

**IN THE SUPREME COURT OF INDIA
INHERENT JURISDICTION**

CONTEMPT PETITION(C) No. 555/2026

@ Diary No. 5162/2025

in

C.A. No. 6950/2009

**TAMILNADU TERMINATED FULL-TIME TEMPORARY LIC EMPLOYEES
ASSOCIATION** **Petitioner(s)**

VERSUS

**MR. SIDDHARTHA MOHANTY THE CHAIR PERSON LIFE INSURANCE
CORPORATION OF INDIA & ORS.** **Respondent(s)**

AND WITH

CONTEMPT PETITION(C) No. /2026

@ Diary No(s). 34193/2025

IN

C.A. No. 6950/2009

O R D E R

1. Delay condoned in Diary No. 5162/2025.
2. These Contempt Petitions seek initiation of proceedings against the contemnor/opposite parties for flouting orders dated 18.03.2015 and 09.08.2016 passed in Civil Appeal No. 6950/2009 and Contempt Petition No. 459/2015, respectively.
3. A brief narration of background facts would be apposite. The Ministry of Labour, Central government, in exercise of its

statutory power under section 10 (1)(d) read with Section 2A of the Industrial Disputes Act, 1947 referred the following dispute for adjudication to the Central Government Industrial Tribunal:

“Whether the action of the management of Life Insurance Corporation of India in not absorbing badli/ temporary and part-time workmen employed in the establishment of LIC after 20.5.1985 is justified, if not, to what relief are the workmen entitled?”

4. The above reference culminated in an award dated 18.06.2001. The award was challenged before Delhi High Court. A Single Judge of the Delhi High Court set aside the award vide order dated 15.04.2006. The judgment of the Single Judge was challenged in an intra-court appeal before the Division Bench. The appeal(s) were also dismissed vide order dated 21.03.2007. Aggrieved therewith civil appeals came to be filed before this court which were allowed vide order dated 18.03.2005 thereby restoring the award and directing its implementation. The operative portion of the order dated 18.03.2015¹ reads as under:

“54. It is needless to mention that since we are of the view that the award passed by CGIT in ID No.27 of 1991 is legal and valid, it shall be restored and implemented by the Corporation by absorbing the workmen concerned in the permanent posts and if they have attained the age of superannuation, the Corporation will be liable to pay all

1 See: Tamil Nadu Terminated Full Time Temporary LIC Employees Association v. Life Insurance Corporation of India & Ors., (2015) 9 SCC 62

consequential benefits including the monetary benefits taking into consideration the pay scale and revised pay scale from time to time by the Corporation."

5. Application(s) seeking review of the order dated 18.03.2015 were filed. In between contempt petitions were also filed. The entire bunch of cases including review petition(s) and contempt petition(s) were disposed of by this Court vide order dated 09.08.2016², the operative portion of the said order reads thus:

"14. For the limited purpose of modifying the relief granted in the civil appeal only with regard to the back pages, we directed Mr. Ashok Panigrahi, the learned counsel appearing on behalf of the review petitioner LIC to submit a document containing the pay scales indicating the basic pay and other emoluments payable to the workmen concerned. The same were furnished with the periodic revisions in the years 1992, 1997, 2002, 2007 and 2012, without furnishing the other component figures which would be the gross salary of the different classes of workmen in the present dispute. These periodic revisions of pay of basic salary, along with other component figures comprising the gross salary including dearness allowance, house rent allowance etc. etc., as applicable, must be accounted for while computing the amount due to the workmen towards the back wages.

