

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4402  
ANSWERED ON:20.08.2010  
TAXES ON PETROLEUM PRODUCTS  
Acharia Shri Basudeb;Haque Shri Sk. Saidul

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

- (a) the details of subsidy given to petroleum companies during each of the last three years;
- (b) whether taxes on petroleum products is a major source of revenue for the Government;
- (c) if so, the details of total tax revenue as well as non-tax revenue generated from petroleum products during the same period;
- (d) whether the Government has plans to increase subsidy given to petroleum companies; and
- (e) if so, the details thereof and if not, reasons therefor?

**Answer**

Minister of State in Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a): During the last three years, the details of subsidies provided to Oil Marketing Companies (OMCs) by Government of India, are as follows:

Sr.No. Year Amount (Rs. crore)

1	2007-08	37,031
2	2008-09	73,980
3	2009-10	28,770

(b) &(c): During the last three years, total contribution of the petroleum sector to the Central Government Exchequer has been as follows:

(all figures in Rs. crore)

Particulars	2007-08	2008-09	2009-10
Total Tax Contribution	97,490	84,535	92,549
Total Non-Tax Contribution	14.862	12,360	17,396
TOTAL	112,352	96,895	109,945

A significant portion of the above is devolved to States, as per the devolution formula prescribed by Finance Commission.

Total contribution of the petroleum sector to the Central Government Exchequer visa-vis Total Revenue Receipts for the period under consideration is as follows:

Year percentage of petroleum sector contribution

2007-08	20.73
2008-09	17.93
2009-10	19.04

(d) & (e): A decision in this regard shall be taken keeping in view the quantum of total under recoveries suffered by the Oil Marketing Companies, which will in turn be dependent on the crude oil prices in international market.