# LOK SABHA UNSTARRED QUESTION NO. 2736 TO BE ANSWERED ON 12<sup>TH</sup> MARCH, 2018

#### PRICES OF PETROLEUM PRODUCTS

2736. SHRI RAHUL SHEWALE:

PROF. RAVINDRA VISHWANATH GAIKWAD:

SHRI SANJAY DHOTRE:

DR. P. VENUGOPAL:

SHRIMATI PRATYUSHA RAJESHWARI SINGH:

**KUMARI SUSHMITA DEV:** 

SHRI JYOTIRADITYA M. SCINDIA:

**SHRI BHARTRUHARI MAHTAB:** 

SHRI GUTHA SUKENDER REDDY:

SHRI C.S. PUTTA RAJU:

SHRI P.K. KUNHALIKUTTY:

SHRI Y.S. AVINASH REDDY:

SHRI S.P. MUDDAHANUME GOWDA:

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government has kept petrol and diesel out of the purview of Goods and Services Tax (GST) and if so, the reasons therefor;
- (b) the details of increase/decrease in the prices of petrol, diesel, LPG and other petroleum products including break up of taxes during the last three years and the current year along with the criteria/policy to fix price of petroleum products in the country, product-wise;
- (c) the price at which the crude oil was imported during the said period, year-wise along with the average difference in prices of petrol and diesel in view of the price of imported crude oil;
- (d) whether the crude oil prices witnessed a drop of around eight to nine percent during January and February 2018 in the international market and if so, the details thereof along with the quantum of crude oil imported during the said period and steps taken to provide relief to consumers in view of fall in prices of crude oil in the international market; and
- (e) whether the Government/State Governments propose to reduce taxes/ excise duty on petrol and diesel and fix uniform price of petrol and diesel across the country and if so, the details thereof along with the steps taken to implement the said proposal and provide relief to the common people?

### **ANSWER**

पेट्रो लयम और प्राकृतिक गैस मंत्री

(श्री धर्मेन्द्र प्रधान)

# MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a): 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 279 A (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. Thus while petroleum products are included under goods and services tax, the date on which GST shall be levied on such products shall be as per decision of the Goods and Services Tax Council.

(b): Prices of Petrol and Diesel have been made market-determined effective 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 international product prices and other market conditions. The Government continues to modulate the effective price to consumer for Subsidized Domestic LPG and Retail Selling Price (RSP) of PDS Kerosene.

The details of increase/decrease in the prices of Petrol, Diesel, LPG and PDS Kerosene during the last three years and the current year are given at Annexure I.

Central Government is levying Customs duty at the rate of 2.5% on Petrol and Diesel. The Customs duty on Domestic LPG and PDS Kerosene is nil. The current Excise Duty on Petrol and Diesel is Rs.19.48/litre and 15.33/litre respectively. At present, applicable GST on Domestic LPG and PDS Kerosene is 5%.

State wise effective rate of taxes on petrol and diesel as on 01.03.2018 is given as Annexure - II.

(c) &(d): Details of Crude oil imports in terms of quantity and value (Rs. Crores), during the last three years and current year, are given below:-

| Period             | Qty.(TMT) | Value     |
|--------------------|-----------|-----------|
|                    |           | Rs. Crore |
| 2014-15            | 189,435   | 687,416   |
| 2015-16            | 202,850   | 416,579   |
| 2016-17            | 213,932   | 470,159   |
| 2017-18 (Apr-Jan)^ | 184,448   | 459,561   |

^Provisional

The price of Indian basket of crude oil during the period December 2017 to February 2018 is given below:-

| Period         | \$/bbl |
|----------------|--------|
| December, 2017 | 62.29  |
| January, 2018  | 67.06  |
| February, 2018 | 63.54  |

Prices of Petrol and Diesel have been made market-determined effective 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 international product prices and other market conditions. The details of prices of Petrol and Diesel have already been provided in Annexure-I

(e): With an aim to reduce the prices of Petrol and Diesel and give relief to the consumers, the Central Government reduced the Central Excise duty on Petrol and Diesel by Rs.2 per litre effective from 4<sup>th</sup> October, 2017. The Central Government also requested the State Governments to reduce

VAT imposed by them on Petrol and Diesel so as to give more relief to the consumers. Accordingly, four State Governments and one Union Territory have reduced the VAT on Petrol and Diesel.

