Before Deepinder Singh Nalwa, J.

CHARNBIR SINGH—*Petitioner*

versus

PUNJABI UNIVERSITY PATIALA AND OTHERS—*Respondents*

CWP No. 13338 of 2025

October 15, 2025

Indian Penal Code, 1860—Ss. 370(5), 120-B, 417—Juvinile Justice (Care and Protection of Children) Act, 2015—S. 81 — Constitution of India, 1950—Art. 226—Order of Respondent—University terminating the services of the Petitioner—Clerk challenged. Petitioner was appointed on contract basis on consolidated salary. His services were converted to ad hoc. He served for 10 years. Based on news reports that he was implicated in an FIR, his services were terminated. In a previous writ petition, the Respondent University withdrew the termination order with liberty to proceed afresh. Services again terminated without holding inquiry.

Whether services of a contract employee can be terminated without inquiry?

Judgment of the Hon'ble Supreme Court in Gridco Limited and another vs. Sri Sadananda Doloi and others, 2011 (15) SCC 16 relied on and applied to dismiss the writ petition. Liberty granted to the Petitioner to approach the Respondent for arrears of salary.

Held, that it is well settled law that services of a contract employee can always be terminated as per the terms of the contract. Reliance has been placed upon the judgment passed by Hon'ble Supreme Court in case titled as Gridco Limited and Anr. Vs. Sri Sadananda Doloi and Others, 2011(15) SCC 16, decided on 16.12.2011, whereby, it has been held that termination of contractual employment in accordance with the terms of the contract is permissible.

(Para 7)

Further held, that in regard to the grievance of the petitioner qua the non-payment of the arrears of salary is concerned, it is open to the petitioner to submit a representation before the respondent-University to this effect. In case, the petitioner submits a representation within a period of four weeks from today, the respondent-University shall consider and decide the same, in accordance with law, within a period of two months from the date of submission of such representation.

(Para 8)

Further held, that taking into consideration the facts of the case and applying the aforesaid ratio decided by the Hon'ble Supreme Court, this Court finds no infirmity in the order dated 01.04.2025 (Annexure P-6). Accordingly, the writ petition stands dismissed.

(Para 9)

Gridco Limited and another vs. Sri Sadananda Doloi and others, 2011 (15) SCC 16 (Para 7)

S. S. Swaich, Advocate, with Ishani Goyal, Advocate, & Jobanpreet Singh, Advocate, *for the petitioners.*

H. S. Batth, Advocate, for the respondents.

DEEPINDER SINGH NALWA, J. (ORAL)

(1) In the present writ petition, the petitioner is praying for issuance of a writ in the nature of certiorari for quashing the impugned order dated 01.04.2025 (Annexure P-6) passed by respondent No.3, whereby the services of the petitioner have been terminated with the further direction to the respondents to permit the petitioner to continue in service along with all consequential benefits.

(2) The brief facts of the case are that respondent-University issued an advertisement for the recruitment of posts of Clerk in the year 2015, the petitioner applied in pursuance to the abovesaid advertisement. The name of the petitioner was duly considered and recommended by the Selection Committee. The petitioner was appointed on the post of Clerk after the approval of Vice-Chancellor, Punjabi University, vide appointment letter dated 03.08.2015 (Annexure P-1) on contractual basis for the period of three months, various spells of extensions in service were given to the petitioner from time to time. The appointment of the petitioner was converted to Ad-hoc appointment vide order dated 07.03.2019 (Annexure P-2) along with other similarly appointed persons/employees. A copy of the order dated 07.03.2019 is attached as Annexure P-2. A perusal of the Annexure P-2 would show that the terms and conditions mentioned in the appointment letter dated 03.08.2015 (Annexure P-1), were also to be read as a part of the order dated 07.03.2019. The respondent-University passed an order 03.02.2023 (Annexure P-3) whereby, the services of the petitioner was terminated. A perusal of the order dated 03.02.2023 (Annexure P-3) would show that the services of the petitioner was terminated w.e.f 03.02.2023 taking into consideration the news reports published in the newspapers and registration of FIR No.0032 dated 28.01.2023 under Sections 370(5), 120-B, 417 IPC and Section 81 of the Juvenile Justice (Care and Protection of Children) Act, 2015, at Police Station Sohana, SAS Nagar, against the petitioner

