

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

UNSTARRED QUESTION NO:1483
ANSWERED ON:22.03.2012
OUTSTANDING DUES FROM PRIVATE AIRLINES
Biju Shri P. K.;Nagorao Shri Dudhgaonkar Ganeshrao

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

- (a) the present status of the outstanding dues of public sector oil companies against the private airlines operating in the country, company-wise and airlines-wise;
- (b) whether oil companies had to suffer losses due to stoppage of payment by the said private airline companies;
- (c) if so, the details thereof; and
- (d) the steps taken by oil companies to recover the dues from the airlines within a time-frame?

Answer

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

a): The present status of the outstanding dues of Public Sector Oil Marketing Companies (OMCs) as on 29.02.2012, against the private airlines operating in the country company-wise and airlines-wise is as under:

Name of the OMC	Name of Airline	Total outstanding including interest as on 29.02.2012 (Rs. in crore)	Total over due interest (Rs. in crore)
-----------------	-----------------	--	--

Indian Oil Corporation Ltd. (IOCL)	Jet Airways	718.74	0.00
	Kingfisher Airlines	0.00	0.00
	Go Airlines	54.16	0.00
	Spice jet	92.05	0.00

Bharat Petroleum Corporation Ltd. (BPCL)	Kingfisher Airlines	0.00	0.00
	Jet Airways	179.48	33.93
	Go Airlines	1.95	1.95

Hindustan Petroleum Corporation Ltd. (HPCL)	Jet Airways	0.00	0.00
	Kingfisher Airlines	517.96	249.70
	Paramount	19.28	19.28

(b) & (c) : Yes, Madam. HPCL has suffered losses in terms of interest cost on the blockage of working capital due to shortfall in payments by Kingfisher Airlines. However, the interest of Rs.84.98 crores for delayed payments by Kingfisher Airlines upto December, 2011 has been charged on the Airlines.

(d) : In case airlines fail to pay their dues, OMCs take action for recovery of dues in line with the mutually-agreed commercial terms between them and the Airlines. The defaulting airlines are also put on 'Cash and Carry' and interest is recovered on overdue payments. OMCs encash bank guarantee and post dated cheques for recovery of their outstanding dues, wherever applicable, as per commercial terms agreed between them and airlines. In some cases, OMCs also resort to the legal route by filing suit against defaulting airlines in the Court of Law for recovery of dues.