**X-X-X-X** 

Annexure referred to in reply to parts (b) of the Lok Sabha Unstarred Question No.2736 asked by Shri Rahul Shewale, Prof. Ravindra Vishwanath Gaikwad, Shri Sanjay Dhotre: Dr. P. Venugopal, Shrimati Pratyusha Rajeshwari Singh, Kumari Sushmita Dev, Shri Jyotiraditya M. Scindia, Shri Bhartruhari Mahtab, Shri Gutha Sukender Reddy, Shri C.S. Putta Raju, Shri P.K. Kunhalikutty, Shri Y.S. Avinash Reddy and Shri S.P. Muddahanume Gowda to be answered on 12<sup>th</sup> March, 2018 regarding "Prices of Petroleum Products".

Retail Selling Prices of Petrol, Diesel (till 16.06.2017) and domestic LPG at Delhi & PDS kerosene at Mumbai

| Date        |          |             |         | Domestic LPG |                |
|-------------|----------|-------------|---------|--------------|----------------|
|             | Petrol I | Diesel      | PDS SKO | Subsidized   | Non-subsidized |
|             |          | (Rs./litre) |         | (Rs./14.2    | 2 KG Cyl.)     |
| 01.04.2014  | 72.26    | 55.49       | 14.96   | 414.00       | 980.50         |
| 16.04.2014  | 71.41    |             |         |              |                |
| 01.05.2014  |          |             |         |              | 928.50         |
| 16.05.2014  |          | 56.71       |         |              |                |
| 01.06.2014  |          | 57.28       |         |              | 905.00         |
| 07.06.2014  | 71.51    |             |         |              |                |
| 25.06.2014  | 71.56    |             |         |              | 906.00         |
| 01.07.2014  | 73.60    | 57.84       |         |              | 922.50         |
| 01.08.2014  | 72.51    | 58.40       |         |              | 920.00         |
| 16.08.2014  | 70.33    |             |         |              |                |
| 31.08.2014  | 68.51    | 58.97       |         |              |                |
| 01.09.2014  |          |             |         |              | 901.00         |
| 01.10.2014  | 67.86    |             |         |              | 880.00         |
| 15.10.2014  | 66.65    |             |         |              |                |
| 19.10.2014  |          | 55.60       |         |              |                |
| 23.10.2014  |          |             |         | 417.00       | 883.50         |
| 01.11.2014* | 64.24    | 53.35       | 15.14   |              | 865.00         |
| 01.12.2014  | 63.33    | 52.51       |         |              | 752.00         |
| 16.12.2014  | 61.33    | 50.51       |         |              |                |
| 01.01.2015  |          |             |         |              | 708.50         |
| 17.01.2015  | 58.91    | 48.26       |         |              |                |
| 01.02.2015  |          |             |         |              | 605.00         |
| 04.02.2015  | 56.49    | 46.01       |         |              |                |
| 16.02.2015  | 57.31    | 46.62       | 15.24   |              |                |
| 01.03.2015  | 60.49    | 49.71       |         |              | 610.00         |
| 01.04.2015# |          |             |         | 417.82       | 621.00         |
| 02.04.2015  | 60.00    | 48.50       |         |              |                |
| 16.04.2015  | 59.20    | 47.20       |         |              |                |
| 01.05.2015  | 63.16    | 49.57       | 15.24   |              | 616.00         |
| 16.05.2015  | 66.29    | 52.28       |         |              |                |
| 01.06.2015  |          |             |         |              | 626.50         |
| 16.06.2015  | 66.93    | 50.93       |         |              |                |
| 01.07.2015  | 66.62    | 50.22       |         |              | 608.50         |
| 16.07.2015  | 66.90    | 49.72       |         |              |                |

