

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO-135
ANSWERED ON- 03/02/2025

REVENUE ON PETROLEUM PRODUCTS

135 SHRI RANDEEP SINGH SURJEWALA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the details of the changes in the taxes, cess, duties, GST, etc., on crude oil and petroleum products since May, 2019 till date;
- (b) the total revenue collected through central excise duty and other taxes and cesses including for State Government on petrol and diesel since May 2019 till date;
- (c) the amount of cess revenue allocated to infrastructure development and welfare schemes during the last five years; and
- (d) the reason behind the benefits of falling global crude oil prices not being passed on to consumers despite the substantial revenue surplus from excise collections?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI SURESH GOPI)

- (a) The details of taxes imposed on Petrol, Diesel, LPG and crude Oil are as follows:

LPG: The rates of Customs duty and GST applicable on LPG are:

Particulars		GST	Customs Duty
LPG	Domestic *	5%	Nil
	Non - Domestic	18%	5%

*Basic Customs duty is Nil for import of domestic LPG sold by PSU OMCs to household consumers. Basic Customs duty rate is 5% for other importers of domestic LPG.

Source: Petroleum Planning and Analysis Cell (PPAC)

Petrol & Diesel:

The Union Government levies Central Excise/Cess on petrol/ diesel, while the State Governments levy Value Added Tax (VAT). The details of VAT levied by various State Governments on Petrol and Diesel are given at Annexure-I. The details of excise duty levied on Petrol and Diesel since April 2019, and Special Additional Excise Duty (SAED) levied on export of Petrol and Diesel are given at Annexure-II.

Crude Oil:

The details of various taxes and duties levied by the Central Government on crude oil are as follows:

- Oil Industry Development Board (OIDB) Cess: Under the Oil Industry Development Act, 1974, OID Cess @20% ad-valorem basis effective 01.03.2016 on Nomination block.
- National Calamity Contingent Duty (NCCD): It is collected by the Central Govt. Present Rate from nomination fields is Rs.50/- MT on the Crude oil delivered to refineries.
- Central Excise: Present Rate from nomination fields is Rs. 1/- MT on the Crude oil produced.
- Customs Duty: It is collected by the Central Govt. Present Rate is Rs.1/- MT on the Crude oil imported and Additional Customs Duty (ACD) is Rs.1/- MT.
- Special Additional Excise Duty (SAED) was levied on production of Crude oil, details given at Annexure-II.

(b) The details of contribution of petroleum sector to exchequer since 2019-20 are given at Annexure-III.

(c) & (d) Prices of petrol and diesel are market determined and Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel.

Domestically, Petrol and Diesel prices have come down to Rs. 94.77 and Rs. 87.67 per litre respectively (Delhi prices) as a result of various steps taken by Government and PSU OMCs, Central Excise duty was reduced by the Central Government by a total of Rs. 13/litre and Rs. 16/litre on petrol and diesel respectively in two tranches in November 2021 and May 2022, which was fully passed on to consumers. Some State Governments also reduced state VAT rates to provide relief to citizens. In March, 2024, OMCs reduced the retail prices of petrol and diesel by Rs. 2 per litre each.

Recently PSU OMCs have carried out an intra-state freight rationalisation. This has benefitted consumers located at remote areas, far from Petroleum Oil & Lubricants (POL) Depots in the form of reduced Petrol and Diesel prices in remote parts within the states. This initiative has also reduced the difference between the maximum and minimum retail prices of Petrol or Diesel within a state.

Government of India also took several other steps to insulate common citizens from high international prices, which included diversifying the crude import basket, invoking the provisions of Universal Service Obligation to ensure availability of petrol & diesel in domestic market, increasing the blending of ethanol in petrol, etc.

The revenue generated by taxation is used in various infrastructural projects and developmental schemes of the Government like Targeted subsidy to PMUY households, Pradhan Mantri Gram Sadak Yojana (PMGSY), Pradhan Mantri Ujjwala Yojana (PMUY), Ayushman Bharat, Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), free vaccination for COVID – 19 etc.

