
JUDICIAL SCRUTINY OF THE NATIONAL GREEN TRIBUNAL: A CRITICAL ANALYSIS OF SUPREME COURT JUDGMENTS

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ABSTRACT

Tribunals play a crucial role in the Indian legal system, aiming to expedite the amicable resolution of disputes related to specific laws like environmental law, corporate governance, and administrative matters. The establishment of tribunals signifies a significant move towards specialized justice, providing a focused approach to addressing legal issues. Entities such as the National Green Tribunal (NGT) and the National Company Law Tribunal (NCLT) derive their authority from legislations like the NGT Act of 2010 and the Insolvency and Bankruptcy Code (IBC) of 2016, enabling them to address complex issues with technical expertise. However, despite their importance, tribunals have faced criticism for inappropriate delegation of responsibilities, violations of natural justice, inefficiencies, and procedural shortcomings. These issues have made it essential to have strong judicial supervision to guarantee that these entities carry out their responsibilities while maintaining core principles of equity and justice.

Judicial involvement has shed light on ongoing problems within tribunal functions. A major issue is the improper assignment of essential adjudicatory responsibilities. Although tribunals can request help from expert committees, the Supreme Court has emphasized the importance of making independent decisions. A further crucial aspect of judicial control has also been the assurance of compliance with the principles of natural justice. Tribunals, as they are of a quasi-judicial nature, are supposed to bring about transparency, that also implying that all parties have the chance to clearly express their views. The Supreme Court has been consistent in pointing out the relevance of letting the interested parties know what materials were considered and offering them the possibility to react to or challenge the findings, while taking adjudicatory decisions. This article explores the Supreme Court's function in overseeing tribunals in India. This discussion seeks to shed light on the evolving connection between tribunals and the judiciary in maintaining justice and the rule of law.

Improper Delegation of Adjudicatory Functions

The Supreme Court, in *Kantha Vibhag Yuva Koli Samaj Parivartan Trust v. State of Gujarat* (2022), underscored that the NGT cannot delegate its core adjudicatory functions to expert committees. In a subsequent case, the NGT relied on the above case and exclusively used committee's findings to impose penalties on M/s Grasim Industries without issuing prior notice or hearing the company¹. The Court observed that this approach violated the principles of natural justice and amounted to condemning a party unheard. It clarified that while expert committees could assist tribunals, their opinions must not replace the tribunal's independent decision-making. Moreover, the court condemned the tribunal for not giving M/s Grasim Industries any chance of be heard violating principles of natural justice.² The judgment reaffirmed that tribunals are bound to fully consider facts and circumstances before reaching a conclusion. A tribunal is expected to consider all facts and circumstances presented before it including hearing the parties and giving them a chance to raise contentions on outsourced material used by the NGT. It cannot discharge its function by merely relying on a report of the Court Commissioner without even considering the stand of the parties before it.³

This judgment serves as a poignant reminder of the delicate balance tribunals must maintain between efficiency and justice. The reliance on expert committees can streamline complex cases, but it should not overshadow the tribunal's duty to independently evaluate facts. The case underscores the judiciary's insistence on preserving the participatory rights of all stakeholders. It reinforces the idea that tribunals, despite their specialized nature, cannot compromise foundational legal principles.

Principles of Natural Justice

Another significant judgment addressing the violation of natural justice principles was *Singrauli Super Thermal Power Station v. Ashwani Kumar Dubey*. The NGT issued directives based on expert committee reports without informing the affected parties or granting them the opportunity to rebut the recommendations. The Supreme Court invalidated the NGT's decision, highlighting that tribunals must disclose any materials or reports they intend to rely upon as

¹ Grasim Industries Ltd. v. State of M.P., (2024) SCC OnLine SC 3585.

² Ibid

³ S.N. Dubey and Ors. vs. Raman Khandelwal and Ors., (2024) MANU SC 1288.

this ensures that parties can respond, refute, or supplement the data.

The Court also invoked the ‘official notice’ doctrine, emphasizing that the affected parties must be informed about any material relied upon by the tribunal. Relying on the doctrine the court observed: ‘Factual information which comes to the knowledge of NGT on the basis of the report of the Committee constituted by it, if to be relied upon by the NGT, then, the same must be disclosed to the parties for their response and a reasonable opportunity must be afforded to present their observations or comments on such a report to the Tribunal’⁴. This would provide the party with an opportunity to refute the report or provide a different approach to the information that is used by the tribunal.

This case prompts further consideration of the difficulties encountered by tribunals such as the NGT. Due to the limited internal expertise on technical issues, there is a natural inclination to heavily depend on external committees. The critique from the judiciary in this instance emphasizes the significance of a tribunal’s proactive involvement with the evidence it receives. This involvement shifts the focus from passive reliance to well-informed adjudication.

Judicial Propriety and Overreach

Judicial propriety demands that tribunals respect the hierarchy of courts and refrain from proceeding on matters under the consideration of higher courts. In *State of Himachal Pradesh v. Yogendra Mohan Sengupta* (2024), the Supreme Court criticized the NGT for continuing proceedings despite the matter being under the High Court’s jurisdiction. The Court reiterated that orders of constitutional courts prevail over statutory tribunals to prevent conflicting decisions and administrative chaos.⁵ The court observed: ‘the NGT ought not to have continued with the proceedings after the High Court was in session of the matter and specifically when it was informed about the same’⁶.

