

(2026) 02 OHC CK 1766
In the Orissa High Court
Case No : Writ Petition (C) No. 41083 Of 2023

Sanjib Narayan Prasad Pati	Vs	APPELLANT
State Of Odisha And Others		RESPONDENT

Date of Decision : 27-02-2026

Acts Referred:

Constitution Of India, 1950 — Article 14

Citation : (2026) 02 OHC CK 1766

Hon'ble Judges : V. Narasingh, J

Bench : Single Bench

Advocate : A. K. Mohanty A, C. R. Swain, M.K. Pradhan

Final Decision : Disposed Of

Judgement

V. Narasingh, J

1. Heard learned counsel for the Petitioner and learned counsels for the Opposite Parties.

2. The Petitioner has filed this Writ Petition assailing his disengagement w.e.f. 22.06.2023 vide order dt.29.08.2023 (Annexures-10) along with the consequential Order dtd.06.12.2023 (Annexure-14) passed by the Opposite party No.4- Asst. Vice President of NABARD CONSULTANCY SERVICE Pvt. Ltd., so also with a further prayer to release the entire salary of the Petitioner from the date of disengagement with a direction for restoration of his engagement.

For convenience of reference the relief sought for is extracted hereunder;

"xxx xxx xxx

It is therefore prayed that this Hon'ble Court may graciously be pleased to:

- i) Admit the writ application;
- ii) Call for the records;

iii) Issue rule NISI calling upon the Opp.parties to show cause why the disengagement of service of the petitioner after 22.6.2023 shall not be declared illegal and contrary to law and why the order dt.29.08.2023 (Annexures-10) and order of the Opp.party No.4 dtd.6.12.2023 (Annexure-14) shall not be quashed, and the entire salary of the petitioner from the date of disengagement and till date be released with a direction for engagement; And if the Opp.parties do not show cause or show insufficient cause, the Rule may be made absolute and the disengagement of the service of the petitioner beyond 22.6.2023 may be declared illegal and the order dt.29.8.2023 (Annexure-10) and order of the Opp.party No.4 dtd.6.12.2023 (Annexure-14) and the post of team leader may not be filled up till final adjudication and the petitioner be reengaged in the post of Team Leader;

xxx xxxxxx”

3. The claims of the Petitioner runs thus:-

Directorate of Agriculture & Food Production, through the Director as Nodal officer entered into an agreement with NABARD's wholly owned subsidiary NABCONS to provide incentives & financial support to the farmers to improve the agriculture infrastructure in the country. The Petitioner applied for the post of Team Leader (Contractual) pursuant to an advertisement issued by NABCONS.

3A. Following selection, the Petitioner executed an agreement on 30.05.2022, initially valid for five months, and subsequently the same was renewed multiple times until 22.06.2023. The contract stipulated a consolidated monthly remuneration of Rs. 1,00,000/-, and termination could be made by either party with one month's prior notice.

It is stated that the same was violated by Opposite Parties No. 4 & 5.

The Petitioner served as Team Leader (Banking Expert) from 23.08.2022 to 22.06.2023 as performed his duties without any demur from any quarter. Nevertheless, he was arbitrarily not allowed to work on the plea that his performance was not satisfactory, which is alleged to be an afterthought.

3B. The project in which the Petitioner was engaged continued up to 30.06.2025, with Rs.707 crores allocated by the Government of India for the financial year 2023-24.

Further, the Senior Admin Officer of NABARD Consultancy Services Pvt. Ltd. wrote a letter dated 10.07.2023(Annexure-16) to Opposite Party No. 2, which specifically states that the performance of the PMU staff of AIF (Agriculture Infrastructure Fund) in Odisha has also been praised by the Government of India.

3C. Despite approaching the Deputy General Manager (DGM) on 16.06.2023 for renewal of the contract before the expiry date, which was of no avail.

3D. The contract of appointment of the Petitioner lapsed on 22.06.2023, and he was instructed to hand over the official records and equipment, even though

there were no performance-related issues, which is fortified from the factum that admittedly there was no warning letter related to the performance of the Petitioner from IDA (Plan & CC), (Scheme Officer of the said project).

