

STATE OF UTTARAKHAND

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v.

SUDHIR BUDAKOTI

(Civil Appeal Nos. 2661 of 2015)

APRIL 07, 2022

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[SANJAY KISHAN KAUL AND M.M. SUNDRESH, JJ.]

Constitution of India: Art.14: Classification test – The Government of India, Ministry of Human Resource Development published communications on revision of pay scale of the Lecturers on one side and the Administrative Staff starting from the Registrar on the other – The State of Uttarakhand applied the directions issued by the Central Government on revised salary to its teaching faculty alone, and not to the registrar – Allegation of discrimination – High Court held that the pay scale was meant to be applied to registrar and the faculty both – On appeal, held: Appellant is not bound by any direction issued by the Central Government which would at worst be mandatory to the Central Universities and the Central Government Colleges receiving funds – Thus, any such decision would obviously be directory to State Government Colleges and Universities, being in the nature of a mere recommendation – High Court misconstrued the facts – Appellant nowhere made a decision to accept and adopt the circular of the Central Government pertaining to the Registrars working in the Universities coming under its purview – In absence of any legal right with the corresponding duty, such a relief can never be asked for, particularly when there are clear and specific rules provided for the pay scale of Registrars by the appellant – When the classification is distinct and clear having adequate rationale with due relation to the objective, there is no reason to hold otherwise by treating a Registrar at par with the Lecturers – One is meant for administration and the other teaching – Uttar Pradesh State Universities Act, 1973 – Universities.

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Uttar Pradesh State Universities Act, 1973: s.17(1) – Appointment – Whether State Universities bound by directions issued by Central Government – Held: Appellant not bound by any direction issued by the Central Government which would at worst be mandatory to the Central Universities, and Colleges receiving funds

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- A *by the Central Government. Such directions would be directory to State Government Colleges and Universities, being in the nature of a mere recommendation.*

Allowing the appeal, the Court

- B **HELD:** 1.1 A mere differential treatment on its own cannot be termed as an “anathema to Article 14 of the Constitution”. When there is a reasonable basis for a classification adopted by taking note of the exigencies and diverse situations, the Court is not expected to insist on absolute equality by taking a rigid and pedantic view as against a pragmatic one. [Para 14][920-A-B]
- C 1.2 When the differentiation is clearly distinguishable with adequate demarcation duly identified, the object of Article 14 gets satisfied. Social, revenue and economic considerations are certainly permissible parameters in classifying a particular group. Thus, a valid classification is nothing but a valid discrimination.
- D That being the position, there can never be an injury to the concept of equality enshrined under the Constitution, not being an inflexible doctrine. [Para 15][920-B-D]
- E 1.3 The question as to whether a classification is reasonable or not is to be answered on the touchstone of a reasonable, common man’s approach, keeping in mind the avowed object behind it. If the right to equality is to be termed as a genus, a right to non-discrimination becomes a specie. When two identified groups are not equal, certainly they cannot be treated as a homogeneous group. A reasonable classification thus certainly would not injure the equality enshrined under Article 14 when
- F there exists an intelligible differentia between two groups having a rational relation to the object. Therefore, an interference would only be called for on the court being convinced that the classification causes inequality among similarly placed persons. The role of the court being restrictive, generally, the task is best
- G left to the concerned authorities. When a classification is made on the recommendation made by a body of experts constituted for the purpose, courts will have to be more wary of entering into the said arena as its interference would amount to substituting its views, a process which is best avoided. [Para 17][920-E-H; 921-A]
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1.4 As long as the classification does not smack of inherent arbitrariness and conforms to justice and fair play, there may not be any reason to interfere with it. It is the wisdom of the other wings which is required to be respected except when a classification is bordering on arbitrariness, artificial difference and itself being discriminatory. A decision made sans the aforesaid situation cannot be tested with either a suspicious or a microscopic eye. Good-faith and intention are to be presumed unless the contrary exists. [Para 18][921-A-C]

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2.1 The appellant is not bound by any direction issued by the Central Government which would at worst be mandatory to the Central Universities and the Central Government Colleges receiving funds. Thus, any such decision would obviously be directory to State Government Colleges and Universities, being in the nature of a mere recommendation. [Para 20][930-D-E]

