

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1800
ANSWERED ON:23.03.2012
IMPORT OF POWER EQUIPMENT
Gawali Patil Smt. Bhavana Pundlikrao

Will the Minister of POWER be pleased to state:

- (a) whether the Government is aware that several private companies are procuring or importing cheap power equipment from China on nominal duties or without paying any duty;
- (b) if so, the details of such companies and the impact thereof on the power sector including the public sector power companies;
- (c) whether the Government proposes to ban such imports or levy duty on such imports; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) : As per mega power policy, all mega power projects are eligible to import equipment from any country including China at zero custom duty. All other projects are required to pay import duties as per extant rate.

(b) : Out of the total thermal capacity of 45,064 MW commissioned in the 11th Plan, 17,772 MW capacity are commissioned with main plant equipment supplied by Chinese manufacturers/suppliers, out of which 15,072 MW capacity is in Private Sector projects. Further, out of total thermal capacity of 96,650 MW under construction, 38,900 MW capacity is with main plant equipment being supplied by Chinese manufacturers/suppliers; out of which 36,250 MW capacity is in Private Sector projects.

Hydro projects aggregating to 334 MW capacity (100 MW private) with Electro-Mechanical (E&M) package awarded to Chinese Companies have been commissioned in the 11th Plan and projects aggregating to 130 MW capacity (70 MW private) are under construction.

(c) & (d) : No decision on the proposal with regard to levy of duty on import of power equipment has been taken as yet.