

Union Carbide Corporation (Ii)

Vs

Union of India

Civil Appeals Nos. 3187 and 3188 of 1988

(CJI R. S. Pathak, N. D. Ojha, Rangath Misra, M. N. Vankatachaliah, E. S. Vankataramiah JJ)

05.04.1989

ORDER

1. Having considered the circumstance that various proceedings are pending in this Court in relation to the Bhopal Gas Disaster which have an important bearing on the settlement between the Union of India and the Union Carbide Corporation embodied in our order dated February 14, 1989 read with our order dated February 15, 1989 (Union Carbide Corpn. v. Union of India, (1989) 1 SCC 674), including the writ petitions challenging the vires of the Bhopal Gas Leak Disaster (Registration and Processing of Claims) Act, 1985 which question the right of the Union of India to the terms of our order dated February 14, 1989, consequential orders, including orders on the affidavits of John Macdonald dated March 31, 1989 and C. P. Lal dated April 3, 1989 filed by the Union Carbide Corporation and the Union Carbide Indua Ltd. respectively, in these appeals and in the suit are deferred and it is ordered that the Union Carbide Corporation will continue to be subject to the jurisdiction of the courts in India until further orders.

2. During the course of arguments before us, it transpired that allegations have been made in some of the documents filed before us that attempts were made to settle the dispute between the Union Carbide Corporation and the Union of India in respect of compensation to be paid to the victims involved in the Bhopal Gas Disaster at U.S. 350 million dollars and towards the expenses if the government in the sum of U.S. 100 million dollars. It seems necessary that the Union of India and the union Carbide Corporation should file respective affidavits indicating the precise terms of the proposals made from time to time outside the court in regard to the settlement of the claims. The affidavit of the Union of India shall contain specific details in regard to the quantum of compensation, the time frame for payment, and other particulars suggested in the proposals and mentioning specially the persons concerned who suggested the quantum and particulars and/or were concerned in the negotiations, whether belonging to the government or otherwise. The Union of India will keep ready in its possession all the relevant documents on the basis of which the averments are made in the affidavit filed by it, so that such documents may be produced as and when this Court calls upon the said Union of India to do so before it.

3. Three weeks are allowed to the Union of India and the Union Carbide Corporation for filing the aforesaid affidavits. The matters will now come up on May 2, 1989 for further orders.

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