SAI SINDHU INTERNATIONAL JOURNAL OF RESEARCH (SSIJR)
www.ssijr.org

ADMINISTRATIVE TRIBUNALS: WHETHER BOUND BY DECISIONS OF SUPREME COURT AND HIGH COURTS

SRIRAM PRADEEP VENKATESAN[1]

J. SHEELA[2]

Assistant Professor of Law, Erode College of Law, Erode[1]

Executive Officer in the Tamil Nadu Hindu Religious and Charitable Endowments (HR&CE)[2]

ABSTRACT

Administrative tribunals play a vital role in delivering specialized and speedy justice in India. However, their position within the judicial framework creates an important question regarding their duty to comply with the decisions of constitutional courts, especially the Apex court of India and the High Courts. This paper examines the constitutional provisions, statutory structure, and major judicial pronouncements governing the applicability of precedents to tribunals. It concludes that tribunals are obligated to follow the judgments of the Supreme Court and continue to remain under the supervisory jurisdiction of the High Courts, thereby preserving consistency and uniformity within the legal system.

Keywords: *Administrative tribunals, Article 141, Article 227, Doctrine of precedent, doctrine of stare decisis, contempt of administrative tribunals.*

[1] Author is currently working as an Assistant Professor of Law at Erode College of Law.
[2] Coauthor is currently working as an Executive Officer in the Tamil Nadu Hindu Religious and Charitable Endowments (HR&CE)

INTRODUCTION

Administrative tribunals were established with the aim of reducing the burden on ordinary courts while providing specialized adjudication in fields such as service law, taxation, and administrative issues. Their constitutional foundation was formally introduced through Part XIV-A of the Constitution of India. Even though tribunals are not traditional courts, they exercise quasi-judicial authority and perform adjudicatory functions. Therefore, it becomes essential to examine the extent to which they are bound to follow the precedents established by superior constitutional courts.

CONSTITUTIONAL AND LEGAL FRAMEWORK OF ADMINISTRATIVE TRIBUNAL AND ITS BOUND BY DECISIONS OF SUPREME COURT AND HIGH COURTS

Article 141 of the Constitution states that the legal principles established by the Supreme Court are obligatory for all courts throughout India. The ambit of this provision is broad and has been interpreted to extend not only to ordinary courts but also to administrative tribunals performing judicial or quasi-judicial functions. Unlike Article 141, the Constitution does not expressly provide that the decisions of a High Court are binding in the same way. This raises the question of whether the principles established by a High Court must be followed by subordinate courts and tribunals functioning within the territorial jurisdiction of that High Court.

Even in the absence of a specific constitutional provision, the same principle is commonly understood to apply to the decisions of High Courts. Just as the Supreme Court serves as the highest judicial authority in the country, the High Court holds the highest judicial position within its respective State jurisdiction. In addition to its writ jurisdiction, the High Court, much like the Supreme Court, has oversight powers over all lower courts and lesser tribunals operating within its jurisdiction. Therefore, if any administrative tribunal acts without jurisdiction, exceeds its powers, or attempts to disregard the law declared by the High Court, the High Court can certainly interfere with the actions of the tribunal.

The issue was directly examined by the Supreme Court in East India Commercial Co. Ltd. vs. Collector of Customs.[3] In this case, the Collector of Customs initiated

[3] 1962 SCC OnLine SC 142.

proceedings against the petitioner company alleging that it had breached the conditions of its licence and improperly dealt with certain goods, thereby committing an offence under the law. The High Court upheld the acquittal granted by the trial court, observing that a licence condition could not be construed as an order issued under the Act and, consequently, no offence had been proved against the company. The Court also directed the sale of the seized goods and ordered that the sale proceeds be deposited before it.

After this decision, the Collector issued a show-cause notice directing the company to explain why the amount should not be confiscated and a penalty levied. The company challenged the notice on the ground that, once the High Court had already held that violation of a licence condition did not amount to breach of an order under the Act, the Collector had no authority to reopen the issue. The company further contended that the legal principles declared by a High Court are binding on subordinate courts and tribunals functioning within its territorial jurisdiction, and therefore the notice was liable to be set aside.

Accepting the contention and setting aside the show-cause notice, the majority correctly observed that the issue was whether an administrative tribunal could disregard the law declared by the highest court in the State and proceed in a manner plainly contrary to such law. Referring to Article 227, the Court noted that the High Court exercises supervisory jurisdiction over all courts and tribunals within its territorial boundaries. Therefore, it would be unreasonable to contend that a tribunal functioning under the superintendence of the High Court could ignore the law declared by that Court and initiate proceedings inconsistent with it.

The Court further held that the law declared by the highest court in the State is binding on all authorities and tribunals functioning under its supervisory jurisdiction, and such bodies are not entitled to disregard it either while commencing proceedings or while determining the rights of parties in those proceedings.[4] Where a tribunal takes notice of a decision of the Supreme Court and attempts to distinguish it despite the absence of any distinguishing features, such an approach is wholly improper[5]. A deliberate attempt to ignore or bypass the

[4] Ibid (per Subba Rao I). See also, M. Padmanabha Setty v. K.P. Papiah Setty, 1966 SCC OnLine SC 86; Kausalya Devi Bogra v. LAO, (1984) 2 SCC 324: Bishnu Ram Borab v. Parag Saikia, (1984)2 SCC 488;Jain Exports (P) Ltd.v.Union of India,(1988) 3 SCC 579.

