitration, Cairn sues Air India in US

PRANAV MUKUL
NEW DELHI, MAY 13

BRITISH OIL company Cairn Energy Plc has initiated the process to seize Indian assets and has brought a lawsuit in the US against national carrier Air India to enforce the \$1.2-billion arbitration award it won against the Indian government in a long-standing tax dispute.

Sources in New Delhi said that the Centre will take "all necessary steps to defend against any such illegal enforcement action".

Cairn filed the lawsuit Friday in the US District Court for the Southern District of New York, seeking to make disinvestment-bound Air India liable for the judgment that was awarded to

EXPLAINED

E. Dials up heat on Govt

THE GLOBAL precedents allowing seizure of overseas assets to recover dues, including from arbitration awards, means that Cairn's move could dial up the heat on the Government. And bring Air India's disinvestment process under a cloud.

Cairn, Reuters reported.

The lawsuit argued that the carrier, as a state-owned company, is "legally indistinct from

CONTINUED ON PAGE 2

that, we will be destroyed."

The RSS chief urged people not to hesitate seeking medical help if they have symptoms.

Cairn sues AI

the state itself".

"The nominal distinction between India and Air India is illusory and serves to aid India in improperly shielding its assets from creditors like (Cairn)," the report quoted from the said court filing.

This comes less than a week after Cairn Energy's chief executive Simon Thomson told the company's shareholders that the firm was continuing "constructive engagement with the Government of India whilst at the same time taking all necessary actions to protect our rights to the award".

A query sent to Cairn Energy did not elicit a response. The Finance Ministry, the Ministry of Civil Aviation and Air India did not respond to questionnaires.

The Government had challenged in a court in The Hague the arbitration tribunal verdict that overturned its demand for back taxes from Cairn. The Permanent Court of Arbitration (PCA) at The Hague in December 2020 had ruled that India's retrospective tax demand on Cairn Energy was "in breach of the guarantee of fair and equitable treatment", and against

the India-UK bilateral treaty.

"There are some news reports in the media that Cairn has initiated some action against a PSU. Government/PSU has not received any such notice. As and when any such notice is received, Government/concerned organisation shall take all necessary steps to defend against any such illegal enforcement action," an official involved in the process said.

Currently, Air India flies wide-bodied planes from India to New York, Newark, San Francisco, Chicago and Washington DC in the US, and has sales offices in some of these locations.

It is also the only Indian airline to fly to these destinations.

There are precedents of companies moving to seize government-owned overseas assets to enforce an arbitration award. In 2019, American firm ConocoPhillips moved US courts to seize assets of Venezuelan state-owned oil company PDVSA to recover \$2 billion it had won in arbitration. PDVSA later paid its dues to the ConocoPhillips.

Similarly, a cargo agent at Amsterdam's Schiphol Airport had seized a Jet Airways aircraft in 2019 over unpaid dues.

Poonawallas

"From the time I can recollect, I have been out of India in May.

केयरन ने विदेश में भारत सरकार की कम्पनीज की संपत्ति जब्त करने की कार्यवाही शुरू की	Jansatta	2	Bureau	Neutral
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केयरन ने विदेश में भारत सरकार की कंपनियों की संपत्ति जब्त करने की कार्रवाई शुरू की

जनसत्ता ब्यूरो
नई दिल्ली, 15 मई।

ब्रिटेन की पेट्रोलियम कंपनी केयरन एनजी ने भारत सरकार के खिलाफ 1.7 अरब डॉलर की वसूली के सिलसिले में अमेरिका में एक मुकदमा दायर किया है। इसके तहत कंपनी एअर इंडिया जैसी भारत सरकार की कंपनियों की विदेशों में स्थित संपत्तियों को जब्त करा सकती है।

यह मामला आयकर कानून में पिछली तिथि से प्रभावी एक संशोधन के तहत कंपनी पर लगाए गए कर से जुड़ा है। केयरन ने इसे अंतरराष्ट्रीय मध्यस्थता पंचाट में चुनौती दी थी और पंचाट का फैसला उसके पक्ष में आया है। न्यूयार्क की अदालत में केयरन ने इस मामले बाकी पेज 8 पर