for involving in illegal acts. Aggrieved against the aforesaid order dated 03.02.2023 (Annexure P-3), the petitioner filed a writ petition before this Court being CWP-13462-2024. The abovesaid writ petition was disposed of on 16.09.2024 (Annexure P-4). A perusal of the order passed by this Court on 16.09.2024 would show that learned counsel appearing on behalf of respondent-University on instructions submitted that the impugned order dated 03.02.2023 (Annexure P-3) be treated as withdrawn with liberty to pass an appropriate fresh order qua the petitioner and the petitioner will be reinstated in service within a period of two weeks from today subject to fresh proceedings to be initiated against the petitioner. In pursuance to the abovesaid order, the petitioner was reinstated in service vide order dated 22.10.2024 (Annexure P-5). The respondent-University again terminated the services of the petitioner w.e.f. 26.03.2025 vide order dated 01.04.2025 (Annexure P-6). A perusal of the order dated 01.04.2025 would show that in the light of the terms and conditions mentioned in Condition No.2 mentioned in the appointment letter dated 03.08.2015, the services of the petitioner has been terminated. Aggrieved against the order dated 01.04.2025 (Annexure P-6), the petitioner has approached this Court by way of filing the present writ petition.

(3) Learned counsel for the petitioner submits that before passing of the order dated 01.04.2025 (Annexure P-6), no notice was issued, as such, the abovesaid order dated 01.04.2025 is liable to be set aside. Learned counsel for the petitioner further submits that in terms of the order dated 16.09.2024 (Annexure P-4) passed in CWP No.13462-2024, it was mandatory on the part of the respondent-University to hold an inquiry and thereafter, respondent-University could have terminated the services of the petitioner, as no inquiry was held, the impugned order is liable to be set aside. Learned counsel for the petitioner also submits that petitioner has been continuously working since 10 years and as his juniors have been retained in service, as such, services of the petitioner on this ground also, could not have been terminated.

(4) Learned counsel appearing on behalf of respondent-University submits that a perusal of the impugned order dated 01.04.2025 would show that the service of the petitioner has been terminated in terms of the terms and condition mentioned in the appointment letter, as such, there is no infirmity in the impugned order dated 01.04.2025 (Annexure P-6).

(5) After hearing the learned counsel for the parties at length, a perusal of the facts of the present case would show that the petitioner was appointed on a contract basis and on consolidated salary. A perusal of the terms and conditions mentioned in the appointment letter would show that the services of the petitioner could be terminated

without any notice. The contract of petitioner was extended from time to time on the same terms and conditions. Vide order dated 07.03.2019 (Annexure P-2), the services of the petitioner were converted into an Ad-hoc appointment, the terms and conditions mentioned in the appointment letter dated 03.08.20215 (Annexure P-1) were to be read as a part of the order. In regard to the contention raised by the petitioner that no notice or inquiry was held before passing of the order dated 01.04.2025 (Annexure P-6) is concerned, a perusal of the order dated 01.04.2025 would show that the services of the petitioner has been terminated as per terms and conditions of the appointment letter (Annexure P-1) read vide order dated 17.03.2019. A perusal of the same does not show that the services of the petitioner has been terminated by way of punishment. In regard to the contention raised by the learned counsel appearing for the petitioner that in terms of the order dated 16.09.2024 (Annexure P-4) passed by this Court, it was mandatory for the respondent-University to hold an inquiry before passing of the impugned order is concerned, the aforesaid order was passed in the light of earlier order dated 03.02.2023 (Annexure P-3) whereby, the services of the petitioner were terminated on the basis of the registration of an FIR against the petitioner. A perusal of the order dated 01.04.2025 (Annexure P-6) does not refer to the registration of FIR. In fact, the order dated 01.04.2025 (Annexure P-6) has been passed in terms of condition mentioned in the appointment letter. In regard to the contention raised by learned counsel for the petitioner that as the petitioner is working since 10 years and as his juniors have been retained in service, his services could not have been terminated. In regard to the aforesaid contention, as the petitioner was appointed on a contractual basis and his services are governed by the terms and conditions of the contract. Therefore, the principle of "last come, first go" would not be applicable in the case of the petitioner.

