

Chronology

Updated June 2009

Union Carbide India Limited (UCIL) was established in 1934, when Union Carbide Corporation (UCC) became one of the first U.S. companies to invest in India. UCIL shares were publicly traded on the Calcutta Stock Exchange. UCIL was a diversified manufacturing company, employing approximately 9,000 people and operating 14 plants in five divisions.

The Bhopal plant was built in the late 1970's and was owned and operated by UCIL, an Indian company in which Union Carbide held just over half of the stock. Indian financial institutions and thousands of private investors in India owned the remainder of the stock.

The plant produced pesticides for use in India to help the country's agricultural sector increase its productivity and contribute more significantly to meeting the food needs of one of the world's most heavily populated regions.

1984

Dec 3 The Bhopal Gas Tragedy

Shortly after midnight, methyl isocyanate (MIC) gas leaks from a tank at the UCIL Bhopal plant. According to the state government of Madhya Pradesh, approximately 3,800 people die and several thousand other individuals experience permanent and partial disabilities.

Dec 4 Immediate Action

Word of the disaster is received at Union Carbide headquarters in Connecticut. Chairman and CEO Warren Anderson, together with a technical team, depart to India to assist the government in dealing with the incident. Upon arrival, Anderson is placed under house arrest and urged by the Indian government to leave the country within 24 hours.

Union Carbide organizes a team of international medical experts, as well as supplies and equipment, to work with the local Bhopal medical community.

The UCC technical team begins assessing the cause of the gas leak.

Dec 14 Warren Anderson testifies before Congress. He stresses UCC commitment to safety and promises to take actions to ensure that a similar incident "cannot happen again."

1985

Feb Interim Relief

Union Carbide establishes a fund for victims of the tragedy -- the (UCC) Employees' Bhopal Relief Fund -- that collects more than \$120,000.

UCC sends more medical equipment to Bhopal.

Mar Study Launched

UCC launches a disaster program to study the effects of over-exposure to MIC.

Bhopal Gas Leak Act

Government of India (GOI) enacts the Bhopal Gas Leak Disaster Act that enables the GOI to act as the legal representative of the victims in claims arising of or related to the Bhopal disaster.

Cause of the Incident

UCC Technical team reports that a large volume of water was introduced into the MIC tank and triggered a reaction that resulted in the gas release. Independently, a committee of experts for the Indian government arrives at the same conclusion.

Apr Union Carbide Offers \$7 Million Interim Relief



- UCC offers \$5 million in relief for victims before the U.S. District Court, bringing the total to date to \$7 million.
- Government of India Rejects Union Carbide Relief**
Government of India rejects UCC offers of aid for Bhopal victims.
- June Additional Aid**
UCC funds participation of Indian medical experts in meetings to obtain information and the latest medical treatment techniques for victims.
- July Additional Analysis**
Core samples confirm that water triggered the reaction, which led to the gas release.
- 1986**
- Jan Union Carbide Funds Hospital**
Union Carbide offers \$10 million to the Indian government for building a hospital to aid the victims in Bhopal.
- Mar Union Carbide Proposes \$350 Million as Settlement for Victims and Families**
Union Carbide proposes a settlement amount of \$350 million that will generate a fund for Bhopal victims of between \$500-600 million over 20 years. Plaintiffs' U.S. attorneys endorse amount.
- May Bhopal Litigation Transferred to India**
U.S. District Court Judge transfers all Bhopal litigation to India. Decision is appealed.
- 1987**
- Jan U.S. Court of Appeals Affirms Transfer of Litigation to India**
The court rules that UCIL is a separate entity, owned, managed and operated exclusively by Indian citizens in India.
- Mar Government of India Closes Vocational Technical Center**
The Government of India closes and razes the Bhopal Technical and Vocational Training Center built by Arizona State University after determining that Union Carbide Corporation supplied funds for the project.
- Aug Union Carbide Announces Humanitarian Relief**
Union Carbide offers an additional \$4.6 million in humanitarian interim relief for immediate rehabilitation of Bhopal victims.
- 1988**
- Jan–Dec Litigation in India**
Throughout 1988, arguments and appeals take place before the Indian Courts regarding compensation for the victims. In November, the Supreme Court of India asks the Government of India and UCC to reach a settlement, and tells both sides to “start with a clean slate.”
- May New Evidence on Causation**
Independent investigation by the engineering and consulting firm Arthur D. Little, Inc., concludes that the gas leak could only have been caused by sabotage; someone intentionally connected a water hose to the gas storage tank and caused a massive chemical reaction.
- 1989**
- Feb Final Settlement at \$470 Million**
The Supreme Court of India directs a final settlement of all Bhopal litigation in the amount of \$470 million, to be paid by March 31, 1989. Both the Government of India and Union Carbide accept the court's direction. UCC pays \$420 million; UCIL pays the rupee equivalent of \$50 million (including \$5 million of interim relief previously paid).
- Union Carbide Makes Full Payment**
Within 10 days of the order, UCC and UCIL make full payment of the \$470 million to the Government of India.
- May Supreme Court of India Renders Opinion**
The Supreme Court, in a lengthy opinion, explains the rationale for the settlement and

