



2026 INSC 431

REPORTABLE

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

CIVIL APPEAL NO. **OF 2026**
@ SPECIAL LEAVE PETITION (CIVIL) NO. 7138 OF 2025

R. IYYAPPAN & ORS. ...APPELLANT(S)

VERSUS

UNION OF INDIA & ORS. ...RESPONDENT(S)

J U D G M E N T

VIKRAM NATH, J.

1. Leave granted.
2. The present appeal arises out of the final judgment dated 8th July, 2024, passed by the High Court of Judicature at Madras¹ in Writ Petition No. 31674 of 2019, whereby the High Court dismissed the writ petition and affirmed the order dated 20th December, 2018, passed by the Central Administrative Tribunal, Madras Bench² in O.A. No. 326 of 2015, rejecting the appellants' claim for regularisation of their services.

¹ Hereinafter, referred to as “High Court”.

² Hereinafter, referred to as “Tribunal”.

3. The brief facts, relevant for the disposal of the present appeal, are as follows: -

3.1. The appellants are daily-wage employees engaged at different points of time between 1991 and 1997 in the Mahendragiri Unit of the respondent-Centre. In 1993, respondent No. 1 formulated a scheme³ conferring temporary status upon casual labourers. Pursuant thereto, the appellants submitted representations seeking regularisation of their services in terms of the said scheme.

3.2. As no action was taken by the respondents, the appellants approached the Tribunal by filing O.A. No. 455 of 2009, seeking regularisation of their services along with all attendant and consequential benefits available to regular employees.

3.3. By order dated 9th March, 2010, the Tribunal allowed the application and directed the respondents to formulate a scheme or issue ad-hoc rules within a period of six months, by creating the requisite number of posts, for engaging persons like the appellants on a permanent basis for sporadic types of work.

3.4. Aggrieved thereby, the respondents filed Writ Petition No. 19634 of 2010 before the High Court,

³ Casual Labourers (Grant of Temporary Status and Regularisation) Scheme, 1993.

which came to be dismissed by order dated 14th March, 2011. The Special Leave Petition filed before this Court, being SLP No. 19200 of 2011, was also dismissed by order dated 29th July, 2011, thereby attaining finality.

3.5. In purported compliance with the directions of the Tribunal, respondent No. 1 framed the “Gang Labourers (Employment for Sporadic Types of Work) Scheme”⁴ on 3rd September, 2012.

3.6. Contending that the said scheme was not in consonance with the directions of the Tribunal, the appellants filed Contempt Application No. 101 of 2011 before the Tribunal, which came to be dismissed by order dated 10th October, 2012.

3.7. In the meantime, the appellants expressed their willingness to be governed by the said scheme.

3.8. The appellants thereafter challenged the validity of the said scheme by filing O.A. No. 326 of 2015 before the Tribunal. The Tribunal, by order dated 14th July, 2016, dismissed the application. The appellants carried the matter to the High Court by way of Writ Petition No. 8163 of 2017, which was allowed on 25th April, 2017,

⁴ For short, “Gang Labourers Scheme”.

and the matter was remanded to the Tribunal for fresh consideration.

3.9. Upon remand, the Tribunal, by order dated 20th December, 2018, once again dismissed the application. A Review Application No. 11 of 2019 was also dismissed.

3.10. Aggrieved thereby, the appellants filed Writ Petition No. 31674 of 2019 before the High Court, seeking quashing of the Gang Labourers Scheme and consequential directions for creation of posts, retrospective appointment, and regularisation of their services.

3.11. The High Court, by the impugned order dated 8th July, 2024, dismissed the writ petition.

4. Aggrieved thereby, the appellants are before this Court.

SUBMISSION ON BEHALF OF THE PARTIES: -

5. Learned counsel appearing on behalf of the appellants assailed the judgment of the High Court and advanced the following submissions: -

5.1. It was contended that, in the first round of litigation, the Tribunal had directed the respondents to regularise the services of the appellants by creating the requisite number of posts, along with retrospective

effect and all consequential benefits. According to the appellants, the “Gang Labourers Scheme” framed by the respondents is contrary to the mandate of the Tribunal, which has attained finality upon affirmation by this Court.

5.2. It was further submitted that the continued engagement of the appellants on a daily-wage basis, without regularisation, is violative of Article 23 of the Constitution. The State, it was urged, cannot engage individuals for work of a perennial nature over long periods, without sanctioning posts or framing appropriate rules, thereby subjecting them to exploitative conditions.

