

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:571
ANSWERED ON:28.02.2000
FOREIGN INVESTMENT IN POWER SECTOR
RANEE NARAH

Will the Minister of POWER be pleased to state:

- (a) whether India has been urged to create conditions for luring foreign investors in the power sector;
- (b) if so, whether any concrete proposals have been worked out in this regard;
- (c) the number of foreign investors ready to invest in India;
- (d) the details of total power projects of the foreign investors under construction at present; and
- (e) the total power expected to be generated after their completion?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRIMATI JAYAWANTI MEHTA)

(a) to (e) : The policy to encourage investments by private enterprises, including foreign investors, was introduced in 1991, with the objective of mobilizing additional resources for capacity addition in power generation and distribution. The approval for foreign equity for electric generation, transmission and distribution projects, and has decided to enlarge the provisions for automatic approval for such projects. Accordingly, projects for electric generation, transmission and distribution will be permitted foreign equity participation up to 100% on the automatic approval route provided the foreign equity in any such project does not exceed Rs.1500 crore.

As on date, 95 private power projects amounting to 54,967 MW of installed generation capacity on the Memorandum of Understanding (MoU)/Letter of Intent (LoI), etc. route (costing above Rs. 100 crores) and on the competitive bidding route (costing more than 1000 crores), are presently being monitored by the Central Government. These include 59 projects for around 36,700 MW capacity being promoted by foreign developers. As per available information, an amount of around Rs.10,500 crores foreign investment has already been made in the private power sector. Of the above mentioned projects, details of those, involving foreign developers, which are under construction and the amount of power to be generated after their completion are as follows:

Name of Project	State	Cap. (MW)	Promoter
Dabhol CCGT-Phase II	Maharashtra	1444	ENRON
Maheshwar HEP Hydel Power	Madhya Pradesh	400	Maheshwar
Kondapally CCGT Power Corp.	Andhra Pradesh	350	Kondapally
Pillaiperumalnallur CCGT Gen.Company	Tamil Nadu	330.5	PPN Power
Vemagiri CCGT (Naphtha) Limited	Andhra Pradesh	492	Ispat Power
Neyveli TPP	Tamil Nadu	250	ST-CMS

Samayanallur DGPP Tamil Nadu
Power

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Balaji

Samalpatti DGPP Tamil Nadu

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