3E. Not only that, the Opposite Parties issued a fresh advertisement during the pendency of the writ petition, intending to engage new contractual employees, while the project was ongoing and continued until 30.06.2024, as admitted by Opposite Parties No. 4 & 5. Notably, one Mr. Priyam Mahendra, a subordinate to the Petitioner under the same PMU, was reappointed under the fresh recruitment process.

Accordingly, the Petitioner raises the question as to how a subordinate from the same unit could be reappointed if the entire PMU's performance was deemed unsatisfactory.

It is apt to note that the said Mr. Priyam Mahendra was not impleaded as a party to the Writ Petition.

3F. Accordingly, the Petitioner argues that the action of Opposite Parties No. 4 and 5 is illegal and taken at the behest of the Director of Agriculture with malafide intention. Opposite Parties No. 4 & 5 terminated the service of the Petitioner without following the terms of the contract and violating the principles of natural justice.

4. To fortify such stand learned counsel for the Petitioner relies upon the judgement of the Apex Court in U.P. State Road Transport Corporation and Ors. Vrs. Brijesh Kumar & Anr.[U.P. State Road Transport Corporation V. Brijesh Kumar, 2024 SCC OnLine SC 2282 19.....Therefore, the order of termination of his services, even if on contractual basis, has been passed on account of alleged misconduct without following the Principles of Natural Justice. The termination order is apparently stigmatic in nature which could not have been passed without following the Principles of Natural Justice.]

5. Learned counsel for the Petitioner contends that non-renewal of the contract, despite satisfactory performance and ongoing project requirements, is arbitrary, discriminatory, and illegal, violate of Article 14[14. Equality Before Law: The State shall not deny to any person equality before the law or the equal protection of the laws within the territory of India.] of Constitution of India.

6. He further relies upon the settled position of law restricting the replacement of an existing contractual employee with another set of contractual employees.

7. The main stand, of the contesting Opposite Parties. 4 & 5, is as follows:-

The Petitioner was engaged as a Project-Based Contract Staff. As the name suggests, the Project-Based Contract Staff (PBCS) of NABCONS are recruited as per the requirements of the projects awarded to NABCONS. The PBCS is hired either through referrals or advertisement in print media and/or electronic media. The service conditions for PBCS vary from project to project, taking into

consideration factors like the market environment, value of the assignment, duration, complexity involved in execution, level of expertise, etc. As per the HR policy of NABCONS, the contract of PBCS will come to an end automatically on completion of the contract period, unless renewed. There shall be no obligation on the part of the Company either to revise or renew the contract at the end of the contract period or to issue a formal order of termination of the contract.

7A. NABCONS entered into an agreement with Opposite Parties No. 1 & 2 and signed the agreement on 31.05.2022 for coordination and support services for implementation of the Agriculture Infrastructure Fund for a period of 3 years from 01.07.2022 to 30.06.2025. Further, the agreement could be renewed each year for subsequent years on satisfactory performance. At the initial stage the project, the PMU was to have one Team Leader, two Coordinators, and one Data Analyst with appropriate qualifications and work experience.

8. It is further contended by the learned counsel for Opposite Party Nos.3 and 4 that the termination clause 2(O)(i) i.e. "The contract shall be terminable by one month's notice on either side or one month's consolidated pay last drawn, provided that such notice or compensation in lieu thereof shall not be necessary on the part of the company where termination is for misconduct as specified by the company from time to time" is not applicable after the expiry of contract.

9. It is further contended that the allegation that Petitioner's non-renewal of the contract is stage managed to engage retired persons or own kith and kin, is baseless.

NABCONS follows a transparent engagement process. In as much as the PBCs are hired either through referrals or advertisement in print media and/or electronic media, as already noted, and also on the basis of their performance in interviews. Based on qualification, experience and interviews, on due verification of credentials they are engaged.

The same process was followed subsequent to the Petitioner's exit from NABCONS, vide advertisement Ref. No. NABCONS/COHR/20/ PBCS/2023-24 dated 01.09.2023.

