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Reasoned Decision and Administrative Authorities - Position in India, UK and US

VARNIKA TAYA[1]

ABSTRACT

The principle of reasoned decision in administrative law is oft considered as a principle of natural justice, in spirit and in practice. The importance of a reasoned decision is derived not only from its aim of showing receipt of justice by the citizens but is also emanated from its existence as a valid discipline for administrative authorities. Following the rising scope of judicial review, it is increasingly deemed necessary for the administrative decisions to contain reasons so that their review may be conducted expeditiously and efficiently.

In this context, it thus becomes imperative to understand the aspects and rationale behind the relevance of reasoned decisions in Indian jurisprudence with special reference to its counterparts, that is, United Kingdom and United States of America.

Keywords: *Reasoned decision, Administrative law, Administrative authorities, Natural justice, Judicial review.*

I. INTRODUCTION

"Reasoned decision is not only for the purpose of showing that the citizen is receiving justice, but also a valid discipline for the administrative authority itself. Statement of reasons behind a decision is, therefore, one of the essentials of justice."[2]

The need for giving reasons for administrative decisions has been sharply exposed by the ever-expanding law of judicial review.[3] In times like these, where more and more power is being awarded to administrative bodies purely on the consideration of and under the guise of efficiency and better administration, it is imperative, and a necessary conclusion, that more and more decisions by these bodies will be liable to be quashed or appealed against on grounds of improper purpose, irrelevant considerations and errors of law of various kinds. Unless an affected party can discover the reasoning and rationale behind such decisions and administrative actions, he may be unable to comprehend and gather whether such a decision is reviewable or

[1] Author is a LLM student at Jindal Global Law School, India.
[2] State of West Bengal v. Krishna Shaw, AIR 1990 SC 2205.
[3] H.W.R. WADE & C.F. FORSYNTH, ADMINISTRATIVE LAW 436 (Oxford University Press, 2014).

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not or whether such reasoning resorted to by the authority has any sound basis in the eyes of law. Unless he can fathom these considerations, he may be so deprived of the protection of law. Therefore, a right to reasons becomes an indispensable part of a system, especially, the one based on judicial review. It might be thought to be a natural adjunct to fairness in decision making that the reasons are given to explain the decision.[4]

Helen Fenwick argues that if the right to be heard is to have any real and pragmatic meaning, then it must entail a duty on the decision maker to take account of the applicant's arguments in reaching his decision and to address and to either accept or reject in a reasoned way the point he makes.[5]

Thus, in order to better gauge the relevance of reasoned decisions, it becomes imperative to delve deeper into the understanding of the aspects and rationale behind the reasoned decisions, especially in the backdrop of jurisprudence on the subject in one's own country as well as that in foreign jurisdictions.

II. REASONED DECISION – POSITION IN UK

The Tribunals and Inquiries Act, 1992 (especially Section 10) ("**Tribunals and Inquiries Act**") has played a pivotal role in necessitating the providing of reasons for decisions of tribunals in the UK.

Prior to the enactment of the aforementioned Act and its predecessors, the law provided that unless it was mandated and required by a statute, an administrative tribunal (as distinguished from a court of law) was not bound to give reasons for its decisions[6], and if a tribunal expressly chose not to give reasons for a decision, the higher court could not interfere by the writ of certiorari, regardless of degree of error in the decision.

However, the above position was modified, and to a large extent pragmatically reversed, with the passing of the Tribunal and Inquiries Act, 1958 (now Tribunals and Inquiries Act). The Committee on Ministers' Powers (Donoughmore Committee)[7] and subsequently the Franks Committee[8], established to look into the workings of the tribunals, had in their 1932 and 1957 report, insisted that there should be a general practice for adjudicatory bodies to give reasons for their decisions. This recommendation was given a part statutory force by way of the

[4] DAVID SCOTT & ALEXANDRA FELIX, PRINCIPLES OF ADMINISTRATIVE LAW 389 (Cavendish Publishing, 1997).
[5] HELEN FENWICK, JUDICIAL REVIEW 401 (LexisNexis, 2018).
[6] DURGA DAS BASU, PRINCIPLES OF ADMINISTRATIVE LAW, 324, (Wadhwa, 2019).
[7] *Report of the Committee on Ministers' Powers* 100 (1932).
[8] Geoffrey Marshall, *The Franks Report on Administrative Tribunals and Enquiries*, 35 PUBLIC ADMINISTRATION: AN INTERNATIONAL QUARTERLY 347, 348 (1957).

