

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

UNSTARRED QUESTION NO:3462  
ANSWERED ON:04.08.2014  
CREDIT FACILITY TO AIRLINES FOR FUELS  
Kodikunnil Shri Suresh

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

- (a) whether the Government has provided credit facility to airlines companies for purchasing fuels;
- (b) if so, the details of credit facility provided by the OMCs to airlines companies along with the interest charged from them for its dues on fuels during the last three years and the current year, OMC-wise; and
- (c) the likely impact of it on the financial performance of OMCs during the said period?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

- (a) Yes, Madam. Public Sector Oil Marketing Companies (OMCs) namely, Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) have provided credit facility to airline companies as per contractual terms.
- (b) OMC-wise details of credit facility provided to airline companies by the OMCs along with the interest charged from them for its dues on fuels during the last three years and current year (April June) are annexed as Annexure.
- (c) OMCs have reported that normally there will be no financial impact as the credit extended bears interest if the interest payment is being received regularly. In case of Air India there would be an impact on the financial performance due to irregular payment of interest.