

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:696  
ANSWERED ON:25.02.2009  
AED ON PETROL AND DIESEL  
Chinta Mohan Dr. ;Suman Shri Ramji Lal

**Will the Minister of FINANCE be pleased to state:**

- (a) whether Additional Excise Duty (AED) at the rate of Rs.2 a litre on both petrol and diesel is being collected from the ordinary consumers in the country;
- (b) If so,the facts thereof and the total amount realised from the consumers by way of this duty during each of the last three years till September,2008;
- (c) whether the Government has taken any steps to abolish the same;and
- (d) if not, the reasons therefor alongwith the details of the amount spent under various items from this fund during the said period, item-wise?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir. Rs.2/Litre Additional Duty on Petrol is collected as per Section 111 of Finance Act, 1998, as amended by Section 159 of the Finance Act, 2003 and Section 119 of the Finance Act, 2005.

Rs 2/Litre Additional Duty on High Speed Diesel is collected as per Section 113 of Finance Act,1999,as amended by Section 160 of the Finance Act,2003 and Section 120 of the Finance Act, 2005.

(b) The details of AED collected for last three years are given below:-

Year Amount Collected (Rs in Crore)

2005-06 11313.71

2006-07 12206.54

2007-08 13264.41

2008-09 7511.54  
(up to  
September,  
2008)

(c) At present,there is no such proposal under the consideration of the Government.

(d) The amount collected as additional excise duty is initially credited to the Consolidated Fund of India and thereafter,Parliament by appropriation,transfers the amount after adjusting cost of collection,to the Central Road Fund (CRF).The CRF is thereafter,distributed by Planning Commission amongst three Ministries,i.e. Ministry of Rural Development,Ministry of Railways and Ministry of Shipping,Road Transport & Highways (Department of Road Transport & Highways) in a manner prescribed under Section 10

(viii) of the Central Road Fund Act,2000.The Ministry of Shipping, Road Transport & Highways uses CRF for National Highway Development Projects and development of state roads (other than rural roads) and Centrally sponsored roads of Economic Importance (EI) and Interstate Connectivity (ISC).The details of the amount spent by Ministry of Shipping,Road Transport & Highways are given as Annexure-I A & I B.The details of the amount spent by Ministry of Railways and Ministry of Rural Development are given as, Annexure-II and Annexure-III respectively.