

LOK SABHA
UNSTARRED QUESTION NO. 6392
TO BE ANSWERED ON 02 APRIL, 2026

Impact of Middle East Conflict on LPG Prices

6392. SHRI K RADHAKRISHNAN:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government has taken note of the recent increase in domestic LPG cylinder prices in the country following the escalation of conflict in the Middle East and the resulting volatility in global energy markets and if so, the details thereof;
- (b) whether the Government has assessed the impact of the ongoing conflict in the Middle East on India's LPG imports and domestic LPG prices and if so, the details thereof;
- (c) the steps taken by the Government to address the emerging energy crisis and to ensure stability in LPG prices in the country; and
- (d) the measures taken by the Government to protect poor and middle-class households, including beneficiaries of the Pradhan Mantri Ujjwala Yojana from the burden of rising LPG prices?

ANSWER

**पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री सुरेश गोपी)**

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

(a) to (d): Prices of LPG in the country are linked to its prices in the international market. Government continues to modulate the effective price to consumer for domestic LPG.

Before the outbreak of conflict in the Middle East in February 2026, India imported about 60 percent of its LPG consumption, out of which about 90 percent was transiting through the Strait of Hormuz. The Government have undertaken a series of proactive measures to ensure stability in LPG supplies post the outbreak of the conflict. These include rapid increase in production of LPG by 40%, prioritization of domestic LPG consumption, diversification of import sources, dynamic stock management, and inter-regional allocation to address localized shortages.

While the average Saudi CP (international benchmark for LPG pricing) rose by 41% (from US\$ 385/MT in July 2023 to US\$ 542/MT in February 2026) along with exchange rate, the prices of domestic LPG were reduced by about 17% (from Rs. 1103 in August 2023 to Rs. 913 in March 2026). For PMUY consumers, effective price for domestic LPG has been reduced by about 32% (from Rs. 903 in August 2023 to Rs. 613 in March 2026).

The Retail Selling Price (RSP) of a 14.2 Kg domestic LPG cylinder is currently Rs. 913 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. 613 per cylinder (in Delhi) to all eligible PMUY beneficiaries.

Government has paid a compensation of Rs. 22,000 crore to OMCs in FY 2022-23 and has approved another compensation of Rs. 30,000 crore in FY 2025-26 for under-recoveries on sale of domestic LPG.

Effective price of domestic LPG cylinder in neighbouring countries as on 01.03.2026 is as below:

Country	Domestic LPG (Rs./14.2 kg.cyl.)
India	613.00#*
Pakistan	1046.34
Sri Lanka	1241.67
Nepal	1207.81

#Effective 7th March 2026

*Effective cost to PMUY beneficiaries in Delhi, effective cost is Rs. 913 for non-PMUY consumers

Source: Petroleum Planning and Analysis Cell (PPAC)

Further, to ensure adequate LPG storage and supply chain resilience, OMCs have been directed to plan for LPG stocks equivalent to at least 30 days of national consumption (in terms of stock levels and not storage capacity).
