
No FDI and private participation in nuclear power in India

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According to Mr Prithviraj Chavan minister of state for Science & Technology, the government has no proposal to allow foreign direct investments and domestic private sector participation in generation of nuclear energy, given the sensitivity of the sector.

Inaugurating ASSOCHAM organized Conference on Nuclear Energy: Need for Legal & Regulatory Framework for Investment Mr Chavan however, added that domestic private sector companies could forge alliances with state owned companies like Nuclear Power Corporation of India and National Thermal Power Corporation of India with a minority stake.

It has yet to come out with a timetable for allowing FDIs in domestic nuclear energy generation because of variety of reasons, further clarified the Minister.

He however said that the government is willing to convene all political parties meeting to accommodate suggestions of political parties such as BJP and Lefts, opposing the Nuclear Civil Liability Bill to ensure it's smooth passage in the Parliament for which dates could be fixed later on.

Mr Chavan said that UPA government has ambitious plans to import nuclear equipment to expand its indigenous nuclear generation power program from countries like France, Russia and USA. The imports will be subject to conditions that suppliers would have to take the entire risk for meeting emergency requirements which can be possible provided the Nuclear Civil Liability Bill has a smooth passage in the Parliament, pointed out the Minister.

Mr Chavan said that it is in view of this background that the government has an open mind and willing to further discuss it with political parties of all hue and cry so that all emergency requirements are taken care in case any accident happens and victims are prevented from running pillar to post for compensation just as what happened in Bhopal gas tragedy case.

The Minister, however, clarified that government has agreed to partly make amendments in Nuclear Act of 1962 only to further make Nuclear Regulatory Board autonomous so that it can issue directives to involve private sector participation in nuclear energy generation in collaboration with entities like National Nuclear Power Corporation of India Ltd. and National Thermal Power Corporation of India with minority stake.

He said that "Nuclear sector is still extremely sensitive and therefore the government has to walk an extra mile before it takes any definite policy decision as it's first challenge would be to pass the Nuclear Civil Liability Bill with a collaborative approach. After the Bill is through, the government would be able to create conditions to forge alliances between domestic power sector companies and their counterparts overseas."

(Sourced from Orissa Diary)

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