

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

UNSTARRED QUESTION NO:576  
ANSWERED ON:14.07.2014  
ALLOCATION OF PDS KEROSENE  
Kachhadia Shri Naranbhai

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

- (a) whether the Government has any norms for allocation of kerosene under Public Distribution System (PDS) to States /UTs;
- (b) if so, the details thereof;
- (c) whether the Government has noticed the diversion of PDS kerosene in various States;
- (d) if so, the details thereof during the last three years and the current year along with the action taken thereon; and
- (e) the preventive measures taken by the Government to remove the shortcomings in distribution of kerosene including its diversion?

**Answer**

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

(a) & (b) : Yes, Madam. Quota of PDS Kerosene is rationalized based on various factors, such as increase in Domestic LPG/PNG connections, non-lifting of PDS Kerosene quota by the concerned States/UTs in earlier years and cap on the per capita PDS Kerosene allocation for non-LPG and non-PNG population. The Government has, however, decided to allow the States/UTs to draw one month quota of PDS Kerosene at non-subsidized rates during each financial year w.e.f. 2012-13 for special needs.

(c) & (d) : The possibility of black marketing/ diversion of PDS Kerosene by some unscrupulous elements to derive monetary benefit cannot be ruled out due to huge price difference between PDS Kerosene and petrol/ diesel.

Public Sector OMCs have reported that based on the inspections conducted by them and reports received from respective District/State Authorities, 93 cases of irregularities like adulteration, black marketing, diversion and irregularities in distribution of PDS kerosene were detected during the last three years and current year (April-June, 2014). During this period, 6 kerosene dealers were terminated against proven cases of diversion/black marketing of kerosene.

(e) 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 within the State to the ration card holders through ration shops/retailers is controlled and monitored by the State Government. The State Civil Supplies Authorities carry out inspection at Kerosene dealers to ensure that the product is delivered through the fair price shops to the intended beneficiaries.

In order to check the black marketing/ diversion of PDS kerosene, the Central Government have made provisions in the Kerosene (Restriction on Use and Fixation of Ceiling Price) Order, 1993, issued under the Essential Commodities Act, 1955 which stipulates that dealers have to sell PDS Kerosene at a price fixed by the Government or OMCs and have to prominently display stock-cum-price board at the place of business including the place of store at a conspicuous place. Under this Control Order, State Governments are empowered to take action against those indulging in black-marketing and other irregularities.

Field Officers of OMCs inspect the Kerosene Dealerships and check for irregularities like non-observance of Government/OMCs regulations, over charging, unauthorized purchase and stock variation. In case of any irregularities, action is taken as per the Marketing Discipline Guidelines (MDG).

OMCs have a web portal which enables public access to the movement of PDS Kerosene tank trucks. It provides details of the tank truck movement carrying PDS Kerosene from their Dispatch Units/Depots/ Installations to the various dealers along with their names, invoice number, quantity of product, time of dispatch, tank truck number, etc. on the websites on real time basis.