15. The temporary and badli workers of LIC, who are entitled for regularization as permanent workmen in terms of the impugned judgment and order dated 18.03.2015 passed by this court, by applying the terms and conditions of the modified award dated 26.08.1988 passed by Justice Jamdar, are held to be entitled to full back wages as well. However, keeping in mind the immense financial burden this would cause to LIC, we deem it fit to modify the relief only with regard to the back wages payable and therefore, we award 50% of the back wages with consequential benefits. The back wages must be calculated on the basis of the gross salary of the workmen, applicable as on the date as per the periodical

2 See: Tamil Nadu Terminated Full Time Temporary LIC Employees association v. S.K. Roy, Chairman Life Insurance Corporation of India & Anr., (2016) 9 SCC 366

revisions of pay scale as stated supra. The computation must be made from the date of entitlement of the workmen involved in these cases, that is, their absorption, till the age of superannuation, if any workman concerned has attained the age of superannuation as per the regulations of the review petitioner LIC, as applicable to the workmen concerned."

6. Thereafter, curative petition was filed which too was dismissed on 22.02.2017.

7. The grievance of the contempt petitioner, inter alia, is that LIC though absorbed few workmen in compliance of the award but treated the same as fresh appointment and has also denied the benefit of back wages with pay revisions as envisaged under the award affirmed by this Court and therefore, contemnor opposite parties are in gross contempt of this Court having flouted the aforesaid orders.

8. The learned Attorney General as well the other counsels representing the respondents have invited our attention to a three-Judge Bench decision of this Court in *Ranbir Singh vs. S.K. Roy, Chairman, Life Insurance Corporation of India and Another*³, wherein this Court after considering the earlier decisions dated 18.03.2015 and 09.08.2016 has ordered as under:

"92. For the reasons recorded above during the course of analysis, LIC as a statutory Corporation is bound by the mandate of Articles 14 and 16 of the Constitution. As a public employer, the recruitment process of the Corporation must meet the constitutional standard of a fair and open process. Allowing for back-door entries into service is an anathema to public service.

93. In structuring the relief in present proceedings, it is essential to recapitulate the key legal findings that will govern the determination of rights and equities:

93.1. On 7-2-1996, a two-Judge Bench of this Court in *LIC v. Workmen* [*LIC v. Workmen* Civil Appeal No. 1790 of 1989, order dated 7-2-1996 (SC)] had accepted the terms of compromise which was arrived at on 1-3-1989 between the management of LIC and eight unions, and imposed them upon the ninth union as well. In addition, the two-Judge Bench of this Court had issued certain directions:

(a) LIC should exempt Class IV workers from a test and interview, if the management has the power to do so under the regulations/instructions governing their conditions of service; and

(b) In the event that the management of LIC does not possess such a power, the test to be prescribed for these workers would be of a lesser standard compared to other applicants from the open market till the next regular recruitment;

93.2. On 23-10-1992, a three-Judge Bench of this Court, while disposing of the civil appeals in *E. Prabhavathy* [*E. Prabhavathy v. LIC* SLP (C) No. 10393 of 1992, order dated 23-10-1992 (SC)] , specifically accepted the scheme formulated by LIC for regularising the workers who were engaged on a temporary basis. The scheme was also specifically incorporated as a part of the order in the following terms:

“(a) All those temporary employees who have worked for 85 days in any two consecutive calendar years with the Life Insurance Corporation between 20-5-1985 upto date and who conformed to the required eligibility criteria for regular recruitment on the dates of their initial temporary appointment will be permitted to compete for the next regular recruitment to be made by the Life Insurance Corporation after the regular recruitment for these posts currently scheduled for November 1992.

(b) These candidates will be considered on their merits with all other candidates who may apply for such appointments, including those from the open market.

(c) These candidates will be given an age relaxation for applying for regular recruitment provided that they were eligible on the date of their first temporary appointment for securing regular appointment with the Life Insurance Corporation.

(d) If these candidates are otherwise eligible, they can apply for regular recruitment in the normal course. This regularisation will, in the circumstances, be by selection for appointment. We make the above clauses of the scheme as part of our order."

