Centre raises commercial LPG refill prices by ₹195.5

SAURAV ANAND
New Delhi, April 1

THE PRICES OF commercial cooking gas were hiked by ₹195.50 from Wednesday even as oil marketing companies (OMCs) stare at cumulative losses of ₹40,484 crore by May-end due to mounting under-recoveries triggered by the West Asia conflict.

The sharp increase, which takes the price of a 19-kg commercial cylinder to ₹2,078.50 in Delhi, comes on the back of a steep surge in global LPG prices, with the Saudi Contract Price -- the benchmark for India -- jumping 44% month-on-month to $780 per metric tonne in April from $542 per tonne in March.

"April 1 price increase in commercial cylinder price is due to a 44% surge in the Saudi Contract Price: from $542/MT in March to $780/MT for April, as 20-30% of global LPG supplies are stuck in Strait of Hormuz," the Petroleum Ministry said.

The disruption in the Strait of Hormuz, a key global energy transit route, has choked nearly one-third of global LPG supplies, tightening availability and pushing up prices worldwide. India, which imports 60–65% of its LPG needs and sources nearly 90% of those imports from West Asia, is among the most exposed to the crisis. The immediate impact is visible across cities. Commercial cylinder prices have risen to ₹2,208 in Kolkata, ₹2,031 in Mumbai and ₹2,246 in Chennai, marking the second

RIPPLE EFFECT

increase in a month and raising concerns over inflationary pressures on food, hospitality and small businesses.

While commercial users face higher costs, the government has chosen to shield domestic consumers by keeping household LPG prices unchanged at ₹913 per 14.2-kg cylinder, with Ujjwala beneficiaries continuing to receive cylinders at ₹613.

However, this protection is coming at a steep fiscal cost.

"At current prices, OMCs are incurring under recovery of ₹380/cylinder. Cumulative losses by end-May will reach approximately ₹40,484 crore," the ministry said, underlining the financial stress on public sector fuel retailers.

The burden is being shared between oil companies and the government. "Last year also, out of total losses of ₹60,000 crore, ₹30,000 crore were absorbed by Oil PSUs and ₹30,000 crore by government of India, in order to insulate the Indian citizen from high international LPG prices," the ministry added.

The crisis has also triggered supply-side adjustments. With LPG availability tightening, the government has prioritised supplies to domestic households and curtailed allocations to commercial users earlier, though these are now being gradually increased to ease pressure on businesses.

Commercial LPG, though accounting for less than 10% of total consumption, is critical for urban economic activity. "Prices of Commercial LPG cylinders, used by industries and hotels, are deregulated, market determined and revised normally on a monthly basis. Their consumption is less than 10% of the total LPG consumed in the country," the ministry said.

The broader energy landscape is also under strain. Global petroleum prices have risen by up to 100% in the last month, leading to under-recoveries of ₹24.40 per litre on petrol and ₹104.99 per litre on diesel at current retail prices, even as pump prices remain unchanged.

"Regular petrol and diesel prices -- the fuel that India runs on -- are unchanged... With global petroleum prices up by up to 100% in the last 1 month, PSU OMCs are incurring under-recoveries of ₹24.40/litre on petrol and ₹104.99/litre on diesel," the ministry said.

To manage the supply shock, India has ramped up domestic LPG production by 40% to 50,000 metric tonne per day against a requirement of 80,000 tonne a day, while securing 800,000 tonne of LPG cargoes from the US, Russia, Australia and other countries.

NHAI surpasses highway building target for FY26

FE BUREAU
New Delhi, April 1

THE NATIONAL HIGHWAYS Authority of India (NHAI) constructed 5,313 km of national highways in 2025-26 which was 15% higher than the target of 4,620 km for the year. The achievement in 2025-26 was still 5.3% lower than in the previous year.

The higher-than-targeted construction in 2025-26 was driven by ₹2.44 lakh crore capital expenditure, which was 2.5% higher than the budgetary support of ₹2.38 lakh crore.

