

Amendments to the Civil Liability for Nuclear damage Bill, 2010

The table below compares the amendments introduced to the Civil Liability for Nuclear damage Bill, 2010 in the Lok Sabha with the original Bill and the recommendations of the Standing Committee on Science & Technology, Environment & Forests:

| Bill | Standing Committee Recommendation | Amendment | Remarks |
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| Issue: Whether private operators are permitted. | | | |
| The Bill did not have a provision stating the same. Clause 2(1) of the Bill defined an operator as any person designated by the central government to operate a nuclear installation. | New sub-clause specifying that only entities owned or controlled entities controlled by the government either directly or indirectly through any authority or corporation owned by it, or a government company (as defined in the Atomic Energy Act, 1962) will be allowed to operate nuclear installations. | Clause 3A has been inserted accepting the Committee’s recommendations. | The government has accepted the Committee’s recommendations. Government companies are defined as companies where the government owns at least 51 percent of the share capital of the company. This implies that joint ventures between government and private entities may be permitted with the private company being a minority shareholder. |
| Issue (Clause 6 of the Bill): The total liability for a nuclear incident may be insufficient in some cases. | | | |
| The total liability for a nuclear incident was capped at 300 million Special Drawing Rights (approximately Rs 2,100 crore). | The Committee wanted to give the central government the power to notify a higher amount of total liability if required. | The central government has been empowered to take additional measures beyond the capped amount if the amount of compensation exceeds 300 million SDR. | The government has accepted the recommendations of the Committee and can now provide additional relief if the cap of 300 million SDR is insufficient in some cases. |
| Issue (Clause 6(2)): The operator’s liability is low. | | | |
| The liability of the operator was capped at Rs 500 crore. | The operator’s liability should be raised to Rs 1,500 crore. The Committee stated that the government may create a separate category for small reactors, research facilities and reprocessing plants. | a. Operators of nuclear installations producing more than 10 MW of energy shall be liable up to Rs 1,500 crore; b. For spent fuel re-processing plants, the liability is Rs 300 crore; c. For, a research reactor producing energy below 10 MW the liability is Rs 100 crore. The central government has the power to increase these amounts by notification. | Most nuclear installations producing nuclear energy generate more than 10 MW of thermal energy. |

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| Issue (Clause 7): Liability of the central government. | | | |
| The central government is liable in cases where the damage exceeds the liability cap of the operator, where the installation causing nuclear damage is owned by it, or in cases of grave natural disasters, civil wars or terrorism. | No recommendation. | The government may assume the liability of a nuclear installation by notification if it feels that doing so in the public interest. | If the operator is a joint venture government company, this clause implies that the government may take over the liability of the private shareholders. |
| Issue (Clause 17(b)): Recourse against suppliers. | | | |
| Clause 17 provided for recourse under three conditions: (a) if there is a written contract giving such a right, (b) if the suppliers or his employee causes damage through gross negligence or a willful act, or (c) damage has resulted from the act or omission of a person with intent to cause damage. | Two recommendations: a. Clause 17(b) should cover latent or patent defects in the equipment, or gross negligence of the supplier. The requirement of committing a ‘willful act’ was removed. b. Clause 17(a) should end with an “and” so a written contract is necessary for having recourse under the other two conditions. | a. The operator has a right of recourse only after paying compensation, b. Clause 17(b) requires (a) intent to cause damage on the part of the supplier or his employees, and (b) latent or patent defects. | The Committee had recommended the removal of proving intent. The proposed amendments do not do so. The Committee’s recommendation of inserting “and” in sub-clause (a) of Clause 17 has not been accepted. |
| Issue (Clause 18): Time-limit for claiming compensation. | | | |
| The time-limit for claiming compensation for suffering nuclear damage is ten years from the date the nuclear incident is notified. | The time-limit should be extended to twenty years. | a. For damage to property, the time-limit is ten years. b. For personal injury to any person, the time-limit for claiming compensation has been increased to 20 years. | |
| Issue (Clause 35): Bar on jurisdiction of civil courts. | | | |
| The Bill prevented civil courts from having jurisdiction in any cases pending before the Claims Commissioner or the Nuclear damage Claims Commission. | Victims should have a right to appeal to High Courts and the Supreme Court. | The (a) Supreme Court and (b) the High Courts exercising their jurisdiction under Article 226 (writ jurisdiction) and Article 227 (High Court’s power over tribunals) will have jurisdiction. | The recommendation of the Committee has been accepted. |

Sources: 212th Report of the standing Committee on Science and Technology; Civil liability for Nuclear damage Bill, 2010; Notice of Amendments to the Civil liability for Nuclear damage Bill, 2010, as introduced in the Lok Sabha; PRS.