The three-Judge Bench in *E. Prabhavathy* [*E. Prabhavathy v. LIC* SLP (C) No. 10393 of 1992, order dated 23-10-1992 (SC)] held that the scheme proposed by LIC is reasonable and that : (a) the regularisation will be by selection for appointment; and (b) the above clauses of the scheme would constitute a part of the order of this Court;

93.3. On 22-11-2001, a two-Judge Bench of this Court in *G. Sudhakar* [*LIC v. G. Sudhakar* Civil Appeal No. 2104 of 2000, order dated 22-11-2001 (SC)] directed that though the Order dated 23-10-1992 in *E. Prabhavathy* [*E. Prabhavathy v. LIC* SLP (C) No. 10393 of 1992, order dated 23-10-1992 (SC)] applied to the workers of the Tamil Nadu Division, the scheme would equally be applicable to the workers of all divisions of LIC in the country;

93.4. The judgment of the two-Judge Bench of this Court dated 8-3-2015 in *T.N. Terminated Employees Assn. v. LIC*, (2015) 9 SCC 62 : (2015) 2 SCC (L&S) 738] failed to notice that as a result of the final Order dated 7-2-1996 in *LIC v. Workmen* [*LIC v. Workmen* Civil Appeal No. 1790 of 1989, order dated 7-2-1996 (SC)] , the Tulpule and Jamdar Awards had been substituted by the terms of compromise. The two-Judge Bench of this Court overlooked the final Order dated 7-2-1996 in *LIC v. Workmen* [*LIC v. Workmen* Civil Appeal No. 1790 of 1989, order dated 7-2-1996 (SC)] and while advertizing only to the interim Order dated 1-3-1989 [*LIC v. Workmen* Civil Appeal No. 1790 of 1989, order dated 1-3-1989 (SC)] , it arrived at a palpably erroneous conclusion that the Jamdar and Tulpule Awards were still operative and binding; and

93.5. Though the petition seeking review of *T.N. Terminated Employees Assn. v. LIC*, (2015) 9 SCC 62 : (2015) 2 SCC (L&S) 738] and the curative petition stand dismissed, LIC is confronted with a situation in which it is equally bound by the earlier decision of the three-Judge Bench dated 23-10-1992 in *E. Prabhavathy* [*E. Prabhavathy v. LIC* SLP (C) No. 10393 of 1992, order dated 23-10-1992 (SC)] , the judgment of the two-Judge Bench dated 7-2-1996 in *LIC v. Workmen* [*LIC v. Workmen* Civil Appeal No. 1790 of 1989, order dated 7-2-1996 (SC)] dealing with the appeals arising out of the Tulpule and Jamdar Awards and the judgment of the two-Judge Bench dated 22-11-2001 in *G. Sudhakar* [*LIC v. G.*

Sudhakar Civil Appeal No. 2104 of 2000, order dated 22-11-2001 (SC)] .

94. The position as it now stands, results in a palpable conflict between the two-Judge Bench decision in *T.N. Terminated Employees Assn. v. LIC*, (2015) 9 SCC 62 : (2015) 2 SCC (L&S) 738] dated 18-3-2015 on the one hand and the earlier binding decision of a larger Bench in *E. Prabhavathy v. LIC* SLP (C) No. 10393 of 1992, order dated 23-10-1992 (SC)] on 23-10-1992 and of subsequent Benches. This conflict must be harmonised by taking recourse to the jurisdiction of this Court under Article 142 of the Constitution. In arriving at a conclusion, this Court finds that:

94.1. The remit of CGIT which resulted in the Dogra Report was confined to the process of verification, as distinct from an adjudication of rights and liabilities;

94.2. The Dogra Report is flawed because:

(a) The Report failed to carry out an accurate verification of only those Class III workers who had put in at least 85 days of work in a period of two years and Class IV workers who had put in 70 days of work in a period of three years;

(b) The lists which are appended to the Report contain patent inconsistencies and errors as a consequence of a failure to carry out an adequate verification; and

