LOK SABHA
UNSTARRED QUESTION No. 1863
TO BE ANSWERED ON 30th July, 2026

UNINTERRUPTED AND ADEQUATE AVAILABILITY OF PETROLEUM FUELS

1863. SHRI YOGENDER CHANDOLIA:
SHRI VIJAY KUMAR DUBEY:
SHRI SHANKAR LALWANI:
SHRI JASHUBHAI BHILUBHAI RATHVA:
SHRI LUMBARAM CHOUDHARY:
DR. HEMANT VISHNU SAVARA:
SMT. KAMLESH JANGDE:
SHRI VIJAY BAGHEL:
SHRI RAMESH AWASTHI:
DR. MANNA LAL RAWAT:
SHRI VISHWESHWAR HEGDE KAGERI:
SHRI MUKESHKUMAR CHANDRAKAANT DALAL:
SHRI DULU MAHATO:
SHRI KOTA SRINIVASA POOJARY:
DR. NISHIKANT DUBEY:
SHRI JANARDAN MISHRA:
SHRI BHARATSINHJI SHANKARJI DABHI:
SHRI DINESHBHAI MAKWANA:
SHRI ARUN GOVIL:
SHRI KHAGEN MURMU:
SHRI DILIP SAIKIA:
SHRI RAJKUMAR CHAHAR:
SMT. SHOBHANABEN MAHENDRASINH BARAIYA:
SHRI BIBHU PRASAD TARAI:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

(a) whether the Government has taken any steps to ensure the consistent/uninterrupted and adequate availability of domestic fuels across the country in view of the disruptions caused in the recent global supply chain, if so, the details thereof;

(b) the details of the sector-wise priority system adopted for the supply of petroleum products;

(c) the details of the major reforms/improvements made in the Liquefied Petroleum Gas (LPG) distribution system, particularly the measures taken to improve access and affordability for women beneficiaries under the Pradhan Mantri Ujjwala Yojana (PMUY);

(d) whether the Government has taken any steps to strengthen the monitoring and enforcement of the supply and distribution system of petroleum products, if so, the details thereof;

(e) whether the Government is aware of the challenges faced by fishermen cooperative societies in Maharashtra due to the high cost of diesel particularly in Palghar, if so, the details thereof along with the action taken by the Government thereon; and

(f) the number of LPG connections provided under the PMUY in Sabarkantha during the last three years?

ANSWER
पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्यमंत्री
(श्री सुरेश गोपी)
MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI SURESH GOPI)

(a), (b) and (d): In view of the evolving geopolitical situation in the Gulf region, the Government has taken several measures to ensure uninterrupted, adequate and equitable availability of petroleum products across the country.

To strengthen energy security and minimise supply risks, India has significantly diversified its crude oil sourcing portfolio from 27 countries to 41 countries and expanded LNG and LPG sourcing to 15 countries thereby reducing the dependence on any particular country, region or transit route and enhanced India's ability to manage supply disruptions and market volatility.Government, in consultation with Public Sector Oil and Gas Companies and other stakeholders, continuously assesses global supply conditions and acts appropriately to ensure uninterrupted availability of crude oil, LNG and petroleum products.

The Government, through a Special Purpose Vehicle called Indian Strategic Petroleum Reserve Limited (ISPRL), have also established Strategic Petroleum Reserves (SPR) facilities to act as buffer for short-term supply shocks. Under Phase-I, SPRs have been established at 3 locations in Andhra Pradesh and Karnataka with a total capacity of 5.33 Million Metric Tonnes (MMT) of crude oil. In July 2021, Government had also approved the establishment of two additional commercial-cum-strategic petroleum reserve facilities with total storage capacity of 6.5 MMT in Odisha and Karnataka, under Phase-II of the SPR program.

The Government has also adopted a multi-pronged strategy to reduce crude oil import dependency which, inter alia, include demand substitution by promoting usage of natural gas, promotion of alternate fuels like Compressed Natural Gas (CNG), Piped Natural Gas (PNG), ethanol, compressed biogas and biodiesel, refinery process improvements, promoting energy efficiency and conservation, efforts for increasing production of oil and natural gas through various policies initiatives, etc.For promoting the use of Compressed Bio Gas (CBG) as automotive fuel, Sustainable Alternative Towards Affordable Transportation (SATAT) initiative has also been launched.