केयरन ने विदेश में भारत सरकार की कंपनियों की संपत्ति जब्त करने की कार्रवाई शुरू की

पेज 8 का बाकी

ने एअरइंडिया को उसका देयदार घोषित किए जाने का आदेश दिया है।

केयरन ने 14 मई को न्यूयार्क के दक्षिण जिले की अदालत में मुकदमा दर्ज कर भारत सरकार के स्वामित्व वाली विमान सेवा कंपनी एअर इंडिया को भारत की सरकार का ही अधिभूक्त रूप माने जाने की अपील की है। इसके अलावा पर यह विरोध से विगत भारत सरकार की संपत्तियां जब्त कर अपने पैरे वसूलना चाहती है। उदाहरण के तौर पर एअर इंडिया और भारत सरकार एक ही हैं।

न्यूयार्क की अदालत में केयरन ने इस मामले में एअरइंडिया को उसका देयदार घोषित किए जाने का आदेश दिया है।

केयरन ने संपत्तियों पर भारत की डिब्बों को लेकर अमेरिका, ब्रिटेन, कनाडा, फ्रांस, सिंगापुर और नीदरलैंड को अदालतों का रुख किया है। संपत्तियों पर भारत ने पिछली तिथि से कानून संशोधन के माध्यम से कंपनी पर भारत में 10,247 करोड़ रुपये का कर लगाए जाने की बात को घोषित कर दिया है।

उपरोक्त आदेश विभाग द्वारा केयरन के क्रेडिट पर कंपनी के मूल्य, जहां किए गए लाभांश व टैक्स पर कर-रिफंड को भी लागू किए जाने का आदेश दिया है। अधिकांश कंपनियों के मुनाफिक, इस कंपनी ने भारत सरकार और तेल एवं गैस, वीत परिवहन, एअरलाइन्स व रीफिन क्षेत्रों में उसके स्वामित्व वाली कंपनियों के बीच के बंध को टट्टने की बात को लेकर अमेरिका और यूरोप देशों में मुकदमों दायर करना शुरू कर दिया है। सुर्ती ने कहा कि कंपनी ने विदेश में भारत की इन संपत्तियों को पहचान कर ली है फिर पर यह काम करेगी।

केयरन ने कहा है कि यह 'सेक्टरवारों के हित को रक्षा के लिए हर जरूरी कदम उठा रही है।' पर भारत सरकार ने कहा है कि वह लगातार हर सरकार का स्वतंत्राधिकार अधिकार है और यह कंपनी की ओर से लागू की इस तरह की 'नैतिकता' कार्रवाई के प्रति अप्रसन्न बकाया करेगी।' कंपनी के एक प्रवक्ता ने कहा कि 'संपत्तियों अदालत की डिब्बों से समाप्त होत नहीं देता वह सेवाधारकों के हितों को रक्षा के लिए आवश्यक कदम उठा रही है।'

लखनऊ में पेट्रोल ९० रुपये लीटर	Hindustan-Varanasi	3	Bureau	Neutral
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लखनऊ में पेट्रोल 90 रुपये लीटर

लखनऊ। राजधानी में पेट्रोल की कीमत 90 रुपये के पार हो गई है। शनिवार को पेट्रोल 90.18 रुपये प्रति लीटर बिका। वहीं, डीजल 83.33 रुपये प्रति लीटर हो गया है। एक माह पहले पेट्रोल की कीमत 89.31 रुपये और डीजल की 81.84 रुपये प्रति लीटर थी।

जनवरी से अब तक पेट्रोल की कीमत में 5.88 रुपये की बढ़ोतरी हुई है। डीजल की कीमत जनवरी से अब तक 8.15 रुपये बढ़ गई है। 16 जनवरी को डीजल की कीमत 75.23 रुपये व पेट्रोल की 84.35 रुपये प्रति लीटर थी।

एक हफ्ते में आई ज़्यादा तेजी: 8 मई को पेट्रोल 89.36 रुपये, व डीजल 82.10 रुपए प्रति लीटर के भाव पर था जो अब क्रमशः 90.18 रुपये और 83.33 रुपये प्रति लीटर हो गया है।

