

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.9917 of 2025

M/s Binod Storewell Private Limited, through its Director, Vikas Kumar, Gender-Male, aged-45 Years, Son of Binod Kumar Singh, Resident of Rambagh Road Training School, Located in Musari Ramana, Muzaffarpur, Bihar-842002.

... .. Petitioner/s

Versus

1. The State of Bihar through its Chief Secretary, Govt. of Bihar, Old Secretariat, Patna-800015.
2. The Bihar State Pollution Control Board Address Parivesh Bhawan, Plot No. NS-B/2, Patliputra Industrial Area, Patna-800010, Bihar.
3. The Chairman, Bihar State Pollution Control Board Address Parivesh Bhawan, Plot No. NS-B/2, Patliputra Industrial Area, Patna-800010, Bihar.
4. The Regional Officer, Bihar State Pollution Control Board Muzaffarpur Industrial Estate, Bela, Muzaffarpur-842005, Bihar.
5. The Member Secretary, Bihar State Pollution Control Board Address Parivesh Bhawan, Plot No. NS-B/2, Patliputra Industrial Area, Patna-800010,

... .. Respondent/s

Appearance :

For the Petitioner/s	:	Mr. Rajesh Ranjan, Advocate Mr. Harsh Kaushal, Advocate Mr. Annapurna Sinha, Advocate Mr. Abhishak Kumar Pandey, Advocate
For the Respondent/s	:	Mr. Abhimanyu Singh, Advocate Mr. Abhineet Prakash, Advocate

CORAM: HONOURABLE MR. JUSTICE SANDEEP KUMAR
ORAL JUDGMENT

Date : 27-11-2025

Heard learned counsel for the petitioner; learned counsel for the State and learned counsel for the Pollution Control Board.

2. The present petition has been filed for the following reliefs:

“i. For setting aside the Respondent Bihar State Pollution Control Board's proposed



*closure direction issued vide Ref No. 180581 dated 16.12.2024 and Letter No. 161636 dated 30.09.2024. The closure directive disregards the fact that the petitioner has fully addressed compliance concerns raised, thereby rendering the action legally unsustainable. Additionally, the petitioner prays for quashing the arbitrary imposition of environmental compensation of Rs. 24,35,000/-, which lacks proper assessment and contravenes the Polluter Pays Principle as interpreted by the **Hon'ble Supreme Court in M.C. Mehta v. Kamal Nath, AIR 1997 SC 125.***

ii. For directing the Respondent Bihar State Pollution Control Board to grant the Consent to Operate (CTO) unconditionally. The rejection of the petitioner's CTO application contravenes Section 25(7) of the Water (Prevention & Control of Pollution) Act, 1974, which mandates deemed approval if the application is neither granted nor refused within four months. Given the petitioner's adherence to environmental standards, including the installation of an Effluent Treatment Plant (ETP) and compliance with groundwater exemption norms.

iii. For a direction to the Respondent Bihar State Pollution Control Board ('BSPCB') to duly consider the reply dated 01.05.2025 and 28.12.2024, which comprehensively addresses the objections raised against the petitioner's operations. The reply details the petitioner's compliance with regulatory directives, including the installation of an Effluent Treatment Plant (ETP), submission of requisite applications, and adherence environmental safeguards.

iv. For quashing of Memo No. 554 dated 22.02.2025, issued by the Bihar State Pollution Control Board, which arbitrarily directs the petitioner to deposit an environmental compensation fee of Rs. 24,35,000/- without consideration of compliance measures undertaken. The memo fails to assess actual environmental impact and does not provide a reasoned basis for the imposition of compensation, rendering it legally unsustainable.

v. For setting aside and quashing the proposed closure directive issued by the



Respondent Bihar State Pollution Control Board, communicated vide Ref. No. 255307 dated 18.06.2025 under Section 31A of the Air (Prevention and Control of Pollution) Act, 1981, on the alleged ground of non-installation of the Effluent Treatment Plant (ETP), despite substantial progress in the ongoing installation of a 5 KLD unit supported by vendor certification and documentary evidence;

vi. For setting aside the consequential demand for environmental compensation amounting to 24,35,000/-, directed to be deposited within fifteen days of receipt of notice, which is without scientific quantification, devoid of procedural safeguards, and violative of the principles of natural justice, proportionality, and deemed consent under Section 25(7) of the Water (Prevention and Control of Pollution) Act, 1974, read with the constitutional mandate under Articles 14 and 21 of the Constitution of India.”

