ing over their production facilities to commercial corporations to refurbish and operate. Consumer tariffs are being raised, billing systems improved and demand management concepts applied. Increased emphasis is being placed on conservation and environmental considerations.

The national Powergrid Corporation has been given the mandate to build a national grid out of the existing five regional systems, and to upgrade long-distance transmission facilities.

There is considerable private investment flowing into "captive" plants for major power-using industries, which can sell any surplus to the grid. Co-generation is also expanding, based on waste products from the sugar, paper, fertilizer, chemical and other industries. SEBs are offering attractive terms for the purchase of such power.

Interest in India's vast potential for non-conventional power generation is growing. Publicly-funded pilot projects are being sponsored in wind, solar and marine energy, and some commercial undertakings have already been launched.

India has a large and well-developed domestic manufacturing and service base in the power sector. Yet key components of many items, and a major share of large-scale and state-of-the-art equipment must be imported. Private project promoters, in particular, are likely to look to imports, for the sake of technological efficiency, on-time delivery and the innovative financing that foreign suppliers can offer.

The Indian market for power-related equipment is estimated at over US$ 5 billion per year, of which at least 10 per cent represents imports.

Canada was closely associated with India's early power development, and Canadians engineered, equipped and financed the recently-commissioned, 540 MW Chamera I hydro project. Overall market participation by Canadian firms is very modest, however. Canada accounted for barely one per cent of India's power sector imports in recent years.

Canadian firms interested in supplying goods and services to India's power sector have a number of potential entry points.

The best opportunities probably lie with private power promoters, where the propensity to import will be highest. Canadian firms can approach such projects as consortium members or as sub-suppliers. They can also compete for procurement on work being financed by the World Bank and other international agencies. Even go-it-alone State undertakings, from new generating stations through transmission and distribution systems to plant refurbishment, offer opportunities for suppliers of high-tech goods and consulting services who can offer appropriate external financing.

Having an Indian partner or representative will enhance the ability of Canadian firms to establish themselves in the market. For the long haul, a manufacturing presence through JV or licensing arrangements in India is probably essential.

This report and its annexes include key sources of information and support in the power business, identify Indian and foreign firms promoting power projects or producing goods and services in India, and provide a listing of projects now under consideration for private participation.