

India, France ink pact for Areva reactors, fuel



Areva's CEO, Ms Anne Lauvergeon, and the Nuclear Power Corporation Chairman and Managing Director, Mr S.K. Jain, exchanging documents at Hyderabad House in the Capital on Monday as the French President, Mr Nicolas Sarkozy, and the Prime Minister, Dr Manmohan Singh, look on. - Kamal Narang

Our Bureau

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India and France on Monday inked a framework agreement for sourcing two reactor units from French firm Areva SA and an assurance on uranium supplies to fuel them.

While the agreement is in line with the memorandum of understanding inked last year for the sale of Areva's two EPR units to India, details, including the pricing of these reactor units, are still to be finalised.

The framework agreement envisages the sale of nuclear reactors, fuel and services worth about \$7 billion (or around Rs 42,000 crore at current exchange rates), the Areva SA Chief Executive Officer, Ms Anne Lauvergeon, told reporters here.

Ms Lauvergeon said that while the French side wanted more "clarity" on the Indian liability law, she asserted that the issue would not be a "deal breaker".

The pact, signed by Areva and Nuclear Power Corporation of India Ltd, for the two 1,650 MWe EPR units is the first of a series of six that are planned at Jaitapur in Maharashtra.

It also envisages partnerships between the Areva and the Indian industry to prepare for the construction of the two reactors from early 2011, she said. Details of the pricing of the reactor units, and the terms of the fuel sales are to be worked out in the final contract.

The French firm has assured India on the supply of uranium fuel for the 60-year life of the reactor, with the initial fuel pact spanning 25 years for the two units that are slated to come on stream in 2018.

Ms Lauvergeon also said Areva was open to Indian investments in its uranium mines spread across the globe. Areva owns uranium mines in several countries, including Canada, Mongolia, Kazakhstan, Niger, Namibia and Australia.