

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:4134

ANSWERED ON:03.08.2009

GUIDELINES FOR POWER GENERATION AND DISTRIBUTION BY SEZS

Patasani Dr. (Prof.) Prasanna Kumar

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the developer of an SEZ having captive power plant is empowered to sell the excess/surplus power to Domestic Tariff Area as per the latest guidelines issued by the Government;

(b) if so, the details thereof;

(c) whether the surplus power is to be sold directly or routed through the State Electricity Boards (SEBs) or the Power Distribution Companies, as the case may be; and

(d) the rate of duty and taxes to be paid for the consumables and raw materials for the surplus power generation by the SEZ developer?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JYOTIRADITYA M. SCINDIA)

(a) to (d): As per the existing guidelines on the matter, in case of power supplied from processing area to constituents in non-processing area or from processing area/non-processing area to Domestic Tariff Area, it should be at such a price as agreed by the regulator and the unit. For such clearance, the quantity of duty shall be leviable at such rate as may be notified as customs tariff by the Department of Revenue on the advice of the Ministry of Power and the Ministry of Commerce. Such power plants would ensure maintenance of separate meter for supply of power from processing area to constituents in non-processing area or from processing area to Domestic Tariff Area and amount of power so supplied should be submitted to the Unit Approval Committee for every quarter.