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2.2 The High Court of Uttarakhand has misconstrued the facts. The Appellant nowhere has made a decision to accept and adopt the circular of the Central Government pertaining to the Registrars working in the Universities coming under its purview. In the absence of any legal right with the corresponding duty, such a relief can never be asked for, particularly when there are clear and specific rules provided for the pay scale of Registrars by the Appellant. When the classification is distinct and clear having adequate rationale with due relation to the objective, there is no reason to hold otherwise by treating a Registrar at par with the Lecturers. One is meant for administration and the other teaching. [Para 21][930-H; 931-A-D]

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Transport & Dock Workers Union v. Mumbai Port Trust (2011) 2 SCC 575; [2010] 14 SCR 873; Shamasundar v. University of Mysore 1996 SCC OnLine Kar 430; Shyam Babu Verma v. Union of India (1994) 2 SCC 521; [1994] 1 SCR 700; Union of India v. International Trading Co. (2003) 5 SCC 437; Hotel & Bar (FL.3) Association of Tamil Nadu (HOBAT) v. The Secretary to Government, Commercial Taxes Department 2015 SCC OnLine Mad 7092; Narmada Bachao Andolan v.

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- A *Union of India (2000) 10 SCC 664: [2000] 4 Suppl. SCR 94; State of M.P. v. Narmada Bachao Andolan, (2011) 7 SCC 639: [2011] 6 SCR 443; Indian Drugs & Pharmaceuticals Ltd. v. Workmen, (2007) 1 SCC 408: [2006] 9 Suppl. SCR 73; Union of India v. International Trading Co., (2003) 5 SCC 437: [2003] 1 Suppl. SCR 55; Kalyani Mathivanan v. K.V. Jeyaraj, (2015) 6 SCC 363: [2015] 3 SCR 467 – relied on.*
- B *[2010] 14 SCR 873 relied on Para 19*
[1994] 1 SCR 700 relied on Para 19
(2003) 5 SCC 437 relied on Para 19
[2000] 4 Suppl. SCR 94 relied on Para 19
[2011] 6 SCR 443 relied on Para 19
D *[2006] 9 Suppl. SCR 73 relied on Para 19*
[2003] 1 Suppl. SCR 55 relied on Para 19
[2015] 3 SCR 46 relied on Para 20

E CIVIL APPELLATE JURISDICTION : Civil Appeal No. 2661
of 2015.

From the Judgment and Order dated 03.08.2012 of the High Court of Uttarakhand at Nainital in Writ Petition (S/B) No.51 of 2011.

F Jatinder Kumar Sethi, Dy. AG, Ashutosh Kumar Sharma, Sunny Sachin Rawat, Sudarshan Singh Rawat, Ayush Negi, Ms. Vishakha Upadhyaya, Ms. Himanshi Tyagi, Aakarshan Aditya, Advs. for the appearing parties.

Respondent-in-person

G The Judgment of the Court was delivered by
M. M. SUNDRESH, J.

H 1. Aggrieved over the judgment rendered by the High Court of Uttarakhand in allowing the Writ Petition (S/B) No.51/2011 filed by the Respondents before us, the present appeal by special leave has been filed.

NECESSARY FACTS

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2. The statute by the name, “State Universities Act, 1973” enacted by the State of Uttar Pradesh was adopted by the State of Uttarakhand through a modification order of the year 2001.

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3. Section 16 of the Uttar Pradesh State Universities Act, 1973 (hereinafter referred to as the “Act”) deals with the post of Registrar, who shall be a whole-time officer of the University. He shall not be offered nor be entitled to accept any remuneration for any other work in the University, save as provided under the governing rules. His appointment has to be in terms of Section 17 of the Act and the rule making power provided thereunder.

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4. In exercise of the powers conferred under Section 17(1) of the Act, the State of Uttarakhand brought into the statute book, “The Uttarakhand State University (Centralized Services) Rules, 2006” (hereinafter referred to as, “2006 Rules”), prescribing essential qualifications, procedure for recruitment and pay scale etc. for the post of Registrars in the State Universities. The 2006 Rules also provide the qualification for a Lecturer, which is obviously different to that of a Registrar. To be noted, the pay scale at the relevant point of time was 3200-100-3500-125-4875, with effect from 01.01.1986.

