

**GOVERNMENT OF INDIA
LOK SABHA
STARRED QUESTION NO.39
TO BE ANSWERED ON 5th FEBRUARY, 20187**

GST ON PETROLEUM PRODUCTS

*39. PROF. SAUGATA ROY:
SHRI KAPIL MORESHWAR PATIL:

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

- (a) whether the State owned petroleum companies have expressed any problem over the inclusion of petroleum products under the Goods and Services Tax (GST) and if so, the details thereof;
- (b) the details of advantages and disadvantages of including petroleum products under GST;
- (c) whether any private/global petroleum companies have objected to the inclusion of such products under GST and if so, the details thereof along with the reaction of the Government thereto; and
- (d) whether the Government intends to hold discussions with all stakeholders before finalising the policy and if so, the details thereof?

ANSWER

**MINISTER OF MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)**

- (a) to (d) A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of the Lok Sabha Starred Question No.39 asked by Prof. Saugata Roy and Shri Kapil Moreshwar Patil to be answered on 05.02.2018, regarding 'GST on Petroleum Products'

(a) to (d)

No problem/objection has been raised by state owned/ private/ global petroleum companies to the inclusion of petroleum crude, high speed diesel, motor spirit, natural gas and aviation turbine fuel, under the ambit of GST. The advantages of having petroleum products under GST include inter-alia, rationalization of prices by reducing cascading of taxes, seamless input credit, removal of Central Sales Tax, removal of entry tax, digital compliance and ease of doing business.

Clause 12 A of Article 366 of the Constitution defines 'Goods and Services Tax" (GST) as "any tax on supply of goods or services or both except taxes on the supply of alcoholic liquor for human consumption". Further, Article 279A (5) provides that Goods and Services Tax Council shall recommend the date on which goods and services tax shall be levied on petroleum crude, high speed diesel, motor spirit, natural gas and aviation turbine fuel.
