

LOK SABHA
UNSTARRED QUESTION NO. 1597
TO BE ANSWERED ON 13 FEBRUARY, 2025

Cess Levied through Petroleum Products

1597. Shri Rao Rajendra Singh:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government has any data on the amount of cess levied through various petroleum products and if so, the details thereof; and
- (b) whether the Government has any account of utilisation of the aforementioned cess and if so, the details thereof along with the details of the petroleum infrastructure devolved to States for the development?

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): The details of taxes imposed on Petrol, Diesel, LPG are as follows:

Petrol & Diesel:

Currently, an excise duty of Rs. 19.90 per litre and Rs. 15.80 per litre is levied on petrol and diesel respectively. The Union Government levies Central Excise/Cess on petrol/diesel, while the State Governments levy Value Added Tax (VAT). The details of VAT levied by various State Governments on Petrol and Diesel are given at Annexure-I.

LPG: The rates of Customs duty and GST applicable on LPG are:

Particulars		GST	Customs Duty
LPG	Domestic *	5%	Nil
	Non - Domestic	18%	5%

*Basic Customs duty is Nil for import of domestic LPG sold by PSU OMCs to household consumers. Basic Customs duty rate is 5% for other importers of domestic LPG.

Source: Petroleum Planning and Analysis Cell (PPAC)

The details of contribution of petroleum sector to exchequer since 2023-24 are given at Annexure-II.

(b): The revenue generated by taxation is used in various infrastructural projects and developmental schemes of the Government like Targeted subsidy to PMUY households, Pradhan Mantri Gram Sadak Yojana (PMGSY), Pradhan Mantri Ujjwala Yojana (PMUY), Ayushman Bharat, Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), free vaccination for COVID – 19 etc.

Annexure referred to in reply to Lok Sabha Unstarred Question No. 1597 asked by Shri Rao Rajendra Singh to be answered on 13.02.2025 regarding “Cess Levied through Petroleum Products”.

Details of VAT /Sales tax on petrol and diesel as on 07.02.2025

State/UT	Petrol	Diesel
Andaman & Nicobar Islands	1%	1%
Andhra Pradesh	31% VAT + Rs.4/litre VAT+Rs.1/litre Road Development Cess and Vat thereon	22.25% VAT + Rs.4/litre VAT+Rs.1/litre Road Development Cess and Vat thereon
Arunachal Pradesh	14.50%	7.00%
Assam	24.77% or Rs.18.80 per litre whichever is higher	22.19% OR Rs. 14.60 per litre whichever is higher Rebate of Rs. 1.50 per litre subject to minimum tax of Rs. 14.60 per litre
Bihar	23.58% or Rs. 16.65/Litre whichever is higher (30% Surcharge on VAT as irrecoverable tax)	16.37% or Rs. 12.33/Litre whichever is higher (30% Surcharge on VAT as irrecoverable tax)
Chandigarh	Rs.10/KL cess +15.24% or Rs.12.42/Litre whichever is higher	Rs.10/KL cess + 6.66% or Rs.5.07/Litre whichever is higher
Chhattisgarh	24% VAT + Rs.2/litre VAT	23% VAT + Rs.1/litre VAT
Dadra and Nagar Haveli and Daman and Diu	12.75% VAT	13.50% VAT
Delhi	19.40% VAT	Rs.250/KL air ambience charges + 16.75% VAT
Goa	21.5% VAT + 0.5% Green cess	17.5% VAT + 0.5% Green cess
Gujarat	13.7% VAT+ 4% Cess on Town Rate & VAT	14.9% VAT + 4 % Cess on Town Rate & VAT
Haryana	18.20% or Rs.14.50/litre whichever is higher as VAT+5% additional tax on VAT	16.00% VAT or Rs.11.86/litre whichever is higher as VAT+5% additional tax on VAT
Himachal Pradesh	17.5% or Rs. 13.50/Litre- whichever is higher	13.90% or Rs. 10.40/Litre- whichever is higher
Jammu & Kashmir	24% MST+ Rs.2/Litre employment cess, Rebate of Rs.4.50/Litre	16% MST+ Rs.1.00/Litre employment cess , Rebate of Rs.6.50/Litre
Jharkhand	22% on the sale price or Rs. 17.00 per litre , which ever is higher + Cess of Rs. 1.00 per Ltr	22% on the sale price or Rs. 12.50 per litre , which ever is higher + Cess of Rs 1.00 per Ltr
Karnataka	29.84% sales tax	18.44% sales tax
Kerala	30.08% sales tax+ Rs.1/litre additional sales tax + 1% cess , Social security cess Rs.2 per litre	22.76% sales tax+ Rs.1/litre additional sales tax + 1% cess , Social security cess Rs.2 per litre
Ladakh	15% MST+ Rs.5/Litre employment cess, Reduction of Rs.2.5/Litre	6% MST+ Rs.1/Litre employment cess , Reduction of Rs.0.50/Litre
Lakshadweep	10% VAT	10% VAT
Madhya Pradesh	29 % VAT + Rs.2.5/litre VAT+1% Cess	19% VAT+ Rs.1.5/litre VAT+1% Cess