3. The petitioner is a duly incorporated company, namely Binod Storewell Private Limited which had undertaken the establishment of a manufacturing unit for steel almirahs at Chajjan Hari Rai Tola, P.O.: Kurhani at Muzaffarpur. The aforesaid unit was designed to produce 60 steel almirahs per day. It is the case of the petitioner that the nature of manufacturing involves fabrication and assembly, which does not result in any hazardous emissions or effluent discharge, making it a green- category industry under C.P.C.B. guidelines. In pursuance of the establishment of the aforesaid manufacturing unit for steel almirahs, an online application bearing No. 4931690, dated 04.08.2021 was duly submitted for



obtaining necessary permissions. Subsequent to the filing of the application, all requisite documents, prescribed fees, and compliance measures were fulfilled, leading to the grant of the Consent to Establish (C.T.E) *vide* Memo No. 2114, dated 18.11.2021. The aforesaid C.T.E was also accompanied by a No Objection Certificate (NoC).

4. It is the further case of the petitioner that subsequent to the grant of C.T.E, the construction and installation work was commenced and in due course, an application for Consent to Operate (C.T.O) was filed before the Bihar State Pollution Control Board on 06.07.2022, accompanied by the requisite fees amounting to Rs. 90,009.49 and supporting documents. The nature of operations at the unit is solely confined to the manufacturing of steel almirahs. The said manufacturing activity is categorically classified under the 'green category' of industries, as defined by the Central Pollution Control Board guidelines. It is further submitted that the unit does not cause any significant environmental harm, as here is no hazardous discharge or pollution emanating from its operations.

5. The learned counsel for the petitioner has submitted that the Consent to Operate was declined on two



conditions, i.e., *firstly*, the unit of the petitioner was found operational during inspection on 11.5.2023 without C.T.O and without Effluent Treatment Plant (E.T.P) and *secondly*, untreated effluent was being discharged outside the premises into a nearby drain.

6. The learned counsel for the petitioner has submitted that there is no water body adjoining or in the vicinity of the area where the manufacturing unit of the petitioner was located, and further it is the submission that there was no discharge at all since the manufacturing of the steel almirah did not require any usage of water in the manufacturing process.

7. It is the next submission of the learned counsel for the petitioner that the Petitioner had received two belated notices *vide* Ref. No. 180581, dated 16.12.2024 and Letter No. 161636, dated 30.09.2024, by which the rejection of the Consent to Operate (C.T.O) application was conveyed to the petitioner and further concerns were raised regarding the alleged discharge of untreated effluent into a nearby drain.

8. It is the further case of the petitioner that, in strict compliance with the directions issued, the applicant took immediate steps to address the first objection by approaching one Right Water Purification Private Limited for the installation



of an Effluent Treatment Plant (E.T.P) with a capacity of five kilolitres per day (K.L.D). A local visit and technical survey were conducted to ensure the viability of the installation, followed by the issuance of a formal work order on 23.12.2024. Thereafter, the Petitioner made an initial payment of Rs. 50,000/- out of the total contractual amount of Rs. 1,88,800/-, which was duly acknowledged *via* Receipt No. 1327, dated 25.12.2024. Accordingly, advertng to the certificate bearing Reference No. CER/02/2024/08 dated 22.02.2025, the learned counsel for the petitioner has categorically submitted that the installation of the Effluent Treatment Plant (E.T.P) with a capacity of 5 KLD has been successfully completed at the premises of the petitioner on 21.02.2025 which was evident from the warranty certificate issued by the aforesaid Right Water Purification Private Limited. Said.