India has been the only major economy in the world where the prices of petrol and diesel have come down in recent years. Changes in prices of petrol and diesel in some major economies between November 2021 and December 2024 are as under:

	% age Change in Prices between Nov-21 and Dec-24	
Country	Petrol	Diesel
India (Delhi)	-13.60%	-10.92%
France	11.07%	10.99%
Germany	3.40%	6.86%
Italy	5.21%	7.38%
Spain	5.14%	8.58%
UK	0.17%	2.22%
Canada	5.55%	15.06%
USA	1.36%	6.90%

Source: Petroleum Planning and Analysis Cell (PPAC)

Changes in prices of petrol and diesel in some neighboring economies between November 2021 and December 2024

	% age Change in Prices between Nov-21 and Dec-24	
Country	Petrol	Diesel
India (Delhi)	-13.60%	-10.92%
Pakistan	27.90%	33.37%
Bangladesh	12.62%	29.31%
Sri Lanka	54.29%	98.59%
Nepal	20.06%	31.64%

Source: Petroleum Planning and Analysis Cell (PPAC)

Annexure referred to in reply to Rajya Sabha Unstarred Question No. 135 asked by Shri Randeep Singh Surjewala to be answered on 03.02.2025 regarding “Revenue on petroleum products”.

Details of VAT /Sales tax on petrol and diesel as on 27.01.2025

State/UT	Petrol	Diesel
Andaman & Nicobar Islands	1%	1%
Andhra Pradesh	31% VAT + Rs.4/litre VAT+Rs.1/litre Road Development Cess and Vat thereon	22.25% VAT + Rs.4/litre VAT+Rs.1/litre Road Development Cess and Vat thereon
Arunachal Pradesh	14.50%	7.00%
Assam	24.77% or Rs.18.80 per litre whichever is higher	22.19% OR Rs. 14.60 per litre whichever is higher Rebate of Rs. 1.50 per litre subject to minimum tax of Rs. 14.60 per litre
Bihar	23.58% or Rs 16.65/Litre whichever is higher (30% Surcharge on VAT as irrecoverable tax)	16.37% or Rs 12.33/Litre whichever is higher (30% Surcharge on VAT as irrecoverable tax)
Chandigarh	Rs.10/KL cess +15.24% or Rs.12.42/Litre whichever is higher	Rs.10/KL cess + 6.66% or Rs.5.07/Litre whichever is higher
Chhattisgarh	24% VAT + Rs.2/litre VAT	23% VAT + Rs.1/litre VAT
Dadra and Nagar Haveli and Daman and Diu	12.75% VAT	13.50% VAT
Delhi	19.40% VAT	Rs.250/KL air ambience charges + 16.75% VAT
Goa	21.5% VAT + 0.5% Green cess	17.5% VAT + 0.5% Green cess
Gujarat	13.7% VAT+ 4% Cess on Town Rate & VAT	14.9% VAT + 4 % Cess on Town Rate & VAT
Haryana	18.20% or Rs.14.50/litre whichever is higher as VAT+5% additional tax on VAT	16.00% VAT or Rs.11.86/litre whichever is higher as VAT+5% additional tax on VAT
Himachal Pradesh	17.5% or Rs 13.50/Litre- whichever is higher	13.90% or Rs 10.40/Litre- whichever is higher
Jammu & Kashmir	24% MST+ Rs.2/Litre employment cess, Rebate of Rs.4.50/Litre	16% MST+ Rs.1.00/Litre employment cess , Rebate of Rs.6.50/Litre
Jharkhand	22% on the sale price or Rs. 17.00 per litre , which ever is higher + Cess of Rs 1.00 per Ltr	22% on the sale price or Rs. 12.50 per litre , which ever is higher + Cess of Rs 1.00 per Ltr
Karnataka	29.84% sales tax	18.44% sales tax
Kerala	30.08% sales tax+ Rs.1/litre additional sales tax + 1% cess , Social security cess Rs.2 per litre	22.76% sales tax+ Rs.1/litre additional sales tax + 1% cess , Social security cess Rs.2 per litre
Ladakh	15% MST+ Rs.5/Litre employment cess, Reduction of Rs.2.5/Litre	6% MST+ Rs.1/Litre employment cess , Reduction of Rs.0.50/Litre
Lakshadweep	10% VAT	10% VAT

