



Constitutional Bench Update

Union of India v. Union Carbide Corporation

Reconsideration of Compensation granted to Bhopal Gas Tragedy Victims



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Bench

**S.K.Kaul J., Sanjiv Khanna J.,
A.S.Oka J., Vikram Nath J.,
J.K.Maheshwari J.**

**Case Admitted on
January 28, 2020**

**Last Date of Hearing
October 11, 2022**

**Next Date of Hearing
January 10, 2023**

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Background

- Following the unfortunate Bhopal Gas Tragedy, the Parliament enacted the Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985 allowing the Government of India to act as the legal representative for victims of the disaster
- In February 1985, the Indian Government filed a case in the Federal District Court at New York and claimed \$3.3 billion from UCC in reparations to the victims. The US Court dismissed the Union of India's claims and asked the government to approach Indian courts
- District Judge, Bhopal ordered UCIL to pay an interim compensation of ₹350 Crores to the victims which was reduced to ₹250 Crores by the High Court of Madhya Pradesh



- Aggrieved by the decision, both the parties approached the Supreme Court, which allowed the UCC and UCIL to settle the dispute and pay \$470 million to the Union of India in a full and final settlement of all claims
- In 1991, petition was filed requesting the Supreme Court to reopen the settlement proceedings. The same was rejected stating that the court had used its powers under Article 142 to dispose of the case in the District Court
- In December 2010, the Union Government filed a curative petition against the 1989 settlement and sought additional funds of over ₹7,400 Crores from the company
- On September 20th, 2022, the matter came up for hearing before a Constitution Bench led by Justice S.K. Kaul





- The Union, on October 11th 2022, informed the Court that it would pursue the petition and made a demand for higher compensation for the victims

Issues under Consideration

- Whether the compensation granted to the Victims of Bhopal Gas Tragedy in 1989 is adequate?



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