

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1704
ANSWERED ON:22.08.2012
CESS ON CRUDE OIL PRODUCTION
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Will the Minister of FINANCE be pleased to state:

- (a) whether cess on domestic crude oil production is still being charged from the national oil companies;
- (b) if so, the rates thereof for 2011-12 and the amount collected so far;
- (c) the company-wise details of the amount collected on this account during the last three years and the current year so far, year-wise; and
- (d) the proportion of proceeds used for exploration and development?

Answer

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

(a): Yes, Madam.

(b): (i) Cess was not leviable on crude oil produced from NELP blocks. (ii) In pre NELP Blocks, the cess rate on crude oil produced from the 26 identified fields under Production Sharing Contracts was Rs. 900 per metric tonne. (iii) Other than (i) and (ii) above, cess on indigenously produced petroleum crude oil was levied at the rate of Rs. 2,500 per metric tonne till 16th March, 2012. Rate was revised to Rs. 4,500 per metric tonne w.e.f. 17th March, 2012. (iv) From 2005-06 to till June 2012, the total cess amount collected is Rs.55451.6 crore.

(c): The company-wise detail of the amount collected on this account during the last three years and the current year so far, year-wise is not readily available. However, total cess collected for the same period is as mentioned below:

Year Amount collected (Rs.in crore)

2009-10 6688.4

2010-11 8860.8

2011-12 10357.0

2012-13 (till
June 2012) 4257.6

(d): the Central Government has paid an amount of Rs. 902 crore to Oil Industry Development Board up to 31st March 2011.