5.3. It was lastly contended that the directions issued by the Tribunal in the earlier round unequivocally mandated regularisation of the appellants’ services with retrospective effect.

On these grounds, learned counsel prayed that the appeal be allowed.

6. *Per contra*, Shri S.D. Sanjay, learned Additional Solicitor General of India appearing on behalf of the respondents, advanced the following submissions: -

6.1. It was contended that the appellants were engaged only for performing sporadic and intermittent work,

such as loading, unloading, and shifting of materials, on a need basis, and were never appointed against any sanctioned posts for regular or permanent work.

6.2. It was further submitted that there exists no employer–employee relationship between the appellants and the respondent-organisation in the strict legal sense, and therefore, the appellants cannot claim any right to regularisation.

6.3. It was also urged that the “Gang Labourers Scheme” framed by the respondents is fully in consonance with the directions issued by the Tribunal and subsequently affirmed by the High Court. Under the said scheme, the appellants are engaged for sporadic work up to the age of 60 years, with a provision for consideration against future vacancies to the extent specified therein. It was, therefore, submitted that the respondents have duly complied with the directions to frame a scheme regulating the engagement and service conditions of such workers.

On these grounds, learned Additional Solicitor General prayed that the appeal be dismissed and the judgment of the High Court be upheld.

DISCUSSION AND ANALYSIS: -

7. We have heard learned counsel appearing for the parties and perused the material placed on record.

8. The fulcrum of the present controversy rests upon the true import and scope of the order dated 9th March, 2010, passed by the Tribunal in the first round of litigation. It is pursuant to the said order that the respondents, on 3rd September, 2012, framed the “Gang Labourers Scheme”. Being aggrieved by the said scheme, the appellants have once again approached the courts, contending that the directions of the Tribunal have not been implemented in their true letter and spirit.

9. According to the appellants, the Tribunal, by its order dated 9th March, 2010, had unequivocally directed the respondents to grant permanent status to the appellants. This contention, however, is seriously disputed by the respondents, who submit that the Tribunal did not mandate regularisation, but merely directed the formulation of a scheme to regulate and streamline the engagement of labourers performing sporadic work.

10. The core question that, therefore, arises for our consideration is whether the directions issued by the Tribunal in its order dated 9th March, 2010, mandated regularisation of the appellants’ services, and, if so, whether

the “Gang Labourers Scheme” framed by the respondents satisfies such mandate.

11. If the answer to the aforesaid question is in the negative, namely, that the Tribunal by its order dated 9th March, 2010 did not direct regularisation of the appellants, the very foundation of the appellants’ claim would collapse.

12. Since the said decision of the Tribunal is central to the resolution of the present controversy, it would be apposite to reproduce the relevant extracts thereof: -

“7. Admittedly the respondents are not disputing the engagement of 34 Gang labourers to attend to sporadic nature of work such as loading, unloading, shifting of materials packing materials, etc. The said labourers are engaged at the main Security gate as per the day-to-day requisition and they are allowed inside the premises through the token system for performance of such sporadic types of work and they will return after surrendering the tokens at the Security gate. The applicants are engaged on day-to-day basis depend upon the daily needs of the respondent office. But, in the absence any specific rule or any scheme the applicants have no right to claim regularization of their services simply because they have been engaged for-a-period ranging from 14 to 26 years. But from the records, it is seen that continuous engagement of labourers are made. The continuous engagement of labourers itself proves that regular & continuous work is available in the respondent office. It is also accepted by the respondents that crucial R&D activities such as assembly, integration and testing of engines and realization of different stages of Launch Vehicles such as PSLV, GSLV and Space crafts such as INSAT systems are carried out in the Mahendragiri Unit of LPSC throughout the year. It is also contended

