

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:614
ANSWERED ON:26.02.2015
CUSTOMS DUTY RELIEF
Shanavas Shri M. I.

Will the Minister of COAL be pleased to state:

- (a) the present charges of duties for coal imports, especially/Basic Customs Duty (BCD) and Counter- vailing Duty (CVD);
- (b) whether private power producers have sought customs duty relief on imported coal for private sector thermal power plants, on the grounds of the duty levied adds to the increased cost of electricity generation; and
- (c) if so, the response and decision taken by the Government in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF COAL, POWER AND NEW AND RENEWABLE ENERGY
(SHRI PIYUSH GOYAL)

(a): As per information provided by Ministry of Finance, Department of Revenue, the present Basic Customs Duty (BCD) and Countervailing Duty (CVD) on non-agglomerated coal is given in the table.

Tariff item	Description	BCD	CVD
	(in per cent)	(in per cent)	

2701 11 00	Anthracite coal	2.5	2
2701 12 00	Bituminous coal	2.5	2
2701 19 10	Coking coal	2.5	2
2701 19 20	Steam coal	2.5	2
2701 19 90	Other coal	2.5	2

(b) & (c): As per information provided by Ministry of Power, Association of Power Producers (APP) had requested to bring BCD to Nil and CVD to 1% on steam and bituminous coal, imported for power generation. Ministry of Power recommended the same to Department of Revenue, Ministry of Finance on 11.02.2013, 19.03.2013 and 29.04.2013. In response, the then Hon'ble Minister of Finance informed the then Hon'ble Minister of State (I/C) for Power that the reduction in BCD to Nil and CVD to 1% on steam and bituminous coal would entail a revenue loss of about Rs.1200 crore in a financial year. Thus it has not been found feasible to accede to the request.