

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:5875

ANSWERED ON:02.05.2013

MEGA POWER PROJECTS POLICY

Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan

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

(a) whether the Union Government has rationalized the existing Mega Power Projects Policy to give additional concessions to mega power projects; and

(b) if so, the details thereof?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER ( SHRI JYOTIRADITYA M. SCINDIA )

(a) & (b) : No, Madam. However, in order to compensate the disadvantages suffered by the domestic power equipment manufacturing industry on account of higher interest rates, local taxes and infrastructural inadequacies, create a level playing field to the domestic power equipment manufacturing industry vis-à-vis foreign vendors and promote self sufficiency in this vital sector, Government of India has decided on 19.07.2012 to impose Custom Duty @5%, CVD @12% (as applicable and equal to excise duty on domestic industry from time to time) & SAD @ 4% which will be uniformly applicable to the imported equipments of all categories of Power generation projects, viz., Mega Power Projects (including UMPPs) and non-Mega Power Projects. Thus, Mega Power policy stands withdrawn for new projects except for those where certificates were already issued for mega/provisional mega before 19.07.2012.