

**GOVERNMENT OF INDIA
ATOMIC ENERGY
LOK SABHA**

UNSTARRED QUESTION NO:3415
ANSWERED ON:16.03.2011
JOINT VENTURE IN NUCLEAR POWER SECTOR
Naik Dr. Sanjeev Ganesh;Sule Supriya

Will the Minister of ATOMIC ENERGY be pleased to state:

- (a) whether as part of the Government's strategy to tide over the paucity of funds and ramp up execution capability for new atomic units by bringing in cash-rich public sector undertakings, the Indian Oil Corporation Ltd. (IOCL), National Thermal Power Corporation (NTPC) and National Aluminium Company Limited (NALCO) are being roped in;
- (b) if so, whether this is being done as an alternative to letting private sector players into nuclear plant operations;
- (c) if so, the extent to which these joint venture agreements have been signed and to what extent it has been helpful to improve the atomic power units;
- (d) the total investment so far made by these organisations;and
- (e) the extent to which it has helped the new atomic units?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS, PERSONNEL, PUBLIC GRIEVANCES & PENSIONS AND PMO (SHRI V. NARAYANASAMY):

(a)&(b) Under the provisions of the Atomic Energy Act, 1962 operation of nuclear power plants is permitted only by the Government itself or by a Government Company. Nuclear Power Corporation of India Limited (NPCIL) has comprehensive capabilities in design, construction, commissioning and operation of nuclear power plants. In view of the rapid nuclear power expansion planned using indigenous technologies and also through international cooperation, joint ventures between NPCIL and other Government companies are being formed to leverage their financial and other technological strengths in the energy sector.

(c) A Joint Venture, between NPCIL and NTPC, Anushakti Vidhyut Nigam with NPCIL holding 51% and NTPC 49% has been incorporated in January 2011. MoUs have been signed by NPCIL with IOCL and NALCO in this regard.

(d)&(e) The investments by these corporations are contingent to finalization of the projects to be implemented by the JVs and the business models to be adopted, which are currently under discussion. No investments have been made by these corporations yet. These JVs will help in infusing upto 49% of the equity requirements of new nuclear power projects and contribute in achieving rapid nuclear power expansion.