

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.251
TO BE ANSWERED ON 19.07.2018**

**BARRING ALIEN COUNTRIES FROM PARTICIPATION
IN POWER TRANSMISSION PROJECTS**

251. SHRI B. SENGUTTUVAN:

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

(a) whether the Ministry is likely to bar the Chinese power companies from participation in power transmission projects on the ground of growing security concerns and if so, the details thereof;

(b) whether the Chinese Government bars the participation of foreign investors in electrical energy sector whilst India allows 100% FDI in the field and if so, the details thereof; and

(c) whether any policy decision has been taken by the Ministry to disallow countries that do not offer reciprocal investment in the field of power and to declare them ineligible to invest in power transmission projects in the country and if so, the details thereof?

A N S W E R

**THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER AND
NEW & RENEWABLE ENERGY**

(SHRI R. K. SINGH)

(a) : There is no proposal under consideration in the Ministry to bar the Chinese power companies from participation in power transmission projects on the ground of growing security concerns.

(b) : Ministry of External Affairs have informed that as per 7th Revision to Foreign Investment Industry Catalogue 2017 of Chinese Government, which regulates foreign investments in various sectors of the Chinese economy; foreign investment in sector related to energy/power generation is not prohibited. Investment in power generation and supply is encouraged by the Chinese Government, though it doesn't provide the detail on the share of ownership which a foreign investor can hold. However, "Construction and management of nuclear power plant", "Construction and operation of power grid", form a part of the "Restricted List" in China according to which the foreign investor mandatorily has to form JV with Chinese company and the majority of share holding will be with Chinese partner.

(c) : There is no policy decision taken by the Ministry to disallow countries that do not offer reciprocal investment in the field of power and to declare them ineligible to invest in power transmission projects in the country.
