

**LOK SABHA**  
**UNSTARRED QUESTION NO. 95**  
**TO BE ANSWERED ON 2<sup>nd</sup> February 2023**

**GST on Petroleum Products**

**95. SHRI KARTI P. CHIDAMBARAM:**

**पेट्रोलियम और प्राकृतिक गैस मंत्री**

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

- (a) whether it is a fact that the Union Government is in favour of bringing petrol and diesel under the ambit of GST and if so, the details thereof and if not, the reasons therefor;
- (b) whether the GST Council has made a recommendation regarding the same;
- (c) if so, whether the Union Government has consulted the States in this regard and if so, the details thereof;
- (d) the details of cess and surcharge on petrol and diesel collected and utilised during the last five financial years, including provisional data for the current year;
- (e) whether the revenue generated from cess has been diverted for other purposes;
- (f) if so, the details of funds diverted during the last five financial years and current year along with the reasons for diversion of funds; and
- (g) whether the Government has undertaken any periodic review to evaluate effective utilisation of revenue generated via levied cesses and if so, the details thereof?

**ANSWER**

**पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री (श्री रामेश्वर तेली)**

**MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS  
(SHRI RAMESWAR TELI)**

(a to c) Article 279 A (5) of the Constitution prescribes that the Goods and Service Tax Council shall recommend the date on which the goods and services tax be levied on petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel (ATF). Also, as per the section 9(2) of the CGST Act, inclusion of these products in GST will require recommendation of the GST Council. So far, the GST Council, in which the states are also represented, has not made any recommendation for inclusion of these goods under GST.

(d to g) As per information compiled by the Ministry of Finance, the details of Cesses collected/realized alongside RE 2021-22 and BE 2022-23 are given below:

(Rs. crore)

Sl. No.	Head	2017-18	2018-19	2019-20	2020-21	2021-22 (RE)	2022-23 (BE)
1	Additional Excise duties on Motor Spirit (Petrol)*	21935.11	15307.79	14381.86	26895.29	-	-
2	Additional Excise Duties on High Speed Diesel*	61181.31	44272.66	40668.72	85289.24	-	-
3	Road & Infrastructure Cess*	15.87	51266.72	67373.64	123596.45	203235.00	138450.00

\* The additional duty of excise/customs on petrol and HSD was converted into 'Road and Infrastructure Cess' from Budget for 2018-19 through amendment of erstwhile Central Road Fund Act, 2000 into Central Road and Infrastructure Fund Act, 2000.

Levy of Cess as part of the tax collection is for meeting specific objectives of the Government. Taking into account the receipts and utilisation of different cesses in the previous years, the additional transfers to reserve funds are also made towards making good the shortfalls, if any, from Union Government's own resources and borrowings. Government has been transferring the Cess so collected to various dedicated Reserve Funds, kept in Public Account, after due appropriation authorised by Parliament by Law.

Accordingly, the transfer to Central Road and Infrastructure Fund during the last five years is as follows:

Name of the Fund	2018-19	2019-20	2020-21	2021-22 (RE)	2022-23 (BE)
Central Road and Infrastructure Fund (Rs. crore)	62879.64	90252.40	182363.47	247858.28	295150.00

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