

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:252
ANSWERED ON:14.03.2012
NON-PAYMENT OF DUES
Ramasubbu Shri S.;Sugumar Shri K.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Air India flights were grounded recently for few hours due to nonpayment of dues to State run oil companies;
- (b) if so, the details thereof;
- (c) whether oil companies have resumed oil supplies to Air India after the latter had promised to pay the outstanding amount to the oil companies;
- (d) if so, the present status thereof;
- (e) whether the Government has taken any steps to solve the crisis and to ensure normalcy of flight operations;
- (f) if so, the details thereof; and
- (g) if not, the reasons therefor alongwith the steps taken to prevent recurrence of such incidents in future?

Answer

MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH)

(a)and(b): Yes, Madam. On 2nd February, 2012, the supplies were discontinued by oil companies from 16.00 hrs to 21.00 hrs. at airports in Mumbai, Delhi, Kolkata, Chennai, Trivandrum and Cochin.

(c)and(d): Yes, Madam. The Oil companies restored supplies to Air India on the same day. Dues are now being paid immediately on completion of the credit period.

(e),(f)and(g): The Group of Ministers(GoM) had approved an extension of credit of 3 months to Air India by the Oil marketing companies in their meeting held on 28.10.2011. Ministry of Petroleum and Natural Gas had conveyed the approval of the GOM to the Oil Marketing Companies and asked them to put Air India on Cash & Carry if the dues were not paid within 3 months. The Oil Marketing Companies decided to discontinue supplies when Air India was not able to meet the deadline of daily payments that was because of a temporary mismatch between revenue collections and disbursements. After this discontinuation of the supplies, Ministry of Civil Aviation and Ministry of Petroleum & Natural Gas have evolved a mechanism, instituted to consider similar situations that would now reduce such instances that could cause disruption of operations and subsequently inconvenience to public.