

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2211**  
ANSWERED ON 20/03/2023

**Prices of domestic LPG cylinders**

2211 Dr. Kanimozhi NVN Somu:  
Shri R. Girirajan:

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

- (a) whether Government has taken any proactive steps to reduce the prices of domestic LPG cylinders which has touched Rs. 1,058 per 12.5 kg cylinder;
- (b) if so, the details thereof and action of Government in this regard; and
- (c) whether it is a fact that the LPG cylinder prices will rise further in the coming months due to the status of OPEC under prevailing Russia-Ukraine war crisis and if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS  
(SHRI RAMESWAR TELI)

(a) to (c): Public Sector Oil Marketing Companies (OMCs) sell packed domestic LPG in 14.2 Kg and 5 Kg cylinders. India imports more than 60% of its domestic LPG consumption. The average Saudi Contract Prices (CP) on which the domestic LPG prices are based, increased from US\$ 454/MT to US\$ 693/MT during 2019-20 to 2021-22. During 2022-23 the Saudi CP has further risen to US\$ 790/MT for February 2023. However, the Government continues to modulate the effective price of domestic LPG. 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. Government has also 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 of 14.2 Kg domestic LPG cylinder at Delhi as on 01.03.2023 is Rs. 1103.

The price of petroleum products in international markets is based on the demand supply scenario, geopolitical issues and various other market conditions. It is difficult to make accurate predictions about these prices, specially amid ongoing volatility.

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