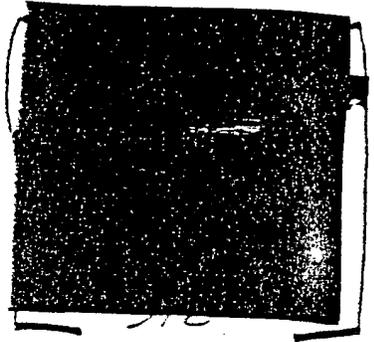


Directorate of
Intelligence



Science and Weapons Daily Review

5 March 1982

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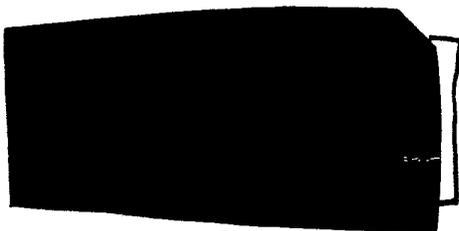
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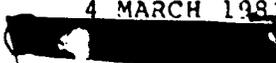
1 INDIA: NEGOTIATIONS ON FUEL FOR TARAPUR NUCLEAR POWER PLANT 

A recent Indian press item detailing problems India is having with mixed-oxide fuel, has undercut their position in negotiations with the United States. 

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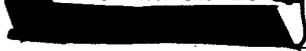
INDIA: NEGOTIATIONS ON FUEL FOR TARAPUR NUCLEAR POWER PLANT

The head of India's Atomic Energy Commission, Dr. H. Sethna, recently told US officials that India is considering constructing a centrifuge enrichment plant to provide fuel for the US-supplied Tarapur nuclear power plant. Building such a plant would be in lieu of trying to manufacture mixed-oxide (containing both uranium and plutonium) fuel for the Tarapur plant.

Four days later, an Indian press article detailed problems India was having with mixed-oxide fuel. It stated that scientists now considered it impossible to produce enough mixed-oxide fuel to fully supply Tarapur when US-supplied fuel runs out in about a year.



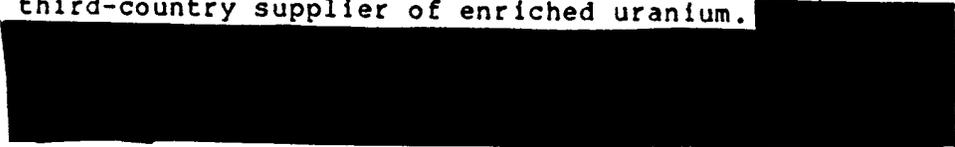
India is presently negotiating to get the United States to honor a previous 30-year agreement on the supply of enriched uranium for the Tarapur reactors. India's position has been that if the United States does not supply fuel, it will proceed to fuel Tarapur with mixed-oxide fuel. The Indo-US agreement does not permit a third country to supply enriched uranium.



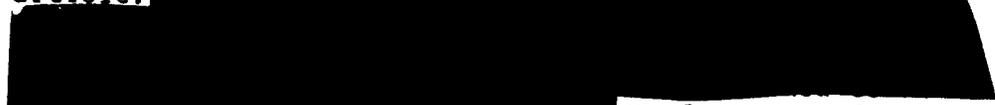


Comment:

India apparently has concluded that it will not be able to get enriched uranium from the United States, that the mixed-oxide fuel option will be costly and result in a shutdown of Tarapur and, therefore, it should seek a third-country supplier of enriched uranium.



The press item depicting problems with mixed-oxide fuel probably is accurate, but it undercuts India's position. Dr. Sethna's statements on an Indian centrifuge plant were probably intended to blunt the effect of the press article.



He further indicated that India would be able to use a centrifuge plant to produce weapons-grade uranium and would be able to export uranium under less stringent international safeguards.