(6) It has also been contended by learned counsel appearing on behalf of the petitioner that the impugned orders, Annexures P-3 and P-6, are virtually the same. In regard to the aforesaid contention, this Court does not find any merit in the aforesaid contention for the simple reason that, as per impugned order Annexure P-6, the services of the petitioner have been terminated strictly in accordance with the terms and conditions mentioned in the appointment letter.

(7) It is well settled law that services of a contract employee can always be terminated as per the terms of the contract. Reliance has been placed upon the judgment passed by Hon'ble Supreme Court in case titled as ***Gridco Limited and Anr.*** *versus* ***Sri Sadananda Doloi and Others***2011(15) SCC 16**,** decided on 16.12.2011, whereby, it has been held that termination of contractual employment in accordance with the

terms of the contract is permissible. The relevant extract is reproduced as under:

> "16. This question has to be answered in two distinct parts. The first part relates to the aspect whether the order passed by the Appellant-Corporation is amenable to judicial review and if so what is the scope of such review. The second part of the question is whether on the standards of judicial review applicable to it, the order of termination is seen to be suffering from any legal infirmity. Before we refer to certain decisions of this Court that have dealt with similar issues in the past we may at the outset say that there was no challenge either before the High Court or before us as to the competence of the authority that passed the termination order. There was indeed a feeble argument that the order was mala fide in character but having regard to the settled legal position regarding the proof of mala fides and the need for providing particulars to substantiate any such plea, we are of the view that the charge of mala fide does not stand scrutiny. Neither before the learned Single Judge nor before the Division Bench was the ground based on mala fides seriously argued by the Respondent. What was contended on behalf of the Respondent was that the Appellant-Corporation did not act fairly and objectively in taking the decision to terminate the arrangement. It was contended that the decision to terminate the contractual employment was not a fair and reasonable decision having regard to the fact that the Respondent had performed well during his tenure and the requirement of the Corporation to have a Chief General Manager (HR) continued to subsist. In substance, the contention urged on behalf of the Respondent was that this Court should reappraise and review the material touching the question of performance of the Respondent as Chief General Manager (HR) as also the question whether the Corporation's need for a General Manager (HR) had continued to subsist. We regret our inability to do so. It is true that judicial review of matters that fall in the realm of contracts is also available before the superior courts, but the scope of any such review is not all pervasive. It does not extend to the Court substituting its own view for that taken by the decision-making authority. Judicial review and resultant interference is permissible where the action of the authority is mala fide, arbitrary, irrational, disproportionate or unreasonable but impermissible if the Petitioner's

challenge is based only on the ground that the view taken by the authority may be less reasonable than what is a possible alternative. The legal position is settled that judicial review is not so much concerned with the correctness of the ultimate decision as it is with the decision-making process unless of course the decision itself is so perverse or irrational or in such outrageous defiance of logic that the person taking the decision can be said to have taken leave of his senses.

