

LOK SABHA

UNSTARRED QUESTION NO. 2630 TO BE ANSWERED ON 16 MARCH, 2023

Increasing CNG Prices

†2630. SHRIMATI GOMATI SAI:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

(a) whether the prices of LPG cylinders and CNG gas have been increased by three folds in all the States of the country, including Chhattisgarh and it has caused heavy financial burden on the public and if so, the details thereof; and

(b) whether the Government proposes to freeze the prices of LPG cylinders and CNG gas and if so, the details thereof and if not, the reasons therefor?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री (श्री रामेश्वर तेली)

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

(a) & (b): 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. 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. The details of prices of domestic LPG as on 1st March 2022 and 1st March 2023 are given below:

Price as on	Retail Selling Price (RSP) of Domestic LPG Rs./14.2 Kg Cylinder (Delhi)	Retail Selling Price (RSP) of Domestic LPG Rs./14.2 Kg Cylinder (Raipur)
01 March 2022	899.50	971.00
01 March 2023	1103.00	1174.00

Source: Petroleum Planning and Analysis Cell

Further, Government has 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.

Government of India has taken various initiatives to keep natural gas prices under check. While the gas prices at the international gas indices (JKM) have increased by up to 228% between January 2021 and February 2023, in India the CNG price rise (Delhi representative market) was restricted to about 83%. To reduce the impact of increase in international gas prices on CNG prices in India, Government has taken various steps, including increasing domestic gas allocation to about 250% of the allocation in 2013-14, diverting domestic gas from power and other non-priority sectors to meet the requirement for CNG(Transport) and PNG(Domestic) segments, declaring CNG(T)/PNG(D) segment as the first priority for allocation of domestic natural gas, etc. The comparative prices of CNG for Indraprastha Gas Limited (NCT of Delhi) are given as under:

Prices as on	CNG Prices (in Rs/KG)
01.03.2022	57.01
01.03.2023	79.56

Source: Petroleum Planning and Analysis Cell

x-x-x-x-x