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5. The State of Uttarakhand, on 16.06.2008, sent a requisition to the State Public Service Commission for the appointment of Registrars in the State Universities, clearly indicating the essential qualifications along with the pay scale, as aforesaid. On 31.12.2008, the Government of India, Ministry of Human Resource Development, Department of Higher Education, New Delhi published two separate communications addressed to the Secretary, University Grant Commission (hereinafter referred to as “the UGC”) on the revision of the pay scale of the Lecturers on one side and the Administrative Staff starting from the Registrar on the other. Both these circulars issued separately were obviously meant to be implemented by the Central Government Universities and the Central Government Colleges duly funded by it. In other words, they became mere recommendations *qua* the State Government Universities. We may hasten to add the qualification prescribed for the post of Registrar by the UGC being higher, stands different to that of the Uttarakhand State Universities as mandated under the 2006 Rules.

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- A 6. The State of Uttarakhand thought it fit to accept the recommended revised pay scale of the Government of India dated 31.12.2008, meant to be applied for the Central Universities and Central Government Colleges, to its teaching faculties alone, except sub-clause (f) in clause 8, which speaks of age of superannuation, an issue with which we are not concerned in the present *lis*.
- B 7. Respondent No. 1 was selected and given the appointment to the post of Registrar on 23.11.2009 with the appropriate pay scale in terms of the 2006 Rules, which was also notified in the advertisement itself.
- C 8. After taking charge as an Assistant Registrar in Kumaon University, Respondent No. 1 filed Writ Petition (S/B) No.51/2011 before the High Court of Uttarakhand seeking the pay scale meant to be applied for his counterparts in the Central Universities. While entertaining the writ petition, the High Court in and by its order dated 11.03.2011 directed the Principal Secretary, Higher Education of the State of Uttarakhand to take a call on the letter dated 01.01.2010 sent by the Kumaon University, which order is appositely placed hereunder:
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- E “ *List after service is affected. It appears that Kumaon University has written a letter dated 08.01.2010 to the Principal Secretary, Higher Education Department seeking fixation of the pay scale of the petitioner. We are requesting the Principal Secretary, Higher Education Department to take a decision thereon and informed us in regard to that decision.*

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Sd/-

Chief justice, Sudhanshu Dhulia, J.

11.03.2011"

- G 9. The pay scale of Respondent No. 1 was also revised by the State of Uttarakhand on the recommendation of the Sixth Pay Commission through a Government Order in G.O. No. 124/XXVIV(6)/2011 dated 05.04.2011. On receipt of the Government Order, Respondent No. 1 got his prayer duly amended seeking to question it as unconstitutional.

- H 10. By the order dated 27.02.2012, the High Court of Uttarakhand issued a direction to the Pay Anomaly Committee to look into the matter

afresh, which was accordingly complied with, by not accepting the case of Respondent No. 1, finding no justification particularly when there is a distinct difference in the qualification as prescribed by the UGC and the State Government for the aforesaid post. A supplementary counter-affidavit was also filed bringing this to the notice of the Court. A

11. The High Court allowed the writ petition on a factual error by misconstruing the decision made in favour of the teaching faculty to that of the Registrar and other administrative staff. The Appellant seeks to set aside the said decision before us. B

RESPECTIVE SUBMISSIONS:

Submissions of the Appellant: C

12. Learned counsel for the Appellant submitted that the High Court has completely misunderstood the admitted facts. There are two circulars dealing with the Lecturers and the Registrars. A decision was made to revise the pay scales of the UGC for the Lecturers and not for the Registrars. One has to see the economic implication. Respondent No. 1 has got neither any accrued nor vested right to seek pay parity. Such a parity cannot be sought by comparing the Lecturers and the other Registrars working in the Central Universities. There is no mandatory compliance of the Central Government's revised pay scale implementation for the State Universities. The matter involved partakes the character of a policy decision made upon considering the available material, including the economic fallout and therefore, no judicial review is available. Mainly because Respondent No. 1 was made to undertake the work assigned to a Lecturer and vice versa, the aforesaid arrangement being temporary will not create a right. The classification being just and fair and Respondent No. 1 being aware of the pay scale fixed in tune with the rules governing, the order passed by the High Court having huge financial ramifications, has to be set aside. D E F

Submissions of the respondents:

