

PMO/20.1.2007**Internal**

Shri Ratan Tata has referred to the discussion on the remediation of the Bhopal Gas Tragedy site during Prime Minister's meeting with the members of the Investment Commission, and enclosed a copy of his letter to the Finance Minister regarding creation of a Remediation Fund with the contribution of the private sector also, to clean the site. PM has intimated "This proposal requires serious consideration. May be a small group under Cabinet Secretary look into it involving among others Environment Ministry".

Remediation  
Fund

2. It is submitted in this regard that the legal status was ascertained from Department of Chemicals & Petrochemicals, which is the concerned administrative Department. DoC&PC has intimated briefly as follows:

A Writ Petition was filed in the High Court of Madhya Pradesh by Shri Alok Pratap Singh in July 2004 regarding removal of toxic wastes and remediation of the former UCIL plant site at Bhopal. Dow Chemicals Company, which was also made respondent in the petition, requested the High Court to implead M/s UCC, USA and Eveready Industries India Limited as Respondents, and to delete its name from the array of parties on the ground that it had nothing to do with the matter. The High Court has permitted the inclusion of M/s UCC and Eveready Industries but is yet to issue orders on deleting the name of Dow Chemicals Company. The High Court has also constituted, vide its orders dated 30.3.2005, a Task Force for implementation of Toxic Wastes removal / destruction. The Principal Secretary, Bhopal Gas Tragedy, Relief and Rehabilitation Department, Bhopal has been made the coordinator and directed to take all immediate steps to commence the work. The Task Force constituted a Technical Sub-committee and necessary action is being taken to implement its recommendations with regard to the removal of toxic wastes. The Department is of the view that as the matter is subjudice, it may be appropriate if the offer of Shri Ratan Tata is placed before the High Court and directions sought thereon.

RtS/p33/07/PMO  
3.

It is further submitted that the Finance Minister had, in his comments on the Note submitted by Deputy Chairman, Planning Commission regarding issues emanating from the Indo-US CEOs Forum, also referred to Shri Ratan Tata's offer, and proposed that a Site

SECRETARY  
SCM'S OFFICE  
By: [Signature]  
Date: 20/1/07

Remediation Trust be constituted under the chairmanship of Shri Tata and including executives from the private sector and public sector. Finance Minister has been requested to put up a detailed note on the issue after consultation with the Department of Chemicals & Petrochemicals and also taking legal opinion, if necessary.

4. It is proposed that we may await Finance Minister's note on the matter.

For perusal pt. we will follow up on X

(Vini Mabajan)  
20.1.2007

~~JS(U)~~

Pr Secy to PM

PM

JS(U)

Hd/ 22/1/07

Munish Kumar Singh  
31.1.2007

Jain  
22.1.07

Di (Vini) Jain  
31.1.07

ES-2  
3/1/07



24.04.2007.**INTERNAL**

Subject: **Issues concerning investments in the Chemical and Petrochemical Sector**

The Minister for Commerce and Industry had submitted a note to the Prime Minister on 07.02.2007 on the issue of legal liability of Dow Chemicals Company of the US, which in 1999, had purchased the Union Carbide Corporation (UCC), and investment by the Company in India. He referred to the PIL going on in the Madhya Pradesh High Court about the 1984 Bhopal Gas Tragedy, in which the Ministry of Chemicals & Petrochemicals had moved the Court in May, 2005 for directions to Dow Chemical Company to deposit Rs.100 crores against the remedial cost. The Minister suggested that in view of likelihood of substantial investment of Dow Chemicals in India, while the matter of legal responsibility of the Company could be left for the Court to decide, a Group under the Chairmanship of Cabinet Secretary be formed to look into the matter holistically. He proposed that this Group could consult all the stakeholders including industry, which, as per letter of Shri Ratan Tata, was willing to have an industry-led remediation arrangements.