(c) The Report accepted the claims for absorption of those workers who were specifically governed by the decision of this Court in *E. Prabhavathy v. LIC* SLP (C) No. 10393 of 1992, order dated 23-10-1992 (SC)] , in spite of an express stipulation to the contrary in the order of this Court dated 23-10-1992 [*E. Prabhavathy v. LIC* SLP (C) No. 10393 of 1992, order dated 23-10-1992 (SC)] as well as in Para 75 of the Srivastav Award;

94.3. A public employer such as LIC cannot be directed to carry out a mass absorption of over 11,000 workers on such flawed premises without following a recruitment process which is consistent with the principles of equality of opportunity governed by Articles 14 and 16 of the Constitution. Such an absorption would provide the very back-door entry, which negates the principle of equal opportunity and fairness in public employment, which has been specifically decried by this Court in *State of Karnataka v. Umadevi* (3) [*State of Karnataka v. Umadevi* (3), (2006) 4 SCC 1 : 2006 SCC (L&S) 753] .

95. The dispute is now of an antiquity tracing back to nearly four decades. Finality has to be wrung down on the dispute to avoid uncertainty and more litigation. Nearly thirty-one years have elapsed since 1991. We have come to the conclusion that the claims of those workers who are duly found upon verification to meet the threshold conditions of eligibility should be resolved by the award of monetary compensation in lieu of absorption, and in full and final settlement of all claims and demands. Thus, this Court directs the following:

95.1. A fresh verification of the claims of workers who claim to have been employed for at least 70 days in Class IV posts over a period of three years or 85 days in Class III posts over a period of two years shall be carried out;

95.2. The verification shall be confined to persons who were working between 20-5-1985 and 4-3-1991;

95.3. All persons who are found to be eligible on the above norm shall be entitled to compensation computed @ Rs 50,000 for every year of service or part thereof. The payment of compensation at the above rate shall be in lieu of reinstatement, and in full and final settlement of all claims and demands of the workers in lieu of regularisation or absorption and notwithstanding the directions issued by this Court in *T.N. Terminated Employees Assn. [T.N. Terminated Full Time Temporary LIC Employees Assn. v. LIC, (2015) 9 SCC 62 : (2015) 2 SCC (L&S) 738* ;

95.4. In carrying out the process of verification, the Committee appointed by this Court shall not be confined to the certified list before CGIT and shall consider the claims of all workers who were engaged between 20-5-1985 and 4-3-1991;

95.5. For the purpose of verification, LIC shall make available all the records at the divisional level to the Committee appointed by this Court;

95.6. It will be open to the workers concerned or, as the case may be, the unions and associations representing them, to make available such documentary material in their possession for the purpose of verification;

95.7. The process of verification shall be carried out independently without regard to the Dogra Report, which is held to be flawed;

95.8. The payment of compensation in lieu of reinstatement shall be effected by LIC within a period of three months from the date of receipt of the report of verification by the Committee; and

95.9. The task of verification shall be carried out by a committee consisting of:

(a) Mr Justice P.K.S. Baghel, former Judge of the Allahabad High Court; and

(b) Shri Rajiv Sharma, former District Judge and member of the UPHJS.

LIC shall provide all logistical assistance to the Committee and bear all expenses, including secretarial expenses, travel and incidental expenses, as well as the fees payable to the members of the Committee. Justice P.K.S. Baghel shall fix the terms of remuneration payable to the members of the Committee.

96. The miscellaneous applications and the writ petitions shall be governed by the above directions and are disposed of in the above terms."

(Emphasis supplied)

9. By placing reliance on paragraphs 95 and 95.3 of the judgment and order of this Court in *Ranbir Singh (supra)*, the learned counsel for the respondent submits that all claims will now have to be dealt with in terms of the direction given in *Ranbir Singh's* case.

10. The learned counsel for the petitioner could not deny that *Ranbir Singh's decision (supra)* continues to hold the field, though it is claimed by them that LIC has already absorbed their services and, therefore, the question of only back wages remain.

