

10

**STANDING COMMITTEE
ON ENERGY
(1996-97)**

ELEVENTH LOK SABHA

DEPARTMENT OF ATOMIC ENERGY

DEMANDS FOR GRANTS (1996-97)

*[Action Taken by the Government on the Recommendations contained
in the First Report of the Standing Committee on Energy
(Eleventh Lok Sabha)]*

TENTH REPORT



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI**

3657R

i.e.

April, 1997/Chaitra, 1919 (Saka)

TENTH REPORT
STANDING COMMITTEE ON ENERGY
(1996-97)

(ELEVENTH LOK SABHA)

DEPARTMENT OF ATOMIC ENERGY
DEMANDS FOR GRANTS (1996-97)

[Action Taken by the Government on the recommendations contained
in the First Report of the Standing Committee on Energy
(Eleventh Lok Sabha)]

Presented to Lok Sabha on ...: **22 APR 1997**
Laid in Rajya Sabha on



LOK SABHA SECRETARIAT
NEW DELHI

April, 1997/Chaitra, 1919 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON ENERGY
(1996-97)

CHAIRMAN

Shri Jagmohan

MEMBERS

Lok Sabha

2. Shri Karia Munda
3. Shri Lalit Oraon
4. Prof. (Smt.) Rita Verma
5. Shri Gyan Singh
6. Prof. Om Pal Singh 'Nidar'
7. Shri Ravindra Kumar Pandey
8. Shri Muni Lal
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21. Shri Anil Basu
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23. Shri P.R.S. Venkatesan
24. Shri V. Ganesan
25. Shri N. Ramakrishna Reddy

26. Shri Gawali Pundlikrao Ramji
27. Shri Anand Mohan
28. Shri Prem Singh Chandumajra
29. Shri Chitta Basu
30. Shri Ramendra Kumar

Rajya Sabha

31. Shri Madhavsinh Solanki
32. Shri M. Rajasekara Murthy
33. Shri S.M. Krishna
34. Shri Ramji Lal
35. Shri Ved Prakash Goyal
36. Shri Lakhiram Agarwal
37. Shri Prem Chand Gupta
38. Shri Dipankar Mukherjee
39. Shri Vizol
40. Shri Gaya Singh
41. Smt. Basanti Sarma
42. Shri Rajendra Prasad Mody
43. Shri V.P. Duraisamy
44. Shri Rajnath Singh 'Surya'

SECRETARIAT

1. Shri S.N. Mishra — *Additional Secretary*
2. Smt. Roli Srivastava — *Joint Secretary*
3. Shri G.R. Juneja — *Deputy Secretary*
4. Shri A.S. Chera — *Under Secretary*

INTRODUCTION

I, the Chairman, Standing Committee on Energy having been authorised by the Committee to present the Report on their behalf, present this Tenth Report (Eleventh Lok Sabha) on the Action Taken by the Government on the recommendations contained in the First Report of the Standing Committee on Energy (Eleventh Lok Sabha) on "Demands for Grants 1996-97 of Department of Atomic Energy".

2. The First Report (Eleventh Lok Sabha) of the Standing Committee on Energy was presented to Lok Sabha on 3rd September, 1996. Replies of the Government to the recommendations contained in the Report were received on 13th January, 1997. The Standing Committee on Energy considered and adopted this Report at their sitting held on 17th March, 1997.

3. An analysis of the action taken by the Government on the recommendations contained in the First Report of the Committee is given in Appendix II.

NEW DELHI;
April 4, 1997
Chaitra 14, 1919 (Saka)

JAGMOHAN,
Chairman,
Standing Committee on Energy.

CHAPTER I

REPORT

The Report of the Committee deals with the Action Taken by the Government on the recommendations contained in the First Report of the Standing Committee on Energy on "Department of Atomic Energy—Demands for Grants (1996-97)" which was presented to Lok Sabha on 3rd September, 1996.

2. Action Taken Notes have been received from the Government in respect of all the 9 recommendations contained in the Report. These have been categorised as follows:

- (i) Recommendations/Observations that have been accepted by the Government:

Sl. Nos. 1, 2, 3, 4, 6, 7 and 8

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies:

Nil

- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:

Nil

- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited:

Sl. Nos. 5 and 9

3. The Committee require that final replies in respect of the recommendations for which only interim replies have been given by the Government ought to be furnished to the Committee within three months.