Opposite Party No. 2 had advised a change in the PMU Team Leader due to non-performance. Based on Opposite Party No. 2's feedback, the contracts of the remaining three consultants engaged under the AIF Project, Odisha, were also not renewed. NABCONS received the No Dues Form from the Petitioner on 21 July 2023. After receipt of the said form, all dues till 22 June 2023 payable to the Petitioner (i.e., end of contract) were released by NABCONS.

NABCONS also issued the Experience Letter dtd.01.09.2023 to the Petitioner. As NABCONS is a private limited company, it issues only an experience certificate at the exit of consultants.

NABCONS does not issue any kind of No Objection Certificate (NOC) to exiting consultants. The vPetitioner's contract with NABCONS as Team Leader, Banking

Expert, was valid till 22.06.2023. However, the Petitioner attended office till 30.06.2023, which was duly approved by the Joint Director of Agriculture, Bhubaneswar. As the Petitioner attended office beyond the expiry of his contract to complete the pending work, it was decided that his salary from 23.06.2023 to 30.06.2023 would be paid.

10. The Opposite Party No.2 (Director, Agriculture Food Production, Govt. of Odisha, Bhubaneswar, Khurda) has also filed a counter supporting the stand of the Opposite Party No.4 & 5 reiterating that as NABARD Consultancy Services is the Appointing Authority of the staffs under Project Management Unit of Agriculture Infrastructure Fund Scheme & implementing agency of the scheme. Therefore, the stand taken by the learned counsel for the Petitioner regarding the termination of the contract is not related to the office of Directorate of Agriculture & Food Production.

11. From the pleadings noted as well as submission on the respective parties, this court is of the considered view that:-

(i) The post in question is purely a contractual post created for a scheme and is coterminous with the scheme. As pleaded by respective parties the project duration expired on 30.06.2025.

(ii) The claim of the Petitioner with respect to his disengagement having stigma for his future service career is untenable as non-extension of contract period on the basis of unsatisfactory performance cannot be accepted as stigmatic or dismissal /disengagement.

(iii) The Parties in a contract being subject to the terms and condition of the contract with a definite HR Policy that the contract of PBCS will come to an end automatically on completion of the contract period, unless renewed is sufficient to hold that the employer is not bound to extend the contract after the contract period is over.

(iv) So far as the one month notice period before disengagement is concerned, such a condition has its applicability only during the subsistence of the contract and not after the tenure of the contract period.

(v) The facts in the case of Brijesh Kumar(Supra) [U.P. State Road Transport Corporation V. Brijesh Kumar, 2024 SCC OnLine SC 2282 19.....Therefore, the order of termination of his services, even if on contractual basis, has been passed on account of alleged misconduct without following the Principles of Natural Justice. The termination order is apparently stigmatic in nature which could not have been passed without following the Principles of Natural Justice] are patently distinguishable, as the contractual employee in that case was appointed on compassionate grounds and was granted relief on account of non-following the principles of Natural Justice when he was disengaged during the subsistence of the contract, on the ground of serious misconduct involving misappropriation.

(vi) The grievance of replacement of one temporary employee with another temporary employee is concerned, has no basis in the factual matrix, in the present case.

The said principle was laid down in the case of State of Haryana and Ors. Vrs. Piara Singh and Ors.[State of Haryana V. Piara Singh, (1992) 4 SCC 118]. Apex court deprecated the continuance of adhoc arrangement and also protected the person already continuing on adhoc basis by restricting his replacement further on adhoc basis by another person till regular appointment against the post as much as such principle has its validity till a valid reason is not there for requiring replacement.

It is apposite to re-stated that the employee who is stated to have been engaged was not impleaded as a party.

As already discussed the Petitioner is bound by the conditions laid down in the contract and the Petitioner has not been able to establish any vested right to continue in the contractual post beyond the contract period, as the same in the considered view of this Court has not been renewed for valid reason.

12. Hence, this court finds no merit in the prayer made by the Petitioner.

13. The Writ Petition is accordingly disposed of. No0 costs.