

## **Commercial LPG price surge puts pressure on restaurants and hospitality sector**

Industry warns of menu price hikes, operational strain and possible closures amid sharp increase in commercial LPG rates

India's restaurant and hospitality sector is facing mounting pressure following a steep rise in commercial LPG prices, with industry bodies warning of higher menu prices, reduced operations and potential business closures across the country. The latest hike of nearly Rs 993 in commercial LPG cylinder prices has significantly increased operating costs for restaurants, hotels, cafés and small eateries already struggling with rising input expenses and supply challenges.

Industry associations, including Hotel And Restaurant Association (Western India) and the National Restaurant Association of India, have expressed concern over the impact on the food service sector, stating that many establishments may be forced to increase menu prices by 10–15 per cent to manage escalating fuel costs. Smaller restaurants and local eateries are expected to face the biggest challenge as profit margins continue to shrink.

The surge in LPG prices has also affected supply chains and daily operations in several cities, with reports of reduced LPG availability and businesses shifting partially to induction cooking and alternative fuels. Industry stakeholders have urged the government to intervene and stabilise commercial LPG prices to prevent widespread disruption in the hospitality and food service industry

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