

Bill No. 264 of 2015

THE ATOMIC ENERGY (AMENDMENT) BILL, 2015

A

BILL

further to amend the Atomic Energy Act, 1962.

BE it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Atomic Energy (Amendment) Act, 2015.

Short title and
commence-
ment.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

33 of 1962. 5 **2.** In section 2 of the Atomic Energy Act, 1962 (hereinafter referred to as the principal Act), in sub-section (1), for clause (bb), the following clause shall be substituted, namely:—

Amendment of
section 2.

‘(bb) “Government company” means a company in which—

10 (i) not less than fifty-one per cent. of the paid-up share capital is held by the Central Government; or

(ii) the whole of the paid-up share capital is held by one or more of the companies specified in sub-clause (i) and which, by its articles of association, empowers the Central Government to constitute and reconstitute its Board of Directors;’.

Amendment of
section 14.

3. In the principal Act, in section 14, after sub-section (I), the following sub-sections shall be inserted, namely:— 5

“(IA) No licence under sub-clause (c) of clause (ii) of sub-section (I) shall be granted to a person other than a Department of the Central Government or any authority or an institution or a corporation established by the Central Government, or a Government company. 10

(IB) Any licence granted to a Government company under sub-section (I) shall stand cancelled in case the licensee ceases to be a Government company and, notwithstanding anything contained in any other law for the time being in force, all assets thereof shall vest in the Central Government free from any liability and the Central Government shall take such measures for safe operation of the plant and disposal of nuclear material so vested in it, as may be necessary in accordance with the provisions of section 3.”. 15

STATEMENT OF OBJECTS AND REASONS

The Atomic Energy Act, 1962 empowers the Central Government to produce, develop, use and dispose of atomic energy either by itself or through any authority or corporation established by it or by a Government company and carry out research in any matters connected therewith.

2. At present, only two Public Sector Undertakings (PSUs), namely, Nuclear Power Corporation of India Limited (NPCIL) and Bhartiya Nabhikiya Vidyut Nigam Limited (BHAVINI), which are under the administrative control of Department of Atomic Energy, are operating nuclear power plants in the country. Formation of Joint Venture companies by NPCIL with other PSUs of India for civil nuclear power projects is under consideration to meet the additional funding requirements for expanding nuclear power programme and augmenting the nuclear power generation capacity of India.

3. The expression “Government company” has been defined in the Act to mean a company in which not less than fifty-one per cent. of the paid-up share capital is held by the Central Government. The Act thus precludes a Government company from entering into Joint Ventures with other PSUs for the above said purposes for the reason that any Joint Venture company formed by two PSUs may not be subject to the control of the Central Government as a shareholder.

4. The Atomic Energy (Amendment) Bill, 2015 seeks to overcome this difficulty by amending the definition of “Government company” under clause (bb) of sub-section (1) of section 2 of the said Act with a view to expand its scope by including such Joint Venture companies as may be formed between NPCIL and other PSUs. This Bill also proposes to make a consequential amendment in section 14 of the said Act to enable the Central Government to issue licence to such Joint Venture companies to set up nuclear power plants, take measures for their safe operation and to ensure disposal of nuclear material. It further provides for cancellation of licence in case the licensee ceases to be a Government company.

5. The Bill seeks to achieve the above objects.

NEW DELHI;
The 27th November, 2015.

JITENDRA SINGH

ANNEXURE

EXTRACTS FROM THE ATOMIC ENERGY ACT, 1962

(33 OF 1962)

* * * * *

Definitions
and
interpretation.

2. (1) In this Act, unless the context otherwise requires,—

* * * * *

(bb) “Government company” means a company in which not less than fifty-one per cent. of the paid-up share capital is held by the Central Government;

* * * * *

Control over
production
and use of
atomic
energy.

14. (1) The Central Government may, subject to such rules as may be made in this behalf, by order prohibit except under a licence granted by it—

* * * * *

LOK SABHA

A

BILL

further to amend the Atomic Energy Act, 1962

(Shri Jitendra Singh, Minister of State in the Department of Atomic Energy)