[5] Union of India v. Kantilal Hematram Pandya, (1995) 3 SCC 17.

judgment of a superior court may even amount to contempt of court.[6]

BINDING NATURE OF SUPREME COURT DECISIONS

Decisions of the Supreme Court of India are binding on all tribunals without any exception. Tribunals cannot disregard or depart from Supreme Court judgments. Even if a tribunal disagrees, it is required to follow the precedent. In L. Chandra Kumar v. Union of India, the Court clarified that tribunals are subject to judicial review and that Supreme Court rulings are binding upon them

DOCTRINE OF PRECEDENT

Administrative tribunals are bound to follow the decisions of the Supreme Court and the High Courts within whose territorial jurisdiction they operate. Apart from the Supreme Court and the High Courts, every tribunal is also required to comply with the decisions of superior authorities. In the case of Bhopal Sugar Industries Ltd. v. ITO[7], the Income Tax Officer refused to follow the explicit and precise instructions given by the Income Tax Tribunal. The Supreme Court noted that this refusal contradicted the essential principles governing the hierarchy of courts, stating, "This perspective undermines the fundamental tenets of justice administration."

In another case[8], the Supreme Court observed, "In a hierarchical system, decisions of superior authorities are unquestionably binding on subordinate authorities, and quasi-judicial tribunals are equally governed by this principle." There must be discipline and self-restraint at every level; otherwise, the rule of law cannot survive and the entire system of administration of justice would collapse.[9] Again, in K. Ajit Babu v. Union of India[10], the Supreme Court held that the doctrine of precedent applies even to Central Administrative Tribunals (CATs). Whenever a question of law has been decided by a ruling of the tribunal, the tribunal is required to treat that earlier decision as a precedent and decide later cases accordingly.

It is submitted that the following observations made by the Lord Chancellor in Cassell & Co. Ltd. v. Broome [11] correctly

[6] Baradakanta Misra v. Bhimsen Dixit, (1973) 1 SCC 446.

[7] 1960 SCC OnLine SC 133.

[8] Jain Exports (P) Ltd. v. Union of India, (1988) 3 SCC 579, 585.

[9] Bishnu Ram Borah v. Parag Saikia, (1984) 2 SCC 488, 500; Kausalya Devi Bogra v. LAG (1984) 2 SCC 324.

[10] (1997) 6 SCC 473.

[11] 1972 AC 1027: (1972) 2 WLR 645 (HL).

explain the legal position on the issue and are, therefore, worth reproducing: "When I served in the Court of Appeal, I sometimes believed that the House of Lords had made an error in overruling my decisions. Since then, there have been occasions, including the present appeal, where I have dissented either individually or along with others from the opinion of the majority in this House. Nevertheless, the judicial system can function effectively only when someone is authorized to pronounce the final word and when that final decision, once delivered, is faithfully accepted."

DOCTRINE OF STARE DECISIS

Administrative tribunals are not subject to the stringent application of the stare decisis theory that governs the Crown's courts. These tribunals' purpose is "to reach the proper decision according to the circumstances existing at the time." and they are not bound to follow earlier rulings. The mere fact that a tribunal failed to follow a previous decision is not, by itself, a sufficient ground for setting aside a later decision, provided that the later decision is otherwise lawful. An administrative authority is not required to follow precedent in a rigid manner. "It may alter its approach in the light of experience." [12]

This, however, does not imply that administrative tribunals are free from exercising discretion based on reasonable or consistent principles or that earlier decisions may be completely disregarded. It is desirable that the principles followed by tribunals should be made known to the public and that cases should be decided in accordance with those principles.[13] An administrative tribunal cannot, on the basis of personal choice or arbitrariness, treat similar cases differently.

In Union of India v. Paras Laminates (P) Ltd.[14], a two-member Bench of CEGAT [Customs, Excise and Gold (Control) Appellate Tribunal] differed from the view expressed by another Bench on the same question of law and consequently referred the issue to a larger Bench.

While upholding the action taken by the tribunal, the S.C observed: "The basis of this rule lies in the necessity for continuity, certainty, and predictability in the administration of justice. Individuals affected by the decisions of tribunals or

[12] New Castle Country Airport Commission v. CAB,371 F 2d 733(1966) see also, the Declarataion of 1966 by the House of Lords on "Stare decisis" ;(1966) I WLR 1234 (HL).

[13] Wade &Forsyth, Administrative Law (2009) 784-786.

[14] (1990) 4 SCC453, 457-458 AIR 1991 SC 696. See also, observation of Lord Denning in HTV Ltd. v. Price Commission, 1976 ICR 170.

courts are entitled to expect that authorities performing judicial functions will follow the reasoning and principles laid down in earlier cases involving identical issues."