13. Respondent No. 1, who appears as a party-in-person, made a primary contention before us that he did function as a Lecturer albeit for a limited period, the pay scale fixed was very low. Having revised the pay scale for the Lecturers, nothing prevented the Appellant from undertaking the said exercise for the Registrars as well. Thus, the benefit conferred need not be disturbed. G

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A **Classification Test & Policy Decisions of the State:**

14. A mere differential treatment on its own cannot be termed as an “anathema to Article 14 of the Constitution”. When there is a reasonable basis for a classification adopted by taking note of the exigencies and diverse situations, the Court is not expected to insist on absolute equality by taking a rigid and pedantic view as against a pragmatic one.
15. Such a discrimination would not be termed as arbitrary as the object of the classification itself is meant for providing benefits to an identified group of persons who form a class of their own. When the differentiation is clearly distinguishable with adequate demarcation duly identified, the object of Article 14 gets satisfied. Social, revenue and economic considerations are certainly permissible parameters in classifying a particular group. Thus, a valid classification is nothing but a valid discrimination. That being the position, there can never be an injury to the concept of equality enshrined under the Constitution, not being an inflexible doctrine.
16. A larger latitude in dealing with a challenge to the classification is mandated on the part of the Court when introduced either by the Legislature or the Executive as the case may be. There is no way, courts could act like appellate authorities especially when a classification is introduced by way of a policy decision clearly identifying the group of beneficiaries by analysing the relevant materials.
17. The question as to whether a classification is reasonable or not is to be answered on the touchstone of a reasonable, common man’s approach, keeping in mind the avowed object behind it. If the right to equality is to be termed as a genus, a right to non-discrimination becomes a specie. When two identified groups are not equal, certainly they cannot be treated as a homogeneous group. A reasonable classification thus certainly would not injure the equality enshrined under Article 14 when there exists an intelligible differentia between two groups having a rational relation to the object. Therefore, an interference would only be called for on the court being convinced that the classification causes inequality among similarly placed persons. The role of the court being restrictive, generally, the task is best left to the concerned authorities. When a classification is made on the recommendation made by a body of experts constituted for the purpose, courts will have to be more wary of entering
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into the said arena as its interference would amount to substituting its views, a process which is best avoided. A

18. As long as the classification does not smack of inherent arbitrariness and conforms to justice and fair play, there may not be any reason to interfere with it. It is the wisdom of the other wings which is required to be respected except when a classification is bordering on arbitrariness, artificial difference and itself being discriminatory. A decision made sans the aforesaid situation cannot be tested with either a suspicious or a microscopic eye. Good-faith and intention are to be presumed unless the contrary exists. One has to keep in mind that the role of the court is on the illegality involved as against the governance. B

19. For the aforesaid principle of law, we would like to quote the elucidations of this Court in the following judgments: C

**Transport & Dock Workers Union v. Mumbai Port Trust,
(2011) 2 SCC 575:**

“36. Differential treatment in our opinion does not per se amount to violation of Article 14 of the Constitution. It violates Article 14 only when there is no conceivable reasonable basis for the differentiation. In the present case, as pointed out above, there is a reasonable basis and hence in our opinion there is no violation of Article 14 of the Constitution. D

37. In our opinion it is not prudent or pragmatic for the Court to insist on absolute equality when there are diverse situations and contingencies, as in the present case. In view of the inherent complexities involved in modern society, some free play must be given to the executive authorities in this connection. E

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39. In our opinion, there is often a misunderstanding about Article 14 of the Constitution, and often lawyers and Judges tend to construe it in a doctrinaire and absolute sense, which may be totally impractical and make the working of the executive authorities extremely difficult if not impossible. G

40. As Lord Denning observed:

“This power to overturn executive decision must be exercised very carefully, because you have got to remember that the H

