

2025 LiveLaw (SC) 1174

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

SANJAY KAROL; J., VIPUL M. PANCHOLI; J.

SPECIAL LEAVE PETITION (CIVIL) NO. 18907 OF 2025; DECEMBER 04, 2025
LAXMIKANT SHARMA *versus* STATE OF MADHYA PRADESH & ORS.

Constitution of India – Article 14 – Contractual Employment – Termination– Educational Qualification – Purposive Interpretation – Held, insisting solely on the title of a degree without considering the actual curriculum amounts to elevating form over substance - Where a candidate possesses a postgraduate degree (M.Com.) with the required subjects (Statistics) as principal courses, and no standalone degree with the prescribed nomenclature is offered in the state, the candidate must be deemed to satisfy the eligibility criteria - Even in contractual matters, the State is bound by the obligations of fairness, non-arbitrariness, and reasonableness under Article 14 - The expression “Postgraduate degree in Statistics” must be understood contextually and purposively - The termination arbitrary as the State ignored its own expert authority's recommendation confirming the appellant's eligibility based on his curriculum and work experience - Singling out one candidate for termination while others with similar qualifications were retained violates the guarantee of equal protection under Article 14 - Appeal allowed. [Relied on *GRIDCO Ltd. v. Sadananda Doloi*, (2011) 15 SCC 16; Paras 32-41]

For Petitioner(s): Mr. Siddharth R. Gupta, Adv. Mr. Mrigank Prabhakar, AOR Mr. Un Pandey, Adv. Mr. Aman Agarwal, Adv. Mr. Uddaish Palya, Adv. Ms. Surbhi Saxena, Adv. Mr. Siddharth Sahu, Adv. Ms. Astha Singh, Adv.

For Respondent(s): Mr. Pashupathi Nath Razdan, AOR Mr. Sarthak Raizada, Adv. Ms. Maitreyee Jagat Joshi, Adv. Mr. Astik Gupta, Adv. Ms. Akanksha Tomar, Adv. Mr. Rahul, Adv.

J U D G M E N T

VIPUL M. PANCHOLI, J.

1. Leave granted.
2. This appeal challenges the judgment dated 20.09.2024 passed by the Division Bench of the High Court of Madhya Pradesh at Jabalpur in Writ Appeal No. 1536 of 2024. *Vide* the impugned judgment, the Division Bench affirmed the order dated 29.01.2024 of the Single Bench in W.P.(C) No. 4933 of 2021, whereby the appellant's challenge to the termination of his contractual services, as Monitoring and Evaluation Consultant, Water Support Organization (W.S.O.), State Water Mission (S.W.M.), Public Health & Engineering Department (P.H.E.D.), Bhopal, Madhya Pradesh, was dismissed.

FACTUAL MATRIX

3. The factual matrix of the present case as per the appellant is that the appellant had applied pursuant to an advertisement issued by the W.S.O., S.W.M., P.H.E.D. The advertisement prescribed the minimum qualification as: “*Postgraduate degree in Statistics from a Government recognised University with at least 60% marks or equivalent grade*”.
4. The appellant holds an M.Com. (Commerce) degree from Chhatrasal Government Postgraduate College, Panna, Madhya Pradesh (affiliated to Dr. Harisingh Gour University, Sagar, Madhya Pradesh) completed in 1999. As part of the curriculum, he studied Business Statistics and Indian Economic Statistics as principal subjects.

5. After physical verification of his educational qualifications and experience, the appellant was appointed on contract on 26.04.2013 and joined service on 16.05.2013 and served for nearly one year.
6. Subsequently, an 8-member Committee submitted a report dated 24.09.2013 stating that the appellant did not possess the required qualification for the post.
7. Relying on this report, the appellant's services were terminated on 10.10.2013.
8. In successive rounds of litigation, the High Court set aside the termination orders (13.12.2013, 25.11.2014, 27.09.2018) and directed the authorities to reconsider the matter after granting the appellant a fair opportunity.
9. During reconsideration proceedings, two significant documents emerged:
 - A. A certificate dated 30.03.2019 issued by the appellant's College/University, stating that the appellant's M.Com. degree included Business Statistics as a principal subject; and
 - B. An opinion dated 23.11.2019 issued by the Director, W.S.O., S.W.M., P.H.E.D., stating that the appellant did possess the requisite Statistics components in his postgraduate curriculum and recommending restoration of his services.
10. Despite these documents, the State again terminated the appellant by orders dated 02.11.2018 and 14.05.2020, reiterating that he lacked the requisite qualification.
11. The Single Bench and the Division Bench upheld the termination on the ground that the appellant did not possess a "degree in Statistics" as per the advertisement.
12. Aggrieved by the impugned order, the appellant has filed the present appeal.

