

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

UNSTARRED QUESTION NO:782
ANSWERED ON:04.08.2011
PAYMENT TO CONTRACTORS BY IOC
Gangaram Shri Awale Jaywant

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

- (a): whether the Government is aware that the payment of contractors for construction of petrol pumps is pending with Indian Oil Corporation;
- (b) if so, the number of contractors who have been paid the outstanding amount by Indian Oil Corporation during the last two years and the current year;
- (c): the number of contractors who have not been paid the balance amount so far;
- (d): whether any time-frame has been fixed by the Government for payment of the balance amount; and
- (e): if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N. SINGH)

(a) Indian Oil Corporation Limited (IOC) has reported that payment to the contractors are made as per the terms of the contract. Further, IOC has a hierarchical system of dealing with any grievances to settle the issues.

(b) & (c): Through its various state offices, IOC completed construction of new petrol pumps through 2003 contracts in the years 2009-10, 2010-11 and 2011-12 (current year). Out of these, final bill payments are pending only for 66 contracts and 54 of these are within the contractual payment terms and payments shall be made in due course. Balance 12 is pending due to defects in the works. Payments for these shall be settled upon rectification of defects by the contractors concerned. The details of these contractors is available with Director (Marketing) of IOC.

(d) & (e): As per the general conditions of contract, IOC shall, within 30 days of the receipt of the final bill from the contractor, check correct and certify the bill. Payment as per the certified bill shall be made within 90 days from the date of certification.