- A executive and the local authorities have their very own responsibilities and they have the right to make decisions. The courts should be very wary about interfering and only interfere in extreme cases, that is, cases where the court is sure they have gone wrong in law or they have been utterly unreasonable.
- B Otherwise you would get a conflict between the courts and the Government and the authorities, which would be most undesirable. The courts must act very warily in this matter.”
(See *Judging the World* by Garry Sturgess Philip Chubb.)”
- C 41. In our opinion Judges must maintain judicial self-restraint while exercising the powers of judicial review of administrative or legislative decisions. “In view of the complexities of modern society”, wrote Justice Frankfurter, while Professor of Law at Harvard University, “and the restricted scope of any man’s experience, tolerance and humility in passing judgment on the worth of the experience and beliefs of others become crucial faculties in the disposition of cases. The successful exercise of such judicial power calls for rare intellectual disinterestedness and penetration, lest limitation in personal experience and imagination operate as limitations of the Constitution. These insights Mr Justice Holmes applied in hundreds of cases and expressed in memorable language: It is misfortune if a Judge reads his conscious or unconscious sympathy with one side or the other prematurely into the law, and forgets that what seem to him to be first principles are believed by half his fellow men to be wrong.
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- F 43. In our opinion adjudication must be done within the system of historically validated restraints and conscious minimisation of the Judges’ preferences. The Court must not embarrass the administrative authorities and must realise that administrative authorities have expertise in the field of administration while the Court does not. In the words of Chief Justice Neely, former Chief Justice of the West Virginia Supreme Court of Appeals:
- “I have very few illusions about my own limitations as a Judge. I am not an accountant, electrical engineer, financer, banker, stockbroker or system management analyst. It is the height of folly to expect Judges intelligently to review a 5000 page record
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addressing the intricacies of a public utility operation. It is not the function of a Judge to act as a super board, or with the zeal of a pedantic school master substituting its judgment for that of the administrator.” A

44. In administrative matters the Court should, therefore, ordinarily defer to the judgment of the administrators *unless the decision is* clearly violative of some statute or is shockingly arbitrary. In this connection, Justice Frankfurter while Professor of Law at Harvard University wrote in *The Public and its Government*: B

“With the great men of the Supreme Court constitutional adjudication has always been statecraft. As a mere Judge, Marshall had his superiors among his colleagues. His supremacy lay in his recognition of the practical needs of the Government. The great Judges are those to whom the Constitution is not primarily a text for interpretation but the means of ordering the life of a progressive people.” C

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48. In *Kesavananda Bharati v. State of Kerala*, (1973) 4 SCC 225 : AIR 1973 SC 1461 (vide AIR para 1547) Khanna, J. observed: (SCC p. 821, para 1535)

“1535. In exercising the power of judicial review, the courts cannot be oblivious of the practical needs of the Government. The door has to be left open for trial and error.” E

B. Shamasundar v. University of Mysore, 1996 SCC OnLine Kar 430:

“6. Equality before law and equal protection of laws is the heart and soul of the Constitutional system adopted by this country. The right to equality and equal protection of laws under Article 14 are genus and the right to non-discrimination are the species. Equality as contemplated under the Constitutional scheme means equality among equals. The doctrine of equality is considered to be a corollary to the concept of Rule of Law which postulates that every executive action, if it is to operate to the prejudice of any person must be fair and referable to legal authority. What Article 14 prohibits is the class legislation and not reasonable classification. If classification is based upon reasonable criteria and the persons F

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- A belonging to well-defined class are treated equally, the vice of discrimination would not be attracted. In order to pass the test of reasonable classification the impugned Statute, order or notification is required to pass the twin tests of permissible classification viz.,
- (i) that the classification must be founded on an intelligible differentia which distinguishes persons or things that are grouped together from others left out of the group and;
- (ii) that, that differentia must have a rational relation to the object sought to be achieved by the impugned statute or order.
- C 7. It is not conceived that the classification should be scientifically perfect or logically complete. The Court would not interfere unless it is shown that the classification resulted in inequality amongst the persons similarly situated. The reasonable classification expected to stand the test of the Constitutional guarantees requires that such classification was real and substantial which contemplated some just reasonable relation to the job of the legislation. The Courts have not to determine as to whether the impugned action has resulted in inequality but have to decide whether there was some differentia which had an object to be achieved by the impugned action. Mere differentiation per se does not amount to discrimination attracting the operation of the guarantee of equality. The purpose and object of the impugned action has to be ascertained from the attending circumstances in each case.