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Tribunal and Inquiries Act, 1958 (now Section 10 of Tribunals and Inquiries Act) which provides that a tribunal or a statutory authority (listed in the First Schedule to the Act) must give written or oral reasons for its decision if so requested by the parties, unless grounds of national security justify the contrary.

This provision, thus, in its language, dilutes the requirement of reasoned decision in three forks. Firstly, the administrative bodies do not have an absolute duty to provide reasons, they are to do so only when requested by the parties. Secondly, the duty to provide reasons if any, does not arise if the request has been made after the decision is given or notified. Thirdly, even when the reasons for a decision are sought by the parties on time, the administrative bodies have the power to refuse or restrict the same on the grounds of national security.

Over the course of time, English courts have attempted to expand the bare text of the provision by holding in cases like *Re Poyser and Mill's Arbitration*[9] that the reasons given should be adequate. They have further mentioned that the reasons that are set out must be reasons not only intelligible in nature, but ones dealing with the substantial points that have been raised in the proceedings. They are not required to necessarily be elaborate.[10]

Basis the language and interpretation of Section 10 of the Tribunals and Inquiries Act, it can be inferred that the duty to give reasons by the tribunal does not exist on its own but an obligation arises only when the parties to the dispute demand for reasons behind the decision. Furthermore, though the tribunals are required to provide reasons dealing with substantial points in the matter, they are not mandatorily required to be very elaborate in length.

As observed, thus, though there is a loosely worded provision requiring tribunals to provide reasons for their decisions, there is no common law duty to furnish reasons for a decision in the UK. This position has been severely criticised by administrative lawyers on the ground that such absence constitutes a significant gap in the procedural protection in the UK.[11]

While this position of common law has remained intact, the courts in UK have progressively and gradually played a role in bettering the situation.

During the course of the last few years, English courts have initiated the process of engrafting some exceptions to this general rule and have imposed an obligation on administrative bodies to give reasons for their decisions in certain circumstances.

Some of these exceptions have been justified by the courts on the following grounds. While it

[9] Re Poyser and Mill's Arbitration, (1963) 1 All ER 612.
[10] Elliot v. Southwark LBC, (1976) 1 WLR 499.
[11] M.P. JAIN, & S.N. JAIN, PRINCIPLES OF ADMINISTRATIVE LAW, 472 (Wadhwa, 2017).

is not an exhaustive list, it certainly provides an overview of the approach adopted by the English courts:

1. Right to appeal – when an individual's right of appeal from the decision of a body may be frustrated in the absence of reasons, then administrative body must give reasons.[12]
2. Legitimate expectation – there may exist a legitimate expectation that the deciding authority would give reasons for its decisions. This may create an obligation on the concerned body to give reasons which may not exist in the absence of such an expectation.[13]
3. Element of fairness – the obligation to give reasons may arise as an element of natural justice or fairness. There is a growing judicial tendency to base the obligation to give reasons on natural justice or fairness.[14]

Wade has beautifully summarised the position of reasoned decisions in the context of principles of natural justice and has emphasised on their increasing relevance in the backdrop of judicial review. He says[15]:

"The principles of natural justice do not, as yet, include any general rule that reasons should be given for decisions. Nevertheless, there is a strong case to be made for the giving of reasons as an essential element of administrative justice. The need for it has been sharply exposed by the expanding law of judicial review, now that so many decisions are liable to be quashed or appealed against on grounds of improper purpose, irrelevant considerations and errors of law of various kinds. Unless the citizen can discover the reasoning behind the decision, he may be unable to tell whether it is reviewable or not, and so he may be deprived of the protection of the law. A right to reasons is therefore an indispensable part of a sound system of judicial review. Natural justice may provide the best rubric for it; since giving of reasons is required by the ordinary man's sense of justice. It is also a healthy discipline for all those who exercise power over others."