17. In Shrilekha Vidyarthi and Ors. v. State of U.P. and Ors. MANU/SC/0504/1991: (1991) 1 SCC 212, the State Government had by a circular terminated the engagement of all the government counsels engaged throughout the State and sought to defend the same on the ground that such appointments being contractual in nature were terminable at the will of the government. The question of reviewability of administrative action in the realm of contract was in that backdrop examined by this Court. The Court also examined whether the personality of the State Government undergoes a change after the initial appointment of government counsels so as to render its action immune from judicial scrutiny. The answer was in the negative. The Court held that even after the initial appointment had been made and even when the matter is in the realm of contract, the State could not cast off its personality and exercise a power unfettered by the requirements of Article 14 or claim to be governed only by private law principles applicable to private individuals. The Court observed: ... we are also clearly of the view that this power is available even without that element on the premise that after the initial appointment, the matter is purely contractual. Applicability of Article 14 to all executive actions of the State being settled and for the same reason its applicability at the threshold to the making of a contract in exercise of the executive power being beyond dispute, can it be said that the State can thereafter cast off its personality and exercise unbridled power unfettered by the requirements of Article 14 in the sphere of contractual matters and claim to be governed therein only by private law principles applicable to private individuals whose rights flow only from the terms of the contract without anything more? We have no hesitation in saying that the personality of the State, requiring Regulation of its

conduct In all spheres by requirements of Article 14, does not undergo such a radical change after the making of a contract merely because some contractual rights accrue to the other party in addition. It is not as if the requirements of Article 14 and contractual obligations are alien concepts, which cannot co-exist.

18. Recognizing the difference between public and private law activities of the State, this Court reasoned that unlike private individuals, the State while exercising its powers and discharging its functions, acts for public good and in public interest. Consequently every State action has an impact on the public interest which would in turn bring in the minimal requirements of public law obligations in the discharge of such functions. The Court declared that to the extent, the challenge to State action is made on the ground of being arbitrary, unfair and unreasonable hence offensive to Article 14 of the Constitution, judicial review is permissible. The fact that the dispute fell within the domain of contractual obligations did not, declared this Court, relieve the State of its obligation to comply with the basic requirements of Article 14. The court said:

19. This factor alone is sufficient to import at least the minimal requirements of public law obligations and impress with this character the contracts made by the State or its instrumentality. It is a different matter that the scope of judicial review in respect of disputes falling within the domain of contractual obligations may be more limited and in doubtful cases the parties may be relegated to adjudication of their rights by resort to remedies provided for adjudication of purely contractual disputes. However, to the extent, challenge is made on the ground of violation of Article 14 by alleging that the impugned act is arbitrary, unfair or unreasonable, the fact that the dispute also falls within the domain of contractual obligations would not relieve the State of its obligation to comply with the basic requirements of Article 14. To this extent, the obligation is of a public character invariably in every case irrespective of there being any other right or obligation in addition thereto. An additional contractual obligation cannot divest the claimant of the guarantee under Article 14 of non-arbitrariness at the hands of the State in any of its actions.

(emphasis supplied)

20. In Assistant Excise Commissioner and Ors. v. Issac Peter and Ors. MANU/SC/0699/1994: (1994) 4 SCC 104, the dispute related to supply of additional quantities of arrack demanded by the license-holder. Supply of arrack was, however, controlled by the Government and the entire transaction relating to the supply and sale of arrack was based on licenses granted under the relevant rules to persons who emerged successful in a public auction. The Government claimed that the only obligation cast upon it under the Rules was to provide the monthly quota of arrack to each license-holder, supply of additional quantity being discretionary with the authorities. The license-holders, on the other hand, argued that supply of additional quantity was implicit in the conditions of the license. In support they relied upon the past practice and argued that if the supply is limited to the monthly quota only it would not be possible for the license holder to pay even the license fee. The license-holders questioned the refusal of the State Government to issue additional quantities of arrack as unfair and unreasonable. This Court, however, rejected that contention and held:

Doctrine of fairness or the duty to act fairly and reasonably is a doctrine developed in the administrative law field to ensure the Rule of Law and to prevent failure of justice where the action is administrative in nature. Just as principles of natural justice ensure fair decision where the function is quasi-judicial, the doctrine of fairness is evolved to ensure fair action where the function is administrative. But it can certainly not be invoked to amend, alter or vary the express terms of the contract between the parties. This is so, even if the contract is governed by statutory provisions, i.e., where it is a statutory contract or rather more so.

