

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 135**  
ANSWERED ON 22/07/2024

**INCREASING PETROL PRICES**

135 SHRI RAGHAV CHADHA:

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

- (a) whether prices of various petroleum products have increased during the last five years and the current year and if so, the details thereof, product-wise;
- (b) whether it is a fact that prices of LPG are beyond the reach of common man in cities as well as in rural areas of the country, if so, the facts and the reaction of Government thereto;
- (c) whether consumers of Ujjwala Yojana are facing difficulties to continue with the Scheme; and
- (d) the number of Ujjwala Yojana beneficiaries and the number out of them who are regularly refilling their LPG in various States, State/UT-wise including Punjab?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS  
(SHRI SURESH GOPI)

- (a) Prices of petrol and diesel are market determined and Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel.

India imports more than 85% of its crude oil requirements. Crude oil prices (Indian basket) increased from \$59.35/bbl (August 2019) to \$112.87/bbl (March 2022) and further to \$116.01 (June 2022) and have continued to remain highly volatile.

India has been the only major economy in the world where the prices of petrol and diesel have come down in recent years. Changes in prices of petrol and diesel in some major economies between November 2021 and April 2024 are as under:

|                | %age Change in Prices between Nov-21 and April-24 |               |
|----------------|---|---------------|
| <b>Country</b> | <b>Petrol</b>                                     | <b>Diesel</b> |
| India (Delhi)  | -13.65  | -10.97        |
| France         | 22.19   | 20.17         |
| Germany        | 15.28   | 16.47         |
| Italy          | 14.82   | 17.38         |
| Spain          | 16.58   | 18.14         |
| UK             | 5.79  | 9.56          |
| Canada         | 22.07   | 22.24         |
| USA            | 19.08   | 20.25         |

Source: Petroleum Planning and Analysis Cell

Changes in prices of petrol and diesel in some neighbouring economies between November 2021 and April 2024

| Country       | %age Change in Prices between Nov-21 and April-24 |        |
|---------------|---|--------|
|               | Petrol  | Diesel |
| India (Delhi) | -13.65  | -10.97 |
| Pakistan      | 44.98   | 43.65  |
| Bangladesh    | 22.01   | 40.24  |
| Sri Lanka     | 75.54   | 142.91 |
| Nepal         | 31.08   | 35.70  |

Source: Petroleum Planning and Analysis Cell

Government of India also took several other steps to insulate common citizens from high international prices, which included diversifying the crude import basket, windfall taxes on export of petroleum products, invoking the provisions of Universal Service Obligation to ensure availability of petrol & diesel in domestic market, increasing the blending of ethanol in petrol, etc.

Central Government reduced Central Excise duty by a total of Rs. 13/litre and Rs. 16/litre on petrol and diesel respectively in two tranches in November 2021 and May 2022, which was fully passed on to consumers. Some State Governments also reduced state VAT rates to provide relief to citizens. In March, 2024, OMCs also reduced the retail prices of petrol and diesel by Rs. 2 per litre each and current RSP of petrol and diesel at Delhi is Rs. 94.72 and Rs. 87.62 per litre respectively.

(b) to (d) There has been no dearth in supply of LPG to the customers in country. India has one of the most robust LPG supply infrastructure globally. Before April 2014, nearly 45% of Indian households didn't have access to clean cooking fuels and were constrained to depend on traditional fuels like cow dung, biomass, firewood etc.

The Growth in LPG infrastructure in the country over past decade is given below:

| Sl.No. | Parameter                       | Unit         | As on<br>01.04.2014 | As on<br>01.06.2024 | % Growth |
|--------|---------------------------------|--------------|---------------------|---------------------|----------|
| 1      | Bottling plant of OMCs          | No.          | 186                 | 211                 | 13.44    |
| 2      | Bottling Capacity               | TMTPA        | 13535               | 22963               | 69.56    |
| 3      | LPG Distributors                | No.          | 13896               | 25493               | 83.46    |
| 4      | Total Domestic Active Customers | No. in crore | 14.52               | 32.65               | 124.86   |
| 5      | LPG Coverage                    | %            | 55.9                | Near saturation     | ----     |

India imports more than 60% of its domestic LPG consumption. Prices of LPG in the country are linked to its price in the international market. Government continues to modulate the effective price to consumer for domestic LPG. During the period 2020-21 to 2022-23, the average Saudi CP (international benchmark for LPG pricing) went up from \$415 per MT to \$712 per MT. However, the increase in the international prices was not fully passed on to the customers.

Government has reduced the effective price of domestic LPG by Rs. 200 per 14.2 Kg LPG cylinder with effect from 30<sup>th</sup> August, 2023. Under PAHAL Scheme, the domestic LPG cylinders are sold at non-subsidised price and the applicable subsidy to the consumers is transferred directly into their bank accounts. Apart from the direct subsidy to bank accounts to consumers, the OMCs have also been compensated Rs 22,000 crore in FY 2022-23 by Government of India to cover the under-recoveries suffered by them in not passing on the high international prices to the domestic LPG consumers.

