

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA

UNSTARRED QUESTION NO.2064

TO BE ANSWERED ON MONDAY THE 13TH MARCH, 2023/ PHALGUNA 22, 1944 (SAKA)

EXEMPTION OF EXPORT TAX ON REFINED PETROL

2064. DR. T.R. PAARIVENDHAR:

Will the Minister of FINANCE be pleased to state:

- (a) whether some private companies in the country are exporting petrol after refining the imported crude oil for which export tax has been exempted as per the recent announcement by the Government and if so, the details thereof;
- (b) the total number and the details of private companies which are exporting petrol to other countries;
- (c) the logic/criteria adopted by the Government, to give such exemption to the private companies in the country; and
- (d) the impact of such exemption of export tax on petrol on the country's economy particularly in the fuel sector?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): The SAED/Cess imposed on export of petrol w.e.f. 1st July, 2022 was exempted for clearances made from units located in Special Economic Zone (SEZ) w.e.f. 20th July, 2022. Further, the rate of SAED/Cess on export of petrol was also reduced to Nil w.e.f. 20th July, 2022 for all exporters and has remained at that level till date.

(b): Major exporters of petroleum products are Indian oil Corporation Ltd (IOCL), Mangalore refinery and petrochemicals Ltd. (MRPL), Reliance Industries Ltd., Bharat Petroleum Corporation Ltd. (BPCL) and Nayara Energy.

(c) and (d): Units located in the Special Economic Zone (SEZ) were given exemption from SAED/Cess on export of petrol since the objective of setting up SEZs is to promote exports. However, since the applicable rate of SAED/cess on exports of petrol was Nil for all exporters w.e.f. 20th July, 2022 till date, the impact of this exemption is not significant.
