



Nuclear Liability Fund

Source: BS

India plans to establish a **nuclear liability fund** under the upcoming **Atomic Energy Bill**, which aims to amend aspects of the [Atomic Energy Act, 1962](#) and the [Civil Liability for Nuclear Damage Act \(CLNDA\), 2010](#).

- The move aims to **unlock private and foreign investment** in the country's **nuclear sector**.
- **Need for Nuclear Liability Fund:** India's nuclear power accounts for less than 3% of total electricity, but India plans to expand capacity 12-fold by 2047 to cut fossil fuel use and [reach net-zero by 2070](#).
 - Previous laws exposed suppliers to unlimited liability, deterring foreign investment, and the 2015 nuclear insurance pool lacked legal certainty.
 - The proposed nuclear liability fund provides a structured accident compensation framework, boosting private participation, attracting foreign suppliers.
- **Key Features of Proposed Nuclear Liability Fund:** The Fund covers nuclear accident compensation exceeding Rs1,500 crore, supplementing operator liability.
 - It provides a statutory, structured framework replacing the current ad hoc payout system.
 - It reduces risk for private and foreign investors in nuclear energy and uranium mining.

Civil Liability for Nuclear Damage Act (CLNDA), 2010

- It ensures compensation for nuclear accident victims and defines operator responsibility. It aligns with the [Convention on Supplementary Compensation \(CSC, 1997\)](#), ratified by India in 2016.
- The Act imposes strict **no-fault liability on operators, capping their liability at Rs 1,500 crore**. If claims exceed this, the government steps in, with its liability capped at the rupee equivalent of 300 million Special Drawing Rights (SDRs).
- Under the act, the [Nuclear Damage Claims Commission](#) ensures fair compensation.

Read more: [Reforming Civil Liability for Nuclear Damage Act, 2010](#)