

(2026) 08 DEL CK 4223

In the Delhi High Court, Principal Bench, New Delhi

Case No : LPA 602/2026 & CM APPL. 50721/2026

Food Corporation Of India & Ors.

APPELLANT

Vs

Prasant Kumar Satapathy

RESPONDENT

Date of Decision : 04-08-2026

Acts Referred:

Code of Civil Procedure, 1908 — Section 151

Food Corporation of India (Staff) Regulations, 1971 — Regulation 22(2A), 58

Citation : (2026) 08 DEL CK 4223

Hon'ble Judges : Devendra Kumar Upadhyaya, C.J.; Tejas Karia, J

Bench : Division Bench

Advocate : Mr. Manoj, Ms. Aparna Sinha, Mr. Dhananjay Mishra, Mr. Amritesh Mohanty, Mr. Navneet Dogra, Ms. M. Drushika Reddy

Judgement

TEJAS KARIA, J. (ORAL)

CAV 363/2026

1. Learned Counsel for the Respondent / Caveator has entered appearance.
2. Caveat stands discharged.

CM APPL. 50722/2026 & CM APPL. 50723/2026 (Exemptions)

3. Exemptions are allowed, subject to all just exceptions.
4. The Applications stand disposed of.

CM APPL. 50724/2026 (Condonation of delay)

5. This is an Application filed under Section 151 of the Code of Civil Procedure, 1908 seeking condonation of delay of 25 days in re-filing the present Appeal.
6. For the reasons stated in the Application, the same is allowed. The delay of 25 days caused in re-filing the present Appeal is hereby condoned.
7. The Application stands disposed of.

LPA 602/2026

8. The present *intra court* Appeal is directed against the judgment dated 05.05.2026 ("**Impugned Judgment**") passed by the learned Single Judge in W.P. (C) 1274/2024 ("**Writ Petition**"). By the Impugned Judgment, the learned Single Judge allowed the Writ Petition and set aside the order dated 19.05.2023 ("**Order**"). passed by the Appellants, whereby the Respondent was prematurely retired from service under Regulation 22(2A) of the Food Corporation of India (Staff) Regulations, 1971 ("**Staff Regulations**"), as also the consequential order dated 20.07.2023 rejecting his representation dated 09.06.2023 ("**Representation**"). The learned Single Judge further directed that the Respondent be treated as having continued in service, together with all consequential monetary and retiral benefits.

9. The brief factual matrix relevant for adjudication of the present Appeal is set out hereinbelow:

9.1. The Respondent was selected pursuant to a recruitment process initiated in 1998 for the post of Assistant General Manager (Technical) in the Food Corporation of India ("**Appellant Corporation**"). Although candidates placed below him were appointed in January 2000, the Respondent was initially not permitted to join, which constrained him to initiate proceedings before the High Court of Orissa. Pursuant to the order dated 17.07.2003 passed by the High Court of Orissa, the Board of Directors approved his appointment, whereafter he joined service on 26.09.2003 against the 1999 direct recruitment panel.

9.2. Thereafter, disputes arose with respect to promotion and gradation, compelling the Respondent to again approach the High Court of Orissa. By order dated 24.01.2020, the High Court of Orissa held the non-consideration of the Respondent for promotion to be illegal and directed that he be granted promotion from the date on which his immediate juniors were promoted. In appeal, the Division Bench of the High Court of Orissa, *vide* order dated 10.05.2023, affirmed the Respondent's entitlement to notional promotion from the date his juniors were promoted, together with seniority and retiral benefits, while declining actual back wages for the promoted post.

9.3. In the interregnum, the Appellant Corporation amended the Staff Regulations and issued Circular No. EP-01-2021-24 dated 09.07.2021 ("**Circular**"), prescribing guidelines for periodic review for premature retirement under Regulation 22(2A) of the Staff Regulations, based on the Office Memorandum dated 28.08.2020 issued by the Department of Personnel and Training.

9.4. The Respondent had earlier undergone review upon attaining the prescribed age threshold in February 2017 and was expressly retained in service. Thereafter, in 2019, he was promoted to the post of General Manager. The Respondent's Annual Performance Assessment Reports ("**APAR**") consistently recorded gradings of "Very Good" and "Outstanding", with his integrity assessed as "Nothing Adverse Reported/Noticed" and, in the latest appraisal, as "Beyond

Doubt”.

9.5. On 19.05.2023, within days of the judgment dated 10.05.2023 passed by the Division Bench of the High Court of Orissa, the Appellants issued the Order prematurely retiring the Respondent from service with immediate effect under Regulation 22(2A) of the Staff Regulations, upon payment of three months’ pay and allowances in lieu of notice. The Representation submitted by the Respondent was subsequently rejected by the Appellants *vide* order dated 20.07.2023.

9.6. Being aggrieved by the compulsory retirement order dated 19.05.2023 and the order dated 20.07.2023 rejecting the Representation, the Respondent preferred the Writ Petition before this Court.

9.7. By the Impugned Judgment, the learned Single Judge allowed the Writ Petition and set aside both the Order and the order rejecting the Representation. The Appellants were consequently directed to treat the Respondent as having continued in service for all service and retiral purposes and to release all consequential monetary and service benefits within twelve weeks.

