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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 1487/2016

YASHPAL SINGH .....Petitioner

Through: Ms. Jasvinder Kaur, Advocate.

versus

LIFE INSURANCE CORPORATION OF INDIA AND ORS .....Respondents

Through: Mr. S. Rajappa, Mr. R. Gowrishankar and Ms. G. Dhivyasri, Advocates.

CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA

<u>O R D E R</u>

% 17.02.2026

1. The Petitioner, an officer of a public institution, i.e., Life Insurance Corporation/Respondent No. 1, contends that his promotional prospects were impaired by an opaque evaluation of confidential reports that changed complexion precisely when he entered the promotion zone. The Petitioner has since superannuated. At this stage, the claim has to be narrowly considered in light of the settled jurisprudence.

2. Petitioner's service history is not in dispute. He joined the Life Insurance Corporation of India on 6th September, 1984. He was promoted as Assistant Administrative Officer on 1st December, 2000. Eligibility for consideration to the next cadre, Administrative Officer, arose in the promotion cycle commencing 2007.

3. Promotion to the cadre of Administrative Officer is effected under Regulation 7 of the Life Insurance Corporation of India (Staff) Regulations,

1960, through an assisting committee mechanism, with merit and suitability being assessed through confidential reports and, where adopted, allied modes such as interview or examination.

4. The Petitioner asserts that in the promotion rounds relating to the years 2007-08, 2008-09, 2009-10 and 2010-11, he fell within the promotion zone, yet his case did not culminate in promotion. He attributes this to an assessment regime that was neither codified nor transparent, and to the use of Special Confidential Reports that, according to him, were casually and inconsistently recorded, sometimes even by an allegedly unauthorised reporting or reviewing authority. He further alleges that Respondent Nos. 2 to 5, being senior officers in the hierarchy, acted in a biased and discriminatory manner in the recording and processing of his confidential reports, thereby adversely affecting his consideration for promotion. He also asserts that he made representations and complaints to the institutional hierarchy during 2010, and sought information under the Right to Information Act, 2005.

5. The RTI correspondence placed on record has a consistent thread. The Corporation explained that promotions are effected under Regulation 7, and that merit and suitability are adjudged by confidential reports. The Corporation also stated, in substance, that there is no marking system for promotions, and that there is no benchmark grade of rating of confidential reports for considering promotions. The Petitioner relies on these replies to contend that the absence of a declared marking or benchmark system, coupled with the use of uncommunicated downgrades, leaves the process vulnerable to arbitrariness and susceptible to individual bias at the level of the concerned reporting and reviewing authorities.

6. The Petitioner has also placed on record a comparative table of ACRs and SCRs, which indicates that while his routine ACR for the relevant period shows a “Very Good” grading (and earlier “Excellent”), the SCRs during the promotion-zone year 2007–08 include gradings such as “Good” and “Average”, followed again by “Excellent”/“Very Good” gradings in subsequent SCRs. He says this internal inconsistency itself is a red flag, since the SCR regime, in practice, became the determinative filter without any declared yardstick, and without communication of the entries that impaired promotional prospects.

7. It is not in dispute that the Petitioner was ultimately promoted in the promotion round 2011-12. He has since retired. In these circumstances. The petition now survives for notional seniority and re-fixation of retiral benefits. The Petitioner additionally presses for initiation of departmental proceedings against the concerned officers (Respondents No. 2 to 5) for the alleged manipulation of his confidential record.

Contentions

8. Ms. Jasvinder Kaur, counsel for the Petitioner, submits that the promotion exercise for Class I cadres, in the admitted absence of any notified benchmark or marking framework, operated without an intelligible and verifiable standard, thereby enabling unguided discretion. She contends that the Corporation could not, in law, rely upon uncommunicated ACR/SCR gradings to deny promotion when such gradings carried adverse civil consequences and directly impaired the Petitioner’s promotional prospects. The impugned gradings were the product of discriminatory treatment at the hands of Respondents No. 2 to 5, rather than a *bona fide* assessment of performance.

9. She further points out that the record discloses a discordance between ACR and SCR gradings for overlapping periods, and also assails the manner in which the special confidential report for the relevant broken period was recorded, alleging procedural irregularity and bias. At the very least, the decision-making ought to be traceable to reasons demonstrating a rational appraisal of performance. In that backdrop, she submits that the conduct of the concerned officers calls for departmental scrutiny. On this basis, it is urged that the resulting loss of seniority be remedied through notional placement from July 2007 (or, in the alternative, from the date on which the immediate junior was promoted in that round), with consequential re-fixation of retiral benefits.

10. Mr. S. Rajappa, counsel for the Respondents, in substance, contends that the promotions in Class I are regulated by Regulation 7 and are selection-based, founded on merit, suitability and seniority, and constrained by available vacancies. The merit and suitability are assessed primarily through confidential reports, and the assisting committee undertakes a comparative evaluation of eligible officers within the zone of consideration. Absence of a marking system or a fixed benchmark does not vitiate the process, which turns on relative merit rather than an absolute cut-off. It is emphasised that the Petitioner was duly considered in successive rounds and was promoted in 2011-12; the claim for retrospective seniority without promotion in the earlier rounds is not contemplated by the governing framework. Mr. Rajappa also argues that the Court, in writ jurisdiction, should not re-weigh service assessments or substitute its view for that of the selecting authority.