11. As we find that *Ranbir Singh's* judgment not only takes notice of the orders of which violation is alleged by the petitioners in these petitions, but also issues directions, *inter alia*, qua compensation, which is to be determined in a manner different than what was directed under the earlier

orders of which violation is alleged, the contemnor respondents cannot be said to have willfully disobeyed the earlier orders dated 18.03.2015 and 09.08.2016 of this Court. Accordingly, we find no justification to continue with these contempt proceedings. Consequently, the Contempt Petitions are dismissed.

12. All pending applications including I.A. No. 149484/2025, I.A. No. 149486/2025, I.A. No. 149488/2025 and I.A. No. 149482/2025 shall stand disposed of.

.....J
[MANOJ MISRA]

.....J
[VIJAY BISHNOI]

New Delhi;
July 24, 2026

ITEM NO.13

COURT NO.10

SECTION XIV-A

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

CONMT.PET.(C) No. 555/2026 in C.A. No. 6950/2009
[@ Diary No. 5162/2025]

TAMILNADU TERMINATED FULL TIME TEMPORARY LIC
EMPLOYEES ASSOCIATION

Petitioner(s)

VERSUS

MR. SIDDHARTHA MOHANTY THE CHAIR PERSON LIFE
INSURANCE CORPORATION OF INDIA & ORS.

Respondent(s)

IA No. 101071/2025 - CONDONATION OF DELAY IN FILING

WITH

Diary No(s). 34193/2025 (XIV-A)

FOR CONDONATION OF DELAY IN FILING ON IA 149482/2025

FOR APPLICATION FOR SUBSTITUTION ON IA 149484/2025

FOR APPLICATION FOR CONDONATION OF DELAY IN FILING THE APPLICATION

FOR SETTING ASIDE THE ABATEMENT ON IA 149488/2025

IA No. 149486/2025 - APPLICATION FOR ABATEMENT

IA No. 149478/2025 - APPLICATION FOR PERMISSION

Date : 24-07-2026 These matters were called on for hearing today.

CORAM : HON'BLE MR. JUSTICE MANOJ MISRA
HON'BLE MR. JUSTICE VIJAY BISHNOI

For Petitioner(s) :Mr. M. A. Chinnasamy, AOR

Mr. S.p. Chaly, Sr. Adv.

Mr. C Raghavendren, Adv.

Mr. M. A. Chinnasamy, AOR

Mr. C Raghavendren, Adv.

Mrs. C Rubavathi, Adv.

Mr. T Meikandan, Adv.

Mrs. C Rubavathi, Adv.

Mr. M.R. Samshad, Sr. Adv.

Mr. Kishore Kumar Dodla, Adv.

Mr. Shashank Singh, AOR

Ms. Prapti Srivastava, Adv.

Mr. Deepanshu Jha, Adv.

For Respondent(s) :Mr. R. Venkataramani, Attorney General for India
Mr. Ashok Panigrahi, Sr. Adv.
Mr. R. Chandrachud, AOR
Mr. Aryan Singh, Adv.
Mr. Dhuli Venkata Krishna, Adv.
Ms. Geetanjali Das Krishnan, Adv.
Mr. Piyush Negi, Adv.
Mr. Dharmendar Singh, Adv.
Mr. Devanshu Sharma, Adv.

UPON hearing the counsel the Court made the following
O R D E R

1. Delay condoned in Diary No. 5162/2025.
2. Contempt Petition(s) are dismissed in terms of the signed order which is placed on file.
3. All pending applications including I.A. No. 149484/2025, I.A. No. 149486/2025, I.A. No. 149488/2025 and I.A. No. 149482/2025 shall stand disposed of.
4. In consequence thereof, I.A. No. 149478/2025 shall also stand disposed of.

(SUNITA CHOUDHARY)
SENIOR PERSONAL ASSISTANT

(SAPNA BANSAL)
COURT MASTER (NSH)