

Petrol, diesel to be under GST soon, says Pradhan

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With petrol and diesel kept out of the purview of GST, the state owned oil industry is losing ₹200 billion annually in terms of input credit, Union Minister Dharmendra Pradhan said on Thursday.

However, he said, with the GST regime stabilising and apprehensions over GST collection gradually receding, "It is a matter of time that petrol and diesel are brought under GST. Refinery, pipeline, exploration... all are under GST. I am not getting back that money, the input credit. So, I am making it costly. I am losing ₹200 billion per annum, only by government companies, in input credit. So, it is just a matter of time (before petrol and diesel are brought under GST)," he said.

"The current taxes on petrol and diesel are like a cash cow. Nobody wants to lose this revenue. But it is not far away. It has to come to GST. States have their apprehensions. They were right also because they did not know what would be the return on GST. They do not want to easily lose the perk," Pradhan said. After ten months of GST, he said, there is a change in thinking among the states.