(emphasis supplied)

21. Taking note of the decision of this Court in Shrilekha Vidyarthi's case (supra), this Court held that there was no room for invoking the doctrine of fairness and reasonableness against one party to the contract, for the purpose of altering or adding to the terms and conditions of the contract merely because it happens to be the State. The Court said:

It was a case of termination from a post involving public element. It was a case of non-government servant holding a public office, on account of which it was held to be a matter within the public law field. This decision too does not affirm the principle now canvassed by the Learned Counsel (that being of incorporating the doctrine of fairness in contracts where State is a party). We are, therefore, of the opinion that in case of contracts freely entered into with the State, like the present ones, there is no room for invoking the doctrine of fairness and reasonableness against one party to the contract (State), for the purpose of altering or adding to the terms and conditions of the contract, merely because it happens to be the State. In such cases, the mutual rights and liabilities of the parties are governed by the terms of the contracts (which may be statutory in some cases) and the laws relating to contracts. It must be remembered that these contracts are entered into pursuant to public auction, floating of tenders or by negotiation. There is no compulsion on anyone to enter into these contracts. It is voluntary on both sides.

(emphasis supplied)

22. In conclusion, the Court made it clear that the opinion expressed by it was only in the context of contracts entered into between the State and its citizens pursuant to public auction, floating of tenders or by negotiation. The court considered it unnecessary to express any opinion about the legal position applicable to contracts entered into otherwise than by public auction, floating of tenders or negotiation.

23. In State of Orissa v. Chandra Sekhar Mishra MANU/SC/2864/2000: 2003 (4) SCT 481 (2002) 10 SCC 583, the Respondent had been appointed as a Homeopathic Medical Officer whose services were subsequently terminated by issue of a notice. While rejecting the challenge to the termination order, the Court observed "when the Respondent was only a contractual employee, there could be no question of his being granted the relief of being directed to be appointed as a regular employee."

24. We may also refer to the decision of this Court in Satish Chandra Anand v. Union of India MANU/SC/0097/1953: AIR 1953 SC 250, where the Petitioner, an employee of the

Directorate General of Resettlement and Employment, was removed from contractual employment after being served a notice of termination. The contract of service in that case was initially for a period of five years which was later extended. A five-Judge Bench hearing the matter, dismissed the petition, challenging the termination primarily on the ground that the Petitioner could not prove a breach of a fundamental right since no right accrued to him as the whole matter rested in contract and termination of the contract did not amount to dismissal, or removal from service nor was it a reduction in rank. The Court found it to be an ordinary case of a contract being terminated by notice under one of its clauses. The Court observed:

10. There was no compulsion on the Petitioner to enter into the contract he did. He was as free under the law as any other person to accept or reject the offer which was made to him. Having accepted, he still had open to him all the rights and remedies available to other persons similarly situated to enforce any rights under his contract, which has been denied to him, assuming there are any, and to pursue in the ordinary Courts of the land, such remedies for a breach as are open to him to exactly the same extent as other persons similarly situated. He has not been discriminated against and he has not been denied the protection of any laws which others similarly situated could claim...

11. .....

The Petitioner has not been denied any opportunity of employment or of appointment. He has been treated just like any other person to whom an offer of temporary employment under these conditions was made. His grievance when analysed, not one of personal differentiation but is against an offer of temporary employment on special terms as opposed to permanent employment. But of course the State can enter into contracts of temporary employment and impose special terms in each case, provided they are not inconsistent with the Constitution, and those who chose to accept those terms and enter into the contract are bound by them, even as the State is bound. (emphasis supplied)"

(8) In regard to the grievance of the petitioner qua the non-payment of the arrears of salary is concerned, it is open to the petitioner to submit a representation before the respondent-University to this effect. In case, the petitioner submits a representation within a period of

four weeks from today, the respondent-University shall consider and decide the same, in accordance with law, within a period of two months from the date of submission of such representation.

(9) Taking into consideration the facts of the case and applying the aforesaid ratio decided by the Hon'ble Supreme Court, this Court finds no infirmity in the order dated 01.04.2025 (Annexure P-6). Accordingly, the writ petition stands dismissed.

Reporter- Shubreet Kaur