

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

STARRED QUESTION NO:168
ANSWERED ON:14.03.2002
DUES TO OIL COMPANIES
ANANDRAO ADSUL;RAMSHETH THAKUR

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

- (a) whether the Union Government have decided to securitise 80 percent of the outstanding dues worth Rs.12,000 crore to oil companies through a seven year bond issue
- (b) if so, the details thereof;
- (c) whether the said proposal got the approval of the Finance Ministry;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor and the reaction of his Ministry thereon?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI RAM NAIK)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO.168 T ANSWERED ON 14TH MARCH 2002 REGARDING `DUES TO OIL COMPANIES`

(a) & (b): As a result of the dismantling of the Administered Pricing Mechanism with effect from 1st April 2002, the cumulative outstandings of the oil companies against the oil pool account will be liquidated as follows:

(i) The Government will issue bonds, with a seven year tenure, to the extent of 80% of amount equivalent to the provisional amount of the pool deficit based on the settled claims upto 31st March 2002.

(ii) The Comptroller & Auditor General of India will be requested to do a special audit of the oil pool account once all the due claims, except those which may subsequently arise on crystallization of contingent liabilities later, from the pool account are finalized.

(iii) The balance amount due to the oil companies will be liquidated by issuing bonds, with a seven year tenure, for the balance amount after obtaining the audited accounts.

(c): Yes, Sir.

(d): The details have been given under para (a) & (b) above.

(e) Does not arise in view of (c) above.