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- F 11. Applying the tests noted herein above it is apparent that the appellants did not discharge the initial onus of proof of *prima facie* satisfying the Court that the impugned statute was violative of Article 14 & 16 of the Constitution of India. The mere fact that the statute provided a different age of retirement for the teachers of the University was by itself not sufficient to conclude that the same was discriminatory or that the classification contemplated was not reasonable. It has been conceded before us that classification was made in favour of a specified class i.e., the teachers as defined under Section 2(7) and 2(8) of the Karnataka State Universities Act 1976 (hereinafter called the ‘Act’). The classification thus made in favour of teachers cannot be held to
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be discriminatory. Such classification was held permissible in State of Madhya Pradesh v. Hari Datt Sharma [AIR 1993 SC 1312]. In Life Insurance Corporation of India etc. v. S. Srivastava [AIR 1987 SC 1527.], it was held that while determining the question regarding the fixation of age for retirement the Court can take judicial notice of different age of retirement prevailing in several services in the Country. The discrimination as regards the age of retirement between Employees belonging to different classes though in the same service could not be termed to be discriminatory. The teachers within the meaning of the Act include Professors, Readers, Lecturers and other persons imparting instructions in any affiliated college. Even though the definition is inclusive, yet it is only for the University to consider and decide as to who were the persons appointed for the purpose of imparting instructions in the University or in the colleges maintained by the University. This Court cannot embark upon the task of deciding as to who was a teacher within the meaning of the Act. The Division Bench of this Court in University of Mysore v. Maribasavaradya's case, [ILR 1990 Kar 3671.] supra considered this aspect of the matter as well and rightly came to the conclusion that the appellants therein who were the Research Assistants could not be held to be teachers on the basis of the performance of their duties. Clause (d) of statute 2 of the impugned statutes defined the teacher of the University to mean such persons who were appointed for the purposes of imparting instructions in University or in any college maintained by the Universities. It is admitted that none of the appellants before us was appointed as teacher of the University for being entitled to the benefit of the Statute 3 which is impugned before us. Whether all the appellants or any one of them was imparting instructions is a question which can properly be appreciated and adjudicated by the University, the employer of the appellants. This Court cannot embark upon deciding the academic question on the basis of assumptions and presumptions. The appellants have not been in a position to persuade us to disagree with the earlier judgment of this Court in the University of Mysore v. P. Maribasavaradya's case [ILR 1990 Kar 3671]. We are also of the opinion that the classification contemplated by the impugned statute is neither unreasonable nor without any basis."

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- A **Shyam Babu Verma v. Union of India, (1994) 2 SCC 521:**
“9. It was then urged on behalf of the petitioners that on principle of ‘equal pay for equal work’ they were entitled to pay scale of Rs 330-560. It was pointed out that they have been performing the same nature of work, which was being performed by other Pharmacists Grade-B who have been given the scale of Rs 330-560. The nature of work may be more or less the same but scale of pay may vary based on academic qualification or experience which justifies classification. The principle of ‘equal pay for equal work’ should not be applied in a mechanical or casual manner. Classification made by a body of experts after full study and analysis of the work should not be disturbed except for strong reasons which indicate the classification made to be unreasonable. Inequality of the men in different groups excludes applicability of the principle of ‘equal pay for equal work’ to them. The principle of ‘equal pay for equal work’ has been examined in *State of M.P. v. Pramod Bhartiya*, (1993) 1 SCC 539 : 1993 SCC (L&S) 221 : (1993) 23 ATC 657 by this Court. Before any direction is issued by the Court, the claimants have to establish that there was no reasonable basis to treat them separately in matters of payment of wages or salary. Then only it can be held that there has been a discrimination, within the meaning of Article 14 of the Constitution.”
- E **Union of India v. International Trading Co., (2003) 5 SCC 437:**
“15. While the discretion to change the policy in exercise of the executive power, when not trammelled by any statute or rule is wide enough, what is imperative and implicit in terms of Article 14 is that a change in policy must be made fairly and should not give the impression that it was so done arbitrarily or by any ulterior criteria. The wide sweep of Article 14 and the requirement of every State action qualifying for its validity on this touchstone irrespective of the field of activity of the State is an accepted tenet. The basic requirement of Article 14 is fairness in action by the State, and non-arbitrariness in essence and substance is the heartbeat of fair play. Actions are amenable, in the panorama of judicial review only to the extent that the State must act validly for a discernible reason, not whimsically for any ulterior purpose.
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The meaning and true import and concept of arbitrariness is more easily visualized than precisely defined. A question whether the impugned action is arbitrary or not is to be ultimately answered on the facts and circumstances of a given case. A basic and obvious test to apply in such cases is to see whether there is any discernible principle emerging from the impugned action and if so, does it really satisfy the test of reasonableness.