SUBMISSIONS ON BEHALF OF THE APPELLANT

13. Learned counsel for the appellant submitted that the impugned judgment ignores the letter dated 23.09.2013 issued by the Director, W.S.O., S.W.M., P.H.E.D., which certified that the appellant fulfilled the eligibility criteria under the advertisement. It is further submitted that the appellant's documents and work experience were duly verified by the competent authority at the time of his appointment, and that the appellant's College/University had confirmed that the appellant's M.Com. degree included Statistics as principal subjects. The appellant had also worked diligently for a year, and the Director had accordingly recommended that his experience be utilised by the department.
14. It is further submitted that the High Court ignored the fact that no Government university in Madhya Pradesh offers a PG course titled "M.Com. (Statistics)" or any PG degree bearing "Statistics" in its nomenclature. Interpreting the eligibility condition in a manner that requires a degree which does not exist in any Government university is arbitrary and unrealistic.
15. It is also submitted that many similarly qualified employees remain in service, but this was wrongly rejected on the ground of "negative equality". Singling out the appellant for termination on the basis of a degree title that is not offered anywhere in the State is unjust and arbitrary.
16. It is stated that the High Court failed to appreciate that judicial interference in academic matters is permissible where the decision of the appointing authority is arbitrary, unjust, or lacking rational basis. In the present case, the decision to terminate the appellant suffers from these very defects and therefore calls for interference.

17. It is further submitted that the 8-member inquiry committee, which recommended termination, did not provide the appellant an opportunity to be heard or to produce his documents. The first termination order dated 10.10.2013 was therefore passed mechanically and in violation of the principles of natural justice. The High Court failed to recognise this fundamental procedural defect.

18. The appellant challenged the first termination in WP(C) No. 19149/2013. The High Court stayed the termination on 13.12.2013 and, by its order dated 25.11.2014, set aside the termination and remanded the matter to the State for fresh consideration after affording the appellant a hearing. Despite this direction, the State again terminated the appellant on 18.02.2015 without properly appreciating his eligibility.

19. In the second round of litigation (WP(C) No. 5023/2013), the Single Bench again set aside the termination by order dated 27.09.2018 and directed a fresh and reasoned decision. Pursuant to that remand, the Director, W.S.O., S.W.M., P.H.E.D. furnished a detailed opinion dated 23.11.2019 stating that the appellant had pursued M.Com. with Business Statistics and Indian Economic Statistics as principal subjects and thus met the advertised requirement. The Director also recommended continuation of the appellant's appointment in light of his one year's satisfactory service. This communication was overlooked by both the Single Bench and the Division Bench.

20. Lastly, it is submitted that the appellant's College/University, by letter dated 30.03.2019, confirmed that the appellant's M.Com. curriculum included Business Statistics and Indian Economic Statistics as principal courses. This conclusively established that the appellant possessed the required academic qualification, yet the High Court failed to give any weight to this letter.

21. Therefore, learned counsel for the appellant submitted that the impugned judgment dated 20.09.2024 is liable to be set aside and that the appellant be reinstated to the post of Monitoring and Evaluation Consultant, W.S.O., S.W.M., P.H.E.D., Bhopal, Madhya Pradesh.

SUBMISSIONS ON BEHALF OF THE RESPONDENTS

22. *Per contra*, learned counsel for the respondents submitted that the advertisement explicitly required a Post-Graduate Degree in Statistics with a minimum of 60% marks. The appellant, however, possesses an M.Com. degree, which merely includes two subjects - Business Statistics and Indian Economic Statistics and does not amount to a Master's degree in the discipline of Statistics. It is submitted that the appellant's qualification fails to meet the essential requirement for the post of Monitoring and Evaluation Consultant and that mere inclusion of statistical subjects in a different degree programme cannot be treated as equivalence.

