

GOVERNMENT OF INDIA

MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA

UNSTARRED QUESTION NO. 3649

ANSWERED ON 03/04/2023

MEASURES TO ENSURE REDUCTION IN LPG PRICE

3649 SMT. JEBI MATHER HISHAM:

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

- (a) whether Government will take steps to reduce the price of LPG in the wake of decline of crude price;
- (b) whether Government intends to provide LPG cylinders to BPL families at subsidised rate; and
- (c) whether Government will take steps to restore the subsidy in the form of cash transfers to bank accounts, including the arrears?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI RAMESWAR TELI)

(a) to (c): India imports more than 60% of its domestic LPG consumption. While the Saudi Contract Prices (CP), on which domestic LPG prices are based, rose by 31.88% from 599 \$/MT in January 2023 to 790 \$/MT in February 2023, retail selling price of domestic LPG at Delhi has increased only by 4.7 % from Rs.1053 in February 2023 to Rs.1103 in March 2023.

Government continues to modulate the effective price to consumer for Domestic LPG. Under the Direct Benefit Transfer for LPG (DBTL) scheme, subsidy as admissible, is deposited in the account of eligible beneficiaries. In addition, w.e.f. 21st May, 2022, Government has announced a targeted subsidy of Rs. 200 per 14.2 Kg cylinder for Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries for upto 12 refills a year for years 2022-23 and 2023-24. Public Sector Oil Marketing Companies have suffered huge losses on sale of domestic LPG. To compensate these losses, Government has recently paid a one-time compensation of Rs. 22000 crore to OMCs.