that the Mahendragiri facility of LPSC comprises of Offices, Plants and Laboratories and this Unit is declared as Prohibited Area under the Official Secrets Act, considering the national importance, security aspect and the need to carry out the research activities smoothly without any external disturbance. Further it is contended by the respondents that the entire campus of LPSC, Mahendragiri is spread over a vast area of about 4271 acres, and the entire area is declared as a prohibited place under the Official Secrets Act. Therefore, the watch and ward duty is entrusted to the Central Industrial Security force and entry into the campus is regulated by issuance of identity cards for the regular employees as a security measure. The respondents also contended that no orders appointing the Gang labourers in their organization have ever been issued and no records are available with them regarding engagement of any particular labourers. Therefore, employing different daily rated employees on day-to-day basis would be a threat to the security. **Therefore, we are of the considered view that in order to avoid such security threat and to employ applicants like persons by considering their plights, the respondents should formulate a scheme or issue ad-hoc rules by creating the required number of posts, to employ such persons for these sporadic types of work on permanent basis. It is also admitted by the respondents that to carry out these sporadic types of work, there is no need to engage qualified and skilled persons. The fact remains that the applicants are engaged by the respondents for a period ranging from 14 to 26 years and they have rich experience in such types of works. Therefore, the applicants may also be considered for such appointment on preferential basis as they have put in nearly 14 to 26 years of experience and considering the plights of the applicants if any age relaxation is required that may also be considered by the respondents for making such appointment. Such formulation of scheme on ad-hoc rules will put an end to the miseries of**

the applicants Therefore we direct that the respondents should complete this exercise of framing a scheme or *ad-hoc* rules for engaging such persons on permanent basis within a period of six months and till such time the applicants should be continued to be engaged depend upon the requirements.”

(emphasis supplied)

13. A careful reading of the aforesaid order of the Tribunal reveals that it approached the issue of engagement of daily-wage labourers in two distinct facets. In the first, having regard to the peculiar facts of the case, including the nature of duties performed and the security considerations involved, the Tribunal directed the respondents to frame an appropriate scheme or *ad-hoc* rules within a stipulated period so as to regulate the engagement of such persons on a more structured and enduring basis. The underlying intent was to ensure that the process of engagement is institutionalised, transparent, and free from arbitrariness.

14. In the second facet, the Tribunal took note of the prolonged service rendered by the appellants and the experience gained by them over the years. It is in this context that the Tribunal observed that the appellants may be considered on a preferential basis for such engagement, taking into account their 14 to 26 years of experience, while leaving the ultimate appointment to be governed by the scheme so framed.

15. The aforesaid directions, when read in their entirety and in conjunction with the reasoning adopted by the High Court, leave no manner of doubt that the fulcrum of the mandate was the creation of requisite posts to regularise and systematise the engagement of persons performing sporadic work. The emphasis was not merely on framing a scheme in abstract, but on structuring such engagement through the establishment of sanctioned posts, thereby ensuring continuity, accountability, and security considerations in a sensitive establishment. The High Court, while taking note of the long years of service rendered by the appellants, coupled with the admitted position that the nature of duties did not require specialised qualifications, reinforced the necessity of creating posts and making appointments thereto on a permanent footing. The direction to accord preferential consideration, including age relaxation, was clearly ancillary to this primary mandate of post creation.

16. Thus, the essence of the directions issued in the earlier round of litigation was to bring about a transition from an *ad hoc*, daily-wage arrangement to a structured regime founded upon duly created posts within a stipulated time frame. Any scheme that falls short of this requirement, by merely regulating engagement without providing for such

post creation, cannot be said to be in compliance with the letter and spirit of the said directions.

17. At this juncture, it is pertinent to note that respondent No. 3, namely the Liquid Propulsion Systems Centre, is a premier research and development unit under respondent No. 2, the Indian Space Research Organisation, and its campus at Mahendragiri has been declared a prohibited area under the Official Secrets Act. The Tribunal, therefore, sought to balance the competing considerations of institutional security and the long-standing engagement of the appellants. In that backdrop, it directed the respondents to formulate a scheme or *ad-hoc* rules by creating the requisite number of posts to engage such persons for sporadic work on a more permanent footing. At the same time, it emphasised that due regard be given to the experience of the appellants by extending preferential consideration, including relaxation in age, where necessary.

18. The Tribunal was, therefore, categorical in directing that the scheme to be framed by the respondents must provide for engagement on a more permanent footing. The said directions attained finality upon dismissal of the challenge laid by the respondents before the High Court in Writ Petition No. 19634 of 2010, and thereafter before this Court in SLP (Civil) No. 19200 of 2011.

19. In addition, the High Court, while dismissing the writ petition laying challenge to the decision of Tribunal, also took note of the plight of the appellants, observing that despite being engaged for long periods, they continued as daily-wage labourers with a sense of insecurity and the constant threat of termination. It, therefore, affirmed the correctness of the Tribunal's direction to create posts and to engage such persons on a more permanent basis, particularly having regard to the security concerns in a highly sensitive establishment.