9. Next the learned counsel for the petitioner has submitted that in compliance with the second directive regarding scaling down of operations, necessary adjustments were implemented to ensure alignment with regulatory requirements. The Petitioner reiterates that both directives were addressed in their entirety and had requested the Bihar State Pollution Control Board *vide* its Letter No. BSPL/RE/001, dated



28.12.2024 to take cognizance of the compliance efforts undertaken by the petitioner.

10. The learned counsel for the petitioner has also brought on record the exemption certificate for groundwater abstraction issued by the Department of Water Resources, River Development & Ganga Rejuvenation, Central Ground Water Authority *vide* Exemption Letter No. EXM/IND/BH/2025/3230/N. Adverting to the aforesaid letter, it is the submission of the learned counsel for the petitioner that the petitioner-firm is in compliance with prescribed norms and regulations regarding groundwater usage and falls within legally permissible limits and adheres to sustainability guidelines. Secondly, adverting to the audit letter *vide* Letter No. 1818, dated 11.09.2024, it is further the submission of the learned counsel for the petitioner is that the fire audit of the petitioner-company has also been duly conducted as per the prescribed regulatory framework.

11. The next leg of submission advanced by the learned counsel for the petitioner is that the reply/appeal submitted by the petitioner to the Chairman, Bihar State Pollution Control Board, dated 28.12.2024, was not duly considered and rather a mechanical and perfunctory letter



bearing No. 554 dated 23.02.2025 was issued, directing the petitioner to deposit an amount of Rs. 24,35,000 within 10 days, without taking into account the detailed objections and compliance efforts already undertaken by the petitioner. Subsequently, the same directive was reiterated in another notice *vide* Letter No. 1356, dated 25.04.2025, whereby the petitioner was directed to upload the aforesaid environmental compensation fee of Rs. 24,35,000/- on the alleged grounds of operating the unit without a valid Consent to Operate (C.T.O.) and Effluent Treatment Plant (E.T.P). It is the submission of the learned counsel for the petitioner that the issuance of these notices, without due consideration of the reply and supporting documents submitted by the petitioner, renders it wholly arbitrary and *non-est*. In response to the aforesaid notice issued by the Bihar State Pollution Control Board, the petitioner promptly submitted a clarification to the Regional Officer at Muzaffarpur, wherein the petitioner specifically addressed the concerns raised in by the respondents in Letter No. 161636, dated 30.09.2024, Reference No. 180581, dated 16.12.2024, and Letter No. 1356, dated 25.04.2025. It is submitted that, the petitioner had elucidated the steps taken by the petitioner to comply with environmental regulations, including the



installation of an Effluent Treatment Plant (ETP) with a capacity of five kilolitres per day.

12. It is emphasized by the learned counsel for the petitioner that the petitioner had also categorically provided a detailed response refuting the allegation that the unit was operational without a valid Consent to Operate (C.T.O), citing the deemed approval provisions under Section 25(7) of the Water (Prevention & Control of Pollution) Act, 1974.

13. Next, the learned counsel for the petitioner has submitted that in furtherance of compliance with regulatory requirements, the petitioner had again deposited an amount of Rs. 90,000/- towards the application for Consent to Operate (C.T.O) on 09.05.2025 via the Online Consent Management Monitoring System (O.C.M.M.S).

14. The Bihar State Pollution Control Board had mechanically issued a directive *vide* Letter No. 554, dated 23.02.2025, directing the petitioner to deposit an environmental compensation fee of Rs. 24,35,000/- within ten days. The petitioner asserts that no substantive consideration was given to its reply dated 28.12.2024, nor was any explanation provided regarding the computation of the penalty amount. Therefore it is the submission of the learned counsel for the petitioner that



