GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA
UNSTARRED QUESTION NO.2518

TO BE ANSWERED ON 17th MARCH, 2021

Delivered Commodity System for petrol/diesel

2518 # Shri NeerajDangi:

Will the Minister of ***Petroleum and Natural Gas*** be pleased to state:

(a) whether petrol/diesel could also be brought under a tax-system at national level under delivered commodity like LPG;
(b) if so, the steps being taken by Government in this regard; and
(c) if not, whether there is a proposal to constitute a sub-Committee or special Committee to study and analyze the same, to make petrol and diesel available at equal price to the general public throughout the country?

ANSWER

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a) to (c): All petroleum products including excluded products i.e. petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel are constitutionally included under Goods and Services Tax (GST) Act. As per Article 279A (5) of the Constitution, GST Council shall recommend the date on which goods and services tax shall be levied on all excluded products i.e petroleum crude, high speed diesel, motor spirit, natural gas and aviation turbine fuel. All the States and Union Territories (UT) with Legislature are represented in the GST Council by their Minister-in-charge of Finance or Taxation or any other Minister nominated by the State/UT.

As per the section 9(2) of the Central Goods and Services Tax Act, inclusion of excluded products in GST will require recommendation of the GST Council. So far, the GST Council has not made any recommendation for inclusion of petrol and diesel under GST.

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