

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:2990  
ANSWERED ON:26.11.2010  
FOREIGN INVESTMENTS IN POWER SECTOR  
Jakhar Shri Badri Ram

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

- (a) whether the Government proposes to attract foreign investments in the power sector;
- (b) if so, the details thereof;
- (c) whether in order to attract more foreign investors, the Government proposes to give some special package/concessions to them; and
- (d) if so, the details thereof and the time by which it is likely to be done?

**Answer**

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (d) : In order to attract foreign investments in the power sector, Foreign Direct Investment (FDI) upto 100% is permitted under automatic route for:

- (i) Generation and transmission of electric energy produced in-hydro electric, coal/lignite based thermal, oil based thermal and gas based thermal power plants;
- (ii) Non-Conventional Energy Generation and Distribution;
- (iii) Distribution of electric energy to households, industrial, commercial and other users; and
- (iv) Power Trading.

However, (i) to (iii) above do not include generation, transmission and distribution of electricity produced in atomic power plant/atomic energy since this sector/activity is reserved for public sector.