evidently, the aforesaid order lacks a reasonable basis. Thereafter *vide* Letter No.1356, dated 25.04.2025 reaffirming the demand for environmental compensation and threatening rejection of the C.T.O application without due process is unlawful and contrary to settled legal principles. The learned counsel for the petitioner has drawn strength from the decision of the National Green Tribunal passed in Original Application No. 360 of 2015 *vide* order dated 26.02.2021 titled as '***National Green Tribunal Bar Assn. v. Virender Singh***', reported as ***2021 SCC OnLine NGT 317***, wherein the learned Tribunal had held that compensation should only be levied upon actual environmental damage. Given that the petitioner has duly complied with corrective measures and no harm has been demonstrated, the demand for compensation must be set aside. Placing reliance on the aforesaid decision of the National Green Tribunal, it is the submission of the learned counsel that the demand for environmental compensation of Rs. 24,35,000/- is inconsistent with the principles laid down by the National Green Tribunal in Original Application No. 360 of 2015, which held that compensation must be based on environmental harm and not merely procedural lapses. Moreover the operations at the unit of the petitioner squarely falls under the 'green category' as



per the Central Pollution Control Board guidelines, meaning thereby that the manufacturing process does not generate hazardous emissions or effluent discharge.

15. Further reliance has also been placed on the decision of the Hon'ble Supreme Court in *Vellore Citizens Welfare Forum v. Union of India*, reported as (1996) 5 SCC 647, wherein the Hon'ble Court has emphasized the 'precautionary principle' and the 'polluter pays principle', and the Hon'ble Supreme Court had held that the environmental liability must be proportionate to actual harm caused. It is the submission of the learned counsel for the p[petitioner that, in the present case, no demonstrable environmental damage has been established, making the imposition of compensation arbitrary and legally untenable.

16. Placing reliance on the decision of the Hon'ble Supreme Court in '*M.C. Mehta v. Kamal Nath*', reported as *AIR 1997 SC 125*, it is argued by the learned counsel for the petitioner that environmental compensation must be levied only when there is tangible damage to the environment, whereas no such damage had occurred, and the compensation demand is therefore excessive and unjustified.

17. The petitioner's application for CTO was



rejected despite the statutory provision under Section 25(7) of the Water Act, 1974, which mandates that if a decision on the application is not made within four months, the consent is deemed to have been granted unconditionally. The Hon'ble Supreme Court in ***Goel Ganga Developers India Pvt. Ltd. v. Union of India***, reported as ***(2018) SCC Online SC 10854***, held that regulatory authorities must act within the prescribed time limits and cannot arbitrarily reject applications without due process. The petitioner submits that the rejection of the C.T.O application and the subsequent imposition of compensation are contrary to statutory provisions and judicial precedents.

18. The learned counsel for the petitioner had placed reliance on the decision delivered by the National Green Tribunal in '***Manoj Mishra v. Delhi Development Authority***', reported as ***(2018) SCC Online NGT 593***, and emphasized that environmental governance must be based on scientific assessment and due process.

19. Lastly, it is emphasized that the petitioner had complied with all directives, including the installation of an E.T.P, groundwater exemption certificate, and securing a fire safety audit certificate. The arbitrary rejection of the C.T.O application and the imposition of compensation without proper



assessment violates the principles of natural justice.

20. Learned counsel for the petitioner has submitted submits that the impugned order dated 18.06.2025, P-12 has been passed without considering the show cause reply and without giving any personal hearing to the petitioner. He further submitted that the penalty of Rs. 24 lakhs has been imposed without issuing a proper show cause notice.

21. Learned counsel for the respondents have filed their counter affidavit and have reiterated their stand and have said that the order passed by the respondents are perfectly legal and they have considered the show cause reply furnishing by the petitioner and after finding it not satisfactory/unsatisfactory, the impugned order dated 18.06.2025 has been passed.

22. I have considered the submissions advanced by the parties and perused the materials available on record.

23. It would be apposite to reproduce the impugned letter/order dated 18.06.2025, which reads as follows:

“Direction for Closure under Section 31A of the Air (Prevention and Control of Pollution) Act, 1981,

- 1) WHEREAS, the State Govt, has declared the entire State of Bihar as "Air-Pollation Control-Area" under the provisions of section 19 of the Air (Prevention and Control of Pollution) Act, 1981.*
- 2) WHEREAS, you were required to obtain previous "Consent to Establish" (hereinafter referred to as CTE) and 'Consent-to-Operate" (hereinafter*



referred to as CTO) from the State Board under section 21 of the Air (Prevention and control of Pollution) Act, 1981 (hereinafter referred to as "Air act") before establishing and operating your unit.

