

GOVERNMENT OF INDIA
MINISTRY OF POWER
RAJYA SABHA
QUESTION NO 19.04.2010
ANSWERED ON
FDI IN POWER SECTOR .

2568

SHRIMATI SHOBHANA BHARTIA

Will the Minister of COAL, HEALTH AND FAMILY WELFARE, POWER be pleased to state :-

- (a) whether Government has allowed 100 per cent Foreign Direct Investment in the country's power sector;
- (b) if so, the details thereof;
- (c) the number of power projects financed through FDI in the country for which Government has assured a counter guarantee; and
- (d) the amount of investment involved in such projects?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI BHARATSINH SOLANKI)

(a) & (b) :Yes, Sir. Government of India has allowed 100% Foreign Direct Investment (FDI) on automatic route for projects of power generation (except atomic energy), transmission, distribution and trading to encourage greater investment in the power sector.

(c) & (d) :Government of India's counter guarantee scheme was developed as a transitory measure to boost private investment and in 1994 it was decided to extend counter guarantee to 8 fast track power projects. However, Government of India has later decided not to give counter guarantee to any other private power projects.