Madhya Pradesh	29 % VAT + Rs.2.5/litre VAT+1%Cess	19% VAT+ Rs.1.5/litre VAT+1% Cess
Maharashtra – Mumbai, Thane & Navi Mumbai	25% VAT+ Rs.5.12/Litre additional tax	21% VAT
Maharashtra (Rest of State)	25% VAT+ Rs.5.12/Litre additional tax	21% VAT
Manipur	25% VAT	13.5% VAT
Meghalaya	13.50% or Rs.13.50/Litre- whichever is higher (Rs.0.10/Litre pollution surcharge)	5% or Rs 9.50/Litre- whichever is higher (Rs.0.10/Litre pollution surcharge)
Mizoram	18%, Social Infrastructure and Services Cess Rs 2000/KL, Road Maintenance Cess Rs 2000/KL	10%, Social Infrastructure and Services Cess Rs 2000/KL, Road Maintenance Cess Rs 2000/KL
Nagaland	21.75% VAT or Rs. 16.94/litre whichever is higher	17.20% VAT or Rs. 12.83/litre whichever is higher
Odisha	28% VAT	24% VAT
Puducherry	16.98% VAT	11.22% VAT
Punjab	Rs.2050/KL (cess)+ Rs.0.10 per Litre (Urban Transport Fund) + 0.25 per Litre (Special Infrastructure Development Fee)+16.58% VAT plus 10% additional tax or Rs.14.93/Litre whichever is higher	Rs.1050/KL (cess) + Rs.0.10 per Litre (Urban Transport Fund) +0.25 per Litre (Special Infrastructure Development Fee) + 13.1% VAT plus 10% additional tax and or Rs.10.94/Litre whichever is higher
Rajasthan	29.04% VAT+Rs 1500/KL road development cess	17.30% VAT+ Rs.1750/KL road development cess
Sikkim	20% VAT+ Rs.4000/KL cess	10% VAT + Rs.3500/KL cess
Tamil Nadu	13% + Rs.11.52 per litre	11% + Rs.9.62 per litre
Telangana	35.20% VAT	27% VAT
Tripura	17.50% VAT+ 3% Tripura Road Development Cess	10.00% VAT+ 3% Tripura Road Development Cess
Uttar Pradesh	19.36% or Rs 14.85/Litre whichever is higher	17.08% or Rs 10.41/Litre whichever is higher
Uttarakhand	16.97% or Rs. 13.14 Per Ltr whichever is greater	17.15% or Rs. 10.41 Per Ltr whichever is greater
West Bengal	25% or Rs.13.12/litre whichever is higher as sales tax+ Rs.1000/KL cess(20% Additional tax on VAT as irrecoverable tax)	17% or Rs.7.70/litre whichever is higher as sales tax + Rs 1000/KL cess (20% Additional tax on VAT as irrecoverable tax)

Source: Petroleum Planning and Analysis Cell (PPAC)

Annexure referred to in reply to Rajya Sabha Unstarred Question No. 135 asked by Shri Randeep Singh Surjewala to be answered on 03.02.2025 regarding “Revenue on petroleum products”.

Central Excise duty rates on Petrol and Diesel

(Rs. per Litre)

Effective Date	Petrol*	Diesel
As on 01.04.2019	17.98	13.83
06.07.2019	19.98	15.83
14.03.2020	22.98	18.83
06.05.2020	32.98	31.83
02.02.2021	32.90	31.80
04.11.2021	27.90	21.80
22.05.2022	19.90	15.80

*An additional Basic Excise duty @Rs 2/ltr has been levied on unblended petrol (not blended with ethanol or methanol) intended for retail sale w.e.f. 01.11.2022.

Note: The customs duty rate on Petrol and diesel is 2.5% plus social welfare surcharge @ 10% on customs duty since 2nd Feb 2021. Prior to this, the Social Welfare Surcharge /cess was levied @ 3% on custom duty of 2.5% on petrol and diesel.

Special Additional Excise Duty on Petrol, Diesel and Crude Oil

Effective Date	Excise duty on Export of Petrol, Diesel & ATF						Excise duty on production of Crude oil
	Petrol			Diesel			SAED
	SAED	AED	Total	SAED	AED	Total	
	Rs. /Ltr						Rs. /MT
01.07.22	5	1	6	12	1	13	23,250.00
20.07.22	-	-	-	10	1	11	17,000.00
03.08.22	-	-	-	4	1	5	17,750.00
19.08.22	-	-	-	6	1	7	13,000.00
01.09.22	-	-	-	12	1.5	13.5	13,300.00
17.09.22	-	-	-	8.5	1.5	10	10,500.00
02.10.22	-	-	-	3.5	1.5	5	8,000.00
16.10.22	-	-	-	10.5	1.5	12	11,000.00
02.11.22	-	-	-	11.5	1.5	13	9,500.00
17.11.22	-	-	-	9	1.5	10.5	10,200.00
02.12.22	-	-	-	6.5	1.5	8	4,900.00
16.12.22	-	-	-	3.5	1.5	5	1,700.00
03.01.23	-	-	-	5	1.5	6.5	2,100.00
17.01.23	-	-	-	3.5	1.5	5	1,900.00
04.02.23	-	-	-	6	1.5	7.5	5,050.00
16.02.23	-	-	-	1	1.5	2.5	4,350.00
04.03.23	-	-	-	0.5	-	0.5	4,400.00
21.03.23	-	-	-	1	-	1	3,500.00
04.04.23	-	-	-	0.5	-	0.5	-

