

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2705  
ANSWERED ON:19.12.2003  
FOREIGN INVESTMENT IN DABHOL  
DR. KIRIT SOMAIYA

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

- (a) whether the Government are aware about the huge liability of more than Rs. 15,000 crore and compensation due to proposed termination of the contract with Dabhol Power Company;
- (b) whether there is possibility of foreign investment in the form of additional equity;
- (c) if so, whether the Government is planning to invite additional foreign investment for diversification of the activities of the company;
- (d) if so, the details in this regard; and
- (e) the manner in which the loss/burden will be mitigated?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL):

- (a) No liability has been incurred by Government of India so far on account of the Dabhol Power Company.
- (b) and (c) No foreign investor has approached Government of India with any proposal for either additional equity or diversification of the activities of the Dabhol Power Company.
- (d) and (e) Does not arise in view of what has been stated above.