

BLOGS

Learn in a Minute: Obiter Dicta and Ratio Decidendi

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Introduction

In the realm of legal reasoning and judicial decision-making, two Latin terms are of paramount importance: ratio decidendi and obiter dicta.

These concepts lie at the heart of common law jurisprudence, especially within jurisdictions like India, the United Kingdom, and other countries that follow the common law tradition.

Understanding the meaning, role, and implications of these two concepts is crucial for law students, legal professionals, and scholars alike. This article explores these doctrines in depth, providing clarity on their definitions, distinctions, judicial relevance, and practical application.

What is Ratio Decidendi?

The term *ratio decidendi* literally means “the reason for the decision.” It refers to the legal principle or rule that is the basis for a court’s judgment.

It is the binding element of a judicial decision and has precedential value. In other words, the ratio decidendi is the authoritative legal rule that emerges from a case, which future courts must follow under the doctrine of stare decisis.

A classic explanation was provided by [Rupert Cross](#): “The ratio decidendi of a case is any rule of law expressly or impliedly treated by the judge as a necessary step in reaching his conclusion.”

What is Obiter Dicta?

The term *obiter dicta* translates to “things said by the way.” It includes observations, remarks, or opinions made by a judge that are not essential to the decision of the case. These statements, although found in the judgment, do not form part of the legal reasoning necessary to resolve the dispute.

Obiter dicta can be persuasive but are not binding on future courts. They may, however, influence future judicial thinking and legal development.

Key Differences Between Ratio Decidendi and Obiter Dicta

Edit Feature	Ratio Decidendi	Obiter Dicta	Meaning	Reason for the decision	By-the-way statements
Nature	Binding	Persuasive	Precedential Value	Must be followed by lower courts	May be considered by courts
Role in Judgment	Forms the core legal rule	Supplementary comments	Legal Authority	Establishes law	Assists in understanding law

Importance of Ratio Decidendi

Ratio decidendi is fundamental to the doctrine of precedent. It ensures consistency, stability, and predictability in the law. It also limits judicial discretion by obligating judges to follow established legal rules unless overruled by a higher court or legislative change.

For law students and practitioners, identifying the ratio of a case is essential when applying case law to a legal issue.

For example, in the landmark case of *Donoghue v. Stevenson*, the House of Lords held that a manufacturer owed a duty of care to the ultimate consumer. The ratio decision in the case was that a person owes a duty of care to their “neighbor,” defined as someone who is closely and directly affected by their acts. This principle laid the foundation of modern tort law relating to negligence.

Importance and Influence of Obiter Dicta

Though not binding, obiter dicta can have considerable persuasive value, especially when delivered by higher courts or renowned judges. They often reflect judicial thinking, academic reflections, or speculations about hypothetical scenarios.

In *Central London Property Trust Ltd v. High Trees House Ltd*, Lord Denning’s comments on promissory estoppel were technically obiter, but they laid the groundwork for the doctrine’s acceptance in English law.

Obiter dicta may:

- Offer guidance on unresolved legal issues,
- Indicate possible legal reforms.
- Influence academic debate,
- Provide historical or philosophical perspectives.

How to Identify Ratio Decidendi Obiter Dicta?

Determining what constitutes the ratio of a case can be complex. Courts often have to parse lengthy judgments to extract the binding rule. In some cases, judges may disagree on what the ratio is. This is particularly challenging when multiple judges give concurring opinions.

In ***Union of India v. Dhanwanti Devi***, the Indian Supreme Court clarified that:

“The only thing binding in a judge’s decision is the principle upon which the case is decided, and for this reason it is important to analyze a decision and isolate from it the ratio decidendi.”

Similarly, in ***Commissioner of Income Tax v. Sun Engineering Works (P) Ltd.***, the court emphasized the need to read a judgment in its entirety, not in isolation.

Role in the Indian Legal System

In India, which follows the common law tradition, both ratio decidendi and obiter dicta have been widely recognized and applied. The Supreme Court of India, being the highest judicial authority, sets binding precedents under Article 141 of the Constitution. However, it is the ratio of the judgment that is binding, not the entire text.

The judiciary often refers to obiter dicta from foreign courts, especially those of the UK, US, and Australia, to develop Indian jurisprudence. Moreover, obiter statements in constitutional bench judgments of the Supreme Court sometimes gain authoritative weight, even though technically non-binding.

Evolution of Legal Doctrines Through Obiter

Many significant legal doctrines began as obiter dicta and later evolved into binding law either through reaffirmation in future cases or legislative codification. This shows the fluid boundary between ratio and obiter and highlights the dynamic nature of judicial reasoning.

Examples:

- The concept of basic structure in Indian constitutional law first appeared obiter in **Golak Nath v. State of Punjab** and was solidified as ratio in *Kesavananda Bharati v. State of Kerala*.
- In **Vishaka v. State of Rajasthan**, the Supreme Court laid down guidelines on sexual harassment at the workplace, which were initially treated as obiter but carried the force of law until legislation was enacted.

Conclusion

Ratio decidendi and obiter dicta are twin pillars of judicial decisions that serve different yet complementary roles. While ratio decidendi ensures legal consistency and binding authority, obiter dicta enrich legal discourse and anticipate future developments.