

Statement in Response to Media Reports on Nuclear Power Projects

We have seen media reports on the ongoing negotiations for commercial contracts between Nuclear Power Corporation of India Ltd. (NPCIL) and its potential foreign suppliers.

The Government has repeatedly affirmed that these contracts will be subject to Indian law. Foreign suppliers as well as domestic vendors have raised a number of queries with regard to the manner in which the Civil Liability for Nuclear Damage Act 2010 and its associated rules will apply to their contracts. Since these queries involve questions of law, Department of Atomic Energy sought the opinion of the Ministry of Law and Justice on these issues. This will be examined by the Department of Atomic Energy and NPCIL.

The contracts, which will have to be approved by the competent authority of the Government, will be fully consistent with Indian law. There is no question of Indian law being violated or diluted. The projects will have to meet the highest standards of safety and the power generated will have to be competitive with other sources of nuclear as well as alternative forms of power. This will apply to our projects with Russia, France and the United States.

While NPCIL's negotiations with Russia's ASE for further reactors at Kudankulam are at an advanced stage and preliminary agreement has been signed with AREVA of France, NPCIL is currently negotiating a preliminary contract with Westinghouse. The proposed contract with Westinghouse is for a limited range of pre-project services. NPCIL will enter into this preliminary contract only with the approval of Atomic Energy Commission and the Government of India. This contract, if approved, will not bind NPCIL to enter into a contract with Westinghouse for the supply of reactors without establishing safety and techno-commercial viability.

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Additional Secretary, Department of Atomic Energy
Govt of India; Mumbai Dated 19.9.2013