The Committee will now deal with the action taken by the Government on some of their recommendations: —

A. Budgetary Provisions

Recommendation (Sl. No. 1, Para Nos. 1.10 & 1.11)

4. The Committee had noted with concern that since the beginning of the Plan period the plan expenditure of the Department had been short of the budgeted amount. It was seen that the shortfall had been due to the inability of the Department to raise Internal and Extra Budgetary Resources (IEBR). The Committee noted that the IEBR envisaged to meet the Plan expenditure of the Department has been fixed at unrealistic levels. Considering that the operating base of the installed nuclear capacity was inadequate to generate sufficient internal resources to finance the Plan Programmes, the Committee were of the opinion that it was essential to bring down the estimates of IEBR to realistic levels. The Committee had also, therefore, apart from stressing on the need of making realistic budget estimates recommended that the Budgetary Support to the Department be enhanced to a level which would enable the establishment of a base capacity to generate sufficient internal resources.

5. In their reply, the Department of Atomic Energy have, *inter-alia*, stated that strenuous efforts are being made to have a realistic budget by seeking enhancement of Net Budgetary Support for plan expenditure. It has been stated that the Department have sought approval of the Planning Commission and the Finance Ministry for enhancement of the current Net Budgetary Support by Rs. 300 crore and a corresponding reduction in Internal and Extra Budgetary Resources for the current year' plan. The Department have further stated in Jan.'97 that an Annual Plan of Rs. 1994 crore with Net Budgetary Support of Rs. 1671 crore and IEBR of Rs. 323 crore has been proposed during 1997-98. It has also been stated that the Finance Ministry and the Planning Commission have been requested to substantially step up the equity support to NPCIL from the present level of Rs. 325 crore to Rs. 1000 crores during the year 1997-98 and that the matter is under consideration of the Planning Commission and the Finance Ministry.

6. The Committee note that fixing the internal and extra budgetary resources to be raised for meeting the plan expenditure of the Department at unrealistic levels has the affect of undermining the plan process. The Committee, therefore, trust that the needed support will be provided to the Department to ensure that the plan activities of the Department are not adversely affected.

B. Industries and Minerals (I & M Sector)

Recommendation (Sl. No. 4, Para 1.24)

7. The Committee noted with concern that the shortfall in utilisation of the Eighth Plan outlay for the I & M Sector was likely to be more than Rs. 500 crore. The shortfall in utilisation of the outlays being noticeable since the very first year of the Plan Period, the Committee failed to understand as to why factors attributing to the same were not taken into consideration at the stage of formulation of the annual outlays in the subsequent years of the Plan Period. The Committee expressed the hope that the situation would improve in future.

8. In their reply, the Department have, *inter-alia*, stated that the shortfall in utilisation of outlay in the I & M Sector was on account of the rephasing of the Nuclear Power Programme and consequent curtailment of the programme in the I & M Sector over a period of time. It has also been stated that adjustment in the annual Plans of the Units under I & M Sector to match the curtailed programme of the Power Sector, took some time. The Department have further stated that the recommendation of the Committee that the factors responsible for reduction in the programme should be taken into consideration at the stage of formulation of the annual plans has been noted for compliance.

9. The Committee note that over-estimation of fund requirements at the stage of formulation of annual plans leads to locking up of utilisable funds, which in turn has the effect of depriving other deserving Projects/Schemes of budgetary allocations. The Committee, therefore, hope that the requirement of funds for each of the units is assessed objectively by taking all factors into consideration at the stage of plan formulation.

C. Power Sector

Recommendation (Sl. No. 5, Para No. 1.25)

10. The Committee observed that in the Power Sector, Kaiga units 1 & 2 and RAPP 3 & 4 would be spilling over to the Ninth Plan Period. It was informed that the delay in execution of the Projects was mainly due to the I.C. dome delamination incident which occurred at Kaiga-I two years ago. Noting that the Kaiga incident had resulted in a hold up in the execution of RAPP 3 & 4, the Committee expressed

hope that undertaking of remedial measures would be completed at the earliest. The Committee also desired to be apprised of the developments in this regard.

