

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2107

ANSWERED ON:06.08.2010

TAXES ON PETROLEUM PRODUCTS

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Will the Minister of FINANCE be pleased to state:

(a) the category-wise break up of duties collected from petroleum products during each of the last three years along with reasons for increase/decrease in the same; and

(b) whether the Government has plans to increase revenue generation in future and if so, alongwith the reasons therefor?

Answer

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

(a) The category wise break up of the Central Excise duties and Custom duties collected from petroleum crude and products during last three years is attached as Annexure-I. There is a decrease in customs revenue during the period 2008-09 and 2009-10 as compared to that of 2007-08. This is mainly on account of reduction of import duty on petroleum crude from 5% to Nil during 2008. Similarly there is a marginal reduction in Central Excise revenue during 2008-09 as compared to 2007-08 which is mainly on account of reduction of basic excise duty rate by Re. 1 per litre on petrol and diesel. However, during 2009-10, the Central Excise revenue has shown an increase which can be attributable to increase in volumes of domestic clearances apart from restoration of excise duty rate with effect from 1st March, 2010.

(b) No Sir, presently there is no proposal for increase in rates of duty on petroleum products under the consideration of the Government.