2. On the same issue, the Finance Minister has in his comments on the note submitted by Deputy Chairman, Planning Commission, referring to Indo-US CEOs Forum, proposed a Site Remediation Fund or Trust under Shri Tata with representatives from private as well as public sector. FM was requested to put up a detailed note after consultation with the Department of Chemicals and Petrochemicals and legal opinion, if necessary. This letter was issued on 27.12.2006 and has been followed up with reminders.

3. In the meantime, Cabinet Secretary has responded (FR) to the proposal for Minister of Chemicals and Industry. He has referred to the Group of Ministers (GOM) constituted on 09.07.2004 to coordinate and oversee Bhopal Gas Leak Disaster related matters. The only issue pending before the GOM at present is of declaration of 20 more wards of Bhopal as gas affected areas. With regard to matter in the High Court, M/s Union Carbide Corporation, USA and Eveready Industries India Limited have been impleaded on the request of Dow Chemicals Company. However, Dow Chemicals has not yet been deleted by the Court. The Department of Chemicals and Petrochemicals has informed that so far notice on UCC had

20 more  
wards  
in Bhopal  
as gas  
affected.



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remained unserved due to non-availability of its correct address. The High Court has desired that responsibility for clean-up should not overshadow the question of the clean-up itself and has constituted a Task Force which has further formed a Technical Sub-Committee for disposal of toxic waste.

4. Terming the issue as complex, Cabinet Secretary has stated that given the scope for future investments in the sector, it stands to reason that instead of continuing to agitate these issues in court for a protracted period, due consideration be given to the prospect of settling these issues appropriately. He has mentioned following options:

- i. to leave the matter to be settled by the Court;
- ii. to include this issue within the remit of the GoM already constituted;
- iii. to constitute a new GoM to exclusively deal with the issues mentioned in the above-mentioned letter of the Minister of Commerce and Industry concerning environmental, legal and investment related aspects; and
- iv. to reconstitute the existing GoM, with appropriate changes in its mandate.

Further, the Cabinet Secretary has recommended option (iv) above viz. reconstitute the existing GoM with appropriate changes in its mandate. In short, Cabinet Secretary is suggesting to raise the level of decision-making to that of a GoM.

5. We are awaiting a note from the Finance Minister in the matter. A view may be taken only after receipt of that note.

Submitted.

*[Signature]*  
[Shaleen Kabra]  
24.04.07

*D-1(A) KA 24/4/07*  
*JS(V)*

*24/4* *lets await the F.M's note.*

*all spec*

*[Signature]*  
*25/4*



*ES-2*  
*KA 25/4/07*  
*put up when note received*

*Pl follow up as required*

## Annexure - III

Latest status on the issue of removal/ disposal of toxic wastes lying at the Union Carbide Plant site

After the disaster, the Union Carbide Plant was de-toxified and closed down between 16th to 22nd December, 1984. Various residual wastes, semi-processed pesticides and contaminated soil were stored in the Plant premises. In addition, the soil of the land in and around the factory where effluent and waste disposal was done when the factory was in operation, has been contaminated by various chemicals used in manufacturing of pesticides. There are three types of hazardous wastes or chemicals lying in and around the Plant:

**Stored Hazardous Wastes:** These include tarry residual wastes, contaminated soil and semi-processed pesticides, which were stored in four halls/sheds in the factory premises.

**The Old Sevin & MIC Plants:** These were closed down in December, 1984. However, due to passage of time they are getting corroded and collapsing, thus, exposing residual hazardous material to the environment.

**Land:** About 7 hectares of land at various locations in the factory was used for disposal of effluents or wastes when the plant was in operation. This is contaminated with chemicals used in manufacturing or by-products of operations and pesticides. The land on which the factory is situated was resumed by the State Government of Madhya Pradesh in July, 1998.

2. The environmental remediation work involves removal/ disposal of all the three types of hazardous wastes or chemicals lying in and around the UCIL Plant at Bhopal.