11. The Department have, *inter-alia* stated in their reply that re-engineering of the I.C. dome of all the four units was taken up and the revised design basis report for Kaiga-2 and RAPP 3 & 4 has been approved by Atomic Energy Regulatory Board (AERB). The Department have further stated that the related construction activities in the units are expected to commence/recommence soon. The Department has also informed that it is expected that Kaiga-2 will be commissioned in late 1998 and RAPP 3 & 4 and Kaiga-1 are expected to be commissioned soon thereafter.

12. It is not clear from the reply of the Department whether the revised design of I.C. dome approved by Atomic Energy Regulatory Board (AERB) includes the design for Kaiga-1 where the incident of delamination of I.C. dome occurred. The Committee expect a clarification from the Department in this regard. The Committee also desire the Department to clarify whether the revised design of IC dome for Kaiga-2 and RAPP 3 & 4 approved by AERB includes aspects such as the design of the supporting structure required for casting the dome. Further, the Committee would like to be apprised of the progress of work in respect of all the units in the pipeline.

D. Regulatory Aspects of Safety

Recommendations (Sl. No. 9, Para No. 1.48)

13. The Committee observed that the follow up actions on safety measures in nuclear installations, prepared and initiated by the Atomic Energy Regulatory Board (AERB) have been discussed and endorsed by the Atomic Energy Commission (AEC). As regards the position of Atomic Energy Regulatory Board (AERB) as an independent body, the Chairman, AERB had stated that the Board had never faced any interference in fulfilling its mandate of ensuring the maintenance of safety of the nuclear installations. The Committee, however, felt that the issue of independent Regulatory Authority needed to be examined further.

14. In response to this observation, the Department have stated that a Review Committee has been appointed to look into all the

aspects of the present regulatory process. The Committee would, however, like the Department to specify whether the terms of reference of the Review Committee include looking into the organisational structure of AERB. The Committee would also like to be apprised of the recommendations of the Review Committee and the action taken thereon.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No. 1, Para No. 1.10)

The Committee in their Ninth and Twenty Third Reports on Demands for Grants of the Department for the years 1994-95 and 1995-96 respectively, had noted with concern that, since the beginning of the Plan period the plan expenditure of the Department had been short of the budgeted amount. It was seen that the shortfall had been due to the inability of the Department to raise internal and extra budgetary resources even though such a target had been envisaged. The Committee had, therefore, stressed on the need of making a realistic budget estimate so as to avoid setbacks to the Plan activities of the Department.

Reply of the Government

As recommended by the Committee this Department is making strenuous efforts to have a realistic budget by seeking enhancement of Net Budgetary Support for plan expenditure. This Department has sought approval of the Planning Commission and Finance Ministry for enhancement of the current Net Budgetary Support of Rs. 300 crore and a corresponding reduction in Internal and Extra Budgetary Resources for the current year's plan.

In accordance with the suggestion of the Committee the IX Plan proposals have been formulated on a realistic basis making an assessment of the maximum possible extra budgetary resources the NPC and other Public Sector Undertakings under this Department are in a position to secure.

[Department of Atomic Energy: O.M. No. 1/2(6)/96-Budget
dated 27.1.1997]

Comments of the Committee

(Please see paragraph 6 of Chapter 1 of the Report)

Recommendation (Sl. No. 1, Para No. 1.11)

From the figures relating to actual mobilisation of IEBR to meet the plan expenditure, the committee observe that during 1994-95 the mobilisation of funds under IEBR was only Rs. 286.90 crore as against the initially envisaged amount of Rs. 1042.00 crore and during 1995 Rs. 476.37 crore as against the initially envisaged amount of Rs. 887.00 crore. The Committee note that the IEBR envisaged to meet the Plan expenditure of the Department has been fixed at Un-realistic level. Considering the low operating base of the installed nuclear capacity to generate sufficient internal resources to finance the Plan Programmes, the Committee are of the opinion that it is essential to bring down the estimates of IEBR to realistic levels. The Committee also, therefore, strongly recommend that the Budgetary Support to the Department be enhanced to a level which would enable the establishment of a base capacity to generate sufficient internal resources.

Reply of the Government

It is submitted that this Department is making all out efforts to secure higher Budgetary Support for the plan and a corresponding reduction in IEBR.

