

IN THE HIGH COURT OF JHARKHAND AT RANCHI**W.P.(C) No. 704 of 2021**

.....
 M/s. Vandi Industrial Engineers having its local office at Sansar Apartment, 403, 4th Floor, Block-A, New A.G. Colony, Kadru, P.O. & P.S.-Argora, District-Ranchi; through its proprietor Satish Choudhary @ Satish Kumar Choudhary @ Satish Kumar, aged about 56 years, son of Late Dina Nath Choudhary, Resident of C/336, Koelnagar, Rourkela, P.O. Shakti Nagar, P.S.-Jhirpani, District-Sundergarh (Odisha), Pin Code-769014.

..... Petitioner(s)

Versus

1. The State of Jharkhand.
2. The Principal Secretary, Labour, Employment & Training Department, Govt. of Jharkhand, Nepal House, Doranda, P.O. & P.S.-Doranda, Distt. Ranchi.
3. The Chief Inspector of Factories, Jharkhand, having its Office at Labour Building, Doranda, P.O. & P.S.-Doranda, Distt. Ranchi.
4. Gopal Kumar, son of not known to petitioner, Dy. Chief Factory Inspector, Ranchi-cum-Incharge, Chief Inspector of Factories, Govt. of Jharkhand, having its Office at Labour Building, Doranda, P.O. & P.S.-Doranda, Distt. Ranchi.
5. The Steel Authority of India Ltd., Bokaro Steel Plant, Bokaro, through its Managing Director, P.O. & P.S.-Bokaro Steel, District-Bokaro.
6. The GM(P)/Mills, E&P, P-NW, Bokaro Steel Plant, SAIL, Bokaro Steel City, P.O. & P.S.-Bokaro Steel, District-Bokaro.

..... Respondent(s)

with

W.P.(C) No. 36 of 2021

.....
 M/s. Vandi Industrial Engineers having its local office at Sansar Apartment, 403, 4th Floor, Block-A, New A.G. Colony, Kadru, P.O. & P.S.-Argora, District-Ranchi; through its proprietor Satish Choudhary @ Satish Kumar Choudhary @ Satish Kumar, aged about 56 years, son of Late Dina Nath Choudhary, Resident of C/336, Koelnagar, Rourkela, P.O. Shakti Nagar, P.S.-Jhirpani, District-Sundergarh (Odisha), Pin Code-769014.

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Versus

1. The State of Jharkhand.
2. The Principal Secretary, Labour, Employment & Training Department, Govt. of Jharkhand, Nepal House, Doranda, P.O. & P.S.-Doranda, Distt. Ranchi.

3. The Chief Inspector of Factories, Jharkhand, having its Office at Labour Building, Doranda, P.O. & P.S.-Doranda, Distt. Ranchi.

4. Gopal Kumar, son of not known to petitioner, Dy. Chief Factory Inspector, Ranchi-cum-Incharge, Chief Inspector of Factories, Govt. of Jharkhand, having its Office at Labour Building, Doranda, P.O. & P.S.-Doranda, Distt. Ranchi.

..... **Respondent(s)**

with

Cont. Case (Civil) No. 154 of 2023

.....
M/s. Vandi Industrial Engineers having its local office at Sansar Apartment, 403, 4th Floor, Block-A, New A.G. Colony, Kadru, P.O. & P.S.-Argora, District-Ranchi; through its proprietor Satish Choudhary @ Satish Kumar Choudhary @ Satish Kumar, aged about 56 years, son of Late Dina Nath Choudhary, Resident of C/336, Koelnagar, Rourkela, P.O. Shakti Nagar, P.S.-Jhirpani, District-Sundergarh (Odisha), Pin Code-769014.

..... **Petitioner(s)**

Versus

1. The State of Jharkhand.

2. Mr. Rajesh Sharma, Principal Secretary, Department of Labour and Government of Jharkhand, having its office at Nepal House, P.O. & P.S. Doranda, District-Ranchi.

3. Mr. Gopal Prasad, son of Shri B.P. Singh, resident of G.B.-23, B.S. City, Sector-I, Police Station Sector-IV, District-Bokaro Jharkhand at present posted and working as in Charge Chief Inspector of Factories, Government of Jharkhand, having its office at Neighbour Building, Doranda, P.O. & P.S. Doranda, District-Ranchi.

..... **Respondent(s)**

CORAM: HON'BLE MR. JUSTICE DEEPAK ROSHAN

For the Petitioner : Mr. Krishna Murari, Advocate
(In all the cases)

For the Respondents : Mr. Manish Mishra, G.P.-V
(in W.P.(C) No. 704 of 2021)

Mr. J.F.Toppo, G.A.-V
(in W.P.(C) No. 36 of 2021 & Cont. Cvl. No. 154 of 2023)

For the SAIL : Mr. Shresth Gautam, Adv

C.A.V. ON 29/01/2026

PRONOUNCED ON: 25/02/2026

Heard learned counsel for the parties.

