

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

UNSTARRED QUESTION NO:2166
ANSWERED ON:22.07.2004
OIL POOL DEFICIT
Chowdhury Shri Adhir Ranjan

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

- (a) the details of existing oil pool deficit;
- (b) whether Government has shown reluctance to enter into forward marketing contracts with crude oil exporters;
- (c) if so, the reasons therefore; and
- (d) the overall effect on the efforts to liquidate the oil pool deficit, as a result thereof ?

Answer

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (d) :- With the dismantling of Administered Pricing Mechanism in the hydrocarbon sector, the Oil Pool Account has been wound up effective 1.4.2002.

The Government does not trade in oil. [The oil companies import crude oil through term contracts and spot tenders]. Government have allowed oil companies to hedge crude oil imports/refining margins.