20. From the aforesaid, it becomes evident that the Tribunal intended to bring an end to the practice of engaging labourers on a purely daily-wage or *ad hoc* basis for work of a recurring nature. The respondents were required to frame a scheme or *ad-hoc* rules for creation of the requisite number of posts, and to regulate engagement against such posts on a more permanent basis. At the same time, the Tribunal envisaged that the appellants be accorded preferential consideration, having regard to their long years of service, including relaxation in age, where warranted.

21. The issue that, therefore, arises for consideration is whether the "Gang Labourers Scheme" introduced by the respondents in pursuance of the Tribunal's directions satisfies and conforms to the mandate contained therein.

22. It is in this backdrop that the respondents, after exhausting their challenge up to this Court, framed the “Gang Labourers (Employment for Sporadic Types of Work) Scheme, 2012” on 3rd September, 2012, providing for the manner in which such labourers would be engaged for sporadic work in the respondent-Centre.

23. A perusal of Clause 4 of the “Gang Labourers Scheme” indicates that the engagement contemplated therein is of a temporary nature. For the sake of convenience, the relevant extract of the said clause is reproduced hereinbelow: -

“4. Employment on Temporary basis

(i) All Gang Labourers who are in engagement on the date of issue of this Scheme and who have rendered continuous service of at least one year, which means that they must have been engaged for a period of at least 206 days, (since the offices of ISRO are observing 5 days a week) would be employed on temporary basis till they attain the age of 60 years.

(ii) Such employment on temporary basis would be without reference to the creation/availability of regular erstwhile Group ‘D’ posts.

(iii) Employment on temporary basis would not involve any change in duties and responsibilities of Gang Labourers who are engaged for performing sporadic nature of work such. as loading/unloading, shifting of materials/equipment, stacking/packing/cleaning of materials/equipment, ferrying documents from one place to another, etc. as per day-to-day requirement of various user Divisions/Entitles of LPSC.

(iv) Engagement of Gang Labourers will be on daily rates of pay and they may be deployed anywhere within LPSC Mahendragiri/Vallamala as the case may be based on actual requirement

(v) Gang Labourers who are employed on temporary basis shall not be brought on to the permanent establishment unless they are selected through regular selection process for erstwhile Group 'D' posts on preferential basis as per Dept of Space/Govt of India instructions on filling up of such posts issued from time to time.

(vi) There shall not be any age limit prescribed for employment on temporary basis as per the said scheme. However, for the purpose of subsequent regularisation, if any, the conditions regarding age and educational qualifications prescribed in the relevant Recruitment Norms/Rules will apply.”

24. It is thus evident that the scheme framed by the respondents contemplates engagement on a temporary basis. This is clearly at variance with the directions issued by the Tribunal in its order dated 9th March, 2010, which stood affirmed by the High Court and this Court by orders dated 14th March, 2011 and 29th July, 2011, respectively. The Tribunal had categorically directed the respondents to create the requisite number of posts and to frame a scheme providing for engagement on a permanent footing within a stipulated period.

25. In our considered view, the respondents have failed to fully comply with the said directions, which had attained

finality. It was precisely this aspect that required scrutiny by the High Court in the subsequent round of litigation.

26. In our considered view, the High Court has failed to properly appreciate the factual matrix as well as the issue arising for its determination. While dismissing the writ petition filed by the appellants, the High Court returned the following findings: -

- i. That the decision of this Court in ***State of Karnataka v. Umadevi***,⁵ lays down that there is no fundamental right to be absorbed in service, and that no right to employment flows from Article 21 of the Constitution.
- ii. That the mere length of *ad hoc*, temporary, or casual engagement cannot be a ground for regularisation or absorption in permanent service, and that judicial directions to that effect would run contrary to the constitutional scheme and perpetuate illegality.
- iii. That the “Gang Labourers Scheme” introduced by the respondents ensures continued engagement of the appellants till they attain the age of 60 years, along with preferential consideration against future Group-D posts.
- iv. That the initial engagement of the appellants was not made in accordance with any prescribed recruitment

⁵ (2006) 4 SCC 1

process and amounted to a backdoor entry, rendering their claim for regularisation from the date of initial engagement legally untenable.

