

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

STARRED QUESTION NO:40

ANSWERED ON:24.11.2005

SHORTAGE OF KEROSENE

Angadi Shri Suresh Chanabasappa;Baxla Shri Joachim

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

(a) whether there is an acute shortage of kerosene oil in the country;

(b) if so, the reasons therefor; and

(c) the steps taken to improve the supply of kerosene in the country?

Answer

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE LOK SABHA STARRED QUESTION NO 40 TO BE ANSWERED ON 24TH NOVEMBER 2005 REGARDING SHORTAGE OF KEROSENE ASKED BY SHRI SURESH ANGADI AND SHRI JOACHIM BAXLA.

(a) to (c) : PDS kerosene has been allocated to States/UTs on a historical basis. In accordance with the policy adopted by the Government of India in 2000, Kerosene (SKO) allocation for distribution under the Public Distribution System (PDS) was reduced every year beginning 2001-02 till 2003-04, taking into account the number of LPG connections released in each State/Union Territory. While the initial allotment for 2004-05 was based on the criteria adopted hitherto, additional allocations were made during the year to meet urgent emergent demand. For the year 2005-06, allocations have been maintained at the level of 2004-05, including additional allocations made during that year.

With a view to assessing the genuine demand requirement of kerosene in different States/UTs, in December 2004 the Government commissioned the first-ever comprehensive study of the subject through the National Council for Applied Economic Research (NCAER). NCAER have submitted their report in October 2005. It is being examined with a view to rationalizing the allocation of PDS kerosene amongst States/UTs.

Moreover, on Gandhi Jayanti, 2 October 2005, Government launched the Jan Kerosene Pariyojana as a pilot project in 420 blocks with a view to strengthening and streamlining the infrastructure for kerosene distribution and involving the Gram Sabhas and Gram Panchayats and State Panchayati Raj Institution in the supervision of PDS kerosene distribution, so as to ensure that entitled beneficiaries actually receive their entitlement and diversion to adulteration and black-marketing is capped, reversed and eventually eliminated. The pilot project is being concurrently evaluated by NCAER and, on the basis of the experience gained, Government will determine the possibility and desirability of extending the Pariyojana to cover all blocks in the country.

Simultaneously, on the basis of the information generated by the NCAER study, the total requirement and allocation among States of PDS kerosene is being reviewed.