Cairn sues Air India to seize assets	Financial Express	1	Euan Rocha & Jonathan Stempel	Neutral
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\$1.2-BN TAX RECOVERY

Cairn sues Air India to seize assets

● Ratchets up pressure on India to pay \$1.2 bn plus interest and costs to enforce international arbitration award

EUAN ROCHA & JONATHAN STEMPEL
Mumbai/New York, May 15

CAIRN ENERGY HAS sued India's flagship carrier Air India to enforce a \$1.2 billion arbi-

AIR TURBULANCE



- Cairn lawsuit argues that Air India as a state-owned company, is "legally indistinct from the state itself"
- An Indian govt official said the government and Air India have not received any formal notice of such a suit
- India says it has already filed an appeal against the

tration award that it won in a tax dispute against India, according to a US District Court filing reviewed by *Reuters*.

The move ratchets up pressure on India's government to pay the sum of \$1.2 billion plus interest and costs that the British firm Cairn was awarded by an arbitration tribunal in December. The body ruled India breached an investment treaty with Britain and said New Delhi was liable to pay.

Cairn filed the lawsuit on Friday in the US District Court for the Southern District of New York, seeking to make Air India liable for the judgment that was awarded to Cairn. The lawsuit argued that the carrier as a state-owned company, is "legally indistinct from the state itself".

"The nominal distinction between India and Air India is illusory and serves only to aid India in improperly shielding its assets from creditors like (Cairn)," the filing said.

Air India did not immediately respond to requests seeking comment.

However, a senior government official, who asked not to be named, said the government and Air India had not received any formal notice of such a suit.

international arbitration

- Cairn has also been pursuing a settlement with the Indian govt
- The company says it is taking the necessary legal steps to protect shareholder interests in the absence of a resolution

"As and when any such notice is received. The government or concerned organisation shall take all necessary steps to defend against any such illegal enforcement action," the official said, adding that New Delhi has engaged a team ready to defend against any enforcement action initiated by Cairn anywhere in the world.

Cairn's move could potentially jeopardise India's attempts to divest the state-owned carrier this year. New Delhi said in December that it had received multiple expressions of interest after it moved to privatise the loss-making entity.

The senior government official noted New Delhi has filed an appeal against the arbitration award, and added "the government is confident that the award will be set aside". —REUTERS

Cairn Energy sues AI for \$1.2bn arbitration	Free Press Journal	1	Reuters	Neutral
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Cairn Energy sues AI for \$1.2bn arbitration

REUTERS / Mumbai/New York

Cairn Energy has sued India's flagship carrier Air India to enforce a \$1.2 billion arbitration award that it won in a tax dispute against India, according to a U.S. District Court filing reviewed by Reuters. The move ratchets up pressure on the Indian government to pay the sum of \$1.2 billion plus interest and costs that the British firm Cairn was awarded by an arbitration tribunal in December. The body ruled India breached an investment treaty with Britain and said New Delhi was liable to pay

Cairn filed the lawsuit on Friday in the U.S. District Court for the Southern District of New York, seeking to make Air India liable for the judgement that was awarded to Cairn. The lawsuit argued that the carrier, as a state-owned company, is "legally indistinct from the state itself."

"The nominal distinction between India and Air India is illusory and serves only to aid India in improperly shielding its assets from creditors like (Cairn)," the filing said.

Air India did not immediately respond to requests

GoI Engages Legal Team to Counter Cairn's Move	Economic Times	1	Bureau	Neutral
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DEFENCE AGAINST ARBITRATION AWARD ENFORCEMENT

GoI Engages Legal Team to Counter Cairn's Moves

UK co files suit in a US court seeking to make state-owned Air India liable for a \$1.2 billion arbitration award

Legal Tussie
Cairn files a lawsuit in New York to seize Air India assets. India lines up team of legal counsels to challenge Cairn. No indication of return of Cairn fund to the US government. Cairn says taking legal steps to protect interests of its shareholders.

Govt hopeful of a favourable verdict from arbitration award challenge

Cairn move not to impact Air India investment process, says govt official

AI First Target for Enforcement

Our Bureau

New Delhi: The government has engaged a team of lawyers to fight any enforcement action by Cairn globally, officials said. It, responding to the UK-based company's suit in a US court seeking to make state-owned Air India liable for a \$1.2 billion arbitration award that it won in a US court against India.