III. REASONED DECISION – POSITION IN US

The procedural regularity and reasoned decision making of administrative bodies in US was initially governed by the Administrative Procedure Act, 1946 (especially Section 8).[16] This Act was repealed and its provisions were incorporated in Sub-Chapter II (*"Administrative*

[12] M.P. JAIN, *supra* note 14 at 473.
[13] M.P. JAIN, *supra* note 14 at 475.
[14] M.P. JAIN, *supra* note 14 at 472.
[15] WADE & FORSYTH, *supra* note 3 at 436.
[16] Administrative Procedure Act § 8, 1946 (United States of America).

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Procedure") of Chapter 5 (*"Administrative Procedure"*) of Part I (*"The Agencies Generally"*) of Title 5 (*"Government Organization and Employees"*) of 2018 United States Code by way of general revision as Section 557 (*"Initial decisions; conclusiveness; review by agency; submissions by parties; contents of decisions; record"*). In relation to the record of decisions, Section 557(c)[17] provides that:

"The record shall show the ruling on each finding, conclusion, or exception presented. All decisions, including initial, recommended, and tentative decisions, are a part of the record and shall include a statement of— (A) findings and conclusions, and the reasons or basis therefor, on all the material issues of fact, law, or discretion presented on the record; and (B) the appropriate rule, order, sanction, relief, or denial thereof."

A similar provision is said to be present in the state statutes.[18] The United States Constitution also provides for reasoned decisions by way of its due process clause, introduced in Fourteenth Amendment, wherein a decision lacking reason may not be a due decision.[19]

In the US, the courts have insisted on the act of recording of reasons for its decisions by an administrative authority. For reference, it should be noted that in its essence, the administrative tribunals to whom this provision applies are similar to courts as both are obliged to deliver opinions. These opinions given by the tribunals are similar to judgments given by courts.

This necessity of recording of reasons is based on the basic presumption that the authority should give clear indication that it has exercised discretion with which it had been empowered because *"administrative process is best vindicated by clarity in its exercise"*.[20] Courts have justified recording of reasons on the basis of judicial review and have observed that the courts cannot exercise their duty of review *"unless they are advised of the consideration underlying the action under review"* and that *"the orderly functioning of the process of review requires that the grounds upon which the administrative agency acted be clearly disclosed and adequately sustained*.[21] The basis of reasoned decision is not limited to aiding the process of judicial review, as observed in *John F. Dunlop* v. *Walter Backowski*[22], *"a statement of reasons serves purposes other than judicial review in as much as reasons promote thought by the authority and compel it to cover the relevant points and eschew irrelevancies and assure*

[17] United States Code 2018, § 557, 2018 (United States of America).
[18] V.S. CHAUHAN, *supra* note 6 at 93.
[19] V.S. CHAUHAN, *supra* note 6 at 95.
[20] Phelps Dodge Corporation v. National Labour Relations Board, (1940) 85 L. Ed. 1271.
[21] Securities and Exchange Commission v. Chenry Corporation, (1947) 91 L. Ed. 1995. Also see, DD BASU, *supra* note 8 at 2319.
[22] John F. Dunlop v. Walter Backowski, (1975) 44 L. Ed. 377.

careful administrative consideration".

It can be inferred that the US provides for a broader statutory requirement for reasoned decisions as compared to the UK. This contrast can be read in at least two aspects:

1. In the US, an obligation to provide reasons for their decisions is imposed on all administrative authorities, whereas in the UK such an obligation is limited to the bodies as enlisted in the First Schedule of Tribunals and Inquiries Act, 1992.
2. In the US, the duty to provide reasons is absolute and is to be followed for all decisions of the administrative authorities, whereas in the UK the administrative bodies do not have an absolute duty to provide decisions, they are to do so only when requested by the parties. Further, even when the reasons for a decision are sought by the parties in the UK, the administrative bodies have the power to refuse or restrict the same on the grounds of national security.

IV. REASONED DECISION – POSITION IN INDIA

Unlike other jurisdictions, India has no specific statute governing such administrative decisions. Therefore, here the general rule is that a purely administrative authority has no requirement to state reasons for its actions[23] or the determination it has reached[24].[25] However, there are certain exceptions have evolved to this general rule, like in cases where the body is a quasi-judicial authority[26] or where such decisions would affect the civil rights of the individuals[27], this rule would not apply. In India, the courts have justified the requirement of providing reasons broadly on the grounds that (1) it is the mandate of the statute or the Constitution of India, 1950 ("**Constitution**") and (2) stating reasons is in spirit a part of the principles of natural justice.

