

(2013) 07 DEL CK 0360
In the Delhi High Court
Case No : Writ Petition (C) 4106 of 2013

U.I. Carriers	Vs	APPELLANT
Union of India and Others		RESPONDENT

Date of Decision : 03-07-2013

Acts Referred:

Constitution of India, 1950 — Article 226, 227

Citation : (2013) 07 DEL CK 0360

Hon'ble Judges : Manmohan, J

Bench : Single Bench

Advocate : Ashish Mohan and Mr. Chetan Rai Wahi, for the Appellant; R.N. Singh and Mr. A.S. Singh, for the Respondent

Final Decision : Disposed Off

Judgement

Manmohan, J.

C.M. Appl. 9668/2013 (for exemption) in W.P. (C) 4106/2013

Keeping in view the averments in the application, same is allowed subject to just exceptions.

Accordingly, present application stands disposed of.

W.P. (C) 4106/2013 & CM. Appl. 9667/2013

1. Present writ petition has been filed under Articles 226 and 227 of the Constitution of India seeking setting aside of the order dated 21st June, 2013 passed by the respondent. The order dated 21st June, 2013 is reproduced hereinbelow:-

Northern Railway

(Amended)

(Speed-Post)

M/s. U.I. Carriers,
IX/1108, Post Office Wali Gali,
Gandhi Nagar,
Delhi-31

Sub.: Cancellation of Registration and Termination of leasing contracts.

Ref: Show-Cause Notice dated 16/05/2013

In reference to above, you were served show-cause notice under clause no. 7.2, 7.3 and 7.4 of the agreement. The Competent Authority has considered your reply which was found unsatisfactory and decided to initiate following action against you:

1. Cancellation of registration (Registration No. A-192)
2. Forfeiture of registration amount
3. Termination of running contracts & forfeiture of security deposit.
4. Blacklisting/Debarring from participating in future tenders quotations for further five years.

Accordingly, your following existing leasing contract are being terminated with immediate effect (allotted by Delhi Division)

S. No.

Train No.

Validity

Compartment

From & to

01

12804

28/10/10 to 27/10/13

RSLR

HNZM ? SKP

02

14645

01/09/10 to 31/08/13

FSLR-I

DLI-JAT

03

14556

03/10/10 to 02/10/13

FSLR-I DL-BE

04

14035

15/09/10 to 14/09/13

FSLR-II DLI-PTK

05

51902

26/04/13 to 25/04/16

FSLR-I DLI-AGC

Appeal against cancellation of registration and running contract lies with CCM/NR, New Delhi.

Sd/- 21/6/13

For Sr. Division Commercial Manager/Freight,

New Delhi

Mr. Ashish Mohan, learned counsel for petitioner submits that the impugned order dated 21st June, 2013 is a non-speaking order. He submits that the impugned order has grave and serious consequences inasmuch as the petitioner has been blacklisted/debarred from participating in future tenders for five years and all the existing contracts of the petitioner have been cancelled.

2. Mr. R.N. Singh, learned counsel for respondents, who appears on advance notice states that the present petition is not maintainable as an appeal is provided for against cancellation of registration with CCM/NR, New Delhi.

3. Having heard the learned counsel for parties and having perused the paper book, this Court is of the opinion that the impugned order dated 21st June, 2013 is bereft of any reasons.

4. It is settled law that every quasi-judicial order must be supported by reason as reasons are the link between the order and the mind of its maker. Further, the conclusion of a quasi-judicial authority has to be fair and just and for ensuring this, it must record reasons as it would show the ultimate mental process leading from the dispute to its solution.

5. It has also been held in a catena of cases that a non-speaking order amounts to violation of principles of natural justice and can be quashed in writ proceedings despite availability of a remedy by way of an appeal.

6. This Court in *Mekaster Trading Corporation vs. Union of India & Others*, 106 (2003) DLT 573 has held as under:-

26. The recording of such reasons is imperative not only when the administrative authority discharges quasi-judicial function but also it is a pure administrative function and the decision is visited by civil or evil consequences as far as affected party is concerned [See *Ramesh B. Desai v. Union of India*, AIR 1988 Delhi 288]. So far as cases of blacklisting are concerned, this requirement will, all the more, be imperative having regard to the spirit of the judgments of the Supreme Court in the cases of *M/s. Erusion Equipment (supra)*, and *M/s. Star Enterprises (supra)*.

27. Having said that it has now become an obligation to give reasons in support of an administrative order, we may hasten to add that what is needed is not a detailed or elaborate judgment, but a brief and pithy statement of reasons for the decision. The administrative authorities, after all, are not discharging the judicial function like that of a Court and, therefore, not required to write an order in the manner in which normally a judgment is written by a Court of law.

The reasons given by an authority need be no more than a concise statement of the way in which it arrives at the decision. Way back in the year 1996 the Supreme Court pointed out in *M.P. Industries case (supra)*, that "when we insisted upon reasons, we do not prescribe any particular form or scale of the reasons. The extent and the nature of the reasons depend upon each case". What is essential is that the order must be a speaking order and must state the elements which had led to the decision and tell its own story and one is able to infer as to why the order was made. De Smith, Woolf and Jowell point out that the reasons must "meet the substance of the principal arguments that the Tribunal was required to consider. In short, the reasons must show that the decision maker successfully came to grips with the main contention advanced by the parties, and must tell the parties in broad terms why they lost, or as the case may be one". Reasons are links between materials on which certain conclusions are based and the actual conclusion drawn. They would disclose how the mind is applied to the subject matter; whether done relevantly or rationally. Therefore, it would be sufficient if reasons indicate application of mind is discernible and mental process leading from the dispute to its solution is found in the order.

7. Consequently, the impugned order dated 21st June, 2013 is set aside with a direction to the petitioner to appear before the Senior Divisional Commercial Manager/Freight, New Delhi on 08th July, 2013 at 10:30 a.m.

8. The Senior Divisional Commercial Manager/Freight, New Delhi is directed to pass a reasoned order after hearing the petitioner within a period of one week of conclusion of hearing. With the aforesaid directions, present petition and

application stand disposed of.

Order dasti under the signature of the Court Master.