A lawsuit by Cairn could help Cairn seize Air India global assets in the US.

The government appealed against the arbitration award last year and has confidence of a positive outcome, said the officials.

Cairn filed the lawsuit on Friday in the District Court for the Southern District of New York, seeking to make Air India liable for the arbitration award.

"The government has also engaged a counsel team which is ready to defend against any enforcement action, if and when initiated by Cairn anywhere in the world," said one of the officials.

Air India as a state-owned company is "legally protected from the state itself," according to the lawsuit. "The national distinction between India and Air India is illusory" and serves only to shield India in improperly shielding its assets from creditors like Cairn," the filing said.

Neither the government nor Air India has received any notices, said the people close to the case and there are such notices received, the government or the concerned organisation shall take all necessary steps to

defend against any such enforcement action," one of the officials said.

The government is in the process of protecting the airline as part of its asset sale programme. "I do not see any impact on the divestment process," an official said.

Air India didn't respond to queries. Sir Dilip Singh, Group and Special Counselor Ajoy Singh, are also qualified for the next stage of the divestment and will submit financial bids for Air India asset when the government asks them.

"Cairn is taking the necessary legal steps to protect shareholders' interests in the absence of a resolution to the arbitration award," a Cairn lawyer wrote in a response to ET's query on the Air India lawsuit.

AI First Target for Enforcement

From Page 1

"Cairn remains open to continuing constructive dialogue with the Government of India to arrive at a satisfactory outcome to this long-running issue." The company is seeking "a ruling that Air India is the alter ego of India and that it should be held jointly and severally responsible for India's debts, including from any judgment resulting from recognition of the award."

To back its argument, Cairn has cited many reasons ranging from Air India's nationalisation to the government's control over its day-to-day business, appointment of executives, financial bailouts and a court ruling recognising the airline as the state.

The company had filed a suit in February in the District of Columbia for confirmation of the award, the first key step before a petition to seize assets can be filed. It has filed similar confirmation petitions in many other countries.

Confirmation of the petition and a money judgment in the DC court may take several months, as per the petition in the New York court.

"As soon as a judgment against India is issued in the District of Columbia, plaintiffs (Cairn) expect to register the judgment in this district and pursue enforcement efforts against India's property located in New York," the petition said.

Air India has become the first target for enforcement of the award

because its easier to acquire assets such as airplanes, said people with knowledge of the matter. There are several precedents for the seizure of planes in case of disputes although bank assets or other properties are equally at risk, they said.

The government has been taking steps to prevent Cairn from seizing assets overseas. Banks have been asked to appoint nodal officers for quick correspondence with the government in the matter.

FOR FULL REPORT, GO TO www.economictimes.com

Cairn moves U.S.court to attach AI assets	The Hindu	1	Bureau	Neutral
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Cairn moves U.S. court to attach AI assets

SPECIAL CORRESPONDENT
NEW DELHI

Cairn Energy confirmed on Saturday that it had taken fresh legal steps to enforce the \$1.2 billion international arbitration award it won against India in a tax dispute involving retrospective taxation, by seeking to make the country's national carrier Air India liable for paying the damages in a U.S. court.

"This decision was taken by the Board of Cairn Energy last week to protect shareholders' interests - it is a preliminary step," a Cairn official told *The Hindu*.

"Cairn is taking the necessary legal steps to protect shareholders' interests in the absence of a resolution to the arbitral award."

CONTINUED ON PAGE 8

Cairn moves U.S. court to attach AI assets

"Cairn remains open to continuing constructive dialogue with the Government of India to arrive at a satisfactory outcome to this long-running issue," he added, suggesting the company is still open to talks with the government to resolve the dispute.

Earlier, Reuters reported that Cairn had filed a lawsuit on Friday in the U.S. District Court for the Southern District of New York, seeking to make Air India liable for the judgment it was awarded. The lawsuit argued that the carrier, as a state-owned company, is "legally indistinct from the state itself".

"The nominal distinction between India and Air India is illusory and serves only to aid India in improperly shielding its assets from creditors like (Cairn)," the filing said.

