

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

UNSTARRED QUESTION NO:3492
ANSWERED ON:15.12.2005
VAT ON PNG
Pathak Shri Brajesh

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

- (a) whether Indraprastha Gas Limited (IGL) is collecting Value Added Tax (VAT) on the supply of cooking gas;
- (b) if so, the percentage of VAT being collected by the said company on supply of cooking gas;
- (c) whether it is in accordance with rules; and
- (d) if so, the details thereof?

Answer

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

(a) & (b): Yes, Sir. Effective 1.4.2005, Indraprastha Gas Limited (IGL) is collecting Value Added Tax (VAT) @20% on the supply of piped natural gas (PNG) for cooking and other purposes to its consumers in National Capital Territory of Delhi.

(c) & (d): VAT is being charged @ 20% on piped natural gas (PNG) for cooking and other purposes as per rules under the 4th schedule of the Delhi Value Added Tax Act, 2004. Under Schedule - 4 of the Delhi Value Added Tax Act, 2004, all petroleum products, except CNG, LPG and Kerosene, are taxable @ 20%. The Office of the Commissioner, Value Added Tax, New Delhi, has clarified to IGL that PNG is taxable @ 20%.