Analysis

11. The Regulation 7 of the Life Insurance Corporation of India (Staff) Regulations, 1960 makes it clear that promotion is not a matter of automatic progression. It rests on an assessment of merit and suitability, with seniority operating within that framework. The Regulation permits the Corporation to judge merit and suitability through confidential reports and, where the rules so provide, through examinations or interviews. In ***LIC v. O.P. Dhingra,***[1] Division Bench of this Court held that such decisions are meant to be taken through the institutional process prescribed by the Regulations, and not by ad hoc standards. The Court also clarified that an employee cannot claim relief merely because another case may have been dealt with incorrectly. An error, even if assumed, does not become a rule of entitlement.

12. This sets an important boundary. A writ court does not undertake the task of choosing between competing candidates or re-evaluating service records as if it were the promoting authority. The role of judicial review is narrower: to ensure that the process remains lawful, fair, and free from arbitrariness, and that the decision is reached through the framework the requisite Regulations require.

13. That limit on judicial review does not, however, mean that the process may remain closed to scrutiny. Confidential reports do not exist in a vacuum. Once they are used as the main basis to decide who moves up and who does not, the minimum requirements of fairness apply. In ***Abhijit Ghosh Dastidar v. UOI & Ors.***,[2] the Supreme Court held that non-communication of an ACR grading can carry adverse civil consequences because it may directly affect promotion. For that reason, withholding such a

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[1] 2015:DHC:10113-DB.

[2] In SLP(C) No. 26556/2004 decided on 22nd October, 2008.

grading, and then using it to deny advancement, was held to be arbitrary and inconsistent with Article 14. The Court also made the point in practical terms: if an entry like "good" operates against an officer because the promotion process expects something higher, it cannot be relied upon to deny promotion unless it was first disclosed to the officer.

14. In ***Gurdial Singh Fijji v. State of Punjab & Ors***,[3] the Supreme Court reiterated that an adverse report in a confidential roll cannot be acted upon to deny promotional opportunities unless it is communicated so that the officer has an opportunity to improve or explain, and the explanation is then considered. The Court emphasised that this opportunity is not an empty ritual, because its object is to enable superior authorities to decide, upon consideration of the explanation, whether the adverse report stands justified.

15. These principles are not confined to cases where the employer formally labels an entry as "adverse". In service jurisprudence, the substance governs. If a grading, howsoever styled, becomes the reason an officer is denied advancement, it carries adverse civil consequences and must satisfy the minimum requirements of fairness.

16. The Respondents accept that there is no marking system for promotions, and also that there is no benchmark grade of rating for considering promotions. The Respondents also rely on confidential reports as the principal means of judging merit and suitability. This combination requires the process to be demonstrably fair, consistent, and transparent. Where there is no declared benchmark, the only real safeguard against arbitrary exclusion is a rational, internally consistent evaluation of the

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[3] (1979) 2 SCC 368.

record, with the adverse-impact material being disclosed in time.[4]

17. The tabulation filed by the Petitioner shows that for the assessment year 2007-08, SCR gradings fell to "Good" and then "Average", while the ACR for the period that followed is "Very Good", and the preceding year reflects "Excellent". The Respondents have not shown that the SCR downgrades that impaired the Petitioner's promotional prospects were ever communicated in the manner contemplated by law. The RTI reply relied upon by the Petitioner also indicates that there is no mechanism "as such" to communicate ACR entries, though adverse entries may be communicated under an earlier circular. The process, in other words, appears to have treated confidentiality as a substitute for disclosure even when the entry operated as a career barrier. That stance cannot be accepted in light of the decisions in ***Abhijit Ghosh Dastidar, Gurdial Singh Fijji*** and ***Dev Dutt***.

18. The Petitioner has also levelled allegations of manipulation and unauthorised reporting/reviewing. Those allegations traverse disputed facts and cannot be resolved in these proceedings. The petition can be disposed of on a narrower, legally determinative ground: whether uncommunicated, adverse-impact gradings could lawfully be used to block promotion.

19. In view of the above, the writ petition is allowed in part, with the following directions:

(i) Within four weeks from today, the Respondents shall communicate to the Petitioner all entries in his ACRs/SCRs for the period 2007-08 to 2010-11.

(ii) Upon receipt of the same, the Petitioner shall be entitled to submit a representation against such entries within four weeks.

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[4] ***Dev Dutt v. UOI & Ors.*** (2008) 8 SCC 725.

(iii) The competent authority shall decide the representation by a reasoned order within six weeks thereafter. If any grading is upgraded, expunged, or held not fit to be acted upon, the Respondents shall carry that effect into the review process.

(iv) Subject to any upgradation, the Respondents shall convene a duly constituted Review Assisting Committee/Review DPC, as contemplated by Regulation 7, to reconsider the Petitioner's case for notional promotion to the cadre of Administrative Officer with effect from the date his immediate junior was promoted, or the date the vacancy arose for the relevant years (2007-08 onwards).

(v) If the Petitioner is found fit for grant of promotion upon such reconsideration, the Respondents shall carry out the necessary revision in his pension and other retiral benefits and release the consequential arrears.

20. The prayer seeking a direction to initiate departmental enquiry against named officers is declined. The allegations rest on disputed factual assertions and are not required to be adjudicated for granting the limited service relief that survives after superannuation.

21. The petition is disposed of in the above terms.

SANJEEV NARULA, J

FEBRUARY 17, 2026

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