Maharashtra – Mumbai, Thane & Navi Mumbai	25% VAT+ Rs.5.12/Litre additional tax	21% VAT
Maharashtra (Rest of State)	25% VAT+ Rs.5.12/Litre additional tax	21% VAT
Manipur	25% VAT	13.5% VAT
Meghalaya	13.50% or Rs.13.50/Litre- whichever is higher (Rs.0.10/Litre pollution surcharge)	5% or Rs. 9.50/Litre- whichever is higher (Rs.0.10/Litre pollution surcharge)
Mizoram	18%, Social Infrastructure and Services Cess Rs. 2000/KL, Road Maintenance Cess Rs 2000/KL	10%, Social Infrastructure and Services Cess Rs 2000/KL, Road Maintenance Cess Rs. 2000/KL
Nagaland	21.75% VAT or Rs. 16.94/litre whichever is higher	17.20% VAT or Rs. 12.83/litre whichever is higher
Odisha	28% VAT	24% VAT
Puducherry	16.98% VAT	11.22% VAT
Punjab	Rs.2050/KL (cess)+ Rs.0.10 per Litre (Urban Transport Fund) + 0.25 per Litre (Special Infrastructure Development Fee)+16.58% VAT plus 10% additional tax or Rs.14.93/Litre whichever is higher	Rs.1050/KL (cess) + Rs.0.10 per Litre (Urban Transport Fund) +0.25 per Litre (Special Infrastructure Development Fee) + 13.1% VAT plus 10% additional tax and or Rs.10.94/Litre whichever is higher
Rajasthan	29.04% VAT+Rs. 1500/KL road development cess	17.30% VAT+ Rs.1750/KL road development cess
Sikkim	20% VAT+ Rs.4000/KL cess	10% VAT + Rs.3500/KL cess
Tamil Nadu	13% + Rs.11.52 per litre	11% + Rs.9.62 per litre
Telangana	35.20% VAT	27% VAT
Tripura	17.50% VAT+ 3% Tripura Road Development Cess	10.00% VAT+ 3% Tripura Road Development Cess
Uttar Pradesh	19.36% or Rs. 14.85/Litre whichever is higher	17.08% or Rs. 10.41/Litre whichever is higher
Uttarakhand	16.97% or Rs. 13.14 Per Ltr whichever is greater	17.15% or Rs. 10.41 Per Ltr whichever is greater
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 (20% Additional tax on VAT as irrecoverable tax)

Source: Petroleum Planning and Analysis Cell (PPAC)

Annexure referred to in reply to Lok Sabha Unstarred Question No. 1597 asked by Shri Rao Rajendra Singh to be answered on 13.02.2025 regarding “Cess Levied through Petroleum Products”.

Contribution of petroleum sector to exchequer

Particulars	(Rs. in Crore)	
	2023-24	2024-25 (Apr-Sep) (P)
Contribution to Central Exchequer		
A. Tax/ Duties on Crude oil & Petroleum products		
Cess on Crude Oil	19,580	7,769
Royalty on Crude Oil / Natural Gas	9,286	4,675
Customs Duty	13,134	6,696
National Calamity Contingent Duty (NCCD) on Crude Oil	1,191	578
Excise Duty	2,73,684	1,22,507
Service tax	-	-
IGST	20,930	10,364
CGST	12,230	5,523
Others	51	23
Sub Total (A)	3,50,086	1,58,135
B. Dividend to Government/ Income tax etc.		
Corporate/ Income Tax	57,493	19,053
Dividend income to Central Govt.	19,310	4,294
Dividend distribution tax	-	-
Profit Petroleum on exploration of Oil/ Gas	5,505	1,837
Sub Total (B)	82,308	25,184
1. Total Contribution to Central Exchequer (A+B)	4,32,394	1,83,319
2. Total Contribution to State Exchequer	3,18,762	1,55,866
Total Contribution of Petroleum Sector to Exchequer (1+2)	7,51,156	3,39,185

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