

LOK SABHA
UNSTARRED QUESTION NO. 1343
TO BE ANSWERED ON 11TH FEBRUARY, 2019

Foreign Loan to OMCs

†1343. **SHRIMATI RANJANBEN BHATT:**

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

- (a) whether the Government proposes to give permission to the Oil companies to take/seek more foreign loans to check decline in rupee and if so, the details thereof;
- (b) whether the Government has taken any steps in this regard so far;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor?

ANSWER

पेट्रोलियम एवं प्राकृतिक गैस मंत्री (श्री धर्मन्द्र प्रधान)

**MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)**

- (a) to (d) Oil Marketing Companies (OMCs) have informed that in order to enhance the average hard currency float available on relatively favourable terms, comprising payable for crude purchases, the Reserve Bank of India vide circular dated 3rd October, 2018 has permitted OMCs to raise External Commercial Borrowing (ECB) for working capital purposes with minimum average maturity period of 3/5 years from all recognized lenders under the automatic route with an overall ceiling of US\$ 10 billion equivalent. Further, the individual limit of US\$ 750 million and mandatory hedging requirement have also been waived, subject to OMCs having Board approved forex mark-to-market procedure and prudent risk management policy.
