

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:2895

ANSWERED ON:30.03.2012

GLOBAL POWER COMPANIES IN POWER SECTOR

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

- (a) whether large global power companies have expressed desire to get involved in the power sector in the country;
- (b) if so, the details thereof and the names of such companies;
- (c) whether certain changes are required in the power sector in the country before the said companies enter this sector; and
- (d) if so, the details thereof?

**Answer**

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

(a) to (d) : As per extant policy, Foreign Direct Investment (FDI) up to 100% is permitted in power sector, under the 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.

Accordingly, any global power company can enter the power sector through FDI route. Further, several global power plant equipment manufacturing companies from Japan, Europe and USA have formed Joint Venture with Indian Companies for establishing base in India for manufacture of supercritical boilers/turbine generators and technology transfer. The companies are MHI, Japan with L&T; Hitachi, Japan with BGR; Toshiba, Japan with JSW; Alstom, France with Bharat Forge; Ansaldo Caldie, Italy with Gammon; Babcock & Wilcox, USA with Thermax; Hitachi Power Europe GmbH (Germany) with BGR. Moreover, Doosan, Korea (100% FDI) has come to establish its manufacturing facilities on their own strength.