CONTEMPT OF ADMINISTRATIVE TRIBUNALS

Articles 129 and 215 of the Constitution safeguard the powers of the Apex Court and the High Courts, respectively, as Courts of Record, including their authority to punish for contempt. Additionally, every High Court is permitted by Section 10 of the Contempt of Courts Act, 1971 to exercise the same jurisdiction, powers, and authority in cases involving contempt of subordinate courts as it does in cases involving contempt of itself.[15]

Thus, there is no dispute that a High Court can deal with cases involving contempt of a court subordinate to it. But the question is whether a "tribunal" may be thought of as a "court" that reports to the High Court. The Apex Court has held in some cases that the Contempt of Courts Act's definition of "court subordinate to a High Court" is sufficiently broad to encompass administrative tribunals across the regions that the High Court has jurisdiction over under Article 227 of the Constitution, while in other cases it has taken a different stance.

A specific issue came before the Supreme Court in Brajnandan Sinha v. Jyoti Narain.[16]

In that matter, the Patna High Court convicted B under the Contempt of Courts Act, 1952 on the ground that the Commissioner appointed under the Public Servants (Inquiries) Act, 1850 was a "court subordinate to the High Court." B subsequently approached the Supreme Court.

It was argued that the Commissioner could not be regarded as a "court" within the meaning of the Contempt of Courts Act. In any event, he could not be considered a "court subordinate to the High Court" merely because his orders were subject to the supervisory jurisdiction of the High Court under Article 227 of the Constitution. While interpreting the provisions of the Act and examining various judicial pronouncements, the Supreme Court held that the Commissioner could not be recognised as a "Court" under the Contempt of Courts Act. The Court observed:

[15] S.K.Sarkar v. Vinay Chandra Misra, (1981) I SCC 436: AIR 1981 SC 723; Mohd. Ikram Hussain v. State of U.P., AIR 1964 SC1625: (1964) 5 SCR 86.

[16] 1955 SCC OnLine SC 39.

"The expression 'Courts subordinate to the High Courts' would ordinarily denote courts of law functioning under the High Courts within the judicial hierarchy established for the administration of justice throughout the Union."[17] According to the Court, "unless a person or a body of persons is empowered to pronounce a binding and authoritative judgment, it cannot be regarded as a court." Since the Commissioner functioned merely as a fact-finding authority and his report lacked the finality and authority required for a judicial determination, he could not be treated as a court.

In Thakur Jugal Kishore Sinha v. Sitamarhi Central Cooperative Bank[18], the Assistant Registrar, while exercising powers under the Co-operative Societies Act and adjudicating disputes between the society and its members, was regarded as a "Court." The Registrar was considered to possess not only the attributes of a court but also several powers comparable to those exercised by ordinary civil courts. Likewise, The Board of Revenue was acknowledged as a court beneath the High Court in S.K. Sarkar v. Vinay Chandra Misra[19]. Even though the High Court did not have administrative authority over them under Article 235 of the Constitution, the Supreme Court noted that the term "Courts subordinate to the High Court" was sufficiently broad to encompass all courts judicially subordinate to the High Court under Article 227 of the Constitution.

CONCLUSION

Administrative tribunals constitute an important part of India's system for administering justice. However, they are not independent of the constitutional judiciary. Their functioning is regulated by the precedents established by the Apex Court of India, and they continue to remain under the supervisory jurisdiction of the High Courts. Such adherence to judicial hierarchy ensures uniformity in legal interpretation, preserves institutional discipline, and upholds the rule of law within the Indian legal system.

REFERENCES

1. 1962 SCC OnLine SC 142
2. 1955 SCC OnLine SC 39
3. S.K.Sarkar v. Vinay Chandra Misra, (1981) I SCC 436: AIR 1981 SC 723; Mohd. Ikram Hussain v.

[17] Ibid.

[18] 1967 SCC OnLine SC 60.

[19] (1981) 1 SCC 436. See also, Sk. Mohammed Bhikan v. Chandrabhanu Cinema, 1985 SCC OnLine Guj 148: (1986) 27 (1) Guj LR 1.

State of U.P., AIR 1964 SC1625: (1964) 5 SCR 86.

4. New Castle Country Airport Commission v. CAB,371 F 2d 733(1966) see also, the Declarataion of 1966 by the House of Lords on "Stare decisis" (1966) I WLR 1234 (HL).
5. Wade &Forsyth, Administrative Law (2009) 784-786.
6. (1990) 4 SCC453, 457-458 AIR 1991 SC 696. See also, observation of Lord Denning in HTV Ltd. v. Price Commission, 1976 ICR 170.
7. 1960 SCC OnLine SC 133.
8. Jain Exports (P) Ltd. v. Union of India, (1988) 3 SCC 579, 585.
9. Baradakanta Misra v. Bhimsen Dixit, (1973) 1 SCC 446.
10. Union of India v. Kantilal Hematram Pandya, (1995) 3 SCC 17.