LOK SABHA UNSTARRED QUESTION NO. 1647 TO BE ANSWERED ON 05 DECEMBER, 2024

Affordability of LPG Refills Under Ujjwala Yojana

1647. Dr. Bhola Singh:

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

(a) whether the Government is aware of the cases of underutilization of LPG connections distributed under the Ujjwala Yojana due to affordability issues;

(b) if so, the steps taken to subsidize refills and ensure consistent usage of clean energy for cooking; and

(c) whether the Government has any future plans to expand the scheme to cover additional beneficiaries in rural and underserved regions and if so, the details thereof?

ANSWER

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय में राज्यमंत्री (श्री स्रेश गोपी)

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

(a) to (c): Pradhan Mantri Ujjwala Yojana (PMUY) was launched in May, 2016 with an objective to provide deposit free LPG connection to adult women from poor households across the country. The target to release 8 crore connections under PMUY Phase-I was achieved in September, 2019. To cover the remaining poor households, PMUY Phase-2 (Ujjwala 2.0) was launched in August 2021 with a target to release 1 crore additional PMUY connections, which was achieved in January 2022. Subsequently, the Government decided to release 60 lakh more LPG connections under Ujjwala 2.0 and as on 01.01.2023, the target of 1.60 crore Ujjwala 2.0 connections has already been achieved. Further, government approved release of additional 75 lakh connections under PMUY Scheme for the period FY 2023-24 to 2025-26 which has already been achieved in July 2024. As on 01.11.2024, out of total 32.83 crore domestic LPG connections in the country, 10.33 crore LPG connections are provided under PMUY.

In order to improve access to LPG across the country, various steps have been taken inter alia, including organizing campaigns for improving awareness about PMUY, organizing melas/camps to enroll and distribute connections, promotion through Out of Home (OOH) hoardings, radio

jingles, Information, Education and Communication (IEC) Vans etc., spreading awareness about advantages of using LPG over other conventional fuels and safe usage of LPG through LPG Panchayats, enrolment/awareness camps under Viksit Bharat Sankalp Yatra, facilitation of consumers and their families for Aadhar enrolment and opening of bank accounts for getting PMUY connections, simplification of process of getting LPG connection, online application for PMUY connection at www.pmuy.gov.in, nearest LPG distributors, Common Service Centres (CSC) etc., option of 5 Kg Double Bottle Connection (DBC), swap option from 14.2 Kg to 5 Kg, provision for Migrant Families to avail new connection on Self-Declaration instead of Proof of Address and Ration Card. Further, OMCs are continuously commissioning new LPG Distributorships, especially in rural areas. Since the launch of PMUY scheme, OMCs have commissioned 7944 Distributorships (commissioned during 01.04.2016 to 31.10.2024) across the country, out of which 7361 (i.e. 93 %) are catering to rural areas.

Since launch of PMUY till financial year 2022-23, Government has been bearing an expenditure of up to Rs. 1600 per PMUY connection for Security Deposit (SD) of Cylinder, Pressure Regulator, Suraksha Hose, DGCC booklet and installation charges. From financial year 2023-24, this expenditure has been increased to Rs. 2,200 per connection for 14.2 Kg Single Bottle Connection/ 5 Kg Double Bottle Connection & Rs. 1,300 per connection for 5 Kg Single Bottle Connection.

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 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 LPG prices to the domestic LPG consumers.

India imports about 60% of the domestic LPG consumed. Price of LPG in the country is linked to its price in the international market. Government continues to modulate the effective price to consumer for domestic LPG. Average Saudi CP (international benchmark for LPG pricing) rose by 64% (from US\$ 385/MT in July 2023 to US\$ 632 /MT in November 2024) while on the other hand effective price for Pradhan Mantri Ujjawala Yojana (PMUY) consumers for domestic LPG reduced in India by 44% (from Rs. 903 in August 2023 to Rs. 503 in November 2024).

Government reduced the retail selling price of domestic LPG for all consumers by Rs. 200 per 14.2 Kg LPG cylinder with effect from 30th August, 2023. Government further reduced the RSP of domestic LPG by Rs. 100 per 14.2 Kg cylinder w.e.f. 9th March, 2024. The current RSP of domestic LPG at Delhi is Rs. 803 per 14.2 Kg cylinder.

To make LPG more affordable to PMUY consumers and ensure sustained usage of LPG by them, Government started a targeted subsidy of Rs.200/- per 14.2 kg cylinder for up to 12 refills per Annum (and proportionately pro-rated for 5 Kg connections) to the PMUY consumers in May 2022. In October 2023, Government has increased targeted subsidy Rs.300 per 14.2 kg cylinder for up to 12 refills per Annum (and proportionately pro-rated for 5 Kg connections).

The retail selling price of a 14.2 Kg domestic LPG cylinder is currently Rs 803 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.503 per cylinder (in Delhi). This is available to more than 10.33 crore Ujjwala beneficiaries, across the country.

Further, as a result of various steps taken by Government to improve access and affordability of domestic LPG for PMUY consumers, per capita consumption of PMUY beneficiaries (in terms of no. of 14.2 kg LPG cylinders taken per year) has increased from 3.68 (FY 2021-22) to 3.95 in FY 2023-24, and 4.34 (on annualised basis) in FY 2024-25 (upto October 2024). PMUY consumption has witnessed a growth of 24.3% during Oct 2024 vis-à-vis October 2023. Total PMUY consumption has risen from 459TMT to 570.7 TMT during this period.
