

GOVERNMENT OF INDIA
DEPARTMENT OF ATOMIC ENERGY
LOK SABHA
STARRED QUESTION NO.55
TO BE ANSWERED ON 09.07.2014

FOREIGN INVESTMENT IN NUCLEAR POWER SECTOR

*55. SHRI ASADUDDIN OWAISI:

Will the PRIME MINISTER be pleased to state:

- (a) whether domestic investment in nuclear energy production in the country is not sufficient and if so, the details thereof;
- (b) whether suggestions have been received from various quarters to allow Foreign Direct Investment (FDI) in the nuclear power sector and if so, the details thereof and the reaction of Government thereto;
- (c) whether any plan has been chalked out to boost domestic investment and FDI in the nuclear power sector and if so, the details thereof; and
- (d) the follow-up action taken by Government in this regard?

ANSWER

THE MINISTER OF STATE FOR PERSONNEL, PUBLIC GRIEVANCES & PENSIONS AND PRIME MINISTER'S OFFICE (DR. JITENDRA SINGH):

- (a) No, Sir. Nuclear power reactors set up in the country are being funded by a mix of debt and equity. The equity requirements are met from internal resources of Nuclear Power Corporation of India Limited (NPCIL), a Public Sector Undertaking under the Department of Atomic Energy (DAE) and domestic budgetary support.
- (b) There have been suggestions made in some quarters to allow Foreign Direct Investment (FDI) in nuclear power generation sector. The economic survey 2008-09 had suggested allowing FDI in nuclear power generation sector with a cap of 49%. However, no decision in this regard has been taken.
- (c)&(d) The present policy (Consolidated FDI Policy April 2014) puts atomic energy in the list of prohibited sectors. However, there is no restriction on FDI in the nuclear industries for manufacturing of equipment and providing other supplies for nuclear power plants and related other facilities. To boost domestic investment, Joint Ventures have been formed by NPCIL with public sector majors National Thermal Power Corporation Limited (NTPC), Indian Oil Corporation Limited (IOCL) and National Aluminium Company Limited (NALCO). Amendments to the Atomic Energy Act, 1962 to enable the licensing of NPCIL's Joint Ventures to set up nuclear power projects are under consideration of the government.