In the current year, the approved Annual Plan Outlay is Rs. 1342 crore with Net Budgetary Support of Rs. 647 crore and IEBR of Rs. 695 crore. In view of the difficulties in securing extra budgetary resources of this order, this Department has sought the assistance of the Planning Commission and the Finance Ministry for an additional Net Budgetary Support of Rs. 300 crore with a corresponding reduction of IEBR. It is hoped that the Department's request would be conceded.

This Department has proposed an Annual Plan of Rs. 1994 crore with Net Budgetary Support of Rs. 1671 crore and IEBR of Rs. 323 crore during 1997-98. The Finance Ministry and the Planning Commission have been requested to substantially step up the equity support to NPCIL from the present level of Rs. 325 crore to Rs. 1000 crore during the year 1997-98. The matter is under consideration of the Planning Commission and the Finance Ministry.

[Department of Atomic Energy: O.M. No. 1/2(6)/96-Budget
dated 27.1.1997]

Comments of the Committee

(Please see paragraph 6 of Chapter 1 of the Report)

Recommendation (Sl. No. 2, Para No. 1.12)

In view of the low operating base of the installed nuclear capacity to generate sufficient resources to support the Programmes of the Department and the gestation period involved in setting up of Nuclear Power Plants, the Committee emphasis that financing Schemes need to be evolved to suit the specific requirements of the Nuclear Power programme. Considering that setting up a Nuclear Power Plant takes about eight years, the Committee feel that raising funds through short terms loans for financing the Programmes would not be feasible. The Committee, therefore, stress that the Department should be provided with long terms credit facilities to finance its programmes effectively.

Reply of the Government

It is submitted that in keeping with the above recommendation of the Committee, the Department has submitted a proposal to the Atomic Energy Commission (AEC), suggesting budgetary support for the Nuclear Power Programme on a committed and continuing basis with a debt equity ratio of 1 : 1 and recommending longer maturity bonds or other long term debt instruments with lower interest rates for financing the Nuclear Power Programme on the analogy of assistance contemplated for Infrastructure Development Finance Corporation in the country. The AEC has approved, in principle, the above suggestions. This is being taken up with the Planning Commission and Finance Ministry.

[Department of Atomic Energy: O.M. No. 1/2(6)/96-Budget
dated 27.1.1997]

Recommendation (Sl. No. 3, Para No. 1.23)

The Committee observe that in case of the R & D Sector where the Plan outlay is solely by way of Budgetary resources, there have been shortfalls in utilisation of the approved annual plan outlays except during the year 1994-95. The Plan expenditure incurred in case of Variable Energy Cyclotron Centre (VECC) and Atomic Minerals Division (AMD) have been significantly lower than the approved annual outlays for the units. Whereas the shortfall in utilisation of Plan outlays by

VECC has been stated to be owing to the difficulties in the procurement of some key equipment, in the case of AMD the shortfall has been attributed to the rephrasing of the Power programme and the consequent slowing down of Uranium mining and milling. The Committee expect that the factors attributing to the shortfall in Plan expenditure would be examined in detail and corrective action undertaken to make realistic estimates for the units in future.

- (i) For the VIII Plan period as a whole, the utilisation of the approved Annual Plan outlay for the R & D Sector is expected to be over 100% i.e. Rs. 680 crore as against the sum total of approved annual plan outlays from 1992-93 to 1996-97 of Rs. 678 crore.
- (ii) Expenditure of Rs. 196 crore is anticipated in 1996-97 as against approved Annual Plan outlay of Rs. 165 crore (BE) subject to additional plan funds being actually made available at the stage of RE 1996-97 for which requests have been made. In the case of Variable Energy Cyclotron Centre, the slower progress in utilisation of Plan outlays was, as stated earlier, mainly due to difficulties in procurement of some key equipment like Helium Liquefier, Liquid Nitrogen Tank, etc. However, orders have been placed for these equipments.
- (iii) The shortfall of Atomic Minerals Division is attributable to the rephrasing of the Nuclear Power Programme and consequent slowing down of uranium mining and milling. In 1992-93, it was decided to explore for ore grades of 0.06% and above of U 3 O 8. Accordingly, drilling programme was reduced and exploration strategies were changed to look for concealed high grade deposits for which certain equipment were needed to be imported. Funds could not be utilised on account of delay in getting equipment costing more than Rs. 4 crore due to technology control regime.