9.8. Aggrieved by the Impugned Judgment, the Appellants have preferred the present *intra-court* Appeal, seeking setting aside of the directions issued by the learned Single Judge and restoration of the order prematurely retiring the Respondent from service.

10. Learned Counsel for the Appellants contended that the Impugned Judgment is contrary to the settled principles governing premature retirement in public interest and that the learned Single Judge exceeded the permissible limits of judicial review. It was also submitted by the learned Counsel for the Appellants that the learned Single Judge erred in reassessing the subjective satisfaction of the competent authority and in discarding the Respondent’s adverse service profile as “stale”, while overlooking the institutional context and the statutory mandate embodied in Regulation 22(2A) of the Staff Regulations.

11. Learned Counsel for the Appellants submitted that the learned Single Judge committed a fundamental jurisdictional error by travelling beyond the recognised scope of judicial review, re-appreciating the sufficiency of the material placed before the Review Committee, and impermissibly substituting the Court’s own opinion for the subjective satisfaction of the competent authority. It was further contended that Regulation 22(2A) of the Staff Regulations confers a statutory right upon the Appellant Corporation to prematurely retire an employee in public interest upon attaining the age of 50 years.

12. Learned Counsel for the Appellants further submitted that the Order was founded upon a holistic and cumulative assessment of the Respondent’s overall service record, including two disciplinary proceedings under Regulation 58 of the Staff Regulations, which culminated in penalties, a below-benchmark APAR entry, and inputs concerning his general reputation and integrity.

13. Learned Counsel for the Appellants also urged that the learned Single Judge failed to appreciate the institutional context in which the review exercise was undertaken across the Appellant Corporation, following serious CBI trap incidents in January 2023, with a view to restoring public confidence and preserving organisational integrity.

14. It was further submitted on behalf of the Appellants that, pursuant to the said exercise, 320 Category-I officers were reviewed, and 21 officers were prematurely retired. The Appellants further contended that the learned Single Judge adopted an unduly narrow construction of the expression "changed circumstances" under Clause 7 of the Circular, which, according to them, includes systemic vigilance concerns, and that the Review Committee had duly complied with the requirement of "visible meticulousness" without being required to apply the standard of proof applicable in disciplinary proceedings.

15. We have heard learned Counsel appearing on behalf of the Appellants and have perused the material placed on record.

16. It is well-settled principle that the scope of judicial review in matters concerning compulsory retirement is limited, and that Courts ordinarily do not interfere with the subjective satisfaction of the executive authority. However, such power cannot be regarded as immune from judicial scrutiny. The subjective satisfaction of the competent authority must be founded upon relevant material and arrived at in conformity with the applicable rules and governing instructions. Where an order of premature retirement is vitiated by gross arbitrariness, non-application of mind, or amounts to a colourable exercise of power, the Court would be justified, and indeed duty-bound, to interfere.

17. In the present case, the Respondent had been reviewed in February 2017 and was expressly retained in service. He was thereafter promoted to the substantive post of General Manager in May 2019. The Appellants have not been able to indicate any fresh adverse material subsequent to the said promotion. Reliance upon stale departmental proceedings of 2012, which had already culminated in minor penalties prior to the Respondent's retention and subsequent promotion, for the purpose of questioning his integrity several years later, is impermissible. Once the employer had considered his record, retained him in service and promoted him thereafter, those past incidents could not be resurrected for the purpose of a second review under Regulation 22(2A) of the Staff Regulations.

18. The record further reveals a non-application of mind to the Respondent's recent performance profile. In the years immediately preceding the impugned review, the Respondent's APARs consistently reflected gradings of "Very Good" and "Outstanding", and his integrity was expressly certified as "Beyond Doubt". Clause 10(iv) of the governing Circular affords protection to officers with high-performance ratings from being arbitrarily categorised as ineffective. By disregarding these performance records and integrity certifications, the Review

Committee failed to adhere to the mandatory guidelines, thereby rendering its recommendation perverse and unsustainable.

19. We are of the considered view that the learned Single Judge rightly recorded that the Appellants failed to satisfy the essential pre-conditions stipulated in Clause 7 of the Circular, which permits a second review of an employee, who has already been retained in service after crossing the prescribed age threshold, only upon the existence of genuine “changed circumstances” and upon a decision reflecting “visible meticulousness”.

20. The timing of the Order also assumes considerable significance and lends weight to the conclusion that the power was exercised for a collateral purpose. The Order was passed barely nine days after the judgment dated 10.05.2023 passed by the Division Bench of the High Court of Orissa in favour of the Respondent, granting him notional promotion and seniority benefits.

21. The Appellants have sought to justify the Order on the ground that it formed part of an institutional exercise undertaken after serious CBI trap cases in early 2023. However, a general exercise of organisational cleansing cannot dispense with the requirement of individual application of mind, nor can it substitute the need for fresh and concrete material referable to the officer concerned. The sequence of events, therefore, indicates that the statutory power of compulsory retirement was invoked not in furtherance of public interest, but to circumvent judicial directions and to visit adverse consequences upon an employee who had succeeded in litigation.

22. In view of the aforesaid, we do not find any infirmity in the Impugned Judgment warranting interference in the present *intra-court* Appeal. The Appeal is, accordingly, dismissed. Pending application(s), if any, also stand disposed of. There shall be no order as to costs.