Government also notified, the Natural Gas (Supply Regulation) Order, 2026 dated 09.03.2026 under the Essential Commodities Act, 1955 to regulate the production, allocation and distribution of natural gas, including LNG, to ensure its equitable availability across sectors. Under this framework,natural gas supplies were being prioritized for critical sectors such as domestic PNG and CNG for transport. Supply to other sectors was rationalized in a calibrated manner to manage any temporary constraints without widespread disruption. These steps were aimed at ensuring adequatenatural gas availability and preventing disruption to domestic consumers, industries and economic activity. These measures were temporary, aimed at ensuring equitable distribution and maintaining continuity of essential services during the crisis. In view of improvement in supply situation, paragraphs 2 to 6 of the said order were subsequently omitted vide notification 04.07.2026.

In so far as LPG is concerned, prior to the outbreak of conflict in the Middle East in February 2026, India used to import about 60 percent of its LPG consumption, out of which about 90 percent was transiting through the Strait of Hormuz. With the closure of Strait of Hormuz, supplies of imported LPG were severely constrained. The Government took a series of proactive measures to ensure stability in LPG supplies post the outbreak of the conflict. Supplies of LPG for cooking for households was fully protected. Further, while supplies to commercial and industrial consumers were curtailed, hospitals and educational institutions were accorded priority in allocation of commercial LPG. With improvement in situation, allocation were increased to other sectors as well and progressively all restrictions on non-domestic packed commercial LPG were relaxed. In addition other steps were taken including rapid increase in production of LPG from 34 to 54 TMT per day, diversification of import sources, dynamic stock management, inter-regional allocation to address localized shortages, etc.

With the onset of the West Asia crisis, the average Saudi CP (the international benchmark for LPG pricing) rose upto US$ 780/MT in April and May 2026. In June 2026, as the Saudi CP rose further to US$ 796/MT (excluding premium), the Market Determined Price (MDP) of a 14.2 kg domestic LPG cylinder went upto Rs. 1,695 for a 14.2 Kg cylinder.

The Retail Selling Price of domestic LPG is being maintained at Rs. 942 per 14.2 Kg cylinder, carrying an implicit subsidy (under-recovery) of more than Rs 700 per 14.2 Kg cylinder, in June 2026. Even for the month of July 2026, the implicit subsidy on each 14.2 Kg domestic LPG cylinder is more than Rs 500 per cylinder. For more than 10.5 crore PMUY consumers, the effective price is only Rs.642 per cylinder (Delhi), after a targeted subsidy of Rs. 300 per cylinder, in addition to the implicit subsidy of more than Rs 500 per cylinder.

Government have been ensuring availability of domestic LPG at affordable prices to households in the country for which Government have paid to the OMCs a compensation of Rs. 22,000 crore in FY 2022-23 and paying Rs. 30,000 crore during FY 2025-26 and FY 2026-27. Even after the payment of this compensation, accumulated under-recoveries of the PSU OMCs on domestic LPG were more than Rs 51000 crores as of 30th June 2026 itself.

Further, in order to ensure uninterrupted availability of cooking fuel, an ad-hoc allocation of 48,240 KL PDS SKO was made on 12.03.2026 to all States/UTs except NCT of Delhi and Chandigarh for cooking and lighting purposes.

Also, Government in close coordination with States/UTs ensured uninterrupted supply of petroleum products across the country. States were requested to take strict action under relevant control orders to prevent panic buying, hoarding, unauthorized stocking and possible diversion of Petroleum products.

(c) and (f) : 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. As on 01.07.2026, there were about 10.58 crore PMUY connections across the country.

A total of 9,862 PMUY connections have been released during last three FYs (FY 2023-24 to FY 2025-26) in Sabarkantha District, in Gujarat.

(e) Prices of diesel in the country are market-determined and the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of diesel.

Due to recent geopolitical developments in West Asia, a sudden and significant upward trend has been observed in international petroleum prices, resulting in increase in bulk selling prices of Diesel. OMCs have continued to ensure uninterrupted supply of Diesel to the fisheries sector.

Since March 2026, due to the West Asia crisis, international crude oil prices have risen significantly. To protect consumers from its impact, in March 2026 Government reduced the excise duty on diesel by Rs. 10 per litre, resulting in a substantial negative impact on its tax revenues.

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