

Bring petrol, diesel under GST to reduce rates, CTI urges govt

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THE Chamber of Trade and Industry (CTI) on Thursday asked the government to bring petrol and diesel under the ambit of GST to bring down the fuel rates, a day after prices of petrol in Delhi crossed the ₹100 a litre mark. It also urged the central government to withdraw the increased excise duty that was introduced last year due to the Covid-19 pandemic.

"Crude oil was the cheapest in the last 16 years in 2020-21. During corona, between March and May 2020, when crude oil became cheaper, the central government increased the excise duty on petrol by ₹13 and diesel by ₹16," a statement from CTI said.

The dealer price of petrol in Delhi is ₹40.62 per litre, central excise duty is ₹32.90/litre, VAT is ₹23.13 per litre, while dealer commission is ₹3.60 per litre, that is, the tax being levied on per litre of petrol is ₹56.03. Similarly, the dealer price of diesel is ₹42.39 per litre, excise duty is ₹31.80 per litre, VAT is ₹12.85 while dealer commission is ₹2.53.

CTI chairman Brijesh Goyal said the traders body had recommended bringing petrol and diesel in "maximum luxury slab of GST" and levying ₹18 per litre CGST and SGST each on petrol. "The price of petrol including dealer commission will be ₹80.22 per litre after this. Similarly, if ₹15 worth of CGST and SGST each is levied on diesel, the price will be ₹74.92 per litre," Goyal said.

With PTI inputs