The recommendation of the Committee regarding making realistic estimates in future has been noted. The Department's R & D units would take corrective action to ensure fuller utilisation of Plan funds in the future.

[Department of Atomic Energy: O.M. No. 1/2(6)/96-Budget
dated 27.1.1997]

Recommendation (Sl. No. 4, Para No. 1.24)

The Committee note with concern that the shortfall in utilisation of the Eighth Plan outlay for the I & M Sector is likely to be more than Rs. 500 crore. The shortfall in Plan expenditure has been attributed to the rephasing of the Fuel Fabrication Facilities of NFC, rephasing of the Uranium mining and milling Project of UCIL; and rephasing of Fuel Cycle facilities of BARC, all of which have been stated to be owing to the scaling down of the Nuclear Power Programme. The shortfall in utilisation of the outlays being noticeable since the very first year of the Plan Period, the Committee fail to understand as to why the factors attributing to the same were not taken into consideration at the stage of formulation of the annual outlays in the subsequent years of the Plan Period. The Committee express the hope that the situation would improve in future.

Reply of the Government

The shortfall in utilisation of outlay in the I & M Sector was on account of the re-phasing of the Nuclear Power Programme, and consequent curtailment of the programme in the I & M Sector over a time. Adjustment in the Annual Plans of the Units under I & M Sector to match the curtailed programme of the Power Sector, took some time. Substantial reduction of outlay was affected in the annual plan of 1995-96 from Rs. 263.76 crore to Rs. 216.00 crore and again in the current year's plan from Rs. 216.00 crore to Rs. 176.76 crore. Recommendation of the Committee that the factors responsible for reduction in the programme should be taken into consideration at the stage of formulation of the annual plans is noted for compliance.

[Department of Atomic Energy: O.M. No. 1/2(6)/96-Budget
dated 27.1.1997]

Comments of the Committee

(Please see paragraph 9 of Chapter I of the Report)

Recommendation (Sl. No. 6, Para No. 1.29)

The Committee observe that there has been a shortfall in the utilisation of Budgetary allocation by AMD over the years. The Committee find that during 1995-96, there has been shortfalls in the utilisation of Budgetary outlays as well as in the achievement of targets

in respect of some of the principal activities of AMD. The shortfall in meeting the targets for airborne survey is to the extent of nearly fifty percent during the year, the Committee do not find the reasons advanced for the same as convincing. The Committee hope that the reasons for the shortfalls in utilisation of Budgetary allocation as well as the targets envisaged for the activities would be analysed in detail and the performance of AMD improved in future.

Reply of the Government

The reasons for the shortfall in the utilisation of Budgetary allocation as well as the achievement of physical targets have been analysed as suggested by the Committee. In the year 1995-96, there is a marginal shortfall of 2.7% in the expenditure of the AMD. The main shortfall in the physical targets was for the Airborne survey which was beyond the control of the AMD. However, due care is being taken to engage the aircraft well in advance in future.

The shortfall in the geophysical survey was primarily due to logistics and frequent breakdown of vehicular support. AMD is taking action for replacement of old vehicles which have become beyond economical repairs. The shortfall in the Detailed Survey (DS) was due to deliberate change in the programme during the mid-term review based on the results available in the Coastal tracts of Srikakulam and East Godavari districts of Andhra Pradesh. This shortfall was compensated in the Reconnaissance Survey (RS) by completing 195 kms. length against the target of 130 kms.

However, further steps are being taken to improve the physical and financial performance of the AMD in future.

[Department of Atomic Energy: O.M. No. 1/2(6)/96-Budget
dated 27.1.1997]

Recommendation (Sl. No. 7, Para No. 1.35)

The Committee, in their Twenty Third Report on Demands for Grants (1995-96) had highlighted the disturbing aspect of shortfall in utilisation of Budgetary allocations by NFC. The Committee observe that the shortfall in utilisation of the outlays by NFC was of the order of Rs. 101 crore during 1993-94, Rs. 82 crore in 1994-95 and Rs. 29 crore during 1995-96. The reasons for the shortfall in utilisation of funds has been attributed to the reduction in the amount sanctioned

for the new Projects in NFC and the subsequent efforts to fabricate the required machinery for the Projects indigenously. Manufacturing of the fuel fabricating equipment indigenously has been stated to have brought down the Project costs from Rs. 355 crore to Rs. 215 crore owing to which funds from the approved outlays were surrendered. The Committee, while appreciating the indigenisation efforts which have contributed to bringing down the Project costs, express the hope that efforts would be made to ensure that the variation in the Budgetary estimates and actual expenditure in respect of the units/programmes of NFC which has been of a high order in the previous years would be brought down to a minimal level.

