

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2814
ANSWERED ON:26.11.2010
IMPORT OF POWER EQUIPMENT
Naik Dr. Sanjeev Ganesh

Will the Minister of POWER be pleased to state:

- (a) whether the Government has decided to free security curbs on equipment imports;
- (b) if so, the details thereof;
- (c) the total amount of equipment imported during the last three years, year-wise;
- (d) whether it will become a threat to the domestic manufacturers of power equipment as Chinese equipment are cheaper; and
- (e) if so, the steps being taken by the Government for safeguarding the domestic manufacturers?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : As per 'Guidelines for participation of foreign companies in tenders for work package of Hydroelectric Projects in sensitive areas 2009' issued by the Government, prior clearance from Ministry of Home Affairs is required for all hydro projects with foreign participation of any form, regardless of the project size or investment limit falling in sensitive areas indicated in the guidelines.

There are no security related curbs on import of equipment related to thermal power projects.

(c): Expenditure incurred on thermal projects during last three years for which equipment is being sourced from foreign manufacturers is given below:

Rs. Crores

2007-08 2008-09 2009-10

11809.92 17313.95 10736.34

Total value of orders for electro-mechanical equipments for hydro projects placed on foreign manufacturers during last three years is given below:

2007-08 2008-09 2009-10

Rs. 4251.05 crores Rs. 826 crores

US\$ 148.48 million ₹ 21.4 million NIL

₹ 12.9 million ¥ 359.13 million

₹ - Euro; ¥ - Japanese Yen; \$ - Dollar

(d) & (e) : The issue of imports causing harm to domestic industries has been deliberated by a Committee under Member (Industry), Planning Commission and certain recommendations have been made, which are under consideration of the Government of India.