



2025:TSHC:47490-DB

[3488]

HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

**MONDAY, THE EIGHTH DAY OF DECEMBER
TWO THOUSAND AND TWENTY FIVE**

PRESENT

**THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN**

WRIT APPEAL NO: 528 OF 2025

Writ Appeal under clause 15 of the Letters Patent against the Order dated 10-01-2025 in W.P. No. 9314 of 2025 on the file of the High Court.

Between:

1. K.S.Jagadeesha Reddy, S/o.Late K.S.Eswara Reddy Aged about 53 years, R/o.Flat No.G2, H.No.1-10-226, Indra Heritage Apartments Ashoknagar Cross Roads, Hyderabad - 500 020.
2. V.Sai Kumar, S/o.Late V.Prasada Rao Aged about 50 years, D.No.6-1-133/5, Padmarao Nagar Secunderabad - 500025.
3. K.Maruthi Ram, S/o.K.V.S.Rao Aged about 49 years R/o.Flat No.201, Fortune Plaza Puppallaguda, Hyderabad-89.
4. Siddharth Manvendra Chitre, S/o.Late Manvendra S Chitre Aged about 39 years Flat No.405, CPR Southend Apartment Plot No.1,2, Gouthami Enclave Society Near Chirec Public School, Kondapur Hyderabad-500084.
5. Jacob K.Thomas, S/o.K.C.Thomas Aged about 40 years, R/o.Flat No.310 Sigma Towers, Camclot Layout Kondapur, Hyderabad-500084.

...APPELLANTS

AND

1. Insurance Regulatory and Development Authority of India, Rep. by its Chairman Parisrama Bhavan, 3rd floor Basheerbagh, Hyderabad-500004.
2. Insurance Information Bureau of India, Rep. by its Chief Executive Officer 1st floor, Plot No.38/39, Financial District Nanakramguda, Gachibowli, Hyderabad-500032.

...RESPONDENTS

**Counsel for the Appellant : SRI VEDULA SRINIVAS, rep., Ms.VEDULA CHITRALEKHA
Counsel for the Respondent No.1 : SRI M.V.SURESH
Counsel for the Respondent No.2 : Ms.K.KIRAN MAYEE**

The Court made the following: JUDGMENT



2025:TSHC:47490-DB

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT APPEAL No.528 OF 2025

Dated: 08.12.2025

Between:

K.S. Jagadeesha Reddy & 4 others.

... Appellants

AND

Insurance Regulatory and Development
Authority of India, rep., by its Chairman,
Parisrama Bhavan, 3rd Floor,
Basheerbagh, Hyderabad and another.

... Respondents.

JUDGMENT:

Mr. Vedula Srinivas, learned Senior Counsel
represents Ms. Vedula Chitralkha, learned counsel for the
appellants.

Mr. M.V. Suresh, learned counsel for respondent
No.1 appears through video conferencing.

Ms. K. Kiran Mayee, learned counsel for respondent
No.2 appears through video conferencing.

2. The writ petitioners are the appellants aggrieved by rejection of their prayer for being treated as employees of respondent No.1 – Insurance Regulatory and Development Authority of India (for short, “IRDA”). The appellants contend that respondent No.2 – Insurance Information Bureau of India (for short, “IIB”) was working as a department of IRDA till it was registered as a Society under the A.P. Societies Registration Act, 2001 (for short, “the Act”) on 21.11.2012. The recruitment of the appellants was undertaken by the IRDA pursuant to the advertisement dated 19.10.2011. Without their consent, their services have been transferred to IIB which is in teeth of the judgment rendered by a Division Bench of the Andhra Pradesh High Court in **Cement Corporation of India Ltd., New Delhi and others vs. B.B.V. Krishnam Raju**¹. It is further submitted that the terms of their engagement provided for pay structure and other allowances as per IRDA Regulations. Without their consent, their services have been transferred to respondent No.2, a Society, where their essential service conditions

¹ MANU/AP/0873/1999



have been changed. They would not be entitled to pensionary benefits. The appellants rely upon a decision of the Hon'ble Supreme Court in **Somesh Thapliyal and another vs. Vice Chancellor, H.N.B. Garhwal University and another**² in support of the submission that while accepting the terms of appointment, the appellants are not in an equal bargaining position. They were left with no option but to accept such arbitrary conditions incorporated in the letter of appointment which were disapproved in similar circumstances in the case of **Somesh Thapliyal (supra)**. Therefore, acceptance of the terms and conditions of their appointment under IIB does not prevent them from challenging it and seeking declaration in their favour as employees of IRDA. Therefore, the impugned order may be set aside.

3. On behalf of respondent No.1, learned counsel has submitted that the appellants are bound by the terms and conditions of their appointment. Recruitment was undertaken by IRDA specifically for the purposes of IIB. The appellants consciously accepted the terms of their

² (2021) 10 SCC 116

appointment which stipulated that the officer selected for the advertised post will not be eligible for transfer and absorption in any manner into IRDA. Their position is no way connected with IRDA. Their service conditions and service regulations of IRDA, Government of India, do not apply to their position. It is submitted that there is no case of fraud or collusion pleaded by the appellants. In the absence of such pleading, the Apex Court in **Ladli Prashad Jaiswal vs. The Karnal Distillery Co. Ltd., Karnal**³ has held that such a plea could not be entertainable by a party. Order VI Rule 4 of the Code of Civil Procedure, 1908 thus provides that in all cases, the party has to plead any misrepresentation, fraud, breach of trust, willful default or undue influence in order to establish its case.

