

02.07.2021.
Item no. 7.
Court No.13
ap

**W.P.A. No. 10744 of 2021
(Through Video Conference)**

**Joy Roychoudhury & Anr.
Versus
Steel Authority of India & Ors.**

Mr. Sardar Amjad Ali, ld. Sr. Advocate
Mr. Masum Ali Sardar.

...For the petitioner.

Mr. Ranjan Bachawat, ld. Sr. Advocate,
Mr. Rudraman Bhattacharya,
Mr. S.K. Jain,
Ms. Supriya Dubey,
Ms. Amrita Panja Moulick.

...For the SAIL.

Mr. Tushar Mehta, Ld. Solicitor General,
Mr. Y.J. Dastoor, Ld. Addl. Solicitor General,
Mr. Siddhartha Lahiri.

...For the UOI.

Mr. Anirban Roy, ld. Government Pleader,
Mr. Sirsanya Bandyopadhyay,
Mr. Sayan Sinha.

..For the State.

Mr. Tushar Mahta, learned Solicitor General,
has made submissions and has placed the views of the
Union and Steel Authority of India Limited.

The learned Government Pleader has also made
submissions.

At the outset, it is submitted by learned
Solicitor General that the contention of the writ
petitioners that there was no quorum to the meeting of
the Board of Directors of SAIL held on 10th June, 2021
is incorrect. It is submitted by him that all 12
members were present virtually when the meeting was
held. Hence, the entire Board was present when the
decision was taken.

The learned Solicitor General referred to the grounds XXV and XXVIII urged in the writ petition, particularly two of which could have been urged by the writ petitioners/employees, who otherwise did not have locus to raise any of the other argument. The ground for challenging the transfer of the Raw Material Division is that the petitioners would be disadvantaged as most facilities available in Calcutta may not being available at other places in Odisha and Jharkhand.

This Court is unable to accept the argument. Movement of employees pursuant to a change of location of work place is essentially an incident of service and the petitioners who are employees of the Raw Material Division of the SAIL are bound by the same. There are no allegations of movement of employees being tainted by any mala fides or being punitive.

As far the competence of the Board of Directors to take the decision dated 11th June, 2021, it is now well settled that under the doctrine of internal management that there is a presumption of authority of the Board of Directors of a Company or a body corporate to take decisions and such decision is deemed valid unless the contrary is established. There is no such material on record.

This Court is, therefore, of the view that the petitioners cannot call upon the Writ Court to enter

into a roving enquiry as regards the technicalities of the decision taken by the Board of Directors of a body corporate. This Court also notes that the writ petitioners' locus to challenge any decision of the SAIL is limited to the conditions of service.

The writ petitioners have not been able to demonstrate as to how or why the decision to relocate the Raw Material Division of SAIL from Kolkata would in any way affect the writ petitioners. Administrative and commercial decisions of a body corporate that is an instrumentality of the State, are akin to policy decisions, that are generally not interfered with.

This Court is also unable to countenance the argument that the existing arrangement of supply of raw material to the two steel plants in West Bengal from Odisha and Jharkhand, since 1986 is in any way altered or changed.

The operation of the Steel Plants at Burnpur and Durgapur is not disturbed. The source of supply of raw materials is only altered by reason of the impugned decision.

There is a presumption that such decision may be for purely administrative purposes or business convenience and efficacy.

The concerns of the State expressed by the learned Government Pleader do not call for

intervention under Article 226 of the Constitution of India.

The argument of learned Counsel for the petitioners is that it only the CAA that can confer power on the Director-in-charge of Steel Plants in a State, additional powers as head of the Raw Material Division cannot also be accepted. The said entrustment is incidental to the main appointment order, as Director-in-charge.

This Court, therefore, does not find merit in the writ application. W.P.A. No. 10744 of 2021 shall stand dismissed.

There will be no order as to costs.

All parties are directed to act on a server copy of this order duly downloaded from the official website of this Court.

(*Rajasekhar Mantha, J.*)