The action against Air India could put a roadblock on its divestment process as the government was hoping to conclude the debt-ridden carrier's sale by September this year. Timelines may also get affected in the proposed transaction by the second wave of the COVID-19 pandemic.

"The government or public sector entities have not received any such notice," said a source when asked about the Cairn filing against Air India. "As and when any such notice is received, the Government or concerned organisation shall take all necessary steps to defend against any such illegal enforcement action," he said.

The Centre has challenged the December 2020 arbitration tribunal award in favour of Cairn in an appropriate court in The Hague.

Cairn Energy sues Air India in US court	Hindu Business Line	1	Bureau	Neutral
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TO ENFORCE \$1.2-B ARBITRATION AWARD

Cairn Energy sues Air India in US court

Govt says no notice yet; will defend strongly such a move

OUR BUREAU
New Delhi, May 15

Scotland-based Cairn Energy has filed a lawsuit in a US Court against Air India to enforce a \$1.2-billion tax arbitration award that it won against India. Government sources, however, said that neither the Centre nor the airline has received any notice. But once received, the government will fight it strongly.

"Cairn is taking the necessary legal steps to protect shareholders' interests in the absence of a resolution to the arbitral award," a company spokesperson said. Further, he said that the company remains open to continuing a constructive dialogue with the government to arrive at a satisfactory outcome to this long-running issue.

Pressure tactic
Cairn's move is being seen as a tactic to pressure the government after Hague-based International Arbitration Tribunal, in December, ruled in the company's favour. As talks between company and the Government did not produce any results, the former began identifying overseas Indian assets in case the government failed to honour the arbitration award. The lawsuit against Air India is a legal move in this direction.

Government sources said that though there are some reports that Cairn had initiated some action against a PSU to enforce the award, the "government/PSU has not received any such notice. As and when any such notice is received, government/organisation shall take all necessary steps to defend against any such illegal enforcement action," a source said.

Another source reminded that the government has challenged the award in the case of Cairn at the appropriate court in the Hague and the government is confident that the award will be set aside. "The Government has also engaged a counsel team that is ready to defend any enforcement action if and when initiated by Cairn anywhere in the world," he said.

According to reports, Cairn filed the lawsuit on Friday in the US District Court for the Southern District of New York, seeking to make Air India liable for the judgment awarded to Cairn.

The lawsuit alleges that the airline, as a state-owned company, is legally indistinct from the state itself.

"The nominal distinction between India and Air India is illusory and serves only to aid India in improperly shielding its assets from creditors like Cairn," the filing said.

Earlier this year, Cairn had moved courts in the US, the UK, the Netherlands, Canada, France, Singapore, Japan, the UAE and Cayman Islands to get the December 22 international arbitration tribunal award registered and recognised. This is the first step before it can seek seizure of any Indian government asset such as bank accounts, payments to state-owned entities, aircraft and ships in those jurisdictions in case India does not return the value of the shares seized and sold, dividend confiscated, and tax refund stopped to adjust a ₹10,247-crore tax demand raised using a retrospective legislation.



The company remains open to continuing constructive dialogue with the Indian Government, said a spokesperson

Cairn Energy Sues Air India for Award Won Against Govt	Hindustan Times	1	Bureau	Neutral
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**CAIRN ENERGY
SUES AIR INDIA
FOR AWARD WON
AGAINST GOVT**

MUMBAI/NEW YORK: Cairn Energy has sued India's flagship carrier Air India to enforce a \$1.2 billion arbitration award that it won in a tax dispute against India, according to a U.S. District Court filing.

The move ratchets up pressure on the Indian government to pay the sum of \$1.2 billion plus interest and costs that the British firm Cairn was awarded by an arbitration tribunal in December. The body ruled India breached an investment treaty with Britain and said New Delhi was liable to pay.

A senior government official, speaking on condition of anonymity, said that no such notice has been received. "Government/concerned organization shall take all necessary steps to defend against any such illegal enforcement action."

