

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

UNSTARRED QUESTION NO:1890

ANSWERED ON:30.11.2000

OIL BONDS

MADHAVRAO SCINDIA;RENUKA CHOWDHURY;SUSHIL KUMAR SAMBHAJIRAO SHINDE

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

- (a) whether as a step towards overcoming the pressure of burgeoning oil-bill in the wake of rising international oil prices, the Government have decided to float `Petro-bonds` and cut down the duties imposed on crude oil including the sales tax;
- (b) if so, the total amount of bond floated and the terms and conditions appended to these bonds; and
- (c) the details of these bonds held by different Banks and the terms, indicating the concessions given to the Banks for the purpose?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a): No petro bonds have been floated after March, 1998. However, effective 30-9-2000, duties of customs on crude oil and petroleum products were reduced from 15% to 10% and 25% to 20%, respectively . Union Minister of Petroleum and Natural Gas has appealed to all the Chief Ministers to suitably adjust the sales tax rates so as to neutralize the impact of ad valorem sales tax on the revised prices of controlled petroleum products effective 30-9-2000.

(b) & (c): Do not arise in view of (a) above.