

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

STARRED QUESTION NO:451

ANSWERED ON:20.12.2002

TRANSFER OF LIABILITIES OF FIRMS

JYOTIRADITYA MADHAVRAO SCINDIA;SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) Whether the Govt. have laid down a policy on transfer of liability of firms including transfer of companies to foreign hands, by way of sale or otherwise, with respect to damage to life, property or environment caused by the company before such transfer;

(b) If so, the details thereof; and

(c) The steps taken/being taken by Govt. in respect to Bhopal Gas Leakage (1984) victims and environmental degradation and contamination caused thereby following transfer of Union Carbide to M/s Dow Chemicals of America?

Answer

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a) and (b): No, Sir,

As per the Supreme Court orders Union Carbide Corporation (UCC) paid a sum of US\$ 470 million to the Union of India as compensation in full settlement of all civil claims, rights and liabilities related to and arising out of Bhopal Gas Leak Disaster. In addition on the directions of Supreme Court, UCC have also financed a hospital for the gas victims in Bhopal.

The Government is aware of the problems of Bhopal gas tragedy victims and is committed to provide all possible help to them. It has created an office of the Welfare Commissioner under the Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985 to adjudicate and disburse compensation to Bhopal Gas victims. In all 10,29,431 cases were filed by the claimants, out of which 10,29,265 have been disposed by the end of 31.10.2002. An amount of Rs. 1521.56 crore has been disbursed as compensation. Further, Central Government approved an Action Plan of the State Government with a total outlay of Rs. 163.10 crore for the medical, economic, social and environmental rehabilitation of the Bhopal gas tragedy victims. This outlay was to be shared between the Government of India and the State Government of Madhya Pradesh in the ratio of 75:25. The Central Government has already released its entire share of Rs. 193.50 crore. The State Government is implementing the Action Plan.