W.e.f. 21<sup>st</sup> May, 2022, Government has been providing a budgetary support for targeted subsidy of Rs. 200 per 14.2 Kg LPG cylinder for Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries for upto 12 refills a year for years 2022-23 and 2023-24. Moreover, w.e.f. 5<sup>th</sup> October, 2023, the targeted subsidy increased to Rs. 300 per 14.2 Kg LPG cylinder for all Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries.

The current RSP of domestic LPG at Delhi is Rs. 803 per 14.2 Kg cylinder. With a targeted subsidy of Rs. 300 per cylinder (and proportionately prorated for 5 Kg cylinder), effective cost for PMUY consumers is Rs. 503 per 14.2 Kg cylinder (at Delhi) currently.

Prices of cooking gas in India, after the latest round of reduction, are one of the lowest globally, and even lower than in most LPG producing nations.

The effective price of domestic LPG cylinder in neighboring countries as on 01.05.2024 is as below:

(In Indian Rupees)

| <b>Country</b> | <b>Domestic LPG (Rs./14.2 kg. cyl.)#</b> |
|----------------|--|
| India          | 503.00*                                  |
| Pakistan       | 1017.25                                  |
| Sri Lanka      | 1320.94                                  |
| Nepal          | 1207.84                                  |

#Source: Petroleum Planning and Analysis Cell

\*Effective cost to PMUY beneficiaries in Delhi

Pradhan Mantri Ujjwala Yojana (PMUY) was started in May, 2016 with the objective of providing access to clean cooking fuel to poor households in the country according to a defined criteria. Under PMUY, deposit free LPG connections are provided to adult women from poor households. LPG consumption of PMUY beneficiaries is monitored on regular basis. Consumption of domestic LPG by households depends on several factors like food habits, household size, cooking habits, price, availability of alternate fuels etc. More than 105 crore refills have been taken by PMUY beneficiaries in the last 3 years alone. **Per capita consumption of PMUY beneficiaries (in terms of no. of 14.2 kg LPG cylinders taken per year) has increased from 3.01 (FY 2019-20) to 3.95 (FY 2023-24).** Further, the Government has taken several steps to encourage consumption of LPG, which include targeted subsidy of ₹ 300/- per 14.2 Kg refill upto 12 refills/year for PMUY beneficiaries, option of 5 Kg Double Bottle Connection (DBC), swap option from 14.2 kg to 5 Kg, upto 3 free refills to PMUY beneficiaries under Pradhan Mantri Garib Kalyan Package from April 2020 to December 2020 etc.

The details of State/UT-wise number of PMUY beneficiaries (as on 31.03.2024) along with the details of beneficiaries who have taken at least one refill during FY 2023-24 including that of Punjab are as under:-

|                                      | <b>Number of Connections released under PMUY as on 31.03.2024</b> | <b>Number of beneficiaries taken at least one refill during FY 2023-24</b> |
|--------------------------------------|---|--|
| Andaman & Nicobar Islands            | 13,827  | 12,786   |
| Andhra Pradesh                       | 9,68,332  | 8,67,521   |
| Arunachal Pradesh                    | 53,789  | 44,084   |
| Assam                                | 50,92,071   | 38,11,520  |
| Bihar                                | 1,16,19,851   | 1,02,25,760  |
| Chandigarh                           | 2,025   | 1,926  |
| Chhattisgarh                         | 37,85,197   | 25,22,454  |
| Dadra & Nagar Haveli and Daman & Diu | 17,812  | 17,363   |
| Delhi                                | 2,56,931  | 2,46,538   |
| Goa                                  | 1,956   | 1,884  |
| Gujarat                              | 43,04,694   | 39,58,700  |
| Haryana                              | 11,12,992   | 10,55,352  |
| Himachal Pradesh                     | 1,50,837  | 1,36,387   |
| Jammu & Kashmir                      | 12,69,743   | 10,82,622  |
| Jharkhand                            | 38,95,366   | 29,35,533  |
| Karnataka                            | 41,48,108   | 38,57,842  |
| Kerala                               | 3,87,761  | 3,52,031   |
| Ladakh                               | 11,089  | 8,778  |
| Lakshadweep                          | 365   | 341  |
| Madhya Pradesh                       | 88,32,154   | 72,23,788  |
| Maharashtra                          | 52,15,785   | 47,96,545  |
| Manipur                              | 2,24,999  | 1,97,074   |
| Meghalaya                            | 3,16,624  | 2,49,336   |
| Mizoram                              | 36,031  | 32,069   |
| Nagaland                             | 1,22,199  | 1,02,290   |
| Odisha                               | 55,47,343   | 46,17,453  |
| Puducherry                           | 19,322  | 18,293   |
| Punjab                               | 13,59,705   | 12,66,083  |
| Rajasthan                            | 73,77,084   | 68,17,478  |
| Sikkim                               | 19,911  | 18,041   |
| Tamil Nadu                           | 41,01,978   | 37,49,244  |
| Telangana                            | 11,85,624   | 10,52,642  |
| Tripura                              | 3,15,462  | 1,94,239   |
| Uttar Pradesh                        | 1,85,92,478   | 1,70,71,006  |
| Uttarakhand                          | 5,30,167  | 4,71,746   |
| West Bengal                          | 1,23,76,395   | 1,02,01,066  |

Source: Indian Oil Corporation Limited on industry basis