

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.18664 of 2024

Binoda Nand Jha Son of Late Dhaneswar Jha, Resident of 3B, Konark Apartment, East Boring Canal Road, Buddha Colony, Police Station-Buddha Colony, Town- Patna, District -Patna.

... .. Petitioner/s

Versus

1. Bihar State Power (Holding) Company Limited, Patna through its Chairman-Cum- Managing Director, 1st Floor, Vidyut Bhawan, Bailey Road, Patna.
2. Chairman-Cum-Managing Director, Bihar State Power (Holding) Company Limited, Patna, 1st Floor, Vidyut Bhawan, Bailey Road, Patna.
3. General Manager, (HR/ Adm.), Bihar State Power (Holding) Company Limited, 1st Floor, Vidyut Bhawan, Bailey Road, Patna.
4. Under Secretary, Bihar State Power (Holding) Company Limited, 1st Floor, Vidyut Bhawan, Bailey Road, Patna.

... .. Respondent/s

Appearance :

For the Petitioner/s	:	Mr. Sanjeet Kumar, Advocate
For the Respondent/s	:	Mr. Vivek Prasad, Advocate
		Mr. Rajan Kumar Srivastava, Advocate

CORAM: HONOURABLE MR. JUSTICE HARISH KUMAR
ORAL ORDER

4 20-12-2024 Heard the parties.

2. The matter has been placed on a motion made by the office of this Court. It would be worth noticing that earlier on 09.12.2024 an incorrect and unsigned judgment/order has been uploaded on account of inadvertence which order has been later on recalled by this Court vide order dated 12.12.2024. Now a corrected and duly signed judgment/ order is being uploaded on the website. In order to avoid any confusion, this Court directs the learned Registrar IT-cum-CPC to delete the order no. 2 dated 09.12.2024 from the website of the Patna High Court.



3. The petitioner is aggrieved with the impugned notification no. 425 dated 21.08.2024 issued by the Under Secretary, Bihar State Power (Holding) Company Limited (hereinafter referred to as BSPHCL) on approval of the competent authority by which the petitioner's engagement on contract basis on the post of General Manager (HR & Administration) has been terminated with immediate effect without giving any prior notice/disclosing any reason and in complete violation of the Principle of Natural Justice, as well as contrary to the provisions contained in Letter of Offer of Engagement.

4. Learned Advocate for the petitioner drawing the attention of this Court to the Job contract notice No. 01 of 2021 submitted that pursuant thereto the petitioner submitted his application and on being found eligible for the post afore-noted, he was offered engagement on contract basis vide letter contained in memo no. 19 dated 27.01.2021.

5. It is contended that the period of contract engagement was initially for three years and, as per the offer of engagement, the contract may be further extended as per the requirement of BSPHCL and depending upon the performance subject to age limit upto 67 years. On being found the



satisfactory service of the petitioner his period of engagement has further been extended for two years vide Annexure P/5 as contained in memo no. 35 dated 12.01.2024.

6. While the petitioner has been performing the duty to the entire satisfaction of the authorities concerned, it is the contention of the petitioner that all of a sudden by the impugned order as contained in memo no. 426 dated 21.08.2024, his services has been dispensed with without any prior notice or assigning any reason in complete defiance of the terms of the agreement, especially clause 11 thereof, which mandated the respondent company to give one month prior notice.

7. Reliance has also been placed on an interim order of this Court dated 18.11.2024 in CWJC No. 17327 of 2024 wherein this Court on being found that one month prior notice has not been served, stayed the order of termination.

8. On the other hand, learned Standing Counsel representing the BSPHCL has submitted that admittedly the appointment of the petitioner on the afore-noted post was on contractual basis and he was engaged on the said post for period of three years, with certain stipulations as has been disclosed in the offer of engagement.

9. It is the specific contention of the learned Advocate



for the respondent company that in lieu of one month prior notice, the petitioner has been accorded one month's salary and, as such, there is no defiance of the terms of the engagement; moreover, only on account of non-submission of one month notice, would not make the disengagement of the petitioner invalid.

10. At this juncture learned Advocate for the petitioner submits that so far one month's salary in lieu of one month prior notice is concerned, the same has been made after filing of the writ petition.

11. This Court has heard learned Advocate for the respective parties. It is well settled that no contractual employee has a right to have his or her contract renewed from time to time in absence of any statutory right or other rights in his favour. With the development of law relating to judicial review of the administrative actions, a Writ Court can now examine the validity of termination order passed by the public authority. The Hon'ble Supreme Court in the case of *Gridco Ltd. & Anr. v. Sadananda Doloi*, 2011 (15) SCC 16 has held that the Court cannot sit in the arm chair of the Administrator to decide whether a more reasonable decision or course of action could have been taken in the circumstances. So long as the action



taken by the authority is not shown to be vitiated by the infirmities referred to above and so long as the action is not demonstrably in outrageous defiance of logic, the writ Court would do well to respect the decision under challenge.

12. The Hon'ble Supreme Court while dealing with the issue of contractual appointment in the case of ***Gridco Ltd. (supra)*** has held in clear term that the renewal of contract of employment is dependent upon the perception of the management as to the usefulness of the employee and the need for an incumbent in the position. Both these aspects rested entirely in the discretion of the employer. In the modern commercial world, executives are engaged on account of their expertise in a particular field and those who are so employed are free to leave or to be asked to leave by the employer. Contractual appointments work only if the same are mutually beneficial to both the contracting parties and not otherwise.

13. In the case in hand the impugned order dispensing the services of the petitioner is nothing but a termination simplicitor in accordance with the terms of the contract. So far the contention of the petitioner regarding non-payment of one month's salary in lieu of one month's prior notice is concerned, the issue has been duly considered by the Hon'ble Supreme



Court in the case of *Oriental Insurance Company Limited vs. T. Mohammed Raisuli Hassan, 1993 (1) SCC 553* wherein the Hon'ble Court held that non-service of one month notice in writing by the employer to the employee before termination of contractual service did not invalidate or vitiate such termination. Furthermore the interim order passed by the learned co-ordinate Bench of this Court, with all respect, cannot be treated as a precedent as there is no adjudication.

14. In view of the discussions afore-noted and the position obtained in law, this Court does not find any reason to interfere in the impugned order. The writ petition stands dismissed.

(Harish Kumar, J)

supratim/-

U			
---	--	--	--