|            | Petrol             | Diesel      | PDS SKO | Dome               | stic LPG       |
|------------|--------------------|-------------|---------|--------------------|----------------|
| Date       | Date Petrol Diesei | Diesei      |         | Subsidized         | Non-subsidized |
|            |                    | (Rs./litre) |         | (Rs./14.2 KG Cyl.) |                |
| 01.08.2015 | 64.47              | 46.12       |         |                    | 585.00         |
| 15.08.2015 | 63.20              | 44.95       |         |                    |                |
| 01.09.2015 | 61.20              | 44.45       |         |                    | 559.50         |
| 01.10.2015 |                    | 44.95       |         |                    | 517.50         |
| 16.10.2015 |                    | 45.90       |         |                    |                |
| 01.11.2015 | 60.70              | 45.93       |         |                    | 545.00         |
| 16.11.2015 | 61.06              | 46.80       |         |                    |                |
| 01.12.2015 | 60.48              | 46.55       |         |                    | 606.50         |
| 09.12.2015 |                    |             |         | 419.26             | 608.00         |
| 16.12.2015 | 59.98              | 46.09       |         |                    |                |
| 01.01.2016 | 59.35              | 45.03       |         | 419.33             | 657.50         |
| 02.01.2016 | 59.35              | 45.03       |         |                    |                |
| 16.01.2016 | 59.03              | 44.18       |         |                    |                |
| 19.01.2016 | 59.99              | 44.71       |         |                    |                |
| 31.01.2016 | 59.99              | 44.71       |         |                    |                |
| 01.02.2016 | 59.95              | 44.68       |         | 419.22             | 575.00         |
| 18.02.2016 | 59.63              | 44.96       |         |                    |                |
| 01.03.2016 | 56.61              | 46.43       |         | 419.13             | 513.50         |
| 04.03.2016 |                    |             | 15.42   |                    |                |
| 17.03.2016 | 59.68              | 48.33       |         |                    |                |
| 01.04.2016 |                    |             |         |                    | 509.50         |
| 05.04.2016 | 61.87              | 49.31       |         |                    |                |
| 16.04.2016 | 61.13              | 48.01       |         |                    |                |
| 25.04.2016 |                    |             | 15.36   |                    |                |
| 01.05.2016 | 62.19              | 50.95       |         | 419.15             | 527.50         |
| 07.05.2016 |                    | 50.41       |         |                    |                |
| 17.05.2016 | 63.02              | 51.67       |         |                    |                |
| 01.06.2016 | 65.60              | 53.93       |         | 419.18             | 548.50         |
| 03.06.2016 |                    |             | 15.02   |                    |                |
| 16.06.2016 | 65.65              | 55.19       |         |                    |                |
| 01.07.2016 | 64.76              | 54.70       |         | 421.16             | 537.50         |

| Date       | D ( )        | D: 1        |         | DDG GWO            | Domes          | omestic LPG |  |
|------------|--------------|-------------|---------|--------------------|----------------|-------------|--|
|            | Petrol Dieso | Diesel      | PDS SKO | Subsidized         | Non-subsidized |             |  |
|            |              | (Rs./litre) |         | (Rs./14.2 KG Cyl.) |                |             |  |
| 07.07.2016 |              |             | 15.27   |                    |                |             |  |
| 16.07.2016 | 62.51        | 54.28       |         |                    |                |             |  |
| 01.08.2016 | 61.09        | 52.27       | 15.53   | 423.09             | 487.00         |             |  |
| 16.08.2016 | 60.09        | 50.27       | 15.68   |                    |                |             |  |
| 01.09.2016 | 63.47        | 52.94       | 15.94   | 425.06             | 466.50         |             |  |
| 16.09.2016 | 64.21        | 52.59       | 16.19   |                    |                |             |  |
| 21.09.2016 |              |             | 16.40   |                    |                |             |  |
| 01.10.2016 | 64.58        | 52.51       | 16.66   | 427.09             | 490.00         |             |  |
| 05.10.2016 | 64.72        | 52.61       |         |                    |                |             |  |
| 16.10.2016 | 66.45        | 55.38       | 16.92   |                    |                |             |  |
| 28.10.2016 |              |             |         | 428.59             | 492.00         |             |  |
| 01.11.2016 |              |             | 17.17   | 430.64             | 529.50         |             |  |
| 06.11.2016 | 67.62        | 56.41       |         |                    |                |             |  |
| 16.11.2016 | 65.93        | 54.71       | 17.51   |                    |                |             |  |
| 01.12.2016 | 66.10        | 54.57       | 17.76   | 432.71             | 584.00         |             |  |
| 16.12.2016 |              |             | 18.02   |                    |                |             |  |
| 17.12.2016 | 68.94        | 56.68       |         |                    |                |             |  |
| 01.01.2017 |              |             | 18.28   | 434.71             | 585.00         |             |  |
| 02.01.2017 | 70.60        | 57.82       |         |                    |                |             |  |
| 16.01.2017 | 71.14        | 59.02       | 18.54   |                    |                |             |  |
| 01.02.2017 |              |             | 18.77   | 434.80             | 651.50         |             |  |
| 01.03.2017 |              |             |         | 434.93             | 737.50         |             |  |
| 01.04.2017 | 66.29        | 55.61       |         | 440.90             | 723.00         |             |  |
| 07.04.2017 |              |             | 19.03   |                    |                |             |  |
| 16.04.2017 | 68.07        | 56.83       | 19.29   |                    |                |             |  |
| 01.05.2017 | 68.09        | 57.35       | 19.65   | 442.77             | 631.00         |             |  |
| 16.05.2017 | 65.32        | 54.90       | 19.91   |                    |                |             |  |
| 01.06.2017 | 66.91        | 55.94       | 20.17   | 446.65             | 552.50         |             |  |