Reply of the Government

The recommendation of the Committee has been noted. Efforts will be made to avoid such variations in future.

[Department of Atomic Energy: O.M. No. 1/2 (6)/96-Budget
dated 27.1.1997]

Recommendation (Sl. No. 8, Para No. 1.40)

The Committee in their Ninth and Twenty Third Reports on Demands for Grants for the years 1994-95 and 1995-96, had commented on the poor operating performance of some of the Power Stations. With a view to maintain a consistently good level of performance of the Stations, the Committee stress that corrective measures, required specifically for each unit, as well as those applicable to all the units need to be undertaken on the basis of a time bound programme.

Reply of the Government

Measures taken to improve performance of the units include:—

- (i) Strengthening condition monitoring of equipment, outage management, preventive & predictive maintenance and spare parts planning.
- (ii) Inspection and modifications of BHEL supplied turbines.
- (iii) Efforts being made with CEA and Regional Electricity Boards, on improvement of performance of the power grid.
- (iv) Strengthening operator training programme.
- (v) Improvement in the organisation structure.

These measures have resulted in improvement in the operating performance of the units during 1995-96 and 1996-97. The action generation during 1995-96 was 7618 million units with an overall capacity factor of 56%. The Corporation posted a profit of Rs. 151.9 crore for the same period. During 1996-97 actual generation upto 31.12.1996 was 6245 million units, with a capacity factor of 61.45%. The operations have resulted in a profit of Rs. 224.33 crore (provisional) for first nine months of the year. It may also be added here that all operable units are presently in operation with actual generating capacity crossing 1400 MWe for the first time so far.

[Department of Atomic Energy: O.M. No. 1/2(6)/96-Budget
dated 27.1.1997]

CHAPTER III

**RECOMMENDATIONS/OBSERVATIONS WHICH THE
COMMITTEE DO NOT DESIRE TO PURSUE IN
VIEW OF THE GOVERNMENT'S REPLIES**

—NIL—

CHAPTER IV

**RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF
WHICH REPLIES OF THE GOVERNMENT HAVE NOT
BEEN ACCEPTED BY THE COMMITTEE**

—NIL—

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Recommendation (Sl. No. 5, Para No. 1.25)

On the financial and other implications of the major projects in Power Sector which would be spilling over to the Ninth Plan Period, the Department has stated that Kaiga units 1 & 2 and RAPP 3 & 4 would be spilling over to the Ninth Plan Period. The delay in execution of the Projects has been stated to be mainly due to the I.C. dome delamination incident which occurred at Kaiga-1 two years ago. The Committee note that the Kaiga incident has resulted in a hold up in the execution of RAPP 3 & 4. Considering that the delay in execution of the Projects contributes to cost over-runs and also results in a loss to the economy by way of power generation, the Committee express the hope that undertaking of remedial measures would be completed at the earliest. The Committee would like to be apprised of the developments in this regard.

Reply of the Government

Construction of Kaiga-1 & 2 and RAPP 3 & 4 suffered a setback owing to the incident of partial delamination of I.C. dome in Kaiga-1. Re-engineering of the I.C. dome of all the four units was taken up and the revised design basis report for Kaiga-2 and RAPP 3 & 4 has been approved by Atomic Energy Regulatory Board (AERB). The detailed design has also been carried out. AERB Committee has accepted the revised design for Kaiga-2 and RAPP 3 & 4 along with the use of high strength cement concrete mix. Construction activities of I.C. wall, Ring beam as well as I.C. dome at Kaiga-2 are expected to recommence soon. In RAPP 3 & 4 the work on I.C. wall below ring beam has already recommenced. The construction activities of ring beam and I.C. dome of RAPP 3 & 4, is also expected to be commenced shortly. Preparatory to this, Design of the supporting structure required for casting the dome has been completed and the fabrication work has been taken up. The reconstruction of Kaiga-1 dome based on the

re-engineered design will be taken up in 1997. The construction activities are geared up and it is expected that Kaiga-2 will be commissioned in late 1998. RAPP 3 & 4 and Kaiga-1 are expected to be commissioned soon thereafter.