23. Learned counsel for the respondents further relied on the multiple inquiry processes conducted. An 8-member inquiry committee examined the qualifications of selected candidates and concluded that the appellant did not possess a PG degree in Statistics and had incorrectly declared his qualification as "PG (Statistics)". Based on this finding, the appellant's contractual engagement was terminated. The subsequent representations filed by the appellant were duly considered upon directions of the High Court, yet every competent authority consistently reiterated that the appellant lacked the requisite qualification. The final rejection order dated 14.05.2020 was therefore valid and consistent with the recruitment rules.

24. Reliance was placed on **Zahoor Ahmad Rather & Ors. v. Sheikh Imtiyaz Ahmad & Ors., (2019) 2 SCC 404**, **Unnikrishnan C.V. & Ors. v. Union of India & Ors., 2023**

SCC OnLine SC 343, and **Shifana P.S. v. State of Kerala & Ors., (2024) 8 SCC 309**, among others, to contend that judicial review cannot expand the scope of prescribed qualifications or deem a non-prescribed qualification equivalent.

25. Reliance was further placed on service jurisprudence that recruitment must strictly comply with the prescribed rules, as held in **State of Uttar Pradesh v. Raj Kumar Sharma, (2006) 3 SCC 330** and **Arup Das v. State of Assam, (2012) 5 SCC 559**.

26. It is further submitted that claims of “negative equality” are untenable. Even if similarly situated candidates were erroneously retained, the appellant cannot demand perpetuation of an illegality. Relying on **Tinku v. State of Haryana, 2024 SCC OnLine SC 3292**, and other decisions, it is argued that Article 14 of the Constitution cannot be invoked to extend benefits arising from an irregular or mistaken appointment.

27. It is asserted that contractual employment does not confer any right to renewal or continuation and can be terminated in accordance with contract terms unless arbitrariness or mala fides is demonstrated. Citing **GRIDCO Ltd. v. Sadananda Doloi, (2011) 15 SCC 16**, it is argued that no constitutional infraction arises in the appellant’s termination because it was based solely on non-fulfilment of essential qualifications.

28. Thus, it is submitted that the appellant is unequivocally unqualified for the post, that all actions taken were lawful and justified and that the present appeal is meritless and is liable to be dismissed.

ANALYSIS AND FINDINGS

29. We have given our careful consideration to the rival submissions and perused the material placed on record.

30. The core issue for the determination before us is:

A. the interpretation of the qualification “postgraduate degree in Statistics” prescribed in the advertisement dated 07.11.2012; and

B. whether, in the facts of this case, the State’s decision of terminating the appellant’s services satisfies the standards of fairness and non-arbitrariness.

31. It is not disputed that the advertisement prescribed as the minimum academic qualification a “*Postgraduate degree in Statistics from a Government recognised University with at least 60% marks or equivalent grade.*” The appellant asserted that he had pursued M.Com. with Business Statistics and Indian Economic Statistics as principal subjects and that this satisfies the academic qualification requirement of the post. The appellant further assured, which is not disputed by the respondents, that no Government university in Madhya Pradesh offers a postgraduate course titled “M.Com (Statistics)” or any standalone PG programme exclusively titled “Statistics”.

32. On perusal of such circumstances, we are of the opinion that insisting solely on the title of the degree, without considering the actual curriculum, amounts to elevating form over substance. The law does not compel such an interpretation. In our view, considering the facts of the present case, the expression “*Postgraduate degree in Statistics*” must be understood contextually and purposively.

33. We are conscious of the judicial pronouncements of this Court which hold that the question whether a particular qualification is “equivalent” to the one prescribed is primarily for the employer or the expert body to decide and that the Court, in exercise of judicial review, does not ordinarily sit in appeal over such academic or policy determinations.

34. However, the present case, in our view, stands on a different footing. The appellant is not seeking equivalence with a different degree, rather, the appellant asserts that in fact he fulfils the qualification as prescribed in the advertisement, when it is read in a reasonable and purposive manner.

35. The decision of the termination of the appellant by the State is based on the report of the 8-member Inquiry Committee dated 24.09.2013. On perusal, two infirmities vitiate reliance on this report. *First*, in view of the subsequent certificate dated 30.03.2019 issued by Chhatrasal Government Postgraduate College, Panna, Madhya Pradesh (affiliated to Dr. Harisingh Gour University, Sagar, Madhya Pradesh) that the appellant “*passed M.Com. degree in (Business Statistics)*”, the committee’s opinion that “*None of the subjects mentioned in the mark sheet submitted by him is related to Statistics*”, is therefore objectively incorrect. *Secondly*, the report was prepared without affording the appellant an opportunity of being heard, thus violating the fundamental principles of natural justice.

