



CASE COMMENT ON M.C. MEHTA V. UNION OF INDIA

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Abstract

The concept of law and justice is prevailing since times immemorial and a lot of cases have occurred over the past years. Some of them became a way of reformation in the legal area and have altered the concept of law in one way or the other. One such case is the famous case of M.C. Mehta V. UOI, 1987 which has laid down some new principles and has become a landmark case which acts as a precedent for many cases to come in the future. This paper is about the case and the outcomes that occurred after this case. In this paper the author has selected this landmark case and has also given his own opinions regarding the case and as to how this case altered the civil law and the concept of deep pockets also evolved from this case only. The author has tried to highlight the different aspects in relation to this case.

INTRODUCTION

This case of M.C. Mehta v. UOI is one of the landmark cases ever in the Indian history which has introduced the topic of absolute liability as a part of civil action. The most important issue that was raised under this case was whether article 21 was available against Shriram whether Shriram owned by Delhi cloth Mills ltd. Public co. comes

within the meaning of state under the article 12. Another issue that was raised Whether Article 21 is available against Shriram which is owned by Delhi Cloth Mills Limited, a public company limited by shares and which is engaged in industry vital to public interest and with potential to affect the life and health of the people. It was also issued that what was the measure of liability of an enterprise engaged in a hazardous activity which might have a bad effect on the health of people and also affect the environment.

BACKGROUND:

Shriram Food and Fertilizers Industry a subsidiary of Delhi Cloth Mills Limited was producing caustic and chlorine. On December 4th and 6th 1985, a major leakage of petroleum gas took place from one of the units of Shriram Food and Fertilizers Limited in the heart of the capital city of Delhi which resulted in the death of several persons. The leakage was caused by a series of mechanical and human errors. This leakage resulted from the bursting of the tank containing oleum gas as a result of the collapse of the structure on which it was mounted and it created a scare amongst the people residing in that area. Hardly had the people got out of the shock of this disaster when, within two days, another leakage, though this time a minor one took place as a result of escape of oleum gas from the joints of a pipe. Shriram Foods and Fertilizer Industries had several units engaged in the manufacture of caustic soda, chlorine, hydrochloric acid, stable bleaching powder, super phosphate, Vanaspati, soap, sulphuric acid, alum anhydrous sodium sulphate, high



test hypochlorite and active earth. All units were set up in a single complex situated in approximately 76 acres and they are surrounded by thickly populated colonies such as Punjabi Bagh, West Patel Nagar, Karampura, Ashok Vihar, Tri Nagar and Shastri Nagar and within a radius of 3 kilometres from this complex there is population of approximately 2,00,000. On 6th December, 1985 by the District Magistrate, Delhi under Section 133(1) of CrPC, directed Shriram that within two days Shriram should cease carrying on the occupation of manufacturing and processing hazardous and lethal chemicals and gases including chlorine, oleum, super-chlorine, phosphate, etc. at their establishment in Delhi and within 7 days to remove such chemicals and gases from Delhi. At this juncture M.C. Mehta moved to the Supreme Court to claim compensation by filing a PIL for the losses caused and pleaded that the closed establishment should not be allowed to restart.

COURT'S VERDICT/DECISION:

After hearing all the arguments, Bhagwati J. stated that, "We in hold our hands back and I venture to evolve a new principle of liability which English Courts have not done. We have to develop our own law and if we find that it is necessary to construct a new principle of liability to deal with an unusual situation which has arisen and which is likely to arise in future on account of hazardous or inherently dangerous industries which are concomitant to an industrial economy, there is no reason why we should hesitate to evolve such principle of liability merely because it has not been so

done in England. We are of the view that an enterprise which is engaged in a hazardous or inherently dangerous industry which poses a potential threat to the health and safety of the persons working in the factory and residing in the surrounding areas owes an absolute and non-delegable duty to the community to ensure that no harm results to anyone on account of hazardous or inherently dangerous nature of the activity which it has undertaken".¹ He further stated that in the case where an enterprise is engaged in a hazardous activity and the consequences of which are bad on the health as well as environment in such a case the enterprise is strictly and absolutely liable to compensate those who have suffered or have been affected by the accident and such liability is not subject to any of the exceptions which operate vis-a-vis the tortious principle of strict liability under the rule in **Rylands v. Fletcher**.

The Court also pointed out that the measure of compensation in the kind of cases referred to must be correlated to the magnitude and capacity of the enterprise because such compensation must have a deterrent effect. The larger and more prosperous the enterprise, greater must be the amount of compensation payable by it for the harm caused on account of an accident in the carrying on of the hazardous or inherently dangerous activity by the enterprise.¹

ANALYSIS:

After going through all the facts and judgments, one can observe the most important element i.e. the rule of absolute liability where it means strict liability



without any exception. Hence, the concept of absolute liability was first laid down in India in this case only. One can also observe that the measure of compensation in the kind of cases referred to must be correlated to the magnitude and capacity of the enterprise and the concept of 'deep pockets' also evolved through here only which means that the larger the enterprise, greater will be the amount of compensation awarded. The hazardous enterprises although play a great role in the development of the economy but on the other hand they also pose a grave threat to the environment which on the leak of some chemicals might have adverse effect on the environment and its natural components.

the necessity to safeguard it as much as possible. Thus, the principles of natural justice and absolute liability come into play when their relevance are tested in the real life and that how important it is ensure the environment as leaking of such chemicals not only damages environment but also people at large directly or indirectly.

CONCLUSION:

The conclusion hence worth can be drawn from the above situations is that the principle of absolute liability cannot be ignored especially in the cases where the matters of environmental concerns are related and moreover an enterprise owes a duty of care towards not only people but also towards the environment which forms as an essential component of society. Hence, the principle of absolute liability and the concept of deep pockets has emerged greatly and has given law of torts a whole new direction. The court however has given a good decision in awarding the victims and I think that it has rightfully stood up on the principle of natural justice as the case on the prima facie was a kind of its own and has revolutionised the whole concept of absolute and strict liability especially in the Indian context. Also the judgment of this case shows the importance of environment and