The assertion by the Supreme Court that orders from constitutional courts take precedence over those of statutory tribunals reflects the layered structure of Indian jurisprudence. This raises important questions about the operational challenges that tribunals encounter when navigating such overlaps. The overreach by the NGT, although procedurally incorrect, may stem from

⁴ Singrauli Super Thermal Power Station v. Ashwani Kumar Dubey, (2023) 8 SCC 35.

⁵ The State of Andhra Pradesh vs. Raghu Ramakrishna Raju Kanumuru, (2022) MANU SC 0760.

⁶ The State of Himachal Pradesh and Ors. Vs Yogendra Mohan Sengupta and Ors., (2024) MANU SC 0032.

ambiguities in jurisdictional boundaries, emphasizing the necessity for clearer legislative guidance.

Nexus Between Penalties and Companies Revenue

Another crucial issue the imposition of fines without a logical connection to the case's facts was addressed by the Supreme Court's involvement in *Benzo Chem Industrial Pvt. Ltd. v. Arvind Manohar Mahajan* (2024). Without establishing a connection between the fine and the environmental harm, the NGT imposed on the corporation a penalty based on its income.

The bench comprising Justice B.R Gavai and Justice KV Viswanathan scrutinized three main shortcomings in using the company's revenue as a ground for imposition of penalty. Initially, it was observed that imposing a penalty of 25 crores based on a revenue range of 100 crores to 500 crores is considered vague due to the considerable difference within this range. Furthermore, the figures of 100 crores to 500 crores are not precise and therefore should not be utilized for determining the penalty. Lastly, the Court found this methodology inconsistent with legal principles and noted that revenue generation is irrelevant in ascertaining penalties for environmental violations.⁷ Furthermore, the lack of notice to the company further compounded the violation of natural justice.

Legislative Deficiencies and their Implications

In each of the above cases it can be seen that the judges of the SC in their role as guardians of principles of natural justice have fulfilled their roles, rather than just being mere enforcers of legislative instructions. Their interpretive efforts have been geared towards generating practical yet principled solutions to the problems posed by the Judgements given by the NGT.

A recurring theme in cases involving the NGT is the impact of legislative deficiencies on its adjudicatory practices. The NGT Act of 2010 provides the tribunal with broad powers to address environmental disputes, but it often lacks detailed procedural safeguards. For example, Section 19 of the Act allows the tribunal to devise its own procedure based on natural justice principles, but it does not adequately outline the integration of expert opinions or technical inputs into its decision-making process. In the absence of clear legislative guidance, the NGT frequently relies on expert committees to handle complex environmental issues. While this is

⁷ *Benzo Chem Industrial Pvt. Ltd. v. Arvind Manohar Mahajan*, (2024) SCC OnLine SC 3543.

a practical solution, it poses the risk of creating a dependency that could undermine the tribunal's independent adjudicatory role. The Supreme Court has criticized the NGT for adopting committee reports without sufficient scrutiny, as seen in the Kantha Vibhag and Singrauli Super Thermal Power Station cases.

Another instance of legislative gaps influencing the NGT's functioning is the lack of robust mechanisms for pre-decisional hearings when relying on third-party reports. This issue was evident in the Singrauli Super Thermal Power Station case, where affected parties were not informed of the expert committee's recommendations in time to provide meaningful rebuttals. The Supreme Court's involvement has emphasized the need for statutory amendments to mandate disclosure and rebuttal opportunities for all parties involved.

Conclusion

The process of judicial review of tribunals in India holds significant importance for upholding the rule of law. It plays a crucial role in ensuring that justice is upheld and maintained within the legal system. Natural justice, procedural fairness, and judicial propriety were the main issues that the Supreme Court frequently referred to in connection with the operation of tribunals. Despite the fact that they have been set up to provide specialized and efficient adjudication, tribunals like the NGT nonetheless encounter a number of impediments that make them less effective, namely, delays, lack of infrastructure, and procedural errors.

The Supreme Court can be seen fabricating its transcendent role in correcting the procedural infirmities and in the process, denouncing the tribunals' accountability. One way or another, the Court has always come up with rulings that follow its goals such as regulating wrong delegations of adjudicatory powers, protecting the rights of the parties, and the like on the basis of the due process of the law. Besides, the intensification of the urge for professionals in administration, prompt, and infraction-free action, and system development not only proves the seriousness of the judiciary but also the high rate of almost fully automated decision-making and the exclusivity of judgment.

Considering the display of system failure and tribunals' ineffectiveness, it is obvious that reforms are required on an urgent basis. The provisions for enhancing procedural transparency, strict compliance with the statutory timeline, and materializing the necessary infrastructural support and professional touch guarantee using the tribunals in the intended way. At the same

time, the judiciary through its oversight powers must continue to act as the guardian to ensure tribunals are moving along in the right statutory and constitutional channels.

The bottom line is that providing particular and quick conflict resolution strokes tribunals' revolutionary potential to completely alter the world of justice delivery - of course, such a pledge would succeed only if these three powers work together. In the Indian legal system, Tribunals might discover their worth as a powerful technique of dealing with justice through completing the cracks and installing the necessary changes.