27. The High Court, in the impugned judgment, has clearly transgressed the limits of its jurisdiction by re-entering the merits of the issue as to whether the appellants' services could be regularised. This approach overlooks the fact that the directions issued by the Tribunal, as affirmed by the High Court and this Court in the earlier round, had already attained finality. The scope of consideration in the subsequent proceedings was, therefore, confined to examining compliance with those directions. It was wholly impermissible for the High Court to reopen the issue on merits or to revisit the question of regularisation at that stage.

28. Before parting with the matter, we must express our serious disapproval of the manner in which the respondents have dealt with the present case. The obligation of the State to act as a model employer is not a mere exhortation but flows directly from the guarantee of equality enshrined in Article 14 of the Constitution. This Court has, time and again, emphasised that Article 14 strikes at arbitrariness and mandates fairness, non-discrimination, and reasoned decision-making in all State actions.

28.1. It is, therefore, a matter of concern that, despite the passage of time and repeated judicial pronouncements, these foundational principles continue to be disregarded in service matters. The present case exemplifies how a litigant, often placed at the margins of the system, is compelled to traverse a prolonged and arduous legal journey merely to secure what is justly due. In the present case, the directions issued by the Tribunal, which attained finality upon dismissal of the challenge by this Court, ought to have been implemented in their true spirit. Instead, the respondents adopted a course that effectively diluted the substance of those directions, prolonging the dispute for years.

28.2. We are reminded of the humble beginnings of India's space programme. In 1963, when the first sounding rocket was launched from Thumba, its components were transported to the launch site on a bicycle. Similarly, in 1981, during the testing of India's first experimental communication satellite APPLE, the satellite was placed on a bullock cart to create a non-magnetic environment for antenna pattern tests in an open field. These anecdotes, rooted in historical fact, are not mere curiosities rather they encapsulate the spirit of ingenuity, resourcefulness, and unrelenting

determination that defined our early scientific endeavours. They reflect the profound struggles faced by our scientists and the entire ecosystem that supported them in an era of limited resources.

28.3. In celebrating the glory of our scientific fraternity, we must not overlook the invisible yet indispensable contributions of every individual who formed part of that larger enterprise. The success of a rocket or a satellite mission is not the sole outcome of high-level design and propulsion engineering. It is equally the result of a seamless chain of support, from the transportation of materials to the maintenance of facilities and the myriad ancillary tasks that ensure operational efficiency. The last man standing in this chain, often belonging to Group-C or Group-D services, performs duties that may appear sporadic or peripheral in isolation. However, without their dedicated support, the very materials and logistics essential for scientific advancement would falter in reaching the laboratories and assembly halls of our scientists.

28.4. To disregard or discriminate against such individuals in matters of service recognition would be to undermine the collective ethos that propelled India to the Moon and beyond. The State, as a model employer, cannot afford to treat a segment of its

workforce, those who have contributed, however indirectly, to national endeavours of paramount importance, with arbitrariness or indifference. Denying them even the basic courtesy of a recognised service status, while reaping the benefits of their labour, strikes at the root of fairness and dignity in public employment.

FINAL CONCLUSIONS: -

29. In view of the foregoing discussion, our conclusions are summarised as follows: -

- I. The “Gang Labourers (Employment for Sporadic Types of Work) Scheme, 2012”, insofar as it is inconsistent with the directions issued by the Tribunal for engagement on a permanent basis, is hereby set aside. The respondents are consequently directed to regularise the services of the appellants and grant them permanent status with effect from 9th September, 2010, being the outer limit fixed by the Tribunal for framing the scheme, within a period of four weeks from the date of this order.
- II. Clause 2 of the said Scheme, which contemplates engagement on a temporary basis, being contrary to the directions issued in the earlier round of litigation, is also set aside.

III. Since the Scheme was framed pursuant to judicial directions which have attained finality, the benefit of this judgment shall also enure to all similarly situated persons engaged under the said Scheme.

30. Accordingly, the judgment dated 8th July, 2024, passed by the Division Bench of the High Court of Judicature at Madras in Writ Petition No. 31674 of 2019 is set aside.

31. The appeal is allowed in the aforesaid terms.

32. Pending application(s), if any, are disposed of.

.....J.
[VIKRAM NATH]

.....J.
[SANDEEP MEHTA]

NEW DELHI
APRIL 29, 2026