Cairn sues Air India over \$1.2 bn arbitration award

NT Correspondent & Reuters
www.hindustantimes.com

MUMBAI/NEW YORK: Cairn Energy has sued India's flagship carrier Air India to enforce a \$1.2 billion arbitration award that it won in a tax dispute against India, according to a U.S. District Court filing reviewed by Reuters.

The move ratchets up pressure on Indian government to pay the sum of \$1.2 billion plus interest and costs that the British firm Cairn was awarded by an arbitration tribunal in December. The body ruled India breached an investment treaty with Britain and said New Delhi was liable to pay.

Cairn filed the lawsuit on Friday in the US District Court for the Southern District of New York, seeking to make Air India liable for the judgment that was awarded to Cairn. The lawsuit alleged that the carrier as a state-owned company, is "legally indistinct from the state itself."

"The nominal distinction between India and Air India is illusory and serves only to shield assets from creditors like Cairn," the filing said.

Air India did not immediately respond to comment requests.

However, a senior government official aware of the development, on the condition of anonymity, said, "There are some news reports in the media that Cairn has initiated some action against a PSI to enforce the award. Government PSI have not received any such notice. As and when any such notice is received, Government/concerned organization shall take all necessary steps to defend against any such illegal enforcement action. It may be mentioned that Government has challenged the award in the court of Cairn in the appropriate court in the Hague and the Government is confident that the award will be set aside. The Government has also engaged a counsel team which is ready to defend against any enforcement action if and when initiated by Cairn anywhere in the world."

Cairn's move could potentially jeopardise India's attempts to divest the state-owned carrier this year. New Delhi said in December that it had received multiple expressions of interest after it moved to privatise the loss-making entity.

The senior government official noted New Delhi has filed an appeal against the arbitration award, and added "the government is confident that the award will be set aside".

Cairn had since January, however, begun taking steps to identify Indian assets overseas against which it could enforce the award including bank accounts, aircraft and even ships. It had also started registering its claim against India in courts in the US, Britain, Netherlands and Canada.

Reuters last week reported that India had asked state-run banks to withdraw funds from Cairn foreign currency accounts abroad, fearing Cairn might sue to seize the funds.

Cairn had said previously it was pursuing a settlement with India, but in the interim it has also been laying the grounds to seize Indian assets should talks fail.

Commenting on the suit, a company spokesman on Saturday said that Cairn was taking the necessary legal steps to protect shareholder interests in the absence of a resolution.

He said that "Cairn remains open to continuing constructive dialogue with the Government of India to reach a settlement."

An Indian official told Reuters last week, talks between New Delhi and the company were making "slow progress" and noted that India's directive to state-run banks to withdraw foreign currency funds sitting overseas showed the government is worried that Cairn may move quickly to seize assets.

It is unclear whether the suit against Air India could serve as a means for Cairn to seize Air India aircraft that land on United States soil.

Cairn sues AI in US to recover \$1,2bn arbitration award	Times of India	1	Bureau	Neutral
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Cairn sues AI in US to recover \$1.2bn arbitration award

Scottish firm Cairn Energy has sued loss-making Air India in a US court to force recovery of a \$1.2 billion international arbitration award it won in December against the Indian government's retrospective tax claim. Cairn filed the lawsuit in the US district court in NY, asking AI be declared as the "alter ego of Indian government" by virtue of control and "legally indistinct from the state-itself" as a state-owned company, agency reports said. **P8**

Cairn sues AI in US over \$1.2bn retro tax award against India

TIMES NEWS NETWORK

New Delhi: Scottish explorer Cairn Energy Plc has sued loss-making Air India in a US court to force recovery of a \$1.2 billion international arbitration award it won in December against the Indian government's retrospective tax claim, a move that could bog down privatisation of the state-run national carrier.

Cairn filed the lawsuit in the US district court for the Southern District of New York, asking Air India to be declared as the "alter ego of Indian government" by virtue of control and "legally indistinct from the state-itself" as a state-owned company, agency reports said. The petition also argued for Air India to be "held jointly responsible for India's debts, including from any judgment resulting from recognition of the (arbitration) award."

"Cairn is taking the necessary legal steps to protect shareholders' interests in the absence of a resolution to the arbitral award. Cairn remains open to continuing constructive dialogue with the Government of India," a Cairn spokesman told TOI.