

HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

AND

HON'BLE SRI JUSTICE G.SHYAM PRASAD

Writ Appeal No.822 of 2016

and

Writ Petition No.14079 of 2016

Date:14.9.2016

Writ Appeal No.822 of 2016

Between:

Life Insurance Corporation of India,
Mumbai, repled by its Chairman and
three others.

..... Appellants

And:

K.Lakshmipathi

....Respondent

Counsel for the appellants: Mr. P.Venu Gopal

Senior counsel
for Srinivas S.Rajan

Counsel for the respondent: Mr. P.Nagendra Reddy

AND

Writ Petition No.14079 of 2016

Between:

K.Lakshmipathi

..... Petitioner

And:

Life Insurance Corporation of India,
Mumbai, repled by its Chairman and
three others.

....Respondents

Counsel for the petitioner: Mr. P.Nagendra Reddy

Counsel for the respondents: Mr. P.Venu Gopal

Senior counsel
for Srinivas S.Rajan

The Court made the following:

ORDER: (per Hon'ble Sri Justice C.V.Nagarjuna Reddy)

This Writ Appeal arises out of an interim order of *status quo* granted by the learned single Judge in Writ Petition No.14079 of 2016.

As the learned counsel for both the parties requested for disposal of the Writ Appeal along with the said Writ Petition, we have called for the Writ Petition also for disposal along with this Writ Appeal.

For convenience, the parties are referred as they are arrayed in the Writ Appeal.

Respondent No.1, who has been working as Senior Marketing Executive, filed the Writ Petition feeling aggrieved by order, dated 24.3.2016, of appellant No.2, informing respondent No.1 that his engagement on contract basis will be ending on 25.4.2016, with the advice that he shall contact appellant No.4 for receiving Provident Fund and Gratuity, if any. Respondent No.1 has assailed the said order mainly on the ground that he is denied renewal of contract for a further period of three years while renewing contracts in favour of similarly situated persons.

Mr. P.Venu Gopal, learned senior counsel appearing for the appellants, fairly conceded that as a general policy, the appellants have been continuing all the Senior Marketing Executives till the expiry of three terms except those who are found unsuitable based on performance review.

Under Clause-3(b) of the Senior Marketing Executives (On Contract Basis) Scheme, 2009, the contract may be further renewed for a period of three years subject to the satisfactory performance, suitability of the person, etc., and in no case, the contractual engagement can be more than three times. Clause-6 of the said Scheme envisages Performance Review, as per which, the performance criteria shall be fixed by the Engaging Authority from time to time with the prior approval of the competent authority. It further provides that the performance of the person shall be reviewed periodically and based on the performance and suitability of the candidate as well as the needs of the Corporation, extension of the period of contract may be considered for a further period of three years.

A perusal of the proceedings impugned in the Writ Petition shows that there is no reference to either non-suitability or unsatisfactory performance of respondent No.1.

Nothing is placed before this Court to show that respondent No.1's performance is unsatisfactory, disentitling him for his continuance for the third term.

In the afore-mentioned facts of the case, we do not find any justification in not renewing the contract in favour of respondent No.1/writ petitioner.

Accordingly, we set aside the impugned order in the Writ Petition with the direction to the appellants to continue

respondent No.1 as Senior Marketing Executive for the third term. This order, however, does not preclude the appellants from reviewing the performance of respondent No.1, if they so desire and pass appropriate order, after notice and an opportunity of being heard is given to respondent No.1. Thereafter, if, as per the performance review, his performance was not satisfactory and he was not suitable for being continued, the appellants may pass a speaking order if they choose to discontinue respondent No.1.

Subject to the liberty given to the appellants as above, the Writ Petition is allowed and the Writ Appeal is dismissed.

As a sequel to disposal of the Writ Appeal and Writ Petition, interim order, dated 25.4.2016, is vacated and WAMP.No.1974 of 2016 and WPMP.No.17564 of 2016 are disposed of as infructuous.

JUSTICE C.V.NAGARJUNA REDDY

JUSTICE G.SHYAM PRASAD

14th September 2016

DR