2. W.P.(C) No. 36 of 2021 was filed under Article 226 of

the Constitution of India for the following reliefs: -

I. For quashing the impugned letter no. JH/CIF/7/Com. 1046/2015 dated 14.08.2020 issued under the signature of Respondent No. 4, whereby and whereunder the Competency Certificate No. JH/CIF/7/Com.1046/2015 dated 03.02.2020 of the Petitioner has been cancelled/revoked.

II. Consequently, for direction upon the respondents to restore the Competency Certificate of the petitioner.

3. Thereafter, another case being W.P.(C) 704 of 2021 was filed challenging the order, whereby, the claim for payment by respondent SAIL was rejected on the ground that stability certificate has been rejected by the Chief Inspectors of Factory and further the competency certificate to conduct stability tests has also been cancelled.

4. It is worthwhile to mention herein that during pendency of the instant writ petition, one Contempt application being *Cont. Case (Civil) No.154 of 2023* was preferred for violation of order dated 10/08/2021 passed in W.P. (C) No. 36 of 2021.

5. All three matters being interlinked are being heard together.

Factual Matrix & Submissions of the Petitioner:

6. Briefly stated, vide letter dated 14.08.2020, the Certificate of Competency bearing No. JH/CIF/7/Com.1046/2015 dated 03.02.2020 was

cancelled alleging certain violations of terms enumerated in the certificate, more specifically for violation of clause (v), (vi), & (ix) of competency certificate.

7. The stand of the Petitioners is that due to cancellation of his Competency Certificate and on being issued show cause notices by the respondent authorities, the petitioner duly replied by answering the queries made; however, the same was not properly considered by the respondent authorities and the respondents by going beyond the scope of Show cause; cancelled/revoked the certificate of competency which is arbitrary and illegal and also *mala-fide*.

8. Further grounds have been taken that several contractual works in different companies were affected and entire activity of the petitioner and its employees have been steeled and payment of work already executed has been stopped.

9. It has been argued that the authorities have unnecessarily made allegations that the petitioner has obtained competency certificates on the basis of incorrect information; however, the fact remains that the earlier CIF had granted competency certificates after assessing all the requirements and hence the certificates issued in pursuance to the same could not be reviewed by the

present CIF.

10. It has further been contended that though the petitioner filed a recall/restoration application dated 25.08.2020 along with affidavit dated 28.01.2013 and other relevant documents and tried to establish his bona-fide and transparency but the same was not considered and entire activity of the petitioner-firm and its employee has been stalled, therefore, the petitioner has approached this court by filing the instant writ application.

11. During pendency of the writ petition, one Interlocutory Application being I.A. No. 3058/2021 in W.P. (C) No. 36 of 2021 was filed and vide order passed by this Court in the said Interlocutory Application, order cancelling the competency certificate was stayed.

12. It has also been contended by the petitioner that in view of section 6 of the factories Act there is a provision of deemed approval.

13. At this stage itself, it is necessary to point out that from bare perusal of the said section it clearly transpires that the condition of deemed approval is subject to condition that the application must be "*accompanied by the plans and specifications required by the rules.*" In the instant matter, the specific contention of the respondent State is that the name of factory has been wrongly

mentioned, the name of the competent person does not appear at the correct place, the details of maps/plan Map number, date or letter number was also not mentioned.

Further, the said section 6 of the factories Act also stipulates; if there is refusal to grant permission the applicant may appeal to the central government if the decision was from the State government.

14. A counter affidavit has been filed on behalf of the respondent-State denying the claim of the petitioner.

Submissions on behalf of the respondent State:

Learned counsel for the respondent-state has submitted that respondents have revoked the competency certificate of the Petitioner after granting due opportunity to the Petitioner and upon careful consideration of materials on record and having "*reasons to believe*" that the Petitioner has deliberately furnished incorrect information to obtain the said certificate and issued several stability test certificates/load tests without conducting the same.

15. It was further contended by the State that contrary to the claim of the petitioner, the Proprietor Sh. Satish Kumar Choudhary @ Satish Kumar had constituted Vandi Industrial Engineers Pvt. Ltd. in 2018; rather the said company was incorporated in 2010 and that Satish Kumar Choudhary @ Satish Kumar applied for the renewal of the

Competency Certificate bearing Certificate no. JH/CIF/7/Com. 1046/2015 dated 11.01.2017 at the behest of a Pvt. Ltd. Company namely, Vandi Industrial Engineers Pvt. Ltd. incorporated in the year 2009-2010 by two directors namely, Satish Kumar Choudhary @ Satish Kumar and his wife Sujata Choudhary.

