

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

UNSTARRED QUESTION NO:1799  
ANSWERED ON:03.08.2000  
SPENDING OF SURPLUS FUNDS BY THE OIL COMPANIES  
UMMAREDDY VENKATESWARLU

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

- (a) whether the PSUs of oil sector are spending their surplus funds on advertisements, decoration of the sales outlets and other such frivolous heads of expenditure;
- (b) if so the details of the expenditure incurred by each PSUs during the last three years; and (
- (c): the steps proposed to call to account on each PSU for such expenditure ?

**Answer**

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

(a) to (c): Public Sector Oil Marketing Companies have reported that in the changed scenario of liberalisation where they are competing with well known Multinational Companies, advertising and up-gradation of retail outlets are essential for marketing of their products and such expenses are not considered frivolous.

The expenditure incurred by the marketing oil companies on advertisements and upgradation of retail outlets during the last three years is as under:-

(Rs./Crore)

PSUs 1997-98 1998-99 1999-2000

Advertisement Expenses

IOC	25.64	26.93	32.08
BPCL	4.87	4.47	5.14
HPCL	12.69	14.35	24.86
IBP	1.41	4.10	5.88

Upgradation of Retail Outlets

IOC	76.90	103.03	146.41
BPC	79.00	190.00	200.00
HPC	10.5	15.00	55.80
IBP	-	-	-