

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3259
ANSWERED ON:30.08.2013
HYDROCARBON EXPLORATION AND PRODUCTION
Adhi Sankar Shri

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government proposes to give infrastructure status to Hydrocarbon exploration and production;
- (b) If so, the details thereof;
- (c) Whether the status will enable upstream oil companies to get easier access to finance and better loan term for projects and also eligible to issue tax-free bonds; and
- (d) If so, the details thereof?

Answer

Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a) & (b) Ministry of Finance has received a proposal from Ministry of Petroleum & Natural Gas for grant of Infrastructure status to 'Exploration and Production of Oil and Gas'. Certain additional details have been called for from that Ministry.

(c) & (d) Infrastructure status is granted to sub-sectors and benefits under it are available to eligible companies based on their financial standing.

Tax free bonds have been allowed to select PSUs based upon assessment of their financials, their requirements for Infrastructure investment and their ability to service their debt. Grant of infrastructure status does not automatically result in eligibility for tax free bonds.