

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

UNSTARRED QUESTION NO:2065

ANSWERED ON:11.08.2011

KEROSENE QUOTA

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

(a) whether the Government is planning to reduce the quota of kerosene through Public Distribution System (PDS) in a bid to crack down on pilferage and adulteration;

(b) if so, the details thereof;

(c) whether it is a fact that nearly forty per cent of PDS kerosene doesn't reach targeted beneficiaries and the subsidy granted is grabbed by middlemen; and

(d) the steps taken by the Government to streamline the supply of kerosene through PDS?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N. SINGH)

(a) & (b): Allocation of Public Distribution System (PDS) Kerosene to States/ Union Territories (UTs) is being made on historical basis. However, adjustments are being made taking into consideration coverage of LPG, national average of per capital allocation of PDS kerosene for states/UTs other than states in the North East, island territories and J&K in view of the logistic constraints. Further, such quantity of the quota that remained unlifted by the States/UTs within the stipulated period is being reduced from the allocation for the following year.

(c): The National Council for Applied Economic Research (NCAER) in its report has estimated the total leakage/diversion of kerosene meant for distribution under PDS at 38.6%.

(d): PDS Kerosene supplies to Kerosene Dealers are done on Ex-MI (Marketing Installation) basis by Public Sector Oil Marketing Companies (OMCs). Further distribution of PDS kerosene to the ration card holders through ration shops/ retailers is under the control of the State Governments.