

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2146

ANSWERED ON:05.12.2014

TAXES ON PETROL AND DIESEL

Dhruvanarayana Shri Rangaswamy;Kodikunnil Shri Suresh;Raut Shri Vinayak Bhaurao;Shewale Shri Rahul Ramesh

Will the Minister of FINANCE be pleased to state:

(a) the details of various types of taxes currently levied on petrol and diesel;

(b) whether the Government has recently taken a decision to increase excise duty on petrol and diesel, if so, the details thereof and reasons therefor;

(c) whether the crude oil (Brent) prices have been falling in the last six months and if so, the details thereof and its impact on commodities prices in the country;

(d) whether the benefit of reduction in petrol and diesel prices internationally is passed on to the general public, if so, the details thereof and if not, the reasons therefor; and

(e) the measures taken or proposed to be taken to allow the general public to partake of such benefits in future?

Answer

MINISTER OF FINANCE (SHRI ARUN JAITLEY)

(a): The Current Basic Customs Duty and Central Excise duty rates on petrol and diesel are as under:

Product	Basic Customs duty	Central Excise duty
1. Petrol (unbranded)	2.5%	Rs.12.95 per litre [4.95 BED + 6 SAED + 2 AED]
2. Petrol (branded)	2.5%	Rs.14.10 per litre [6.10 BED + 6 SAED + 2 AED]
3. HSD (unbranded)	2.5%	Rs.5.96 per litre [3.96 BED + 2 AED]
4. HSD (branded)	2.5%	Rs.8.25 per litre [6.25 BED + 2 AED]
# BED	: Basic Excise Duty	
AED	: Additional Excise Duty	
SAED	: Special Additional Excise Duty	

In addition, Education Cess @ 2% and Secondary & Higher Education Cess @ 1%, by way of surcharge, are also applicable both on imported and domestic petrol and diesel.

(b): Yes. Vide Notification No.22/2014-Central Excise, dated 12.11.2014 the Basic Excise Duty (BED) on petrol (branded as well as unbranded) and diesel (branded as well as unbranded) was increased by Rs.1.50 per litre. Further, vide Notification No.24/2014-Central Excise, dated 02.12.2014 the Basic Excise Duty (BED) on petrol (both branded as well as unbranded) was increased by Rs.2.25 per litre and the BED on diesel (both branded as well as unbranded) was increased by Re.1 per litre. The rates of other excise duties, including special additional excise duty (SAED), additional excise duty (AED) and Education Cess and Secondary & Higher Education Cess remain unchanged. These increases in excise duty on petrol and diesel have been effected taking into consideration the continued fall in international prices of crude and thereby petrol and diesel.

(c): Yes. The average prices of Brent Crude oil during last 6 months are as under:

Month	Jun,14	Jul,14	Aug,14	Sep,14	Oct,14	Nov14
Price (\$/bbl)	111.65	106.64	101.61	97.30	87.40	78.89

(d): The Government has made the prices of Petrol (effective 26.10.2010) and Diesel (effective 19.10.2014) market determined. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on the pricing of Petrol and Diesel in line with the international oil prices and market conditions. The OMCs have also carried out reduction in price of Petrol and Diesel (after 19.10.2014) in line with their reduction in international prices recently.

(e): Revision in Prices of Petrol and Diesel since 07.06.2014 are as under:

Date	Petrol	Diesel
(Rs./litre)		
07.06.2014	71.51	57.28
25.06.2014	71.56	57.28
01.07.2014	73.60	57.84
01.08.2014	72.51	58.40
16.08.2014	70.33	58.40
31.08.2014	68.51	58.97
01.10.2014	67.86	58.97
15.10.2014	66.65	58.97
19.10.2014	66.65	55.60
01.11.2014	64.24	53.35
01.12.2014	63.33	52.51
Current RSP	63.33	52.51