

Supreme Court Strikes Down Centre's Exemption for Educational Buildings from Environmental Clearance: A Step Towards Stronger Sustainable Development Jurisprudence



SUHAEL BUTTAN
PARTNER



PUNYAM BHUTANI
ASSOCIATE



SYED AAMIR HUSSAIN
B.D. MANAGER

In a landmark Judgment delivered on August 5, 2025¹, in *Vanashakti v. Union of India* (W.P. (C) No. 166 of 2025), The Supreme Court struck down the Central Government's attempt to exempt educational buildings such as schools, colleges, and hostels from the requirement of obtaining mandatory environmental clearance under the EIA Notification, 2006². The Court held that such exemptions were arbitrary, and do not further the objective of environmental protection, also, they undermine the principle of sustainable development.

This ruling is not only important for the education and real estate sectors but also very significant for India's broader environmental jurisprudence. The Judiciary has always kept a consistent stance that environmental safeguards cannot be negated through executive notifications, especially when such relaxations influence large-scale construction and impact the environment.

Background:

The EIA Notification, 2006 requires prior environmental clearance for building and construction projects with a built-up area of more than 20,000 sq. m. Projects are appraised by the Ministry of Environment, Forest and Climate Change (MoEF&CC) or State Environment Impact Assessment Authorities (SEIAAs), depending on size and location.

Over the years, the MoEF&CC has repeatedly sought to dilute the rigours of the EIA regime through successive amendments most notably, the 2014 Notification, which was struck down by the Kerala High Court in 2024; the 2016 Notification, which was set aside by the National Green Tribunal (NGT) in 2017; and the 2018 Notifications, which were stayed by the Delhi High Court.

Despite repeated judicial intervention, MoEF&CC issued a fresh notification on January 29, 2025 (S.O. 523(E)), inserting Note 1 under Entry 8(a) of the Schedule³. This exempted industrial sheds, schools, colleges, and hostels with a built-up area up to 1,50,000 sq. m. from obtaining prior clearance, subject only to general conditions such as waste management and rainwater harvesting.

This prompted the NGO Vanashakti to challenge the notification before the Supreme Court, arguing that the exemption undermined environmental law and ignored earlier judicial findings.

¹ Writ Petition (C) No. 166 of 2025 titled "*Vanashakti v. Union of India*"
https://api.sci.gov.in/supremecourt/2025/8830/8830_2025_1_2_63013_Judgement_05-Aug-2025.pdf

² <https://www.ndtv.com/india-news/supreme-court-upholds-environment-ministry-notification-junks-exemption-clause-for-big-projects-9025705>

³ https://www.greentribunal.gov.in/sites/default/files/news_updates/COUNTER%20AFFIDAVIT%20BY%20R-2%20MOEF%20&%20CC%20IN%20A%20NO.%2069%20of%202025%20NARESH%20KUMAR%20YADAV%20VS%20STATE%20OF%20HARYANA%20&%20ORS.pdf

The Supreme Court's Findings

The bench of Chief Justice of India B.R. Gavai and Justice K. Vinod Chandran partly upheld the 2025 Notification but struck down Note 1 as unconstitutional.

The key findings were:

The Court found no justification for exempting educational and industrial buildings from environmental clearance rules simply on the basis of their purpose. The Apex Court observed, "We see no reason to discriminate the other buildings with the buildings constructed for industrial or educational purposes." The Court emphasized that any large construction activity beyond 20,000 sq. meters would naturally have environmental impacts regardless of whether it is a school or an industrial shed.

The Supreme Court also noted that, "education is no longer exclusively a service-oriented activity and that it has in fact become a flourishing and thriving industry" recognizing the changing landscape, the Court acknowledged that education has become a flourishing industry with large infrastructures. This industrial scale of activity justifies equal regulatory oversight to ensure sustainable development.

The Court reaffirmed the well-settled legal principle that natural resources are trustees for future generations and that progress must be aligned with environmental protection. It stressed, "A country cannot progress unless development takes place," but this development must not be at the cost of ecological balance.

The Court further noted that the notification relied on generalized guidelines like waste management and rainwater harvesting but lacked proper mechanisms like assessment by expert bodies like State Environment Impact Assessment Authorities, to evaluate environmental impacts thoroughly. The lack of expert scrutiny highlighted a major oversight as the notification seemed to completely ignore the impact of this exemption on our environment.

The Supreme Court partly allowed the writ petition. While it upheld the 2025 notification and the Office Memorandum, it struck down Note 1 in Entry 8(a), which had exempted industrial sheds, schools, colleges, and educational hostels from environmental clearance requirements. The Court upheld the rest of the notification, including the provision delegating environmental clearance powers to State Environment Impact Assessment Authorities (SEIAAs). The Court recognized the practical challenges the Centre faces in handling the high volume of environmental clearance applications nationwide, acknowledging that states, if properly equipped, could assume this responsibility.

Implications

The Practical Implications of this Judgment are far-reaching for the construction and educational sectors, imposing a renewed compliance burden on large-scale institutional projects. All construction projects involving schools, colleges, hostels, and industrial sheds exceeding 20,000 square meters must now obtain prior environmental clearance from State Environment Impact Assessment Authorities (SEIAAs) or the Ministry of Environment, Forest and Climate Change, as applicable. This reinstates rigorous environmental scrutiny through expert-led

impact assessments, ensuring that scale and ecological footprint determine regulatory oversight. The judgment reinforces the judiciary's firm stance against executive attempts to dilute environmental safeguards through executive notifications, signalling to policymakers that regulatory amendments must align with constitutional principles of sustainable development and cannot bypass environmental due diligence on grounds of sectoral convenience.

This ruling signals that the nature and scale of construction, not just its end use, will dictate the level of regulatory oversight, reinforcing the government's duty as trustee of natural resources.

The Supreme Court's decision ensures that development cannot bypass ecological safeguards on the pretext of sectoral exemptions. Recognising that educational institutions today operate on a scale comparable to industrial and commercial complexes, the Court has extended equal regulatory oversight.

This Judgment is not merely a rejection of one notification but a reaffirmation of India's constitutional commitment to sustainable development. Going forward, policymakers must tread carefully, ensuring that regulatory amendments are consistent with judicially recognised environmental principles.

The message is clear: India's growth story must be of responsible progress, not unchecked expansion at the cost of environmental harm.

Suhael Buttan, Partner, Punyam Bhutani, Associate & Syed Aamir Hussain; SKV Law Offices