Statutory and Constitutional Perspective

When the statute under which the administrative body is functioning imposes a requirement for giving of reasons for taking a decision, failure to give reasons in such cases will be fatal to the action taken. Thus, such a provision is to be treated as a mandatory provision and non-compliance with such a requirement endangers the decision given by the authority.

The duty to give reasons for decisions, where it exists, aims at ensuring the rationality of the

[23] Maharashtra State Board of Secondary and Higher Secondary Education v. K.S. Gandhi and Others, (1991) 2 SCC 716.
[24] Som Datt Datta v. Union of India, AIR 1969 SC 414.
[25] It must be noted that the distinction between administrative and quasi-judicial functions have been obliterated by the Hon'ble Supreme Court in cases like A.K. Kraipak v. Union of India, (1969) 2 SCC 262.
[26] Siemens Engineering & Manufacturing Company of India Limited v. Union of India, AIR 1976 SC 1785.
[27] Maneka Gandhi v. Union of India, (1978) 1 SCC 248.

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decision. It attempts to ensure that the arguments presented to the decision maker will be taken into account and be seen to be taken into account.[28] Such a statutory duty to record reasons is generally enforced by the courts through a writ of mandamus.

This proposition and position of law can be explained further by the following case laws:

1. In *Uma Charan v. State of Madhya Pradesh*[29], a regulation for appointment and promotion of state police personnel stipulated that the selection committee for state police service shall record *"its reasons for the proposed supersession"*. However, when a member of the state police service was superseded by the selection committee in the matter of promotion, the committee failed to record the reasons for doing so. On appeal by the aggrieved person, the Hon'ble Supreme Court quashed the decision of the selection committee and held that the committee had infringed a mandatory duty imposed on it by the regulation.

2. In *Maneka Gandhi v. Union of India*[30], the passport authority impounded the passport of the appellant and did not provide any reasons for doing so stating that disclosure of reason was not in the interest of the general public. It is to be noted that Section 10(5) of the Passport Act, 1963, imposes a statutory requirement on the passport authority to record its reasons and furnish a copy of the same to the concerned individual on demand while impounding his passport. The authority, however, is entitled to refuse to give reasons *inter alia* in public interest. When the impoundment was challenged by the appellant, the passport authority finally disclosed its reasons before the Hon'ble Supreme Court which were found to be not reasonable so much so that the court commented saying *"this is an instance showing how the power conferred on a statutory authority to act in public interest can sometimes be improperly exercised"*. This case served as a perfect example of implied statutory requirements and judicial control of administrative bodies through constitutional perspectives.

Our Constitution impliedly requires administrative adjudication to be accompanied with reasons. The essence of judicial review in Article 32, 146, 226 and 227 is based on the same. Administrative decisions passed with no reasons tend to significantly reduce the efficacy and efficiency of these provisions as judicial review over the adjudicatory bodies is very much weakened if such bodies do not give reasons.[31] The concept of judicial review, as a whole loses its virtue if administrative bodies are empowered to keep their errors off record by not recording the reasons.[32] Lack of reasons for a decision of administrative body affecting the rights of

[28] DD BASU, *supra* note 9 at 2318.
[29] Uma Charan v. State of Madhya Pradesh, (1981) 4 SCC 102.
[30] MANEKA GANDHI, *supra* note 30.
[31] Nagendra Nath Bora v. Commissioner, Hills Division, AIR 1958 SC 398.
[32] I.P. MASSEY, ADMINISTRATIVE LAW, 209 (Eastern Book Company, 2017).

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people at large can also not be seen in compliance with Article 14 and especially Article 21.

Further, when the lower adjudicating bodies fail to provide reasons for their decisions, then such decisions cannot be effectively reviewed by the higher authorities. Thus, such failure to give reasons effectively deprives the person affected of his statutory right to review at a higher level as well.[33] Hence, the obligation to give reasons has been particularly implied in the case of exercise of powers of appeal[34]and revision[35] by administrative tribunals, even though courts have power to dismiss such matters. Therefore, even if the statute does not provide for recording of reasons, it is obligatory on the authority to do so.[36]

The proposition that the decisions of an adjudicatory body must be a reasoned one has been firmly established and reiterated by the Hon'ble Supreme Court and High Courts in a number of cases[37]:

1. In *Madhya Pradesh Industries Limited v. Union of India and Others*[38] rejecting the contention that obligation to give reasons might involve delay, the Hon'ble Supreme Court observed that:

   "The condition to give reasons-minimises arbitrariness; it gives satisfaction to the party against whom the order is made; and it also enable an appellate or supervisory court to keep the tribunals within bounds."