- 3) *WHEREAS, your unit was granted CTE vide memo no.-2114, dated 18.11.2021 which is valid up to 17.05.2022 but you have not obtained CTO before the operation of the Plant.*
- 4) *WHEREAS, the officials of the State Board inspected your unit on 20.02.2025 and found that you have not complied the CTE conditions and operating your unit without CTO of the Board and the following was observed :-*

- I. *Your unit is involved in manufacturing of iron almirahs by cutting, beating and welding iron sheets, After manufacturing, the almirahs are painted with the help of spray painting.*
- II. *During the inspection, the unit was found to be operational, and, as the representative of the unit, informed the officials of the Board that the unit manufactures approximately 60 almirahs per day. which are subsequently sold in the market,*
- III. *Your Unit has been discharging industrial waste water and effluents without proper treatment in to local drain, leading to significant pollution in the nearby residential areas. This discharge not only contravenes environmental regulations but also endangers the health of local communities; And,*
- IV *Your unit has not yet installed the Effluent Treatment Plant (ETP); however, the installations work for a 5 KLD ETP is currently in progress.*

- 5) *WHEREAS, operation of your unit without CTE & CTO of the Board is violation of the Air Act, 1981 and the Water Act 1974. As such operation of your unit is illegal. Further the State Board has powers to issue direction under section 31A of the Air Act 1981 & section 33A of the Water Act, 1974.*
- 6) *WHEREAS, for the above reasons, you were served with a "Proposed. Closure Direction by this Board, vide memo no. 161636/2024 dated 30.09.2024, by which you were given an opportunity to file your objection to the Board's proposed action of closing your unit In the light of above direction for*



Proposed Closure you have filed reply which is deemed unsatisfactory and does not sufficiently address the matter in question.

- 7) *WHEREAS, the Hon'ble National Green Tribunal, New Delhi, in its order dated 03.08.2018, passed in O.A. No. 593 of 2017 and vide order dated 22.11.2018 passed in O.A. No. 353 of 2016, has directed to assess and impose Environmental Compensation from polluters/violators on the 'Polluter Pays Principle'.*
- 8) *WHEREAS, the committee of the State Board constituted for assessment of Environmental Compensation has assessed the Environmental Compensation*

I, therefore, in exercise of power conferred by Section 31A of the Air (Prevention and Control of Pollution) Act, 1981, direct you to CLOSE YOUR UNIT WITH IMMEDIATE EFFECT AND DEPOSIT RS.24,35,000/- (Rs. Twenty four Lakhs Thirty Five Thousand Only) - AS ENVIRONMENTAL COMPENSATION THROUGH DEMAND DRAFT DRAWN IN NAME OF MEMBER SECRETARY, BIHAR STATE POLLUTION CONTROL BOARD WITH IN 15 DAYS FROM RECEIPT OF THIS NOTICE.

AND

IN DEFAULT THEREOF, the Board will be constrained to file complaints under the relevant provisions of the Air (Prevention and Control of Pollution) Act, 1981, with other actions under other suitable provisions of the Environment (Protection) Act, 1986."

24. From the reading of the aforquoted impugned letter, it appears that the show cause reply submitted by the petitioner has not been considered. Para-6 of the aforesaid order reads as follows:

"6) WHEREAS, for the above reasons, you were served with a "Proposed. Closure Direction by this Board, vide memo no. 161636/2024 dated 30.09.2024, by which you were given an opportunity to file your objection to the Board's proposed action of closing your unit In the light of above direction for Proposed Closure you have filed reply which is deemed unsatisfactory and does not sufficiently address the matter in question."