[Department of Atomic Energy: O.M. No. 1/2(6)/96-Budget
dated 27.1.1997]

Comments of the Committee

(Please see paragraph 12 of Chapter I of the Report)

Recommendation (Serial No. 9, Paragraph No. 1.48)

The Committee observe that the follow-up actions on safety measures in nuclear installations, prepared and initiated by the Atomic Energy Regulatory Board (AERB) have been discussed and endorsed by the Atomic Energy Commission (AEC). The Committee note that undertaking of corrective measures on safety issues is an ongoing activity. As regards the position of Atomic Energy Regulatory Board (AERB) as an independent body, the Chairman, AERB stated that the Board has never faced any interference in fulfilling its mandate of ensuring the maintenance of safety of the nuclear installations. The Committee would, however, like the issue of independent Regulatory Authority to be examined further.

Reply of the Government

A Review Committee has been appointed to look into all the aspects of the present regulatory process including the issues mentioned above.

[Department of Atomic Energy: O.M. No. 1/2(6)/96-Budget
dated 27.1.1997]

Comments of the Committee

(Please see paragraph 14 of Chapter I of the Report)

NEW DELHI;
April 4, 1997
Chaitra 14, 1919 (Saka)

JAGMOHAN,
Chairman,
Standing Committee on Energy.

APPENDIX I

EXTRACTS OF MINUTES OF THE TENTH SITTING OF STANDING COMMITTEE ON ENERGY (1996-97) HELD ON MONDAY, THE 17TH MARCH, 1997

The Committee sat from 1630 to 1700 hours.

PRESENT

Shri Jagmohan — *Chairman*

MEMBERS

2. Prof. (Smt.) Rita Verma
3. Prof. Om Pal Singh Nidar
4. Shri Muni Lal
5. Shri Sriram Chauhan
6. Shri Sriballav Parigrahi
7. Shri Ishwar Prasanna Hazarika
8. Shri P. Kodanda Ramiah
9. Shri Anil Basu
10. Shri Haradhan Roy
11. Shri V. Ganesan
12. Shri N. Ramakrishna Reddy
13. Shri Ramendra Kumar
14. Shri Ramji Lal
15. Shri Ved Prakash Goyal
16. Shri Lakhiram Agarwal
17. Shri Dipankar Mukherjee
18. Shri Gaya Singh

SECRETARIAT

1. Smt. Roli Srivastava — *Joint Secretary*
2. Shri G.R. Juneja — *Deputy Secretary*
3. Shri A.S. Chera — *Under Secretary*

2. The Committee considered and adopted the following Draft Action Taken Reports:

- (i) Action Taken by the Government on the recommendations contained in the First Report of the Standing Committee on Energy on Demands for Grants (1996-97) relating to the Department of Atomic Energy.
- (ii) ** ** **
- (iii) ** ** **
- (iv) ** ** **

3. The Committee also authorised the Chairman to finalise the above mentioned Reports and present the same to Parliament.

The Committee then adjourned.

**Paras 2(ii), (iii) and (iv) of the Minutes relating to consideration and adoption of 3 other draft Action Taken Reports have not been included.

APPENDIX II

(Vide Para 3 of Introduction)

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE 1ST REPORT OF THE STANDING COMMITTEE ON ENERGY (ELEVENTH LOK SABHA)

I. Total No. of Recommendations made	9
II. Recommendations that have been accepted by the Government (<i>Vide</i> recommendations at Sl. Nos. 1, 2, 3, 4, 6, 7 and 8)	7
Percentage of total	77.77%
III. Recommendations which the Committee do not desire to pursue in view of the Government's replies	Nil
IV. Recommendations in respect of which replies of the Government have not been accepted by the Committee	Nil
V. Recommendations in respect of which final replies of the Government are still awaited (<i>vide</i> recommendations at Sl. No. 5 and 9)	2
Percentage of total	22.23%