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**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CWP-22677-2023

Date of Decision:30.11.2023

PREM KUMAR JINDAL

..... Petitioner

Versus

**THE NEW INDIA ASSURANCE COMPANY LTD AND
ANOTHER**

..... Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present : Mr. Lalit Chander Sharma, Advocate for
Mr. Surinder Garg, Advocate
for the petitioner.

Mr. Suman Jain, Advocate
for the respondents.

JAGMOHAN BANSAL, J. (Oral)

1. Written statement filed on behalf of the respondents is taken on record. Registry is directed to tag the same at an appropriate place.

2. The petitioner through instant petition under Articles 226/227 of the Constitution of India is seeking setting aside of order dated 03.07.2023 (Annexure P-4) whereby contract of the petitioner as Business Associate with respondent-Company has been terminated.

3. The petitioner retired as Development Officer Grade-I from the office of respondent. The respondent has formulated a scheme known as Contractual Appointment of Business Associate Scheme, 2016. The said scheme is applicable to retired officials of the company. The petitioner applied and respondent appointed him as Business Associate. The petitioner filed a civil suit against respondent claiming benefits with respect to his service as Development Officer Grade- I. The respondent

vide communication dated 03.07.2023 (Annexure P-4) has terminated contract of the petitioner.

4. Learned counsel for the petitioner submits that respondent has terminated contract because he has filed civil suit against the company. As soon as summon was served upon the respondent, the Competent Authority terminated contract of the petitioner as Business Associate. There was no deficiency in performance of the petitioner, however, filing of civil suit has prompted the respondent to terminate contract of the petitioner.

5. Per contra, learned counsel for the respondents submits that Regional Incharge has absolute power to terminate contract at any time and without assigning any reason, thus, contract was rightly terminated.

6. I have heard the arguments of both sides and with the able assistance of learned counsel perused the record.

7. Neither respondent in the reply has nor learned counsel for the respondents during the course of arguments could controvert the fact that contract of the petitioner has been terminated on account of civil suit filed by the petitioner. The sole ground raised in reply and during the course of arguments is that Competent Authority has absolute power to terminate the contract.

8. No authority carries absolute powers. Every authority is subject to rule of law. No public function can be permitted to be discharged at the whims and caprice of the authorities. The respondent is not disputing performance of the petitioner. During the Course of hearing, the petitioner has even agreed to withdraw civil suit filed against

the respondent.

9. Considering the aforesaid facts and arguments of both sides, this Court finds it appropriate to direct the respondents to re-consider case of the petitioner and pass a fresh order. The needful shall be done within one month from today.

10. Disposed of in the above terms.

(JAGMOHAN BANSAL)
JUDGE

30.11.2023
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Whether speaking/reasoned	Yes/No
<i>Whether Reportable</i>	<i>Yes/No</i>