

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

STARRED QUESTION NO:74

ANSWERED ON:28.07.2005

SHORTAGE OF KEROSENE

Adsul Shri Anandrao Vithoba;Verma Shri Ravi Prakash

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

(a) whether there is any shortage of kerosene in the country;

(b) if so, whether the Ministry of Petroleum and Natural Gas had issued an order under the Essential Commodities Act asking the refineries including private sector units to raise their kerosene output;

(c) if so, the details thereof;

(d) the response of the refineries thereto;

(e) whether studies conducted by the Ministry of Petroleum and Natural Gas revealed that there is no shortage of the poor man's fuel but there is considerable leakage in the distribution system; and

(f) if so, the corrective measures taken by the Government in this regard ?

**Answer**

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO. 74 FOR 28TH JULY 2005 REGARDING SHORTAGE OF KEROSENE BY SARVA SHRIANANDRAO V. ADSUL AND RAVI PRAKASH VERMA

(a): No, Sir. While refinery capacity in the country is sufficient to meet the domestic demand for PDS Kerosene, refineries have the technological flexibilities to substitute the production of Superior Kerosene Oil (distributed through the Public Distribution System) by Jet Kerosene. With a view to ensuring sufficient availabilities of PDS Kerosene, OMCs are discussing ways of ensuring adequate supplies with all refineries in the country, both in the public sector and the private sector.

(b) to (d): The Ministry of Law and Justice, Department of Legal Affairs, has confirmed that the Central Government do have powers under the Essential Commodities Act to issue orders to refineries, in both public and private sector to raise Kerosene output. While proposal to direct refineries to produce minimum amount of Kerosene has been examined, Oil Marketing Companies have been advised, in the first instance, to discuss the matter with public and private sector refineries.

(e) & (f) : Government are aware of the attempts made by unscrupulous elements to divert kerosene for adulteration and other illegal abuse and malpractice. To ensure availability and reduce diversion, Government have approved an innovative pilot project for radically revamping the PDS kerosene distribution network with the primary objective of ensuring that this heavily subsidized product is actually made available in the required quantities at subsidized prices to the intended beneficiaries; and, secondly, to thus cap, reverse and eventually eliminate the diversion of PDS kerosene for adulteration. The pilot project is to be implemented in 10% of the blocks of the country for a period of six months. Thereafter, the working of the scheme would be independently assessed and, based on the experience gained, Government will consider scaling up the scheme to cover the entire country. It is hoped that the implementation of this project will lead to a significant breakthrough in the delivery of subsidized SKO to the entitled segments of society and thus contribute to the curbing diversion for adulteration.