

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1304

ANSWERED ON:15.07.2004

CESS FROM PETROLEUM PRODUCTS FOR OIL INDUSTRY

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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government has collected cess from petroleum products for the development of State-owned oil industry;
- (b) if so, the details of funds collected since its inception, year-wise;
- (c) whether the Government has not paid any funds to Oil Industry Development Board;
- (d) if so, the reasons for the same; and
- (e) the corrective measures proposed to be taken by the Government in this regard ?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) & (b) No cess is levied on petroleum products for development of State-owned oil industry. Cess is being levied under Oil Industry Development Act (1974) on indigenous production of crude oil for development of oil industry . The present rate of cess is Rs. 1800 per Metric Tonne. A statement indicating the year-wise details of the Cess collected under Oil Industry Development Act (1974) since inception is enclosed.

(c) to (e) Since inception of OIIB, Government have paid Rs.902.40 crore to OIIB out of cess collected on crude oil.