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16. Where a particular mode is prescribed for doing an act and there is no impediment in adopting the procedure, the deviation to act in a different manner which does not disclose any discernible principle which is reasonable itself shall be labelled as arbitrary. Every State action must be informed by reason and it follows that an act uninformed by reason is per se arbitrary.”

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**Hotel & Bar (FL.3) Association of Tamil Nadu (HOBAT) v
The Secretary to Government, Commercial Taxes Department
2015 SCC OnLine Mad 7092:**

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“17. The power of judicial review over a policy decision in the field of revenue is quite settled. Such a decision is not required to be tested by a Court of law with suspicious and microscopic eye. The parameters for decision are good faith and intention. A Constitutional Court will have to look at the decision made by the Executive or a Legislature by taking a practical view and it should rather avoid an absolute and inflexible concept. An interpretation, which serves the legislative object and intent leading to a purposive construction, is required to be made by the Court...”

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**Narmada Bachao Andolan v. Union of India, (2000) 10 SCC
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“229. It is now well-settled that the courts, in the exercise of their jurisdiction, will not transgress into the field of policy decision. Whether to have an infrastructural project or not and what is the type of project to be undertaken and how it has to be executed, are part of policy-making process and the Courts are ill-equipped to adjudicate on a policy decision so undertaken. The Court, no doubt, has a duty to see that in the undertaking of a decision, no law is violated and people’s fundamental rights are not transgressed upon except to the extent permissible under the Constitution....”

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A **State of M.P. v. Narmada Bachao Andolan, (2011) 7 SCC 639:**

- B “36. The Court cannot strike down a policy decision taken by the Government merely because it feels that another decision would have been fairer or more scientific or logical or wiser. The wisdom and advisability of the policies are ordinarily not amenable to judicial review unless the policies are contrary to statutory or constitutional provision or arbitrary or irrational or an abuse of power...”

Indian Drugs & Pharmaceuticals Ltd. v. Workmen, (2007) 1 SCC 408:

- C “29. In para 19 of the aforesaid judgment of the Constitution Bench, an important observation has been made about whether the court can impose financial burden on the State in this manner. Para 19 states as under: (*Umadevi (3) case, Secy., State of Karnataka (3), (2006) 4 SCC 1: 2006 SCC (L& S) 753, SCC pp.25-26*)
- D “19. One aspect arises. Obviously, the State is also controlled by economic considerations and financial implications of any public employment. The viability of the department or the instrumentality of the project is also of equal concern for the State. The State works out the scheme taking into consideration the financial implications and economic aspects. Can the court impose on the State a financial burden of this nature by insisting on regularisation or permanence in employment, when those employed temporarily are not needed permanently or regularly? As an example, we can envisage a direction to give permanent employment to all those who are being temporarily or casually employed in a public sector undertaking. The burden may become so heavy by such a direction that the undertaking itself may collapse under its own weight. It is not as if this had not happened. So, the court ought not to impose a financial burden on the State by such directions, as such directions may turn counterproductive.”
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Union of India v. International Trading Co., (2003) 5 SCC 437:

- H “17. The courts as observed in *G.B. Mahajan v. Jalgaon Municipal Council, (1991) 3 SCC 91: AIR 1991 SC 1153* are kept out of the lush field of administrative policy except where a

policy is inconsistent with the express or implied provision of a statute which creates the power to which the policy relates or where a decision made in purported exercise of power is such that a repository of the power acting reasonably and in good faith could not have made it. But there has to be a word of caution. Something overwhelming must appear before the court will intervene. That is and ought to be a difficult onus for an applicant to discharge. The courts are not very good at formulating or evaluating policy. Sometimes when the courts have intervened on policy grounds the courts' view of the range of policies open under the statute or of what is unreasonable policy has not got public acceptance. On the contrary, curial views of policy have been subjected to stringent criticism.

