GOVERNMENT OF INDIA MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA STARRED QUESTION NO. 197 ANSWERED ON 20.03.2023

Increase in LPG prices

197 Shri Javed Ali Khan:

Will the Minister of Petroleum and Natural Gas be pleased to state:

(a) whether oil marketing companies have increased the price of commercial and domestic LPG by \Box 350.50 and \Box 50 per cylinder, respectively, from 1st March, 2023;

(b) if so, the details thereof and the reasons therefor;

(c) whether there is any increase in price of LPG in international market during February,2023; and

(d) if so, the details thereof along with the price of LPG in other neighbouring countries in terms of Indian Rupee as on 1st March, 2023?

ANSWER

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI HARDEEP SINGH PURI)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) in respect of Rajya Sabha Starred Question No.197 for reply on 20.03.2023 regarding Increase in LPG prices asked by Shri Javed Ali Khan.

(a) to (d): India imports more than 60% of its domestic LPG consumption. Government continues to modulate the effective price of domestic LPG. While the Saudi Contract Prices (CP), on which domestic LPG prices are based, rose by 235 % from 236 \$/MT in April 2020 to 790 \$/MT in February 2023, retail selling price of domestic LPG has increased only by 89.7 % from Rs 581.5 in May 2020 to Rs 1103 in March 2023 and effective cost for PMUY rose only by 55.2 % during the same period.

While for domestic LPG, Government continues to modulate the effective price to consumers, prices of commercial LPG are set by LPG marketing companies independently. Public Sector Oil Marketing Companies have suffered huge losses on sale of domestic LPG. To compensate these losses, the Government has recently paid a one-time compensation of Rs. 22000 crore to OMCs. W.e.f. 21.05.2022, Government has started a targeted subsidy of Rs. 200 per 14.2 Kg cylinder for Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries for upto 12 refills for year 2022-23. The Retail Selling Price (RSP) of domestic LPG at Delhi on 21.05.2022 was Rs. 1003 per cylinder. As on 01.03.2023, RSP of domestic LPG at Delhi is Rs. 1103 per cylinder and effective price for PMUY consumers is Rs. 903 per cylinder.

The recent two Retail Selling Prices of domestic LPG and commercial LPG at Delhi are given below:

Effective Date	Domestic LPG (Rs./14.2 Kg Cylinder)
06-Jul-22	1053.00
01-Mar-23	1103.00

Effective Date	Commercial LPG (Rs./19 Kg Cylinder)
01-Feb-22	1769.00
01-Mar-23	2119.50
01-Mar-23	2119.50

Source: Petroleum Planning and Analysis Cell

The details of Retail Selling Prices of domestic LPG in neighbouring countries as on 1st March 2023 are given below:

(IND)

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Country	Domestic LPG (Rs./14.2 kg cylinder)
Pakistan	1259.64
Sri Lanka	1235.55
Nepal (Kathmandu)	1137.33

Source: As compiled by Petroleum Planning and Analysis Cell

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