

SUPREME COURT OF INDIA

Steel Authority of India Ltd

Vs.

Deby Lal Mahato & Ors.

(A.K.Mathur and Altamas Kabir,JJ.)

C.A.No.1774 of 2008

05.03.2008

ORDER

(Arising out of SLP(C) No. 1415 of 2007)

1. Leave granted.

2. This appeal by special leave is directed against the judgment and order dated 3rd/10th January, 2007 passed by the High Court of Jharkhand at Ranchi in Contempt Case (C) Nos. 20, 34, 39 and 178 of 2006 in respect of displaced persons belonging to category No. 2. By the impugned judgment and order, the Division Bench of the High Court has issued Contempt Notice for non-compliance of the orders dated 7th April, 1998 and 1st August, 2000 passed by the Patna High Court, Ranchi Bench (as it then was).

3. The brief facts which are necessary for disposal of this appeal are that Bokaro Steel Plant, a national project of the Government of India, was commissioned on land acquired from the various land holders. For acquisition of their lands, the land holders were not only paid compensation but in addition to that, an understanding was reached between the Union Government, the State Government and the Company that apart from compensation, one person from each displaced family would be given employment in the steel plant. This evoked a spate of petitions and various orders were passed from time to time in view of the assurance which was given in the minutes of the Understanding dated 25th January, 1964. In view of the Understanding, a list was prepared of all persons whose lands were acquired along with buildings and structures and those whose lands had been acquired which did not have any building and structure thereon. The original list prepared in the year 1972 consisted of 6019 displaced families and against that more than 16,000 (approx.) persons have already been given employment.

4. Thereafter, on 5.9.1991, 150 vacancies arose in Khalasi post for displaced persons and a scheme was framed which was approved by the Jharkhand High Court in LPA Nos. 161-162 of 1996 for filling up the vacancies advertised on 5.9.1991. A direction was given by the Division Bench in its order dated 7th April, 1998, which reads as under: "Both these appeals

are accordingly disposed of in terms of the aforementioned scheme proposed by the Steel Authority with the following direction/observations:-

“(i) The Steel Authority shall prepare a list containing names of displaced persons in accordance with clause (1) of the proposed scheme within two months of the receipt of the certified copy of this judgment. The list so prepared shall be sent to the Director, Project Land and Rehabilitation, for verification, who shall get the bonafide of the status and claim of such persons verified and submit the report in connection therewith to the Steel Authority within three months from the date of receipt of the request for verification. The Steel Authority will thereafter hold interview for selection of suitable candidates and prepare a panel containing the names of selected displaced persons within two months.

(ii) The persons whose names are included in the panel will be placed in two categories according to the criteria already laid down and referred to hereinbefore. The persons in category no. (i) will be given employment first. Thereafter, those who are included in category no. (ii) will be considered for employment.”

5. Thus in terms of the direction given by the High Court, two lists of displaced persons were prepared. Category (i) list consisted of persons whose lands alongwith buildings were acquired and category (ii) list consisted of persons whose lands alone were acquired. As per the direction of the High Court, employment was to be given first to persons of category (i) and those whose names were included in category (ii) were to be considered for employment. Then some directions were also given by the High Court on 1.8.2000. Pursuant to the direction of the High Court, Director, Project Land & Rehabilitation (for short 'DPLR') prepared a list and sent the names of 286 persons and on verification it was found that 79 persons were not eligible for consideration in category(i) and on 8.4.2002, the DPLR confirmed the list of 207 persons in category (i) who were eligible for appointment. Out of the said 207 persons, 195 persons were given appointment against notified 150 vacancies. 12 persons were found medically unfit/unsuitable/ineligible for appointment. This exhausted the category (i) list of 207 persons provided by DPLR.

6. Thereafter, some persons who claimed to be displaced persons under category (ii) filed a contempt petition before the High Court. On 25.8.2006 the said contempt proceedings were dropped. However, in other similar contempt petitions notices were issued to the Managing Director of the Steel Authority of India Ltd-appellant.