16. It has been pointed out that Vandi Industrial Engineers Pvt. Ltd. was being run by Sh. Satish Kumar Choudhary @ Satish Kumar as being one of the Directors under the same/identical trade name, trade address and letter head as that of the Petitioner firm. Sh. Satish Choudhary at the behest of the Petitioner made an application dated 28.12.2018 for renewal of Competency Certificate issued in favour of Vandi Industrial Engineers Pvt. Ltd.

17. Based on the said representation, Competency Certificate dated 07.01.2019 was issued in favor of the Petitioner being valid till 09.01.2020.

18. Further Letter No. 673 dated 04.07.2020 was issued to Petitioner calling upon to provide the details in relation to 16 stability test certificates to IOCL, Dhanbad. Letter No. 676 dated 06.07.2020 was issued to Petitioner calling upon to provide the details in relation to stability test certificates to Bokaro Steel Plant.

19. Since no reply was given by the Petitioner, therefore, a show cause notice dated 15.07.2020 was issued to the petitioner. Another show Cause Notice bearing Memo No. 704 dated 28.07.2020 was issued to the Petitioner calling upon to explain as Sh. Satish Choudhary/ Satish Kumar had obtained Competency Certificated dated 30.12.2012 without disclosing that he is Director of Vandri Industrial Engineers Pvt. Ltd. since 2010 and thereafter, obtained Competency Certificate dated 10.01.2018 in the name of Vandri Industrial Engineers Pvt. Ltd. but submitted certificates to Bokaro Steel Plant and others in the name of Vandri Industrial Engineers.

The Petitioner replied stating that Vandri Industrial Engineers Pvt. Ltd. and Vandri Industrial Engineers are the same company and further informed that he has tried to upgrade the company to private limited firm.

20. On enquiry, it was found that M/s. Vandri Industrial Engineers Pvt Ltd. has been incorporated since 2010 and M/s. Vandri Industrial Engineers has been registered as a proprietorship firm since 2013 and are separate legal entity. On finding the reply unsatisfactory as being incorrect and incomplete and further in violation of clause (v), (vi), & (ix), the concerned respondent cancelled/ revoked the Competency Certificate vide its Letter dated 14.08.2020

in terms of Rule 2(A) sub rule (4) (c) of the Jharkhand Factories Rules, 1950.

Analysis:

21. Heard learned counsel for the parties and perused the pleadings available on record as also the relevant provisions of Law, as involved in the present case.

22. It is not in dispute that the petitioner was issued the competency certificate and on the basis of the said certificate, the petitioner had issued certificates to various industries and institutions. On perusal of the letter dated 06.10.2020 it transpires that the same was issued for violation of various clauses like Clause 5,6,8,9, 10 & 11. For ready reference the above-mentioned clauses are extracted hereinbelow:

“Clause 5 the detailed schedule of tests, examinations and inspections shall be to the office of Chief Inspectors of Factories, Jharkhand by the competent person within one week in advance from the date of actual tests, examinations, and inspections.

Clause 6 the No certificate shall be issued by the competent person until, copies of photographs taken and synopsis of observations/irregularities (if any) noted during the tests examination and inspection, have been submitted to the Chief Inspectors of Factories, Jharkhand Ranchi and accepted by him.

Clause 8 The record of the work done by the competent person should be maintained in a log book, incorporating therein the details regarding work done, observation made, and directives given etc.

Clause 9 the Copies of the tests certificates issued by competent person will be made available to the office of the Chief Inspectors of Factories, Jharkhand within a month from the date of issuance of certificates.

Clause 10 the Facilities and equipments to be used for the

purpose of tests, examinations and inspections should be maintained in good and efficient working conditions at all times and calibrated from time to time. Report of calibration shall be made available to the Chief Inspectors of Factories, Jharkhand Ranchi within a month.

Clause 11 *is with reference to the competent person shall undergo comprehensive training, programme on tests, examinations, and inspections, of lifting machines, lifting tackles, and pressure vessels, conducted by central labor institutes, N.S.Mankikar Marg, Sion Mumbai-400022 within one year from the date of issue of this certificate."*

It appears that the reply submitted by the petitioner was only on one aspect that is with regard to the names of M/s. Vandi Industrial Engineers Pvt. Ltd. and M/s. Vandi Industrial Engineers

23. In order to decide the issues involved in the instant matter it would be necessary to note that the competency certificate is issued to the competent persons who then grants various certificates to persons after carrying out tests, examinations and inspections for building, dangerous machinery, hoists and lifts, lifting machines etc.

