

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3527
ANSWERED ON:16.12.2005
COMMITTEE ON TAXATION
Sethi Shri Arjun Charan

Will the Minister of FINANCE be pleased to state:

- (a) whether keeping in view of oil prices spiralling during last few years Government is considering to set up an Inter-ministerial Committee for taxation;
- (b) if so, the details thereof;
- (c) terms and conditions for setting up the committee and composition thereof; and
- (d) the time by which the Committee is likely to give its report?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S.PALANIMANICKAM)

(a) Yes, Sir.

(b)&(c)The Ministry of Petroleum & Natural Gas have constituted an Inter-Ministerial Committee under the Chairmanship of Dr.C.Rangarajan to look into the various aspects of pricing and taxation of petroleum products with a view to stabilizing/rationalizing their prices, keeping in view the financial position of the oil companies, conserving petroleum products, and establishing a transparent mechanism for autonomous adjustment of prices by the oil companies. The Committee comprises of one Chairman and five members namely

- (i) Dr.C.Rangarajan, Chairman, Economic Advisory Council to the Prime Minister, Chairman
- (ii) Dr. Kirit S. Parikh, Member Planning Commission, Member,
- (iii) Secretary, Ministry of Petroleum & Natural Gas, Member,
- (iv) Dr.Ashok Lahiri, Chief Economic Adviser, Ministry of Finance, Member,
- (v) Shri Saumitra Chaudhuri, Chief Economist, ICRA, New Delhi, Member,
- (vi) Prof.B.H.Dholakia, Director, IIM, Ahmedabad, Member.

(d) The Committee is expected to give its report in 6 months time.