|            | D                |                                | DDG GVG | Domestic LPG |                |
|------------|------------------|--------------------------------|---------|--------------|----------------|
| Date       | Petrol           | Diesel                         | PDS SKO | Subsidized   | Non-subsidized |
|            | (Rs./litre)      |                                |         | (Rs./14.2    | 2 KG Cyl.)     |
| 16.06.2017 | 65.48            | 54.49                          | 20.43   |              |                |
| 01.07.2017 |                  |                                | 21.09   | 477.46       | 564.00         |
| 11.07.2017 |                  |                                | 21.22   |              |                |
| 16.07.2017 |                  |                                | 21.48   |              |                |
| 01.08.2017 |                  |                                | 21.74   | 479.77       | 524.00         |
| 16.08.2017 |                  |                                | 22.00   |              |                |
| 01.09.2017 |                  |                                | 22.27   | 487.18       | 597.50         |
| 16.09.2017 |                  |                                | 22.53   |              |                |
| 20.09.2017 | Since 16.6.2017  | Since 16.6.2017, Daily price - |         |              |                |
| 30.09.2017 | revision for pe  | trol/diesel has                |         | 488.68       | 599.00         |
| 01.10.2017 | been implemented | toeen impiememen.              |         | 491.13       | 649.00         |
| 16.10.2017 |                  |                                |         |              |                |
| 01.11.2017 |                  |                                |         | 495.69       | 742.00         |
| 15.11.2017 |                  |                                | 22.12   |              |                |
| 01.12.2017 |                  |                                |         | 495.69       | 747.00         |
| 16.12.2017 |                  |                                |         |              |                |
| 01.01.2018 |                  |                                |         | 495.64       | 741.00         |
| 16.01.2018 |                  |                                |         |              |                |
| 01.02.2018 |                  |                                | 22.91   | 495.63       | 736.00         |
| 16.02.2018 |                  |                                | 23.17   |              |                |
| 01.03.2018 |                  |                                | 23.44   | 493.09       | 689.00         |

#### Notes -

<sup>\*</sup>Since there is 'Nil' allocation of PDS kerosene in Delhi from Q3, 2013-14, RSP of PDS kerosene w.e.f. 1.11.2014 onwards is at Mumbai.

<sup>#</sup> Effective 1st January, 2015, Modified DBTL scheme has been implemented in the entire country. The effective cost to consumer is after DBTL Subsidy.

<sup>\*\*</sup>The prices of Petrol and Diesel as on 5.3.2018 are Rs. 72.32/ litre and Rs. 62.89/ litre respectively. (as per IOCL at Delhi).

#### **Annexure-II**

17.15% VAT

Annexure referred to in reply to parts (b) of the Lok Sabha Unstarred Question No.2736 asked by Shri Rahul Shewale, Prof. Ravindra Vishwanath Gaikwad, Shri Sanjay Dhotre: Dr. P. Venugopal, Shrimati Pratyusha Rajeshwari Singh, Kumari Sushmita Dev, Shri Jyotiraditya M. Scindia, Shri Bhartruhari Mahtab, Shri Gutha Sukender Reddy, Shri C.S. Putta Raju, Shri P.K. Kunhalikutty, Shri Y.S. Avinash Reddy and Shri S.P. Muddahanume Gowda to be answered on 12<sup>th</sup> March, 2018 regarding "Prices of Petroleum Products".