19.04.23	-	-	-	-	-	-	6,400.00
02.05.23	-	-	-	-	-	-	4,100.00
16.05.23	-	-	-	-	-	-	-
15.07.23	-	-	-	-	-	-	1,600.00
01.08.23	-	-	-	1	-	1	4,250.00
15.08.23	-	-	-	5.5	-	5.5	7,100.00
02.09.23	-	-	-	6	-	6	6,700.00
16.09.23	-	-	-	5.5	-	5.5	10,000.00
30.09.23	-	-	-	5	-	5	12,100.00
18.10.23	-	-	-	4	-	4	9,050.00
01.11.23	-	-	-	2	-	2	9,800.00
16.11.23	-	-	-	1	-	1	6,300.00
01.12.23	-	-	-	1	-	1	5,000.00
19.12.23	-	-	-	0.5	-	0.5	1,300.00
02.01.24	-	-	-	-	-	-	2,300.00
16.01.24	-	-	-	-	-	-	1,700.00
03.02.24	-	-	-	-	-	-	3,200.00
16.02.24	-	-	-	1.5	-	1.5	3,300.00
01.03.24	-	-	-	-	-	-	4,600.00
16.03.24	-	-	-	-	-	-	4,900.00
04.04.24	-	-	-	-	-	-	6,800.00
16.04.24	-	-	-	-	-	-	9,600.00
01.05.24	-	-	-	-	-	-	8,400.00
16.05.24	-	-	-	-	-	-	5,700.00
01.06.24	-	-	-	-	-	-	5,200.00
15.06.24	-	-	-	-	-	-	3,250.00
02.07.24	-	-	-	-	-	-	6,000.00
16.07.24	-	-	-	-	-	-	7,000.00
01.08.24	-	-	-	-	-	-	4,600.00
17.08.24	-	-	-	-	-	-	2,100.00
31.08.24	-	-	-	-	-	-	1,850.00
18.09.24	-	-	-	-	-	-	-
02.12.24	Duty Rescinded						

Source: Petroleum Planning and Analysis Cell (PPAC)

Annexure-III

Annexure referred to in reply to Rajya Sabha Unstarred Question No. 135 asked by Shri Randeep Singh Surjewala to be answered on 03.02.2025 regarding “Revenue on petroleum products”.

Contribution of petroleum sector to exchequer since 2019-20

(Rs. in Crore)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Apr-Sep) (P)
Contribution to Central Exchequer						
A. Tax/ Duties on Crude oil & Petroleum products						
Cess on Crude Oil	14,789	10,676	19,214	21,445	19,580	7,769
Royalty on Crude Oil / Natural Gas	5,602	3,590	5,639	9,822	9,286	4,675
Customs Duty	22,927	13,514	11,423	14,985	13,134	6,696
NCCD on Crude Oil	1,130	1,016	1,121	1,192	1,191	578
Excise Duty	2,23,057	3,72,970	3,63,305	2,87,575	2,73,684	1,22,507
Service tax	17	1	-	-	-	-
IGST	13,099	11,594	19,726	22,236	20,930	10,364
CGST	6,831	6,158	10,843	13,012	12,230	5,523
Others	88	365	338	59	51	23
Sub Total (A)	2,87,540	4,19,884	4,31,609	3,70,326	3,50,086	1,58,135
B. Dividend to Government/ Income tax etc.						
Corporate/ Income Tax	23,134	21,909	29,219	33,292	57,493	19,053
Dividend income to Central Govt.	12,270	10,393	22,612	15,673	19,310	4,294
Dividend distribution tax	5,462	-	-	-	-	-
Profit Petroleum on exploration of Oil/ Gas	5,909	2,883	8,862	8,776	5,505	1,837
Sub Total (B)	46,775	35,185	60,694	57,741	82,308	25,184
1. Total Contribution to Central Exchequer (A+B)	3,34,315	4,55,069	4,92,303	4,28,067	4,32,394	1,83,319
2. Total Contribution to State Exchequer	2,21,055	2,17,650	2,82,122	3,20,651	3,18,762	1,55,866
Total Contribution of Petroleum Sector to Exchequer (1+2)	5,55,370	6,72,719	7,74,425	7,48,718	7,51,156	3,39,185

The above is based on data provided to Petroleum Planning and Analysis Cell (PPAC) by 15 major oil & gas companies. The amount reported by the companies to PPAC is the consolidated amount of all taxes/cess/duties/GST etc. for crude oil and petroleum products. (P) - Provisional