18. As Professor Wade points out (in *Administrative Law* by H.W.R. Wade, 6th Edn.), there is ample room within the legal boundaries for radical differences of opinion in which neither side is unreasonable. The reasonableness in administrative law must, therefore, distinguish between proper course and improper abuse of power. Nor is the test court's own standard of reasonableness as it might conceive it in a given situation. The point to note is that the thing is not unreasonable in the legal sense merely because the court thinks it to be unwise.

19. In *Union of India v. Hindustan Development Corp.*, (1993) 3 SCC 499 : AIR 1994 SC 988 it was observed that decision taken by the authority must be found to be arbitrary, unreasonable and not taken in public interest where the doctrine of legitimate expectation can be applied. If it is a question of policy, even by ways of change of old policy, the courts cannot intervene with the decision. In a given case whether there are such facts and circumstances giving rise to legitimate expectation, would primarily be a question of fact.

20. As was observed in *Punjab Communications Ltd. v. Union of India*, (1999) 4 SCC 727 : AIR 1999 SC 1801 the change in policy can defeat a substantive legitimate expectation if it can be justified on "Wednesbury reasonableness". The decision-maker has the choice in the balancing of the pros and cons relevant to the change in policy. It is, therefore, clear that the choice of policy is for the decision-maker and not the court. The legitimate

- A substantive expectation merely permits the court to find out if the change of policy which is the cause for defeating the legitimate expectation is irrational or perverse or one which no reasonable person could have made. A claim based on merely legitimate expectation without anything more cannot ipso facto give a right.
- B Its uniqueness lies in the fact that it covers the entire span of time: present, past and future. How significant is the statement that today is tomorrow's yesterday. The present is as we experience it, the past is a present memory and future is a present expectation. For legal purposes, expectation is not same anticipation. Legitimacy of an expectation can be inferred only if it is founded on the sanction of law.”
- C

ON FACTS

- 20. We have recorded the facts in the preceding paragraphs. Law has become quite settled that the Appellant is not bound by any direction issued by the Central Government which would at worst be mandatory to the Central Universities and the Central Government Colleges receiving funds. Thus, any such decision would obviously be directory to State Government Colleges and Universities, being in the nature of a mere recommendation. The aforesaid position has been clarified by the decision of this Court in **Kalyani Mathivanan v. K.V. Jeyaraj, (2015) 6 SCC 363:**
- “62.2. The UGC Regulations being passed by both the Houses of Parliament, though a subordinate legislation has binding effect on the universities to which it applies.
- 62.3. The UGC Regulations, 2010 are mandatory to teachers and other academic staff in all the Central universities and colleges thereunder and the institutions deemed to be universities whose maintenance expenditure is met by UGC.
- 62.4. The UGC Regulations, 2010 are directory for the universities, colleges and other higher educational institutions under the purview of the State legislation as the matter has been left to the State Government to adopt and implement the Scheme. Thus, the UGC Regulations, 2010 are partly mandatory and is partly directory.”
- 21. The High Court of Uttarakhand in our opinion has completely misconstrued the facts. The Appellant nowhere has made a decision to
- H

accept and adopt the circular of the Central Government pertaining to the Registrars working in the Universities coming under its purview. In the absence of any legal right with the corresponding duty, such a relief can never be asked for, particularly when there are clear and specific rules provided for the pay scale of Registrars by the Appellant itself. The decision of the Appellant *qua* the Lecturers who form a distinct group as against the Respondent No. 1 who holds a higher position in the administration has been lost sight of. Merely because Respondent No. 1 was made to fill the gap by temporarily taking up the job of a Lecturer, he would never become one and so also a Lecturer, who might undertake the job of a Registrar. This is nothing but an administrative convenience borne out of a contingency. When the classification is distinct and clear having adequate rationale with due relation to the objective, there is no reason to hold otherwise by treating a Registrar at par with the Lecturers. One is meant for administration and the other teaching. The High Court has also not considered the financial implications as any decision would not rest with Respondent No. 1 alone, but the entirety of the administrative staff.

22. Having pointed out the aforesaid wrong understanding of facts culminating in the decision impugned before us, we accordingly set aside the same by allowing the Civil Appeal No.2661 of 2015 and, as a consequence, the writ petition filed, stands dismissed. No costs.

Devika Gujral and Amarendra Kumar
(Assisted by : Vrinda Singh, LCRA)

Appeal allowed.