

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

STARRED QUESTION NO:671  
ANSWERED ON:08.05.2003  
JOINT VENTURE WITH NTPC  
PRIYA RANJAN DASMUNSI

**Will the Minister of RAILWAYS be pleased to state:**

- (a) whether the Railways is the major shareholder in the proposed Joint Venture Company with NTPC;
- (b) if so, under what circumstances, the NTPC has been given the first right of refusal to provide operation and maintenance services for the power projects to be set up by the JVC; and
- (c) the measures taken by the Government to tackle the situation in case the NTPC, who are holding expertise in the field, refuse to operate the services?

**Answer**

MINISTER OF RAILWAYS (SHRI NITISH KUMAR)

(a) to (c): A Statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF STARRED QUESTION NO.671 BY SHRI PRIYA RANJAN DASMUNSI TO BE ANSWERED IN LOK SABHA ON 8.5.2003 REGARDING JOINT VENTURE WITH NTPC

(a) Railways are contemplating to hold major share holding (51%) in the proposed Joint Venture Company (JVC) with National Thermal Power Corporation (NTPC).

(b) Major share holding (51%) has been contemplated by the Railways in order to get the captive status of the power plant for Railways use. As NTPC are the partners in the proposed JVC and are also having wide ranging expertise in the field and the fact that the Railways do not have the core competence, they have been given prerogative of first right of refusal to provide operation and maintenance services.

(c) Being themselves partners in the proposed JVC and also having unparalleled expertise in this field, it is expected that NTPC will normally not refuse to provide operation and maintenance services for the power plants. However, in the unlikely event of their not able to do so, the services may have to be obtained from some other company/firm having adequate expertise in these areas.