3. For the removal of stored hazardous/ toxic wastes, the Madhya Pradesh Pollution Control Board (MPPCB), which is also the statutory authority for all approvals under the Hazardous Wastes (Management and Handling) Rules, 1989 framed under The Environment (Protection) Act, 1986, has prepared a road map and has also started work thereon.

4. For coordinating the overall environmental remediation, a Task Force has been constituted under the Chairpersonship of Secretary (C&PC), on the directions of the High Court of Madhya Pradesh, which is monitoring the removal/ disposal of the toxic wastes in the Writ Petition No. 2802 of 2004 (Alok Pratap Singh vs. Union of India & others). The first meeting of the Task Force was held on 31st May, 2005, at New Delhi, followed by review meetings. The last (eighth) meeting of the Task Force was held on 18<sup>th</sup> April, 2006 at Bhopal. The Government of M.P and M.P. Pollution Control Board have informed that the work on the following activities covered under the roadmap has been completed:

- (i) Collection of soil, water and residue samples placed in bags
- (ii) Placing of all the material lying in bags in sheds in new bags, containers etc.
- (iii) Keeping the repacked material and covering with tarpaulin and placing it in a shed under security.



- (iv) Preliminary analysis of these samples with available facilities and also through other labs.
- (v) Identification of SLF site in the premises to be based on Geomorphological, Geohydrological, Edaphic and other Ecological evaluations to be done by an expert agency.
- (vi) Selection of the expert consultant/agency, which can undertake stabilization, encapsulation, etc. studies along with construction of the SLF based on CPCB/EP guidelines.
- (vii) Rapid EIA study and a public hearing to be conducted by the same agency identified in (b) or other agency

The work on the following activities of the road map is to start shortly:

- (i) Construction of the SLF.
- (ii) Initiation of Monitoring in piezometric holes.
- (iii) Capping of the SLF.

5. As decided by the Task Force, the Tarry residuals need to be incinerated. Since, the facility for incineration is available at Ankleshwar, Gujarat, the Gujarat Pollution Control Board and the Government of Gujarat were requested through the Ministry of Environment & Forests, Government of India, to convey their 'no objection' for transportation of the stored tarry residuals from Bhopal to Ankleshwar. The Government of Gujarat and the Gujarat Pollution Control Board have since conveyed their permission for one-time transportation to and incineration of the tarry wastes at Ankleshwar. Accordingly, the Government of Madhya Pradesh along with the Madhya Pradesh Pollution Control Board have been asked to take necessary action on the same, at the earliest. The remaining stored toxic wastes, which have already been repacked, will be taken to Indore for disposal in the T.S.D.F. (Transportation, Storage and Disposal Facility), being constructed there.

6. The proposals for soil and ground water remediation are being prepared by the National Environmental Engineering Research Institute (NEERI) and the National Geophysical Research Institute (NGRI).

7. The Indian Institute of Chemical Technology (IICT) is preparing a plan for the dismantling/remediation of the old plants.

8. The Bhopal Gas Tragedy, Relief and Rehabilitation Department, Government of Madhya Pradesh, will be coordinating the remediation efforts.

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2006  
appointment.

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MOST IMMEDIATE

**PRIME MINISTER'S OFFICE**

SOUTH BLOCK  
NEW DELHI-110 011

Please find enclosed a copy of a letter dated 6.6.06 addressed to the Principal Secretary to the Prime Minister by Shri Rakesh Chitkara, Director (Public Affairs), Dow chemical International Pvt.Ltd., Mumbai seeking appointment from the Prime Minister in the forenoon of 29<sup>th</sup> June, 2006.

It is requested that the advice/comments in the matter may kindly be sent to this office by 27.06.06 positively.

( Vini Mahajan )  
Director

Secretary, Department of Chemicals & Petrochemicals  
PMO UO No.320/31/C/09/2006-ES.II

Dated: 26.6.06



Pl. Same

