

WASHINGTON, Sept. 7—High officials of the Atomic Energy Commission and the Arms Control and Disarmament Agency said privately today that the United States had stopped delivery of uranium fuel to India until the Indian Government clarified its policies on nuclear tests. But Dr. Dixy Lee Ray, chairman of the commission, denied the report.

The officials said the American action was the first time that the United States as a matter of policy had stopped shipment of atomic fuel to a foreign country. They said the action was in response to India's detonation of what she described as a "peaceful" nuclear explosion last May.

But Dr. Ray, in a telephone interview, denied that the commission had held up any shipment of atomic fuel or had asked India for any clarification of her plans.

India obtained the plutonium for the atomic device from a relatively small research reactor supplied by Canada, a step that the Canadian Government protested was in violation of a 1971 agreement between the two countries. As a result of the Canadian experience, the Atomic Energy Commission is now seeking to strengthen its controls to prevent a similar diversion of atomic assistance from the United States into nuclear test explosions.

American officials have repeatedly emphasized to the Indian Government that the United States regards "peaceful" and "military" nuclear devices as technically indistinguishable.

The Indian Government has argued that its atomic explosives are limited to peaceful purposes, such as earth excavation, and it has contended that it therefore had not violated an agreement with Canada in using plutonium produced in the reactor for an atomic explosion.

The United States is seeking commitments from New Delhi that plutonium produced in atomic power plants supplied by the United States will not be used for any type of nuclear explosion. Thus far, according to officials of the Atomic Energy Commission, India has declined to provide such flat assurances.

The enriched uranium fuel on which the United States has stopped shipment had been ordered to reload a 380-megawatt atomic power plant near Bombay that was built with American technical and financial assistance in the nineteen-sixties. Under a 1963 agreement with India, the United States promised to provide fuel for the reactor over 30 years.

The uranium fuel to reload the reactor was to be sent in four or five shipments. The first shipment was made shortly after the Indian explosion in May, but then in a re-examination of policy the Atomic Energy Commission decided to suspend further shipments.

At the same time, according to officials, the State Department sent a letter seeking New Delhi's acceptance of the American view that none of the plutonium produced as a by-product in the burning of the uranium fuel could be used in any type of nuclear explosion. The letter made clear that until there was such an Indian acceptance, the United States would not complete the shipment of uranium fuel.

The Indian response was described by officials as unsatisfactory and ambiguous. In essence, one official said, New Delhi replied that it would honor the 1963 agreement but balked at making any specific commitment that the American assistance would not be used for further atomic explosions.

The 1963 agreement provides for inspection by the International Atomic Energy Agency to account for the plutonium produced in the Indian reactor at Tarapur and to make sure that none is diverted to military uses. But the agreement does not deal directly with the issue of nuclear explosions described as being for peaceful purposes.

The agreement provided that any plutonium produced in the reactor that is not returned to the United States "shall, unless otherwise mutually agreed, be stored at the Tarapur atomic power station." American officials interpret this clause as meaning that no plutonium can be removed from the Tarapur station except with the agreement of the United States, thus providing a veto against use of the material in an atomic explosion.

An Economic Factor

The ultimate sanction, however—and one which officials suggest will become of increasing importance in forcing countries to accept international controls — is the threat to cut off a supply of atomic fuel that is becoming critical for the Indian economy.

The India power plant's reactor, which has been in operation since 1969, provides most of the electricity for the Gujarat and Maharashtra regions of India. The reactor can continue operating for some time with the present load fuel, although Atomic Energy, Commission officials are uncertain how long it can operate.

Eventually, however, the Indian Government must obtain a new supply of enriched uranium fuel or shut down the reactor.

There are now only two major sources of enriched uranium fuel — the United States and the Soviet Union. Presumably India could turn to the Soviet Union, but officials note that the Soviet Union has had a somewhat stricter policy than the United States in refusing to provide atomic assistance to a country that has not signed the treaty prohibiting the spread of nuclear weapons. India has refused to sign the treaty, which provides for international controls over all atomic plants.