25. From para-6, it appears that the impugned order passed by the Chairman of the Pollution Control Board is cryptic and non speaking order without considering the show cause. Moreover, the impugned order has been passed without giving personal hearing to the petitioner.

26. The Hon'ble Supreme in the case of *M/s Daffodills Pharmaceuticals Ltd. & Anr. vs. State of UP & Anr.* reported as *(2020) 18 SCC 550*, had held as under -

“14. The decisions in Erusian Equipment & Chemicals Ltd. v. State of W.B. [Erusian Equipment & Chemicals Ltd. v. State of W.B., (1975) 1 SCC 70] and Raghunath Thakur v. State of Bihar [Raghunath Thakur v. State of Bihar, (1989) 1 SCC 229] as well as later decisions [Southern Painters v. Fertilizers & Chemicals Travancore Ltd., 1994 Supp (2) SCC 699; Grosans Pharmaceuticals (P) Ltd. v. State of U.P., (2001) 8 SCC 604; B.S.N. Joshi & Sons Ltd. v. Nair Coal Services Ltd., (2006) 11 SCC 548] have now clarified that before any executive decision-maker proposes a drastic adverse action, such as a debarring or blacklisting order, it is necessary that opportunity of hearing and representation against the proposed action is given to the party likely to be affected. This has been stated in unequivocal terms in Raghunath Thakur [Raghunath Thakur v. State of Bihar, (1989) 1 SCC 229] as follows : (Erusian Equipment & Chemicals case [Erusian Equipment & Chemicals Ltd. v. State of W.B., (1975) 1 SCC 70] , SCC p. 75, para 20)“

“20. Blacklisting has the effect of preventing a person from the privilege and advantage of entering into lawful relationship with the Government for purposes of gains. The



fact that a disability is created by the order of blacklisting indicates that the relevant authority is to have an objective satisfaction. Fundamentals of fair play require that the person concerned should be given an opportunity to represent his case before he is put on the blacklist.”

In Southern Painters [Southern Painters v. Fertilizers & Chemicals Travancore Ltd., 1994 Supp (2) SCC 699; Grosons Pharmaceuticals (P) Ltd. v. State of U.P., (2001) 8 SCC 604; B.S.N. Joshi & Sons Ltd. v. Nair Coal Services Ltd., (2006) 11 SCC 548] the grievance was with respect to unilateral deletion of the petitioners' name from the list of approved contractors, maintained by the public sector agency. This Court held that such an action was arbitrary : (SCC p. 703, para 11)

“11. The deletion of the appellant's name from the list of approved contractors on the ground that there were some vigilance report against it, could only be done consistent with and after due compliance with the principles of natural justice. That not having been done, it requires to be held that withholding of the tender form from the appellant was not justified. In our opinion, the High Court was not justified in dismissing the writ petition.”

15. *In the present case, even if one assumes that Surender Chaudhary, the accused in the pending criminal case was involved and had sought to indulge in objectionable activities, that ipso facto could not have resulted in unilateral action of the kind which the State resorted to against Daffodills, which was never granted any opportunity of hearing or a chance to represent against the impugned order. **If there is one constant lodestar that lights the judicial horizon in this country, it is this : that no one can be inflicted with an adverse order, without being afforded a minimum opportunity of hearing, and prior intimation of such a move. This principle is***



too well entrenched in the legal ethos of this country to be ignored, as the State did, in this case.” (Emphasis Supplied)

27. The Hon’ble Supreme Court in the case of ***Kranti Associates Private Limited & Anr. vs. Masood Ahmed Khan & Ors.*** reported as **(2010) 9 SCC 496**, in paragraph nos. 46 and 47, held as follows:

46. *The position in the United States has been indicated by this Court in S.N. Mukherjee [(1990) 4 SCC 594 : 1990 SCC (Cri) 669 : 1991 SCC (L&S) 242 : (1991) 16 ATC 445 : AIR 1990 SC 1984] in SCC p. 602, para 11 : AIR para 11 at p. 1988 of the judgment. This Court held that in the United States the courts have always insisted on the recording of reasons by administrative authorities in exercise of their powers. It was further held that such recording of reasons is required as “the courts cannot exercise their duty of review unless they are advised of the considerations underlying the action under review”. In S.N. Mukherjee [(1990) 4 SCC 594] this Court relied on the decisions of the US Court in Securities and Exchange Commission v. Chenery Corpn. [87 L Ed 626 : 318 US 80 (1942)] and Dunlop v. Bachowski [44 L Ed 2d 377 : 421 US 560 (1974)] in support of its opinion discussed above.*

47. *Summarising the above discussion, this Court holds:*

- (a) **In India the judicial trend has always been to record reasons, even in administrative decisions, if such decisions affect anyone prejudicially.**
- (b) *A quasi-judicial authority must record reasons in support of its conclusions.*
- (c) **Insistence on recording of reasons is meant to serve the wider principle of justice that justice must not only be done it must also appear to be done as well.**



- (d) Recording of reasons also operates as a valid restraint on any possible arbitrary exercise of judicial and quasi-judicial or even administrative power.
- (e) Reasons reassure that discretion has been exercised by the decision-maker on relevant grounds and by disregarding extraneous considerations.
- (f) Reasons have virtually become as indispensable a component of a decision-making process as observing principles of natural justice by judicial, quasi-judicial and even by administrative bodies.
- (g) Reasons facilitate the process of judicial review by superior courts.
- (h) The ongoing judicial trend in all countries committed to rule of law and constitutional governance is in favour of reasoned decisions based on relevant facts. This is virtually the lifeblood of judicial decision-making justifying the principle that reason is the soul of justice.
- (i) Judicial or even quasi-judicial opinions these days can be as different as the judges and authorities who deliver them. All these decisions serve one common purpose which is to demonstrate by reason that the relevant factors have been objectively considered. This is important for sustaining the litigants' faith in the justice delivery system.
- (j) Insistence on reason is a requirement for both judicial accountability and transparency.
- (k) If a judge or a quasi-judicial authority is not candid enough about his/her decision-making process then it is impossible to know whether the person deciding is faithful to the doctrine of precedent or to principles of incrementalism.
- (l) Reasons in support of decisions must be cogent, clear and succinct. A pretence of reasons or "rubber-stamp reasons" is not



to be equated with a valid decision-making process.

- (m) It cannot be doubted that transparency is the sine qua non of restraint on abuse of judicial powers. Transparency in decision-making not only makes the judges and decision-makers less prone to errors but also makes them subject to broader scrutiny. (See David Shapiro in Defence of Judicial Candor [(1987) 100 Harvard Law Review 731-37].)*
- (n) Since the requirement to record reasons emanates from the broad doctrine of fairness in decision-making, the said requirement is now virtually a component of human rights and was considered part of Strasbourg Jurisprudence. See Ruiz Torija v. Spain [(1994) 19 EHRR 553] EHRR, at 562 para 29 and Anya v. University of Oxford [2001 EWCA Civ 405 (CA)] , wherein the Court referred to Article 6 of the European Convention of Human Rights which requires, “adequate and intelligent reasons must be given for judicial decisions”.*
- (o) In all common law jurisdictions judgments play a vital role in setting up precedents for the future. Therefore, for development of law, requirement of giving reasons for the decision is of the essence and is virtually a part of “due process”.*

28. The doctrine of *audi alteram partem* has three basic essentials. Firstly, a person against whom an order is required to be passed or whose rights are likely to be affected adversely, must be granted an opportunity of being heard. Secondly, the authority concerned should provide a fair and transparent procedure and lastly, the authority concerned must



apply its mind and dispose of the matter by a reasoned or speaking order. From the above, it is clear that the impugned order dated 18.06.2025 is a non-speaking and cryptic order without personally hearing the petitioner cannot be sustained and the same is quashed.

29. The matter is remitted back to the Pollution Control Board for passing a fresh order in accordance with law after hearing the petitioner.

(Sandeep Kumar, J)

P. Kumar

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	03.12.2025
Transmission Date	NA

