PREFACE

Petroleum Products are the basic natural resources, without which existence of mankind is almost impossible. They play a vital role in human welfare as all important economic activities of the present development are dependent on the use of petroleum products. In other words, petroleum products are an important parameter of the overall economic developmental activities of any country.

India is dependent on about 70% of its total consumption on imports of petroleum products. The era of availability of petroleum products at lower prices was extinguished with the establishment of OPEC. The crude oil importing developing countries were seriously hit due to the hikes in the oil prices, due to the fact that pricing policies of petroleum products are decided by OPEC i.e. exporting countries. The most significant impact of the hikes in oil prices is in the form of adverse Balance of Payments situation of oil importing developing countries.

The progress of petroleum industry depends on proper marketing and distribution of petroleum products. Governments as well as private oil companies involved in this
process are under the supervision and guidance of Ministry of Petroleum and Natural Gas, Government of India.

The preamble of this work is to study the problems in marketing and distribution of petroleum products in India in general and in Marathwada region in particular through the field survey of dealers and users of petroleum products. Petroleum products here include petrol, diesel, oil, LPG, and kerosene. Field survey conducted in the selected districts of Marathwada i.e. Aurangabad, Parbhani and Osmanabad through random sampling lottery method. In this survey, researcher tried to know the problems\ opinions\ suggestions of dealers and users of petroleum products through questionnaire. During the survey a series of problems were found such as long waiting period for new LPG connection, non availability of refilled cylinders, inadequate supply of LPG cylinders in rural area, unsatisfactory commission to dealers, shortages and adulteration of petrol, diesel, black marketing of kerosene, etc. The study lays the sufficient light on various aspects of the petroleum products, such as production, consumption, import, export, distribution, pricing, commission, transportation, the conservation etc. collateral to
marketing of petroleum products.

It is indeed important to plan for an integrated system of smooth marketing and distribution of petroleum products on the one hand and on the other to suggest the measures to overcome these problems. As such this study would prove to be useful in planning and execution by the Government of India and petroleum companies in respect of petroleum products production, marketing, distribution, pricing, and conservation in India. Similarly, this study would be helpful to solve the problems of users as well as dealers and producer companies of petroleum products.

This study recommended that Government of India tries to be self-reliant in terms of petroleum products: domestic exploration, and refining need to be stepped up to reduce the imports of crude oil. Alternative sources of energy, such as wind power and solar energy need to be promoted wherever possible. No vehicle day should be observed weekly. LPG dealers should appoint their nominee in their rural jurisdiction, who will collect the requirement of LPG cylinder and inform to LPG agency to provide the refill LPG cylinders. To control the black marketing, Government should form a
local committee; to verify the stock of kerosene dealer of that area at any time. If any dealer found defaulter committee should recommend to Government to cancel his dealership.

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