



DAILY EDITORIAL ANALYSIS

TOPIC

**DEBATE OVER NUCLEAR
LIABILITY AND ENERGY POLICY
IN INDIA**

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DEBATE OVER NUCLEAR LIABILITY AND ENERGY POLICY IN INDIA

Context

- The proposed amendments to key nuclear legislations which aim to address long-standing issues related to supplier liability and private sector participation in nuclear energy, have sparked debate in Parliament.

India's Nuclear Energy Scenario

- India currently generates **only about 3%** of its electricity from nuclear sources (8.8 GW across 24 plants), and is projected to rise to 22,480 MW by 2031–32 and 100 GW by 2047 (**Nuclear Energy Mission for Viksit Bharat**).
- The **Union Budget 2025–26** allocated 20,000 crore for a **Nuclear Energy Mission**, including the development of **Small Modular Reactors (SMRs)** and **Bharat Small Reactors (BSRs)**.

Nuclear Liability and Energy Policy in India: Key Legislations

- **Civil Liability for Nuclear Damage Act (CLNDA), 2010:** It was introduced after global precedents like **Bhopal gas tragedy (1984)**, **Fukushima nuclear disaster** in 2011, and **Gulf of Mexico oil spill** for compensating nuclear accident victims.
 - ♦ It channels **primary liability to the operator** (typically NPCIL) and caps it at 1,500 crore.
 - ♦ It includes a '**right of recourse**' clause, allowing the operator to seek compensation from suppliers in case of defective equipment or services.
- **Atomic Energy Act (AEA), 1962:** It centralizes control of nuclear energy under the government, prohibiting private companies from operating nuclear plants.
 - ♦ It empowers the **Atomic Energy Regulatory Board (AERB)** to enforce safety standards and oversee radiation protection.

Core of the Debate

- **Safety vs. Investment Trade-off:** It is argued that diluting supplier liability could compromise safety and accountability, especially in light of past industrial disasters like Bhopal.
- **Technology Transfer and Strategic Risks:** Concerns persist over technology transfer from foreign suppliers, especially in strategic areas like SMRs.
 - ♦ Private companies may be reluctant to share proprietary designs, and national security implications remain a sensitive issue.
- **Supplier Liability:** India's CLNDA uniquely includes supplier liability, allowing operators to seek compensation from equipment suppliers in case of accidents.
 - ♦ However, the **Convention on Supplementary Compensation (CSC)** channels liability solely to the operator.
- **Legislative Ambiguity and Delays:** The **Jaitapur Nuclear Power Project**, slated to be the world's largest, has been stalled for over a decade due to unresolved liability issues.
- **Closed Nuclear Model and Private Sector Exclusion:** Amendments in 2015 to AEA 1962 allowed joint ventures with PSUs, however, direct private sector participation remains prohibited, slowing capacity expansion and technological adoption.

Proposed Amendments

- The government has constituted committees to explore amendments to both **Civil Liability for Nuclear Damage Act (CLNDA), 2010** and **Atomic Energy Act (AEA), 1962**, aiming to allow private sector participation in reactor construction and operation.

- These changes are expected to align **India's laws with international norms**, particularly the **Convention on Supplementary Compensation (CSC)**, which India ratified in 2016.

Conclusion

- The debate over nuclear liability and energy policy in India touches on questions of public safety, strategic autonomy, and environmental responsibility.
- As Parliament prepares to deliberate these amendments, the outcome aims to shape India's energy future and its place in the global nuclear order.

[Source: TH](#)

Mains Practice Question

- Q. Evaluate the impact of India's nuclear liability legislation on its energy policy. How does it influence India's ability to attract investment, ensure safety, and meet its long-term energy goals?

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