2. Further, in the case of *Sri Nandlal Tejmal Kothari v. Inspecting Assistant Commissioner of Income Tax and Others*[39], the Hon'ble Supreme Court explained that the recording of reasons serves a two-fold purpose:

   "a. That the aggrieved party in the proceeding before the appropriate authority acquires knowledge of the reasons and in a proceeding before the High Court or Supreme Court, it has an opportunity to demonstrate that the reasons which persuaded the authority to pass an order adverse to his interest were erroneous, irrational or irrelevant, and

   b. That the obligation to record reasons and convey the same to the party concerned operated as a deterrent against possible arbitrary action by the quasi-judicial or the

[33] S. Jagannath v. Union of India, AIR 1967 Del 121.
[34] M/s. Harinagar Sugar Mills Limited v. Shyam Sundar Jhunjhunwala and Others, AIR 1961 SC 1669.
[35] Madhya Pradesh Industries Limited v. Union of India and Others, AIR 1966 SC 671.
[36] The Consumer Action Group and Another v. State of Tamil Nadu and Others, (2000) 7 SCC 425.
[37] M.P. JAIN, *supra* note 14 at 475.
[38] MADHYA PRADESH INDUSTRIES, *supra* note 37.
[39] Sri Nandlal Tejmal Kothari v. Inspecting Assistant Commissioner of Income Tax and Others, 1997 (3) SCALE 592.

executive authority invested with judicial powers."

3. In the case of *Bhagat Ram Patanga v. State of Punjab*[40] and subsequently in *Mahindra and Mahindra Limited v. Union of India*[41], the Hon'ble Supreme Court has held that even where there is no provision of appeal or revision and additionally, a severe penalty is imposed, the recording of reasons behind such a decision becomes sine qua non.

4. In *S.N. Mukherjee v. Union of India*[42], the Hon'ble Supreme Court has beautifully established and summarized the position of law with respect to reasoned decision as follows:

   "…the requirement that reasons be recorded should govern the decisions of an administrative authority exercising quasi-judicial functions irrespective of the fact whether the decision is subject to appeal, revision or judicial review. A right to reason is, therefore, an indispensable part of sound system of judicial review. Reasoned decision is not only for the purpose of showing that the citizen is receiving justice, but also a valid discipline for the tribunal itself. Therefore, statement of reasons is one of the essentials of justice."

V. REASONED DECISION BASIS NATURE OF FUNCTIONS OF THE ADMINISTRATIVE AUTHORITY

We understand that the principles of natural justice are applicable to quasi-judicial and administrative functions of the administrative bodies as a rule of fairness, however, furnishing of reasons behind decisions becomes imperative when quasi-judicial functions are exercised or where right of appeal or revision is present against the decision of the concerned administrative authority, instances where judicial review is the only obvious remedy. It has been held that even if it is not mentioned in the statute, the administrative authority shall give reasons for decisions against which an appeal or revision lies.[43] As stated above, similar observations were made in *S.N. Mukherjee v. Union of India*[44]. It is noted that the requirement of recording reason becomes mandatory when public interest stands to be affected.[45] The requirement of giving reasons differs even in changing circumstances of the same matter. For example, in the case of

[40] Bhagat Ram Patanga v. State of Punjab, (1972) 2 SCC 170.
[41] Mahindra and Mahindra Limited v. Union of India, (1979) 2 SCC 529.
[42] S.N. Mukherjee v Union of India, (1990) 4 SCC 594.
[43] Mahabir Prasad v. State of Uttar Pradesh, (1970) 1 SCC 764.
[44] S.N. MUKHERJEE, *supra* note 45.
[45] I.P. MASSEY, *supra* note 35 at 211.

