

## **LPG Shortage May Force Half Of Mumbai's Hotels, Restaurants To Shut**

The ongoing conflict in West Asia is likely to significantly impact Mumbai's hospitality industry, with nearly 50 per cent of hotels and restaurants across the city potentially facing temporary shutdowns due to an acute shortage of commercial LPG.

According to the Federation of Hotel & Restaurant Associations of India (FHRAI), the apex body representing the country's hospitality sector, the situation has become increasingly critical over the past week. Intermittent supply disruptions have now escalated into a near-complete halt in commercial LPG supply in several regions.

“We are already receiving reports of severe shortages from cities such as Mumbai, Pune, Aurangabad and Nagpur. Similar disruptions are also being reported from states including Delhi, Karnataka, Telangana and Andhra Pradesh. If the situation does not improve within the next two days, nearly 50 per cent of hotels and restaurants in Mumbai may be forced to temporarily shut operations, depending on the cylinder stock they currently have,” said Pradeep Shetty, Vice President, FHRAI and Spokesperson of the Hotel and Restaurant Association (Western India) – HRAWI.

Shetty added that following a notification issued by the Ministry of Petroleum and Natural Gas on 5 March, considerable confusion has emerged among LPG suppliers and distributors. As a result, many distributors have halted the supply of commercial LPG cylinders to hotels, restaurants and food service establishments.

According to HRAWI, the shortage could particularly affect international tourists visiting the city, while small and medium-sized eateries are likely to be the first to suffer as they typically maintain limited LPG reserves.

The hospitality industry in India serves millions of people daily, including working professionals, students and travellers—both domestic and international. It also supports a vast employment ecosystem through restaurants,

cloud kitchens, industrial kitchens and catering services. During the COVID-19 pandemic, the sector was even recognised as an essential service.

Industry representatives note that while alternatives such as electric or induction-based cooking systems are gradually emerging, they are currently not practical for most commercial kitchens that depend on high-intensity cooking methods required for Indian cuisine. Transitioning to such systems would also involve significant infrastructure upgrades and costs.

Given the absence of viable alternatives at present, industry bodies have urged authorities to restore uninterrupted commercial LPG supply immediately, ensuring that hotels, restaurants and food service establishments can continue operations without disruption.