4. Learned counsel for respondent No.2 submits that the appellants upon consciously accepting the terms and conditions of their employment under IIB have also got favourable service conditions of redesignation of their advertised post of Deputy Director etc., which they cannot

³ AIR 1963 SC 1279



resile from by seeking their status as employees of respondent No.1.

5. Learned counsel for the appellants in reply submits that there was no delay in preferring the writ petition in 2015 since the appellants were pursuing their grievances before the respondent authorities. The learned Single Judge failed to consider the entire matter in proper perspective and erroneously dismissed the writ petition.

6. Upon hearing learned counsel for the parties, we deem it proper to first refer to the creation of IIB by a resolution dated 15.10.2009 by IRDA which is at page 53 of the appeal papers. IIB was constituted to fulfill the statutory mandate enunciated under Section 14(2)(1)(e) of the Insurance Regulatory and Development Authority of India Act, 1999 and consists of the Chairman, IRDA as its Chairman as well as members of LIC, GIC and Professors from Universities. The resolution also provided for deputation of staff and officers in the Bureau from IRDA. The appellants have placed reliance upon this condition to contend that they were appointed in a department of IRDA,

which has been separated without their consent. However, the notification or advertisement for their appointment dated 19.10.2011 at page 57 issued by IRDA shows that applications were invited for the enumerated post in IIB as per prescribed qualifications, experience etc. Further, after selection, the appointment letter in case of appellant No.1 for example at page 62 dated 24.12.2011 issued by IIB, Hyderabad, contains certain terms and conditions of appointment which unequivocally show that the appointments were made in the IIB and the incumbents were not eligible for transfer or absorption in any manner into IRDA. Their service conditions and service regulation for IIB shall be established by the Board of IIB in due course. Their position was in no way connected with IRDA. The appellants agreed to and accepted the terms and conditions by endorsing their signature to the offer of appointment with the full conscious knowledge of those terms and conditions. Similar are the appointment letters in the case of other appellants. The constitution of IIB by resolution dated 15.10.2009 as a body led to final shape as a Society under the Act formed on 21.12.2012. Therefore,



the appellants initial appointment under IIB continued as under IIB which changed its status as a Society registered under the Act.

7. The contention of the appellants that their services were transferred without their consent and in breach of the provisions of the Industrial Disputes Act, 1947 as per the decision in the case of **B.B.V. Krishnam Raju (supra)** is not correct. The services of the appellants were never under IRDA as observed hereinabove. The appellants approached the writ Court after four years of their appointment and three years after formation of respondent No.2 Society as an independent Society. The case of **Somesh Thapliyal (supra)** relied upon by the appellants is distinct on facts as in their case, the advertisements were issued for appointment to permanent substantive post, but the offer of appointment was made for a contractual post. On being challenged, the Apex Court therefore held that after having gone through the process of selection, which was for appointment on substantive basis, the offer of appointment to a contractual post for a limited period, which was accepted with protest, was arbitrary.

8. In the instant case, the appointments of the appellants have been made under the IIB as against the advertised post. They accepted their appointments with full eyes open that they were employees of IIB and could not seek any transfer to IRDA. Therefore, the appellants are estopped from turning around and seeking their status as employees of respondent No.1 IRDA.

9. The learned writ Court has taken into consideration the grounds urged on behalf of the appellants and found no contravention in the terms and conditions of offer of appointment dated 24.12.2011 in relation to the employment notice dated 19.10.2011. It has found that there is no illegality in redesignating the appellants and granting them pay scales determined to the posts in accordance with the policies framed by the Board of IIB.

10. For the reasons recorded hereinabove, in the facts and circumstances of the case, we do not find any error in the impugned order.



11. The writ appeal is accordingly dismissed. No order as to costs.

Miscellaneous applications pending, if any, shall stand closed.

SD/-MOHD. ISMAIL
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. One CC to SRI VEDULA CHITRALEKHA, Advocate. [ORUC]
2. One CC to SRI M.V.SURESH, Advocate. [OPUC]
3. One CC to Ms.K.KIRAN MAYEE, Advocate. [OPUC]
4. Two CD Copies.

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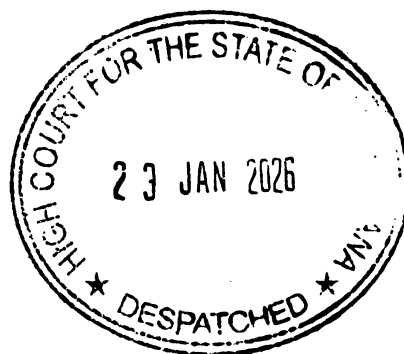
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2025:TSHC:47490-DB

HIGH COURT

DATED:08/12/2025



JUDGMENT

WA.No.528 of 2025

**DISMISSING THE WRIT APPEAL
WITHOUT COSTS**

Geppel's
18
31/12/25