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disciplinary proceedings, if the deciding authority agrees with the full-fledged inquiry report of the designated officer, it may not mention the reasons in its decision to avoid redundancy, however, in the same matter, if the deciding authority decides to differ from the inquiry report, it becomes necessary for the deciding authority to mention the reasons for its decision.

VI. REASONED DECISION AS A FACET OF NATURAL JUSTICE

In *Kumaon Mandal Vikas Nigam Limited v. Girija Shankar Pant and Others*[46], the Hon'ble Supreme Court has commented on the scope of natural justice, saying:

"The doctrine of natural justice is not only to secure justice but also to prevent miscarriage of justice and no specific definition can be made. Natural justice is not a stagnating, but an expanding concept and it is open to court to develop new principles of natural justice in appropriate cases. As a matter of fact, the doctrine can be termed as a synonym of fairness in the concept of justice and stands as the most accepted methodology of a governmental action."

It is imperative to note in this connection that once the obligation to give reasons is admitted as an ingredient of natural justice, its absence would make the decision arbitrary and the decision would be struck down as void.[47]

However, since principles of natural justice see no formal enactment under Indian law, they stand to be excluded in certain cases where the Constitution excludes its application, or where it is excluded by legislation, or where the task being performed by the body is "administrative" and not "adjudicatory or quasi-judicial" in nature.[48]

In the case of *Siemens Engineering & Manufacturing Company of India Limited v. Union of India*[49], the Hon'ble Supreme Court has emphatically reiterated that the requirement of a reasoned decision is a basic principle of natural justice which must inform the quasi-judicial process. In this case, the requirement to state reasons has been raised to the pedestal of *"a basic principle of natural justice like the principle of audi alteram partem"*. Herein, a matter of assessment of customs duty passed through three stages of adjudication – Assistant Collector of Customs, Collector and the Central Government; before it finally reached the Hon'ble Supreme Court under Article 136. None of these adjudicating bodies had chosen to give a reason for their decision. Criticizing this state of affairs, the apex court emphasised that:

"Adjudicatory authorities should accord fair and proper hearing to the persons sought to be

[46] Kumaon Mandal Vikas Nigam Limited v. Girija Shankar Pant and Others, AIR 2001 SC 24.
[47] Travancore Rayon Limited v. Union of India, (1969) 3 SCC 868.
[48] DD BASU, *supra* note 9 at 2323.
[49] SIEMENS ENGINEERING & MANUFACTURING COMPANY OF INDIA LIMITED, *supra* note 29.

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affected by their orders and give sufficiently clear and explicit reasons in support of their orders. That way, the adjudicatory bodies will carry credibility with the people by inspiring confidence in the adjudicatory process. The rule requiring reasons to be given in support of an order is a basic principle of natural justice which must inform every quasi-judicial process."

VII. ADEQUACY OF REASONS AND THEIR COMMUNICATION

It is a settled position that the rule requiring reasons should be observed in its *"proper spirit"* and a *"mere pretence of compliance with it would not satisfy the requirements of law"*.[50]

Regarding the adequacy of reasons, it has been observed by the Hon'ble Supreme Court[51] that, *"it is not required that the reasons should be as elaborate as in the decision of a court of law. The extent and nature of the reasons would depend on particular facts and circumstances. What is necessary is that the reasons are clear and explicit so as to indicate that the authority has given due consideration to the points in controversy"*.

Thus, rather than focusing on the length of the reasons recorded, the administrative authorities should work towards making the reasons adequate, proper and intelligible, sufficiently clear and explicit. The reasons should not be merely "rubber stamp" reasons, but should reasonably address all the substantial points raised in the matter. The reasons should enable the parties and the courts to see what matters were taken into consideration, what view the deciding authority took on the points of fact and law which arose in the case. The extent and nature of reasons, thus, depend on the specific facts and circumstances of each case.

