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CASE COMMENTARY

M.C. MEHTA V. UNION OF INDIA (OLEUM GAS LEAK CASE)

~ TRIPTI PAL

CITATION: (1987) 1 SCC 395

COURT NAME: SUPREME COURT OF INDIA

BENCH: BHAGWATI, P.N. (CJ), MISRA RANGNATH, OZA, G.L. (J), DUTT, M.M. (J), SINGH, K.N. (J)

DATE OF JUDGMENT: 20 December 1986

I. INTRODUCTION:

The Oleum Gas Leak case, *M.C. Mehta v. Union of India*, is a landmark judgment in Indian environmental and constitutional law. Decided in 1986–87 by the Supreme Court of India, the case arose from the leakage of oleum gas from Shriram Foods and Fertilizers Industries in Delhi. The incident occurred in the aftermath of the *Bhopal Gas Tragedy litigation* in *Union Carbide Corporation v. Union of India*, intensifying concerns about industrial hazards and corporate accountability.

In this case, the Court evolved the doctrine of *absolute liability*, departing from the English rule of strict liability established in *Rylands v. Fletcher*. The judgment represents a major doctrinal shift and a constitutionalization of environmental protection under Article 21 of the Constitution of India.

II. FACTS OF THE CASE:

Shriram Foods and Fertilizers Industries, situated in a densely populated area of Delhi, manufactured hazardous chemicals including oleum and chlorine. In December 1985, oleum gas leaked from one of its units, resulting in the death of an advocate and causing injury and panic among the public.

Environmental activist M.C. Mehta filed a Public Interest Litigation (PIL) under Article 32 of the Constitution seeking closure of the plant and compensation for affected persons. The case raised broader concerns regarding the liability of industries engaged in inherently dangerous activities.

III. ISSUES BEFORE THE COURT:

1. Whether the Supreme Court, in exercise of its jurisdiction under Article 32, could award compensation for violation of fundamental rights.
2. What is the appropriate standard of liability for enterprises engaged in hazardous or inherently dangerous activities?
3. Whether the rule in *Rylands v. Fletcher* was applicable or sufficient in the Indian context.

IV. ARGUMENTS OF THE PARTIES:

A. Arguments on Behalf of the M.C. Mehta (Petitioner):

1. Violation of Article 21: It was argued that the oleum gas leak violated the fundamental right to life guaranteed under Article 21. The right to life includes the right to live in a safe and healthy environment.
2. Strict/Enhanced Liability: The petitioner contended that industries engaged in hazardous activities must be held strictly liable for any harm resulting from such activities, irrespective of negligence.
3. Inadequacy of Common Law Rule: The rule in *Rylands v. Fletcher* was considered outdated and insufficient because it allowed several exceptions through which corporations could evade liability.

4. Power under Article 32: The petitioner urged the Court to grant compensation directly under Article 32 as part of its constitutional duty to enforce fundamental rights.
5. Public Safety Priority: Industrial development cannot override public safety; hazardous industries must bear full responsibility for risks imposed on society.

B. Arguments on Behalf of Shriram Foods and Fertilizers (Respondent):

1. Application of Strict Liability with Exceptions: The respondent argued that liability, if any, should be governed by the rule in *Rylands v. Fletcher*, including its established exceptions.
2. No Negligence Established: It was contended that the company had taken all reasonable safety measures and that the leak was either accidental or caused by external factors beyond its control.
3. Jurisdictional Objection: The respondent questioned whether the Supreme Court could award compensation under Article 32, arguing that such claims should be adjudicated through ordinary civil suits.
4. Economic and Social Considerations: The industry emphasized its contribution to employment and economic development, suggesting that closure would adversely affect workers and the economy.

V. DECISION OF THE COURT:

The Supreme Court rejected the applicability of the traditional strict liability rule and evolved a new doctrine of *absolute liability*.

The Court held:

1. *Absolute and Non-Delegable Duty*: An enterprise engaged in hazardous or inherently dangerous activity owes an absolute and non-delegable duty to the community to ensure that no harm results.

2. *No Exceptions*: If harm occurs, the enterprise is absolutely liable to compensate, and it cannot escape liability by pleading exceptions such as act of God or third-party intervention.
3. *Compensation under Article 32*: The Court affirmed that it has the power to award compensation in proceedings under Article 32 where fundamental rights are violated.
4. *Deterrent Compensation*: The amount of compensation must have a deterrent effect and correlate with the financial capacity of the enterprise.

The Court thus crafted a uniquely Indian principle of liability, stronger than the strict liability rule of *Rylands v. Fletcher*.

VI. ANALYSIS / CRITICAL EVALUATION:

A. Doctrinal Innovation:

The evolution of absolute liability represents judicial creativity tailored to India's socio-economic realities. Unlike strict liability, which allows multiple defences, absolute liability imposes unconditional responsibility. This shift recognized the imbalance between powerful industrial enterprises and vulnerable victims.

By eliminating exceptions, the Court ensured that corporations internalize the social cost of hazardous activities. The principle aligns with modern environmental jurisprudence and anticipates the "polluter pays" doctrine.

B. Constitutionalization of Tort Law:

The Court's recognition of compensation under Article 32 marked the emergence of constitutional tort jurisprudence. Traditionally, damages were a matter for civil courts. However, the Court expanded its remedial powers, emphasizing that fundamental rights must have effective enforcement mechanisms.

This strengthened Article 21 jurisprudence and reaffirmed the judiciary's role as protector of fundamental rights.

C. Public Interest Litigation and Judicial Activism:

The case illustrates the maturity of Public Interest Litigation in India. Relaxation of locus standi enabled access to justice for marginalized victims. However, critics argue that the Court effectively legislated a new tort doctrine without parliamentary enactment. The creation of absolute liability, though progressive, raised concerns about separation of powers.

D. Practical and Policy Impact:

The judgment influenced later environmental cases such as:

- *Indian Council for Enviro-Legal Action v. Union of India*, which reinforced the Polluter Pays Principle.
- *Vellore Citizens Welfare Forum v. Union of India*, which incorporated the Precautionary Principle into Indian law.

It also strengthened the enforcement of the Environment (Protection) Act, 1986.

Yet, implementation challenges remain. While the doctrine is powerful in theory, effective regulatory oversight and prompt compensation mechanisms are still evolving.

VII. CONCLUSION:

The Oleum Gas Leak case stands as a watershed moment in Indian environmental and constitutional law. By evolving the doctrine of absolute liability, the Supreme Court ensured that hazardous industries bear uncompromising responsibility for the risks they create.

The judgment harmonized industrial development with constitutional guarantees under Article 21 and strengthened the remedial powers of the Court under Article 32. Although debates on judicial activism persist, the decision undeniably advanced environmental protection and victim justice in India. More than a tort law innovation, *M.C. Mehta v. Union of India* represents the transformation of environmental protection into a constitutional mandate, ensuring that economic progress does not come at the cost of human life and dignity.

REFEERENCE:

- M.C. Mehta v. Union of India, (1987) 1 S.C.C. 395 (India).
- Rylands v. Fletcher, (1868) L.R. 3 H.L. 330 (U.K.).
- Indian Council for Enviro-Legal Action v. Union of India, (1996) 3 S.C.C. 212 (India).
- Vellore Citizens Welfare Forum v. Union of India, (1996) 5 S.C.C. 647 (India).
- Union Carbide Corp. v. Union of India, (1989) 1 S.C.C. 674 (India).