

LOK SABHA
UNSTARRED QUESTION NO. 1728
TO BE ANSWERED ON 01 AUGUST, 2024

Taxation from Sale of Fuel

1728 Shri Deepender Singh Hooda:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the details of the amount collected as Central Excise, VAT and Cess per litre sale of Diesel, Petrol and Aviation Turbine Fuel (ATF) in Delhi;
- (b) the details of revenue collected by the Government from central excise duty and Cess from sale of Diesel, Petrol and Aviation Turbine Fuel (ATF) during each of the last five Financial Years (FYs) including the FY 2024-25;
- (c) the details of gain in revenue to the Government by way of withdrawal of Subsidy on LPG cylinders in FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24; and
- (d) the details of increase in central excise duty and Cess on sale of petrol, diesel during the last five years?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री सुरेश गोपी)

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

(a) to (d): **Petrol and Diesel**

The details of revision in Excise duty rates (including cess and surcharge) on Petrol and Diesel which is levied uniformly across the country including Delhi, since 2019-20 are as below:

Effective Date	Petrol (Rs/Ltr)	Diesel (Rs. /Ltr)
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

Source: Petroleum Planning & Analysis Cell (PPAC)

*Note: 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.

The details of VAT /Sales tax on Petrol and Diesel and ATF at Delhi as on 01.07.2024 are as follows:

(Rate per litre)

Petrol	Diesel
19.40%	16.75% plus Rs. 250 per KL Air Ambience Cess

There is currently Nil Excise duty on export of petrol and diesel.

Aviation Turbine Fuel (ATF)

The excise duty is levied at 11% on Aviation Turbine Fuel (ATF). However, Excise Duty is 2% in place of 11%, for supply to Scheduled Commuter Airlines (SCA) from the regional connectivity scheme (RCS) airports.

VAT /Sales tax on ATF at Delhi is levied at 25% per litre as on 01.07.2024 and currently there is Nil excise duty on export of ATF.

LPG:

India imports more than 60% of its domestic LPG consumption. Prices of LPG in the country are linked to its price in the international market. Government continues to modulate the effective price to consumer for domestic LPG. During the period 2020-21 to 2022-23, the average Saudi CP (international benchmark for LPG pricing) went up from \$415 per MT to \$712 per MT. However, the increase in the international prices was not fully passed on to the customers.

Under PAHAL Scheme, the domestic LPG cylinders are sold at non-subsidised price and the applicable subsidy to the consumers is transferred directly into their bank accounts. Apart from the direct subsidy to consumers, the OMCs have also been compensated Rs 22,000 crore in FY 2022-23 by Government of India to cover the under-recoveries suffered by them in not passing on the high international LPG prices to the domestic LPG consumers.

Government reduced the retail selling price of domestic LPG for all consumers by Rs. 200 per 14.2 Kg LPG cylinder with effect from 30th August, 2023. Government further reduced the RSP of domestic LPG by Rs. 100 per 14.2 Kg cylinder w.e.f. 9th March, 2024. The current RSP of domestic LPG at Delhi is Rs. 803 per 14.2 Kg cylinder.

W.e.f. 21st May, 2022, Government has been providing a targeted subsidy of Rs. 200 per 14.2 Kg LPG cylinder for Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries for upto 12 refills a year. Moreover, w.e.f. 5th October, 2023, Government increased the targeted subsidy to Rs. 300 per 14.2 Kg LPG cylinder for all Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries. With a

targeted subsidy of Rs. 300 per cylinder (and proportionately prorated for 5 Kg cylinder), effective cost for PMUY consumers is Rs. 503 per 14.2 Kg cylinder (at Delhi) currently.

During Covid-19 pandemic, as a pro-poor initiative, Government announced a scheme for providing upto 3 (three) free of cost LPG refills to Ujjwala beneficiaries w.e.f. 01.04.2020 under the Pradhan Mantri Garib Kalyan Package (PMGKP). OMCs transferred Rs. 9670.41 crore to bank accounts of PMUY beneficiaries for buying LPG refills and PMUY beneficiaries availed 14.17 crore refills under the Scheme.

Government continues to provide subsidy on domestic LPG for PMUY beneficiaries. The details of subsidy on domestic LPG since 2020-21 are given below:

Financial Year	Subsidy^ (Rs. in Crore)
2020-21	11896 [#]
2021-22	1811
2022-23	6965 [@]
2023-24 (P)	11444

This includes Pradhan Mantri Garib Kalyan Package subsidy.

@ In addition, Government paid a one-time compensation of Rs.22000 crore to OMCs for under-recoveries on the sale of domestic LPG.

^ This includes expenditure on connections given under Pradhan Mantri Ujjwala Yojana (PMUY) from May, 2016.

Source: Petroleum Planning and Analysis Cell (PPAC) and Indian Petroleum and Natural Gas Statistics (IPNG)

The details of contribution of petroleum sector to exchequer for the last 5 years are given at Annexure.

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Annexure referred to in reply to Lok Sabha Unstarred Question No. 1728 asked by Shri Deepender Singh Hooda to be answered on 01.08.2024 regarding “Taxation from Sale of Fuel”.

Contribution of petroleum sector to exchequer

(Rs. in Crore)

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

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