

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS

**RAJYA SABHA**  
**STARRED QUESTION NO.- 159**  
ANSWERED ON- 15/12/2025

**AFFORDABILITY OF LPG**

\*159 # SHRI CHUNNILAL GARASIYA:

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

- (a) the details of the measures taken by Government to maintain the affordability of domestic LPG cylinders, including for the beneficiaries of the Pradhan Mantri Ujjwala Yojana (PMUY);
- (b) whether it is a fact that the price of domestic LPG cylinders in the country is lower than in neighbouring countries;
- (c) the steps taken by Government to diversify its LPG sourcing strategy;
- (d) whether it is also a fact that the Government is compensating the Oil Marketing Companies (OMCs) for the losses incurred by them due to under-recovery in LPG; and
- (e) if so, the details thereof?

**ANSWER**

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

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

**STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) IN RESPECT OF THE RAJYA SABHA STARRED QUESTION NO. 159 FOR REPLY ON 15.12.2025 REGARDING ‘AFFORDABILITY OF LPG’ ASKED BY SHRI CHUNNILAL GARASIYA.**

(a): India imports about 60% of its LPG requirement and accordingly prices of LPG in the country are linked to its prices in the international market. While the average Saudi CP (international benchmark for LPG pricing) rose by 21% (from US\$ 385/MT in July 2023 to US\$ 466/MT in November 2025), the prices of domestic LPG were reduced by about 22% (from Rs. 1103 in August 2023 to Rs. 853 in November 2025).

To make LPG more affordable to PMUY consumers and ensure sustained usage of LPG by them, in May 2022 Government started a targeted subsidy of Rs.200/- per 14.2 kg cylinder (and proportionately pro-rated for 5 Kg connections) to the PMUY consumers. LPG prices were reduced by Rs. 200 in August, 2023 and Rs. 100 in March, 2024 for all domestic LPG consumers. In October 2023, Government increased the targeted subsidy to Rs.300 per 14.2 kg cylinder (and proportionately pro-rated for 5 Kg connections).

For FY 2025-26, Government is providing targeted subsidy of Rs.300/- per 14.2 kg cylinder for upto 9 refills of 14.2 Kg cylinder (and proportionately pro-rated for 5 Kg connections) to the PMUY consumers.

The retail selling price of a 14.2 Kg domestic LPG cylinder is currently Rs. 853 in Delhi. After a targeted subsidy of Rs. 300/cylinder to PMUY consumers, Government of India is providing 14.2 Kg LPG cylinders at an effective price of Rs.553 per cylinder (in Delhi). For PMUY consumers, effective price for domestic LPG has been reduced by about 39% (from Rs. 903 in August 2023 to Rs. 553 in November 2025).

As a result of various steps taken by Government to improve access and affordability of domestic LPG for PMUY consumers, per connection consumption of PMUY beneficiaries (in terms of no. of 14.2 kg LPG cylinder refills taken per year) has increased from 3.68 in FY 2021-22 to 4.47 in FY 2024-25.

In order to improve access and availability of LPG in rural and remote areas, OMCs have commissioned 8,017 distributorships, during 01.04.2016 to 31.10.2025 across the country, out of which 7,420 (i.e. 93%) are catering to rural areas. As of 01.11.2025, there are a total of 25,587 LPG distributorships across the country. These are served through 214 LPG bottling plant of Oil Marketing Companies (OMCs) located across the country. As a result of these

efforts, LPG coverage in the country has improved from 62% in April 2016 to near saturation now.

(b): The effective price of domestic LPG cylinder in neighbouring countries as on 01.11.2025 is as below:

<b>Country</b>	<b>Domestic LPG (Rs./14.2 kg.cyl.)</b>
India (Delhi)	553.00*
Pakistan (Lahore)	902.20
Sri Lanka(Colombo)	1227.58
Nepal(Kathmandu)	1205.72

Source: Petroleum Planning and Analysis Cell (PPAC)

\*Effective cost to PMUY beneficiaries in Delhi, effective cost is Rs. 853 for non-PMUY consumers in Delhi

(c): Strategically, diversification of LPG imports is being pursued to ensure supply security and mitigate risks arising from regional disruptions or geopolitical events. As part of this strategy, PSU OMCs have recently concluded contracts for the import of ~2.2 Million Metric Ton (MMT) of US-origin LPG for calendar year 2026, covering nearly 10% of the country's total LPG import requirement. This marks a significant step in strengthening India's energy resilience by establishing a reliable alternate LPG supply source outside the traditional Arab Gulf region.

(d) & (e): During the period 2020-21 to 2022-23, Saudi CP (international benchmark for LPG pricing) went up from \$415 per MT to \$712 per MT. However, the increase in international prices was not fully passed in retail prices, due to which the Oil Marketing Companies (OMCs) suffered significant losses. To compensate the OMCs for these losses, Government paid a one-time compensation of Rs. 22,000 crore to OMCs in FY 2022-23.

The international prices of LPG again went up during 2024-25 and continue to remain high. However, to insulate consumers from fluctuations in international LPG prices, the increase in cost was not passed on to consumers of domestic LPG which led to significant losses for the three OMCs. Despite these losses, the Public Sector Oil Marketing Companies have ensured continuous supplies of domestic LPG in the country at affordable prices. To compensate the OMCs for these losses, Government has recently approved a compensation of Rs. 30,000 crore to the OMCs.

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