

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA
STARRED QUESTION NO. 39
ANSWERED ON 06.02.2023

Increase in prices of LPG cylinders

***39 # Shri Ram Nath Thakur:**

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

- (a) the State-wise details of increase in the prices of LPG cylinders in the country during the last three years;
- (b) the quantum of money received by Government on account of abolishing subsidy on cooking gas during the last three years;
- (c) whether any study has been conducted to ascertain the fact that due to abolition of cooking gas subsidy, the poor are getting their gas cylinders refilled less frequently and they are forced to go back to the old method of cooking; and
- (d) if so, the details thereof?

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.39 for reply on 06.02.2023 regarding Increase in prices of LPG cylinders asked by Shri Ram Nath Thakur.

(a) to (d): The prices of petroleum products, including LPG in the country are linked to the price of respective products in the international market. However, the Government continues to modulate the effective price to consumer for domestic LPG. Public Sector Oil Marketing Companies have suffered huge losses on sale of domestic LPG. To compensate these losses, the Government has recently approved a one-time compensation of Rs. 22000 crore to OMCs.

The average RSP for 14.2 kg domestic LPG cylinder in Delhi during 2019-20, 2020-21 and 2021-22 were Rs 688, Rs 650 and Rs 867 respectively. In case of other States, the differences in the RSPs for LPG are mainly on account of distance of the linked ports and bottling plants and consequent transportation costs of LPG. The average Saudi CP prices on which the domestic LPG prices are based, had increased from US\$ 454/MT to US\$ 693/MT during these financial years. During 2022-23 the average Saudi CP has further risen to US\$ 710/MT.

Pradhan Mantri Ujjawala Yojana (PMUY) was launched in 2016 to provide deposit free LPG connections to women members of poor households under which 8 crore connections were given deposit free. Under Ujjwala 2.0, all PMUY beneficiaries are provided free first refill and stove as well, in addition to deposit free LPG connections. As on 01.02.23, 1.6 crore connections have been given under Ujjwala 2.0.

During Covid-19 pandemic, as a pro-poor initiative, Government announced a scheme for providing upto 3 (three) free of cost LPG refills to Ujjwala beneficiaries w.e.f. 01.04.2020 under the Pradhan Mantri Garib Kalyan Package (PMGKP). OMCs transferred Rs. 9670.41 crore to bank accounts of PMUY beneficiaries for buying LPG refills and PMUY beneficiaries availed 14.17 crore refills under the Scheme.

To further encourage the LPG usage by PMUY beneficiaries, from May 2022, Government has started additional targeted subsidy of Rs. 200/- per 14.2 Kg refill to PMUY consumers upto 12 refills in a year for FY 2022-23.

It has been observed that the number of refills taken by PMUY beneficiaries have increased from 15.99 crore in 2018-19 to 31.26 crore in 2021-22 and the average consumption per beneficiary has gone up from 3.00 refills (14.2 Kg) to 3.68 refills (14.2 Kg) during the same period.