- emphasizes that the compensation levels provided for in the settlement are substantially higher than those ordinarily payable under Indian law.
- Dec Government of India To Act on Behalf of Victims**
The Supreme Court upholds the validity of the “Bhopal Gas Leak Disaster Act of 1985” that authorized the Government of India to act on behalf of the Bhopal gas leak victims.
- 1990**
- Jan– Supreme Court of India Proceedings Aim to Overturn Settlement**
Dec Hearings are held throughout year on activist petitions to overturn the settlement agreement.
- Nov State Government Prepares List of Victims To Be Compensated**
The State Government of [Madhya Pradesh](#) submits to the Supreme Court of India the completed categorization of the claims of all of the victims. The State determines that, in addition to the victims who suffered various levels of disabilities, the incident resulted in 3,828 deaths.
- Dec Supreme Court Hearings Conclude**
Court concludes review of petitions seeking to overturn settlement.
- 1991**
- Oct Supreme Court Confirms the Settlement and Closes Legal Proceedings**
The Supreme Court of India upholds the civil settlement of \$470 million in its entirety and sets aside portion of settlement that quashed criminal prosecutions that were pending at the time of settlement. The Court also:
- Requires Government of India to purchase, out of the settlement fund, a group medical insurance policy to cover 100,000 persons who may later develop symptoms;
 - Requires Government of India to make up any shortfall, however unlikely, in settlement fund;
 - Gives directions concerning the administration of settlement fund;
 - Dismisses all outstanding petitions seeking review of settlement; and
 - Requests UCC and UCIL to voluntarily fund capital and operating costs of a hospital in Bhopal for eight years, estimated at approximately \$17 million, to be built on land donated by the state government.
- UCC and UCIL agree to fund the hospital, as requested.
- 1992**
- Apr Union Carbide Sets Up Trust Fund**
UCC announces plans to sell its 50.9 percent interest in UCIL.
- UCC establishes charitable trust to ensure its share of the funding to build a hospital in Bhopal and fund operations for up to eight years.
- 1993**
- Oct U.S. Supreme Court Denies Hearing on Legal Standing**
The U.S. Supreme Court declines to hear appeal of lower court, thereby affirming that Bhopal victims may not sue for damages in U.S. courts.
- 1994**
- Apr Union Carbide To Sell Stake in Union Carbide India Limited**
Supreme Court of India allows UCC to sell all its shares in UCIL so that assets can be used to build Bhopal hospital.
- Nov Union Carbide Completes Sale**
UCC completes the sale of its 50.9 percent interest in UCIL to McLeod Russell (India) Ltd. of Calcutta.
- Dec Union Carbide Fulfills Initial Commitment**
UCC provides initial \$20 million to charitable trust for Bhopal hospital.
- 1995-1999**

Charitable Trust Builds Hospital

Hospital charitable trust begins facility construction in October 1995.

UCC provides approximately \$90 million from the sale of all its UCIL stock.

By 1999, the trust has \$100 million. Building is completed and physicians and medical staff are being selected. The hospital will have facilities for the treatment of eye, lung and heart problems.

2001

Hospital Opens to the Public

The Bhopal Memorial Hospital and Research Centre, funded largely by proceeds from UCC sale of all its UCIL stock, begins treating patients.