7. So far as the list of category (ii) is concerned, the DPLR gave a list of 970 persons because the list of category (i) had already been exhausted and all the persons whose names were forwarded by the DPLR were given employment except those who were were found to be medically unfit/unsuitable/ineligible. Then on 1.6.2007 the appellant advertised for 300 general vacancies in the company and the same were filled up after due selection process and the 26 persons who moved for contempt were also selected in the said process, other things being equal.

8. Again, the appellant came to see that despite having already exhausted the list of category (i) and also having appointed 26 persons from category (ii), they are again under the threat of contempt, although they are under no obligation to give employment to persons placed in category (ii) as under the orders of the High Court dated 7.4.1998, they were only required to be considered for employment.

9. We have heard learned counsel for the parties. Learned counsel for the appellant has invited our attention to subsequent Memorandum of the Government dated 3.2.1986 in which it was clearly mentioned in sub-para (v) of para 4 as under:- "In the context of the urgent necessity of public sector enterprises operating at commercially viable levels and generating adequate internal resources, over manning has to be guarded against, any understanding formal or informal in regard to offer of employment to one member of every dispossessed family in the project will stand withdrawn."

10. It is unfortunate that despite the scheme having been withdrawn way back in 1986, the same finds no mention in any of the litigation which has arisen with regard to the project. If the decision to withdraw the scheme was already taken by the Government of India in 1986 then that should have been brought to the notice of the Courts at appropriate time that whatever scheme that had to be implemented had in fact been already implemented and henceforth no further employment would be given in terms of the scheme to such landless people whose lands had been acquired. Had this fact been brought to the notice of the Courts by the parties perhaps things would have been different. But unfortunately, this basic fact has been lost sight of and this has resulted in a large number of litigation and the present contempt petitions before the High Court are an outcome of this.

11. Be that as it may, it is now high time to put an end to the litigation. It is an admitted fact that the project was completed way back in 1966 and even after more than 40 years of the completion of the project, people whose land was acquired for the purposes of the project are still litigating for getting employment. This is not at all warranted. At the relevant time, the intention of the government was to rehabilitate the landless people whose lands had been acquired and to provide employment to one member of the displaced family so that they could maintain the family so displaced. It was not at all the intention of the government to distribute this kind of largesse on an indefinite basis. This is nothing but an abuse of the process of Court.

12. However, in order to put an end to the controversy at hand, we direct that the 970 persons whose names have been included in category (ii) as per order dated 7.4.1998 of the High Court will be considered for appointment, other things being equal. It is submitted by counsel for the appellant that in the advertisement dated on 1.6.2007 for 300 general vacancies it has been mentioned that preference will be given to those displaced persons whose lands have been acquired. The relevant portion of the advertisement reads as under :-

"Preference will be given to local displaced persons of Bokaro as per Company's policy."

It may be made clear that consideration of the names of persons for employment does not give them a right to appointment. Other things being equal, they will be given preference in the matter of employment as and when vacancies arise.”

13. We also record our displeasure that every now and then under the contempt notice the officials are required to attend courts which hampers the working of the administration. We have already expressed this view in the case of *State of Gujarat Vs. Turabali Gulamhussain Hirani & Anr. reported in*¹ to which one of us, Mathur, J. was a party). Hence the practice of calling the officials in contempt proceedings should be minimised and only in exceptional cases the concerned officials may be called.

14. In the result, we set aside the judgment and order dated 3/10.01.2007 passed by the Division Bench of the High Court and dismiss the contempt proceedings pending before it. We allow this appeal with the direction that the 970 persons whose names appear in category (ii) as per the direction of the High Court 7.4.1998 shall be considered and given preference for employment, other things being equal. Appeal allowed. No order as to costs.

Judgment Referred.

¹(2007) 10 SCR 0531