As for the communication of the reasons, it has been held by the courts that it is as imperative as recording of reasons. It is not mandatory that the reasons are given in writing and provided to both the parties immediately, an oral pronouncement suffices the purpose provided it is done in presence of both the parties and subsequently taken onto record.[52] In the case of *Ajantha Industries and Others* v. *Central Board of Direct Taxes and Others*[53], communication of reasons to the affected party has been held as an essential aspect of the decision-making process. Herein the Hon'ble Supreme Court held that the order passed by Central Board of Direct Taxes was bad in law as reasons for the order were not communicated to the affected party. Mere recording of the reason was not considered sufficient by the court. It was held that whenever an authority is required to record reasons for reaching a particular conclusion, the authority is bound to communicate the same to the concerned party. However, there have been

[50] SIEMENS ENGINEERING & MANUFACTURING COMPANY OF INDIA LIMITED, *supra* note 29.
[51] S.N. MUKHERJEE, *supra* note 45.
[52] Maharashtra State Road Transport Corporation v. B.R.M. Service, AIR 1969 SC 329.
[53] Ajantha Industries and Others v. Central Board of Direct Taxes and Others, AIR 1976 SC 437.

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instances where such orders have not been quashed by the courts even when the reasons were not communicated but existed merely on the files. In the case of *J.M.A. Industries* v. *Union of India*[54], the High Court of Delhi had refused to quash the order made by the government holding that the reasons for making the order had existed on file and had only not been communicated to the party. This view taken by the Delhi High Court, however has been criticized by Professor MP Jain stating that *"this case does not represent good law and is contradictory to the view taken by the Supreme Court".*[55]

It is observed that the very basis of the requirement to communicate reasons to an affected party stems from the fact that it enables a person to decide whether he should challenge an order or not, and keeping the reasons locked in a file does not help delivering due justice in any way.

VIII. CONCLUSION

The requirement to give reasons for a decision has been expanded by the increasing scope of judicial review of administrative decisions. What started as a mere exception (that of providing reasons for a decision) has now replaced the established proposition which stated that reasons need not be afforded for administrative decisions. This development has been brought about through various judicial pronouncements in both India and other foreign jurisdictions.

A right to reasoned decision has become, over time, to be an indispensable part of a system based on judicial review and is considered to be an integral part of fairness and justice now. It is to be noted that the requirement to give reasons has advantages and the necessary disadvantages associated with it. However, these advantages clearly outweigh the advantages of such a requirement, and as such the requirement is deemed to be an essential part of any system of law.

In India, since we do not have any specific statute governing such administrative decisions, the general rule is that a purely administrative authority has no requirement to state reasons for its actions[56] or the determination it has reached[57]. However, to establish the balance between claims of individual justice and administrative flexibility, the court have grafted exceptions to this rule, observing that an administrative authority shall record and furnish reasons for its decisions; one, where the body is quasi-judicial[58]; two, where the decision would affect the

[54] J.M.A. Industries Limited and Another v. Union of India and Another, AIR 1980 Del 200.
[55] M.P. JAIN, *supra* note 14 at 484.
[56] MAHARASHTRA STATE BOARD OF SECONDARY AND HIGHER SECONDARY EDUCATION, *supra* note 26.
[57] SOM DATT DATTA, *supra* note 27.
[58] SIEMENS ENGINEERING & MANUFACTURING COMPANY OF INDIA LIMITED, *supra* note 29.

civil rights of the individual[59]; three, by bringing in such decisions within the purview of judicial review[60] and lastly, four, by incorporating the requirement of reasons to be an integral part of principles of natural justice. Thus, in India, an administrative body is required to give reasons for its decision based on the broad heads of grounds namely, statutory and constitutional perspective and vision of reasoned decision as a facet of natural justice.

It is to be noted that India was a party to International Congress of Jurists held in Delhi in 1959 wherein *inter alia* the following was recommended:

"It will further the Rule of Law if the executive is required to formulate its reasons when reaching its decisions of a judicial or administrative character and affecting the rights of individuals and at the request of a party concerned to communicate them to him."[61]

It is inferred that even though the right of reasoned order is not formally recognized as one of the principles of natural justice, it is one in spirit and practice, continually gaining prominence as a tenet of natural justice. It can thus be said: *"Reason is the heartbeat of every conclusion and without the same, it becomes lifeless."*[62]

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[59] MANEKA GANDHI, *supra* note 30.
[60] Collector of Monghyr and Others v. Keshav Prasad Goenka and Others, AIR 1962 SC 1694.
[61] "The Rule of Law in a Free Society", A Report on the International Congress of Jurists (New Delhi 1959) 8.
[62] Raj Kishore Jha v. State of Bihar and Others, JT 2003 Supp (2) SC 354.

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