2004

July Supreme Court of India Orders Release of Remaining Settlement Funds to Victims

Fifteen years after reaching settlement, the Supreme Court of India orders the Government of India to release all additional settlement funds to the victims. News reports indicate that there is approximately \$327 million in the fund as a result of earned interest from money remaining after all claims had been paid.

2005

Apr Supreme Court of India Extends Deadline for Release of Remaining Settlement Funds

The Supreme Court of India grants a request from the Welfare Commission for Bhopal Gas Victims and extends to April 30, 2006, the distribution of the rest of the settlement funds by the Welfare Commission. News reports indicate that approximately \$390 million remains in the fund as a result of earned interest.

Dec Court Dismisses 2 Claims in Janki Bai Sahu Case

U.S. Federal District Court dismisses two of three claims in Janki Bai Sahu case; this is, damages for alleged personal injuries from exposure to contaminated water and remediation of the former UCIL plant site. (See Nov. 2006 for information on third claim.) Case originally was filed in November 2004.

2006

Aug U.S. Court of Appeals Upholds Dismissal of 8-Year-Old Bano Case

The Second Circuit Court of Appeals in New York upholds the dismissal of the remaining claims in the case of *Bano vs. Union Carbide Corporation*, thereby denying plaintiffs' motions for class certification and claims for property damages and remediation of the Bhopal plant site by Union Carbide. The ruling reaffirms UCC's long-held positions and finally puts to rest -- both procedurally and substantively -- the issues raised in the class action complaint first filed against Union Carbide in 1999 by Haseena Bi and several organizations representing the residents of Bhopal, India.

Sep Bhopal Welfare Commission Reports All Initial Compensation Claims and Revised Petitions Cleared

India media report states the "registrar in the office of Welfare Commissioner... said that all cases of initial compensation claims by victims of the 1984 Bhopal gas tragedy have been cleared.... With clearance of initial compensation claims and revision petitions, no case is pending...."

Oct Madhya Pradesh State Government To Prepare Drinking Water, Healthcare, Environmental Rehabilitation Plan

Indian media report says the state government of Madhya Pradesh will "chalk out an action plan in the next two months for providing drinking water, adequate healthcare and economic and environmental rehabilitation to survivors of the Bhopal gas tragedy...."

Nov U.S. Federal District Court Dismisses Last Claim in Sahu Case

Federal District Court dismisses remaining claim in Janki Bai Sahu case, which sought to hold UCC liable for the acts of UCIL. Case originally was filed in November 2004. Two

- other claims associated with the case were dismissed in December 2005.
- Dec** **Appeal Filed in Janki Bai Sahu Case**
Plaintiffs file appeal in the case before Second Circuit Court of Appeals. Awaiting date for oral arguments.
- 2007**
- Mar** **New Class Action Lawsuit Filed in New York Federal Court**
Jagarnath Sahu et al v. UCC and Warren Anderson seeks damages to clean up six individual properties allegedly polluted by contaminants from the Bhopal plant, as well as the remediation of property in 16 colonies adjoining the plant. Suit has been stayed pending resolution of appeal in Janki Bai Sahu case. This new suit may be dismissed if the Court of Appeals affirms the decision of the District Court in the pending appeal of the Janki Bai Sahu case.
- 2008**
- May** **Arguments Heard in Janki Bai Sahu Appeals Case**
The Second Circuit Court of Appeals in New York hears oral arguments in Janki Bai Sahu appeals case. Original case filed in November 2004. Two claims associated with case were dismissed in December 2005 and the last remaining claim was dismissed in November 2006.
- Nov** **Sahu Appeals Case Remanded to District Court for Further Limited Activity**
Second Circuit Court of Appeals sends back the Janki Bai Sahu case to the U.S. District Court in Manhattan for limited further activity based strictly on procedural grounds. The Second Circuit did not discuss the merits of the case or the merits of the trial judge's ruling of dismissal.
- 2009**
- Feb** **Court Rejects Mediation Request in Janki Bai Sahu Case**
U.S. Federal District Court in New York declines to order mediation in the Janki Bai Sahu case as requested by plaintiffs. The ruling affirms Union Carbide's position that after years of court proceedings, this case is now in its final stages and, given the time commitments already made the courts, the Sahu case should complete its course through the courts.