

LOK SABHA
UNSTARRED QUESTION NO. 678
TO BE ANSWERED ON 25th July 2024

Petroleum Products under GST

678. SHRI DINESH CHANDRA YADAV:
SHRI ANAND BHADAURIA:
SHRI GIRIDHARI YADAV:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government has any proposal to bring Petrol, Diesel and LPG/CNG under GST, if so, the details thereof and if not, the reasons therefor;
- (b) whether the Ministry of Petroleum and Natural Gas has sent any proposal to the Ministry of Finance for bringing petrol, diesel and other petroleum products under GST during the last five years;
- (c) if so, the details thereof, date and proposal-wise;
- (d) the details of response of Ministry of Finance to bring these petroleum products under GST, proposal and date-wise; and
- (e) whether it is not a fact that if petroleum products come under GST, their prices for consumers would be reasonable as well as affordable and if so, the details thereof?

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 (c): Article 279 A (5) of the Constitution prescribes that the Goods and Services Tax Council shall recommend the date with effect from which the goods and services tax would be levied on petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel (ATF). As per the section 9(2) of the CGST Act, 2017, inclusion of these products in GST will require recommendation of the GST Council. So far, the GST Council, in which all States are represented, has not made any recommendation for inclusion of these goods under GST. Presently, LPG is covered in the GST regime.

(d) & (e): The GST Council in its 45th meeting held on 17th September, 2021 had considered the inclusion of Petrol/Diesel and other petroleum products under the GST regime but the matter was deferred by the Council till detailed deliberations on account of substantial repercussions on state and central exchequer were held. The issue has not been taken up by the Council as an agenda item for any further deliberation subsequent to the said meeting. Since the above products are not covered in GST and also no recommendation has been made so far by the GST council, therefore, it would be pre-mature to assess the likely impact of prices on the consumers.