36. However, the continued reliance on the said report in the subsequent termination orders dated 02.11.2018 and 14.05.2020, without examining relevant and material documents placed on record, renders the said orders arbitrary, uninformed and unsustainable in law.

37. It is pertinent to note that the letter dated 23.11.2019 of the Director, S.W.M., W.S.O., P.H.E.D., an expert authority, after examining the appellant’s marksheets and curriculum, categorically opined that the appellant satisfied the requirement as prescribed in the advertisement and recommended continuation of his services. The relevant paragraph of the said letter reads as under:

“It is worth mentioning here that the applicants Smt. Sweety Namdev and Shri Laxmikant Sharma have Master degrees in Economics and Commerce respectively which includes Quantitative Methods, Business Statistics and Economic Statistics which are statistical subjects whose certification has been issued by the concerned university. The applicants also have experience in government and non-government organizations for about 05 years. After the selection of the applicants, they worked for about a year. During this period, no adverse comment has been made by the controlling officers on their work which reflects their ability to fulfill the responsibilities of the post.

In the light of the educational qualification mentioned in point no. 05 of the report of the Committee on the application of the applicants, on the basis of the settlement factor facts from the Government level, for the remaining 11 contractual posts (District Advisor Monitoring and Evaluation cum Information Management) approved for resolution of the matter, the educational qualification for the year 2012-13 was kept the same by the Commission and the said affected persons can be accommodated in the process of filling the posts and in view of point no. 07, an appropriate solution is recommended.

Please take appropriate action at government level as per above.”

38. Thus, once the competent domain authority has taken a considered view that the appellant meets the eligibility criteria as prescribed in the advertisement, the State has given no reason to ignore this expert opinion on record.

39. The record further discloses that other candidates possessing other degrees, with Statistics as principal subjects, were appointed and continue in service. The State has not furnished any rational basis to distinguish the appellant from such similarly qualified candidates.

40. The contention of the respondents of “negative equality” under Article 14 has no application to the facts and circumstances of the present case. It is observed that the

appellant does not seek parity with persons lacking the required qualification, rather, he contends that he is similarly situated with those who have been found eligible on the basis of their degrees with Statistics subjects. In the absence of a reasonable classification or intelligible differentia, singling out the appellant for termination, while others similarly qualified candidates are retained, violates the guarantee of equal protection under Article 14.

41. The respondents have also laid stress on the contractual nature of the appellant's employment and the limited scope of judicial review in such matters. However, it is settled that even where the State acts in its contractual capacity, it does not shed its constitutional character and remains bound by the obligations of fairness, non-arbitrariness and reasonableness under Article 14. The relevant paragraph of **GRIDCO Ltd. (supra)** reads as under:

"39. 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."

42. Thus, where a contractual employee is terminated on the sole ground of ineligibility, the Court is entitled to examine whether that ground is factually correct and whether relevant material was properly considered.

43. Therefore, once it is demonstrated that:

- A. the appellant studied Statistics as principal subjects in his postgraduate course; and
- B. the competent departmental expert (Director, S.W.M., W.S.O., P.H.E.D., expressly certified his eligibility, the insistence of the State on a contrary conclusion becomes arbitrary and unreasonable. The litigation history further shows that despite repeated remand backs by the High Court, the authorities failed to conduct a fair and comprehensive reconsideration in the present matter.

CONCLUSION

44. For the said reasons, we hold that:

- A. the appellant possessed the requisite academic qualification when reasonably construed in the context of the advertisement dated 07.11.2012 and the surroundings circumstances; and
- B. the impugned judgment of the Division Bench, affirming the decision of the Single Bench, is unsustainable and warrants interference of this Court.

45. The present appeal is accordingly allowed. The impugned judgment dated 20.09.2024 in Writ Appeal No. 1536 of 2024, affirming the judgment dated 29.01.2024 in W.P.(C) No. 4933 of 2021, is hereby set aside.

46. If the appellant is otherwise not disqualified, the appellant shall be restored to service on the post of Monitoring and Evaluation Consultant, W.S.O., S.W.M., P.H.E.D., within four weeks from today. All consequential benefits shall follow.

47. Before parting, we clarify that this judgment is rendered in the peculiar facts and circumstances of the present case and the conclusions herein shall not be treated as a precedent in any other matter.

48. Pending applications, if any, stand disposed of.

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