

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:3248
ANSWERED ON:13.12.2012
FOREIGN COMPANIES IN POWER SECTOR
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Will the Minister of POWER be pleased to state:

- (a) whether many foreign companies are desirous of entering power sector in the country especially in the State of Chhattisgarh;
- (b) if so, the details thereof; and
- (c) the names of foreign companies working in the power sector in the country and the States where they are working, State-wise including Chhattisgarh?

Answer

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

(a) to (c): As per extant policy, Foreign Direct Investment (FDI) up to 100% is permitted in the 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 elective energy to households, industrial, commercial and other users; and
- iv) Power Trading.

Accordingly, any foreign power company can enter power sector through FDI route.

Further, several global power plant equipment manufacturing companies from Japan, Europe and USA have formed Joint Ventures with Indian Companies for establishing manufacturing base in India for the manufacture of supercritical boilers/turbine generators and technology transfer. The companies are Mitsubishi Heavy Industries Ltd., Japan with L&T at Gujarat; Hitachi, Japan with BGR at Tamil Nadu; Toshiba, Japan with JSW at Tamil Nadu; Alstom, France with Bharat Forge at Gujarat; Ansaldo Caldie, Italy with Gammon at Tamil Nadu; Babcock & Wilcox, USA with Thermax at Maharashtra; Hitachi Power Europe GmbH (Germany) with BGR at Tamil Nadu. Doosan, Korea (100% FDI) has come to establish its manufacturing facilities on their own strength in Tamil Nadu.

Besides, CLP India Pvt. Ltd., a wholly owned subsidiary of CLP Holdings has set up a 1320 MW thermal power project at Haryana. In addition, M/s. AES (Chhattisgarh Energy Pvt. Ltd.) proposes to setup 2x660 MW Thermal Power Project in Chhattisgarh and Odisha Power Generation Corporation Ltd. (A Joint Venture of Govt. of Odisha & AES Corp. USA) also proposes to setup a new Thermal Power Project (2x 660 MW) in Odisha.