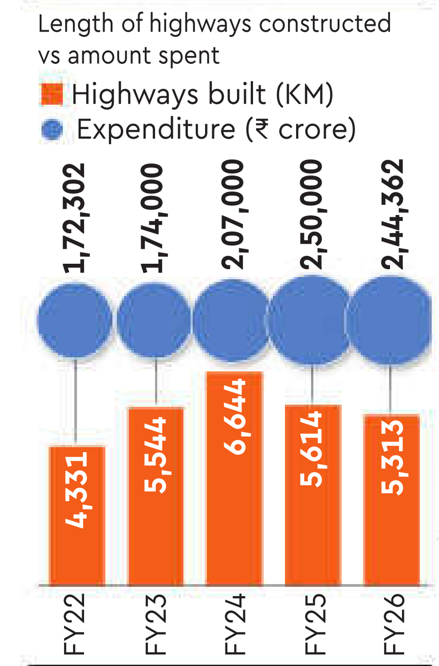
The differential amount of ₹5,978 crore was met through NHAI's own resources, it said in a statement. NHAI's capital expenditure in FY25 was at an all-time high of approximately ₹2.5 lakh crore. The NHAI's active construction pipeline, which currently stands at 27,597 km with a capital cost of ₹7.72 lakh crore, of which approximately 13,228 km remains under construction.

During the year, NHAI raised ₹28,307 crore from monetisation, just short of the target of ₹30,000 crore. These funds came from two rounds of asset transfer through Infrastructure Investment Trust (invIT) and two rounds of Toll Operate Transfer (ToT).

The overall target of highway construction for the last financial year was 10,000 km, which was lower than 10,660 km in 2024-25. Against the target of 10,000 km till the third week of March, 8,600 km of highways have been built, Road Transport and Highways Minister Nitin Gadkari said in reply to a question in the Rajya Sabha.

Other than NHAI, the highways are built by the roads wing of the Ministry of Road transport and Highways and National Highways and Infrastructure Development Corporation.

INFRA PUSH



Railways asked to provide timeframe for 100% 'Kavach' implementation

A PARLIAMENTARY PANEL has directed the Railway Ministry to provide a timeframe for 100% implementation of automatic train protection system 'Kavach' and adoption of Swiss Cheese Slices model under which multiple layers of safety defence are installed.

In its latest report titled "Derailment in Indian Railways", tabled in the parliament on Wednesday, the Public Accounts Committee said that the Ministry didn't provide the timeframe for 100% implementation of KAVACH system and furnish the details of implementation status of Swiss Cheese Slices' or 'defence barriers model'.

"The Committee desire to be apprised of the latest details in these regards," the report said. The PAC, in its 132nd report presented to the parliament on July 24, 2024, had made 17 recommendations to the Railway Ministry, including a time bound programme for, installation of the Kavach system in all divisions. Other recommendations were related to the shortfalls from 30 to 100% in inspections by Track Recording Cars (specialised rail vehicles used to measure track parameters for safety) to assess the condition of railway tracks, idling of track machines, non submission of inquiry reports of train accidents to the authority and non-availability of fire extinguishers in 27,763 coaches in violations of extant norms among others.

The present report, deals with the action taken by the Railway Ministry on those 17 recommendations. **—PTI**

GAAR grandfathering relief for PE investments

KULDEEP SINGH
New Delhi, April 1

FOREIGN INVESTORS HOLDING legacy assets in India received significant relief as the Central Board of Direct Taxes (CBDT) issued a clarification that General Anti-Avoidance Rules (GAAR) will not apply to capital gains arising from the transfer of investments made before April 1, 2017.

In a gazette notification issued on Tuesday, the government amended Rule 128 of the Income-tax Rules, 2026, to explicitly ring-fence pre-2017 investments from GAAR provisions. The changes came into effect from April 1.

The provisions state that GAAR will not apply to any income from the transfer of investments made before April 1, 2017. Similarly, while Chapter XI of the Income-Tax Act, 2025, continues to apply to arrangements involving tax benefits obtained on or after April 1, 2017, an explicit exception has been carved out for income derived from pre-2017 investments.

The move addresses growing uncertainty among PE/VC firms following a Supreme Court ruling in the Tiger Global case in January this year.

TAKING EFFECT

- The government amended Rule 128 of the Income-tax Rules, 2026, to explicitly ring-fence pre-2017 investments from GAAR provisions
- The provisions state that GAAR will not apply to any income from the transfer of investments made before April 1, 2017

- The clarification does not alter the outcome of the Tiger Global case
- The changes came into effect from April 1

Bharat Taxi facing stiff competition: Amit Shah

COOPERATION MINISTER AMIT Shah on Wednesday told Parliament that Bharat Taxi -- the government-backed cooperative ride-hailing platform -- is grappling with early-stage hurdles, including stiff competition from established private aggregators such as Ola and Uber, and resistance to digital adoption among sections of its driver-partner base.

Responding to a query in the Rajya Sabha, Shah said in a written reply that "efforts are being made to address these through welfare and awareness, training, and improved user experience along with e-governance tools". **—PTI**