

GOVERNMENT OF INDIA
MINISTRY OF POWER
RAJYA SABHA
QUESTION NO 06.12.2010
ANSWERED ON
IMPORT DUTY ON POWER EQUIPMENTS .

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Dr. T. Subbarami Reddy

Will the Minister of COALPOWER be pleased to state :-

- (a) whether the Minister has declared that the imposition of import duty on power equipments has been pushed off until at least the Twelfth Five Year Plan after the Ministry of Finance had opposed the proposal;
- (b) if so, whether the duty pushed BHEL and Larsen and Toubro for all Ultra Mega Power Projects failed to muster support;
- (c) if so, whether Government is also in a position to have Tenth Five Year Plan capacity addition of about 22,000 MW due to domestic manufacturing capacity; and
- (d) whether Government is confident in achieving the Tenth Five Year Plan capacity addition target?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI BHARATSINH SOLANKI)

(a) & (b) :A Committee was set up under Member (Industry), Planning Commission

(Maira Committee) `to suggest options and modalities to take care of the disadvantages suffered by the domestic industry related to power sector`. The Committee has made recommendation for levy of Custom Duty @ 10% additional custom duty `NIL` and Special Additional Duty (SAD) @ 4% on import of equipment for Mega and Ultra Mega Power Projects to offset the disadvantages suffered by domestic manufacturers. Various Ministries including Ministry of Finance have been consulted. The matter is under consideration of the Government.

(c) & (d) :21,180 MW capacity was added during the Tenth Five Year Plan, against the target of 41,110 MW.