

THE HON'BLE SRI JUSTICE P.NAVEEN RAO

WRIT PETITION No.30858 2018

ORDER :

The petitioner is challenging the order of termination of services, as affirmed by the appellate authority, on allegation of misconduct.

In **BOGGADI RAMA CHANDRA REDDY Vs. STATE OF ANDHRA PRADESH**¹, this Court considered the issue regarding maintainability of writ petition against non-renewal of contract or termination of contract of service. On review of precedent decisions, this Court summarised principles as under:

- “1. Once nature of appointment is contractual, there is no legitimate right to seek to continue in service beyond period of contract.
2. Principles of natural justice cannot be read into matters of contractual obligations.
3. It is permissible to assess suitability before granting renewal of contract appointment.
4. Ordinarily matters arising out of contractual obligations including termination of contract having stigma, writ petition is not the remedy and may give rise to civil remedy.
5. A writ Court is entitled to judicially review the action and determine whether there was any illegality, perversity, unreasonableness, unfairness or irrationality that would vitiate the action.
6. Power of judicial review cannot be extended to 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.
7. If it is claimed that termination of contract appointment is illegal, it may give rise to a right to sue for damages.
8. It is permissible for employer to impose special terms and employee is bound by those terms.”

This Court noted decision of Supreme Court in **GRIDCO LTD Vs.**

SADANANDA DOLOI AND OTHERS² and further held:

“67. In **GRIDCO** Supreme Court was considering the scope of judicial review of termination of contract appointment made for a fixed tenure and also scope of renewal/extension of contract. On review of law on the subject, Supreme Court held;

¹ 2016(5) ALT 45

² AIR 2012 SC 729

“26. A conspectus of the pronouncements of this Court and the development of law over the past few decades thus show that there has been a notable shift from the stated legal position settled in earlier decisions, that termination of a contractual employment in accordance with the terms of the contract was permissible and the employee could claim no protection against such termination even when one of the contracting parties happened to be the State. Remedy for a breach of a contractual condition was also by way of civil action for damages/compensation. With the development of law relating to judicial review of administrative actions, a writ court can now examine the validity of a termination order passed by public authority. It is no longer open to the authority passing the order to argue that its action being in the realm of contract is not open to judicial review. A writ court is entitled to judicially review the action and determine whether there was any illegality, perversity, unreasonableness, unfairness or irrationality that would vitiate the action, no matter the action is in the realm of contract. Having said that we must add that judicial review cannot extend to the Court acting as an appellate authority sitting in judgment over the decision. The Court cannot sit in the armchair 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.”

104. Furthermore, tenure of appointment is over and there is no manner of right vested in petitioners to continue in employment after 30.6.2015. Thus, petitioners cannot seek a mandamus in exercise of power of judicial review to ask for renewal of contract, irrespective of fulfilment of targets fixed. When relationship is determined by contract, no mandamus can be issued to compel party to a contract to renew the contract. Therefore, even if it is assumed that words employed in the communication impugned in these writ petitions informing the decision not to renew the employment is stigmatic at the most it may give rise to right to sue for damages but no direction to renew the contract and to employ the petitioners be granted on that ground.”

In view of the same, this writ petition is also dismissed, leaving it open to the petitioner to work out his civil law remedies as available to him, if he is so advised, against the order of termination of services. Pending miscellaneous petitions, if any, shall stand closed.

P.NAVEEN RAO,J

30th August, 2018
JSU

THE HON'BLE SRI JUSTICE P.NAVEEN RAO



WRIT PETITION No.30858 2018

DATED : 30.08.2018