

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

UNSTARRED QUESTION NO:6625
ANSWERED ON:09.05.2002
TAX CONCESSIONS IN LNG POLICY
ANANDRAO ADSUL

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

- (a) whether the Finance Ministry has proposed the tax concessions embodied in the proposed integrated liquified natural gas policy;
- (b) if so, whether his Ministry is in favour of providing a ten year tax holiday for all LNG importers since heavy capital investment is required for these projects;
- (c) if so, whether his Ministry has also proposed a tonnage tax of zero to one per cent on LNG shipping in place of the existing corporate tax regime; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINIS
PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (d) On consideration of the recommendations of Group of Officers, the Committee of Secretaries in its meeting held on October 11,2000 recommended formulation of an Integrated Liquefied Natural Gas (LNG)policy covering various aspects including Regulation, LNG shipping and fiscal regime. A proposal in this behalf is under active consideration of the Government.