24. Section 2 (ca) of the Factories Act, 1948 defines the competent person or an institution to be a "*recognized person*" by the Chief Inspector of Factory to carrying out tests.

25. Section 2A of the Jharkhand Factories Rules defines the Procedure of grant of certificate of competency. For brevity, the same is quoted below:-

(1) The Chief Inspectors may recognize any person as 'as competent person' within such area and for such period as may be specified for

the purpose of carrying out tests, examinations, inspection and certification for such buildings, dangerous machinery, hoists and lifts, lifting machine and(2), (3), (4) (a), (b) and lifting tackles, pressure plant. (c).....for being heard.

26. Form 34 specifies the format in which the form of certificate of stability is issued.

27. The records reveal that the reason for cancelling the certificate of competency was issued after issuing show cause notices/letters dated 04/07/2020 specifying that the information's/details with regard to some of the tests had not been provided by the petitioner. Further letter dated 06/07/2020 was issued that number of tests and scheduled have not been submitted. Second show cause dated 22/7/2020 was issued since the number of tests and schedules were not given and also query was made about record of work done, observation made, and directives given and also various condition like photographs, synopsis.

It further appears that the third show cause was issued with regard to the names of Satish Kumar and Satish Kumar Choudhary and also about the proprietary firm and private limited company.

28. Thus, from the conjoint reading of the relevant section of the Factories Act, 1948 and Rules of 1950 it is clear that the Competent persons are granted Certificate of Competency to carry out tests, examinations and inspections for building, dangerous machinery, hoists and

lifts, lifting machines etc.

29. A contention has been raised by the State that there had been violations of the specific conditions of terms of certificate and as per the documents available on record there is reply by the petitioner only on one aspect i.e. the names of company namely M/s. Vandt Industrial Engineers Pvt. Ltd. and M/s. Vandt Industrial Engineers.

It would be proper to indicate here that Vandt Industrial Engineers Pvt. Ltd as a private limited company was incorporated in the year 2010 and M/s. Vandt Industrial Engineers, a proprietor firm was registered in the year 2013; thus, admittedly, they are two different entities since 2013.

30. Further, the petitioner has failed to establish from the records that all the conditions of the certificate of competency were adhered to. Thus, based on the revocation of certificate of competency; the payment of the petitioner has been withheld.

This court having writ jurisdiction cannot delve into the factual dispute and the issue raised relates to factual determination; as such, the parties may approach the appropriate forum for redressal of their grievance.

31. So far as the issue of restoring the competency certificate is concerned; it would be proper to refer to the

certificate of competency which is issued for a particular period only and in this case, it was granted for a period starting from 10.01.2019 to 09.01.2020. As such the certificate has itself ended. Hence no relief can be granted.

32. On the submission of the petitioner that section 6 of the factories Act there is a provision of deemed approval. However, on perusal of the said section it transpires that the condition of deemed approval is subject to condition that the application must be "*accompanied by the plans and specifications required by the rules*".

In the instant matter the specific contention of the respondent state is that the name of factory has been wrongly mentioned, the name of the competent person does not appear at the correct place, the details of maps/plan map number, date or letter number was also not mentioned.

Further the said section 6 of the factories Act also provides for appeal, inasmuch as, if there is refusal to grant permission, the applicant may appeal to the central government if the decision was from the state government.

33. Having regard to the discussions made hereinabove, this Court is of the considered view that the writ petition being W.P.(C) No. 36 of 2021 deserves to be dismissed and is accordingly dismissed.

Consequently, since the competency certificate cannot be restored and the impugned order dated 14.08.2020 has not been quashed, this Court cannot either quash the subsequent order dated 26.08.2020 whereby the stability certificates were rejected, nor can it direct the concerned respondents to release the amount alleged to be due to the petitioner. As stated hereinabove, this court under writ jurisdiction cannot delve into the factual dispute and as such, for factual determination, the Petitioner would be free to approach appropriate remedy as per law. Accordingly, no relief can be granted to the Petitioner in W.P.(S) No. 704 of 2021.

Further, in view of the fact that the impugned order dated 14.08.2020 has not been interfered with, the interim order dated 10.08.2021 passed in W.P.(C) No. 36 of 2021 has become infructuous. Accordingly, the contempt petition being Cont. (Cvl) No. 154 of 2023, filed for compliance of the interim order, stands dropped.

34. As a result, all the three application stands disposed of. Pending I. As, if any, are also disposed of.

(Deepak Roshan, J.)

Dated:25/02/2026
Amardeep/
A.F.R

Uploaded
 27.02.2026