

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

UNSTARRED QUESTION NO:3361

ANSWERED ON:10.12.2009

OUTSTANDING DUES FROM SPICEJET AIRLINES

Pakirappa Shri S.

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

- (a) the dues from Spicejet Airlines and other private airlines towards purchase of fuel for their aircrafts as on 30th September, 2009;
- (b) the rule/legal provision under which fuel was given on credit basis to private airlines;
- (c) whether above facilities of credit are given to other consumers including retail outlet operators; and
- (d) if so, the steps taken by the Government for cent per cent recovery of the dues of the various private companies?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a): As on 30th September 2009, private airlines i.e. Spicejet, Go Air, Kingfisher Airlines, Jet Airways, Indigo and Paramount Airways owed Rs. 1987.12 crore to Public Sector Oil Marketing Companies (OMCs) namely Indian Oil Corporation Limited, Hindustan Petroleum Corporation Limited and Bharat Petroleum Corporation Limited.

(b) to (d): OMCs give credit facility to Private Airlines within the rules laid down by Board of Directors of OMCs and the commercial agreements between the OMCs and the Airlines.

OMCs extend credit facility to their consumers/dealers in accordance with the credit policy in-vogue.

In case Airlines fails to pay their dues, OMCs take action for recovery of dues in line with the mutually agreed commercial terms between them and airlines. The defaulting airlines are also put on 'Cash and Carry' and interest is recovered on overdue payments.

The issue of outstanding dues was taken up with Ministry of Civil Aviation which advised the Airlines to clear their outstanding dues promptly.