

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2191  
ANSWERED ON:06.08.2010  
IMPORT DUTY ON POWER GENERATION EQUIPMENT  
Bhagora Shri Tarachand

**Will the Minister of FINANCE be pleased to state:**

- (a) whether Planning Commission has recommended a 14 per cent import duty on the power generation equipment;
- (b) if so, the reasons cited for imposing such import duty;
- (c) whether the Public Sector Undertakings (PSUs) which are likely to be adversely effected by such import duty have been identified;
- (d) if so, the details thereof and remedial measures taken or proposed to be taken by the Government in the matter, if any; and
- (e) if not, the reasons therefor?

**Answer**

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

- (a)and(b) Yes Sir, to offset disadvantages faced by domestic power equipment manufacturers on account of lower customs duties on imported power equipment meant for mega power projects and Ultra Mega Power Projects; and higher interest rates, local taxes, infrastructural inadequacies, Planning Commission has recommended a 14% import duty on the imported power generation equipment.
- (c),(d)and(e) No, Sir. The Public Sector Undertakings (PSUs) which are likely to be adversely effected by such import duty have not been identified as the matter is still under consideration.