

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA
STARRED QUESTION NO. 203
ANSWERED ON 20.03.2023

Imposition of GST on petroleum products

203 Shri Pramod Tiwari:

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

- (a) the list of every hike in prices of petrol and diesel since 2019, with corresponding prices of international crude oil for those dates;
- (b) the total tax revenues generated from excise duty on petroleum, diesel and other petroleum products since 2019, year-wise; and
- (c) whether Government has initiated negotiations with the States after its claims of waiting on approval from the States for the imposition of GST on petroleum products, if so, the details thereof?

ANSWER

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI HARDEEP SINGH PURI)

- (a) to (c): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) in respect of Rajya Sabha Starred Question No. 203 for reply on 20.03.2023 regarding Imposition of GST on petroleum products asked by Shri Pramod Tiwari.

(a) & (b): Prices of petrol and diesel in the country have been market-determined with effect from 26.06.2010 and 19.10.2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel in line with their international product prices, exchange rate, tax structure, inland freight, dealer margin and other cost elements. Effective 16 June, 2017, daily pricing of petrol and diesel has been implemented in the entire country. The details of daily prices of petrol and diesel are available at www.ppac.gov.in. Public Sector Oil Marketing Companies (OMCs) have not increased prices of petrol and diesel since 6th April 2022.

The monthly average international prices of Indian basket of Crude oil are given at Annexure.

Due to high volatility and elevated prices of crude oil, most of the developed countries have been reeling under high Petrol and Diesel prices. As per data compiled by PPAC, in developed countries like US, the prices of Petrol and Diesel increased by about 10.8% and 35.2% respectively over the period January 2022 to January 2023, whereas during this period, prices in India (Delhi) increased only by 1.37% and 3.40 % for Petrol and Diesel respectively. Similarly, during the same period significant increase in the prices of Petrol and Diesel has been seen in our neighbouring countries such as Pakistan (28% in Petrol and 40% in Diesel), Bangladesh (32% in Petrol and 24% in Diesel), Sri Lanka (29% in Petrol and 106% in Diesel) and in Nepal (31% in Petrol and 48% in Diesel).

The details of contribution to Central Exchequer from excise duty on petroleum products since 2019-20 are given below:

(Rs. in crore)

Year	Contribution to Central Exchequer from excise duty from petroleum sector
2019-20	2,23,057
2020-21	3,72,970
2021-22	3,63,305
2022-23 (P) (April-Dec 2022)	2,03,171

The above is based on data provided to Petroleum Planning and Analysis Cell (PPAC) by 15 major oil & gas companies.

(P) – Provisional

(c): The GST Council in its 45th meeting held on 17th September, 2021 had considered the inclusion of Petrol/Diesel and other petroleum products under the GST regime but the matter was deferred by the Council till larger deliberations on account of its heavy repercussions on the exchequer. The issue has not been taken up by the Council as an agenda item for any further deliberation subsequent to the said meeting.

Annexure

Annexure referred to in reply to Rajya Sabha Starred Question No. 203 asked by Shri Pramod Tiwari to be answered on 20.03.2023 regarding “Imposition of GST on petroleum products”

	Indian Basket of Crude Oil (USD/Barrel)
Apr-19	71
May-19	70.01
Jun-19	62.37
Jul-19	63.63
Aug-19	59.35
Sep-19	61.72
Oct-19	59.7
Nov-19	62.53
Dec-19	65.5
Jan-20	64.31
Feb-20	54.63
Mar-20	33.36
Apr-20	19.9
May-20	30.6
Jun-20	40.63
Jul-20	43.35
Aug-20	44.19
Sep-20	41.35
Oct-20	40.66
Nov-20	43.34
Dec-20	49.84
Jan-21	54.79
Feb-21	61.22
Mar-21	64.73
Apr-21	63.4
May-21	66.95
Jun-21	71.98
Jul-21	73.54
Aug-21	69.8
Sep-21	73.13
Oct-21	82.11
Nov-21	80.64
Dec-21	73.3
Jan-22	84.67

Feb-22	94.07
Mar-22	112.87
Apr-22	102.97
May-22	109.51
Jun-22	116.01
Jul-22	105.49
Aug-22	97.4
Sep-22	90.71
Oct-22	91.7
Nov-22	87.55
Dec-22	78.1
Jan-23	80.92
Feb-23	82.28

Source: Petroleum Planning and Analysis Cell

Note: The crude oil price in USD/Barrel terms does not reflect the depreciation of INR/USD exchange rate.