State-wise rates of taxes as on 01.03.2018 on Petrol and Diesel

| State-wise rates of taxes as on 01.03.2018 on Petrol and Diesel |  |  |   |  |  |
|---|--|--|---|--|--|
| Sr. No  | State  | Petrol   | Diesel  |  |  |
| 1   | Andhra Pradesh                               | 31% VAT + Rs.4/litre VAT   | 22.25% VAT + Rs.4/litre VAT   |  |  |
| 2   | Arunachal Pradesh                            | 20% VAT  | 12.50% VAT  |  |  |
| 3   | Assam  | 32.66% VAT or Rs.14 per litre whichever is higher  | 23.66% VAT or Rs.8.75 per litre whichever is higher   |  |  |
| 4   | Bihar  | 26% VAT  | 19% VAT   |  |  |
|   |  | (30% Surcharge on VAT as irrecoverable tax)  | (30% Surcharge on VAT as irrecoverable tax)   |  |  |
| 5   | Chhattisgarh                                 | 25% VAT + Rs.2/litre VAT   | 25% VAT + Rs.1/litre VAT  |  |  |
| 6   | Delhi  | 27% VAT  | Rs.250/KL air ambience charges + 16.75% VAT   |  |  |
| 7   | Gujarat                                      | 20% VAT+ 4% Cess on Town Rate & VAT  | 20% VAT + 4 % Cess on Town Rate & VAT   |  |  |
| 8   | Goa  | 17% VAT + 0.5% Green cess  | 19% VAT + 0.5% Green cess   |  |  |
| 9   | Himachal Pradesh                             | 26% VAT  | 15% VAT   |  |  |
| 10  | Haryana                                      | 25% VAT+5% additional tax on VAT   | 16.40% VAT+5% additional tax on VAT   |  |  |
| 11  | Jharkhand                                    | 22% or Rs.15/litre whichever is higher VAT<br>+ Rs.1000/KL cess  | 22% or Rs.8.37/litre whichever is higher VAT + Rs.1000 cess   |  |  |
| 12  | Jammu & Kashmir                              | 24% MST+ Rs.3000/KL employment cess  | 16% MST+ Rs.1000/KL employment cess   |  |  |
| 13  | Kerala                                       | 31.80% sales tax+ Rs.1/litre additional sales tax + 1% cess  | 24.52% sales tax+ Rs.1/litre additional sales tax + 1% ce   |  |  |
| 14  | Karnataka                                    | 30% sales tax  | 19% sales tax   |  |  |
| 15  | Madhya Pradesh                               | 28 % VAT + Rs.4/litre VAT+1% cess  | 22% VAT + 1% cess   |  |  |
| 16  | Maharashtra – Mumbai,<br>Thane & Navi Mumbai | 26% VAT+ Rs.9/Litre additional tax   | 24% VAT + Rs.1/KL additional tax  |  |  |
| 17  | Maharashtra (Rest of State)                  | 25% VAT+ Rs.9/Litre additional tax   | 21% VAT + Rs.1/KL additional tax  |  |  |
| 18  | Manipur                                      | 25% VAT  | 14.50% VAT  |  |  |
| 19  | Meghalaya                                    | 22% VAT + 2% surcharge   | 13.5% VAT +2% surcharge   |  |  |
| 20  | Mizoram                                      | 20% VAT  | 12% VAT   |  |  |
| 21  | Nagaland                                     | 23.5% VAT +5% surcharge  | 13.5% VAT+ 5% surcharge   |  |  |
| 22  | Odisha                                       | 26% VAT  | 26% VAT   |  |  |
| 23  | Punjab                                       | Rs.2050/KL (cess) +28% VAT+10% additional tax on VAT   | Rs.1050/KL (cess) + 13.40% VAT+10% additional tax VAT   |  |  |
| 24  | Rajasthan                                    | 30% VAT+Rs 1500/KL road development cess   | 22% VAT+ Rs.1750/KL road development cess   |  |  |
| 25  | Sikkim                                       | 25% VAT+ Rs.3000/KL cess + Rs 100/KL sikkim consumer welfare fund  | 17.5% VAT + Rs.2500/KL cess + Rs 100/KL sikkim consumer welfareFund   |  |  |
| 26  | Tamil Nadu                                   | 34% VAT  | 25% VAT   |  |  |
| 27  | Telangana                                    | 35.20% VAT   | 27% VAT   |  |  |
| 28  | Tripura                                      | 20% VAT  | 13.50% VAT  |  |  |
| 29  | 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 - Rs 290/KL sales tax rebate (20% Additional tax on VAT as irrecoverable tax) |  |  |
| 30  | Uttar Pradesh                                | 26.80% or Rs.16.74 per litre whichever in higher as VAT  | 17.48% or Rs.9.41 per litre whichever in higher as VA   |  |  |
| 31  | Uttarakhand                                  | 25% or Rs.17/litre whichever is higher as VAT  | 17.48% VAT or Rs.9.41/litre whichever is higher as VA   |  |  |
| 32  | Andaman & Nicobar<br>Islands                 | 6%   | 6%  |  |  |
| 33  | Chandigarh                                   | Rs.10/KL cess +19.74% VAT  | Rs.10/KL cess + 11.40% VAT  |  |  |
| 34  | Dadra & Nagar Haveli                         | 20% VAT  | 15% VAT   |  |  |
| 35  | Daman & Diu                                  | 20% VAT  | 15% VAT   |  |  |
| 36  |  | Nil  | Nil   |  |  |
|   | *  | 1  |   |  |  |

21.15% VAT

Puducherry