



GOVERNMENT OF KERALAM

Abstract

Local Self Government Department – Representation of contract employees engaged under MGNREGS for regularisation of service - Rejected and Judgment dated 12.02.2026 of the Hon'ble High Court of Kerala in WP(C) No.46047/25 filed by Smt. Manju.L and others – Complied – Orders issued.

LOCAL SELF GOVERNMENT (DD) DEPARTMENT

G.O.(Rt)No.1813/2026/LSGD Dated,Thiruvananthapuram, 26-09-2026

Read 1 Representation dated 11.10.2025 submitted by Smt. Manju.L and others.

2 Judgment dated 12.02.2026 of the Hon'ble High Court of Kerala in WP(C) No.46047/2025

ORDER

Smt. Manju.L and other contract employees engaged under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), presently under the Viksit Bharat Guarantee for Rozgar and Aajeevika Mission – Gramin (VB-GRAM(G)), submitted the representation read as 1st paper above requesting regularisation of their services with effect from the date of their initial appointment, together with all consequential service benefits including pension.

2) The first petitioner, Smt. Manju.L and other petitioners thereafter approached the Hon'ble High Court of Kerala by filing W.P.(C) No.46047/2025, seeking, inter alia, a direction to Government to consider their representation (Ext.P10) after affording an opportunity of hearing. The Hon'ble High Court of Kerala, vide judgment read as 2nd paper above, directed the first respondent, Government of Kerala, to consider Ext.P10 representation within a period of four months after giving an opportunity of hearing to the first petitioner. In compliance with the said judgment, the Deputy Secretary to Government, Local Self Government Department, had been authorised to hear the first petitioner. Accordingly, Smt. Manju.L, the first petitioner, along with Smt. Nazeera Badarudeen (petitioner No.10), Accountant-cum-IT Assistant, attended hearing held at 12.00 Noon on

01.08.2026 before the Deputy Secretary to Government, Local Self Government Department.

3) During the hearing, the petitioner furnished a copy of Ext.P10 representation and reiterated their request for absorption of the contract employees working under MGNREGS into regular service with effect from their initial date of joining, with all consequential benefits including pension. During the hearing, the petitioners advanced the following contentions in support of their request for regularisation:

- i. The petitioners stated that they have completed ten or more years of service in their respective posts, with a mandatory single-day break between successive contractual spells. They contended that their services have been extended every year after performance appraisal and that such continued extension demonstrates both their satisfactory performance and the continuing requirement of their services in the respective offices. They further contended that the artificial gap of one or two days between successive contractual spells should not be treated as a break in service.
- ii. The petitioners relied upon the judgment of the Hon'ble Supreme Court in *Bhagwati Prasad and others v. Delhi State Mineral Development Corporation* and contended that Government, being a model employer, is bound to consider regularisation of temporary employees who have rendered long and continuous service.
- iii. The petitioners further contended that the nature of the duties performed by them is similar in nature to those performed by permanent employees and that the long duration of their engagement establishes the continuing and substantial nature of the work. They relied upon the judgment referred to by them as *Rajkaran Singh v. Union of India* and contended that long-term temporary service demonstrates a degree of permanence and integration with the governmental structure.
- iv. The petitioners also relied upon the judgments referred to by them as *Jaggo vs Union of India* and *Vinod Kumar vs Union of India*, and contended that persons performing duties of a continuing and substantial nature should be treated on par with regular employees for

purposes of service benefits.

- v. The petitioners pointed out that persons working in posts such as Accountant-cum-IT Assistant, Accredited Engineer and Overseer discharge duties involving management of Government funds and functions of public importance. They contended that such duties are closely connected with Governmental functions and therefore their services are liable to be regularised.
- vi. The petitioners also pointed out that they are presently extended certain benefits such as Travelling Allowance, Earned Leave, Leave Surrender and Maternity Leave etc. that are available to the regular employees. According to them, the extension of such benefits demonstrates the extent of Governmental supervision over their services and the similarity of their service conditions with those of regular employees.
- vii. The petitioners further contended that they are not back-door entrants and that their appointments were made after duly notified selection procedures. They relied upon the judgment of the Hon'ble Supreme Court in *State of Karnataka vs Uma Devi* and contended that their appointments having been made after selection, their services are liable to be regularised.
- viii. The petitioners also contended that regularisation would not impose any financial burden on the State Government, as the expenditure towards the implementation of MGNREGS, including the administrative expenditure, was met from Central Government funds. They referred to the Annual Master Circular 2024-25 and pointed out that up to 6% of the funds could be utilised for administrative purposes, whereas only 4.75% had actually been utilised during 2024-25. They therefore contended that the unutilised portion could be utilised for meeting the expenditure on their regularisation.
- ix. The petitioners also referred to the regularisation of employees in certain other States and claimed that similar policies could be adopted in Kerala. They further relied upon the regularisation granted to employees under AHADS and the former Poverty Alleviation Unit/DRDA pursuant to G.O.(Ms) No.192/2020/LSGD dated 22.12.2020 and G.O.(Ms) No.172/2024/LSGD dated 07.12.2024

respectively.

4) Government have examined the representation, the submissions made by the petitioners during the hearing, the judgments and Government Orders relied upon by them, the relevant Government instructions, and the factual circumstances relating to their engagement, in detail.

5) Following Court directions and Government Circular exist regarding regularisation of temporary and contractual employees in the state.

(i) The Hon'ble Supreme Court in *State of Karnataka vs Uma Devi and others* has held that the constitutional scheme of public employment requires equality of opportunity and that temporary, casual or contractual appointments cannot ordinarily be converted into permanent appointments merely on the basis of long continuation in service. Regularisation cannot be treated as a substitute for regular recruitment. The Hon'ble Supreme Court has also distinguished the principle of equal pay for equal work from the question of conferring permanence upon persons appointed on temporary, casual or contractual basis. Mere similarity of duties or length of service cannot, by itself, result in conversion of a contractual appointment into regular Government employment.

ii) Government, vide Circular No.55/2022/Fin dated 08.07.2022, issued directions with reference to the principles laid down by the Hon'ble Supreme Court in *State of Karnataka vs Uma Devi* and *Union of India vs Ilmo Devi and another*, has laid down, inter alia, that contractual appointment comes to an end on expiry of the contract; permanency cannot be granted in the absence of a post; mere continuance of temporary or seasonal service does not confer permanent status unless there exists a post and regularisation is permissible under the applicable policy; regularisation can be made only in accordance with a regularisation policy declared by Government; and regularisation cannot be treated as a mode of recruitment. The said Circular also makes it clear that even long continuation of temporary, ad hoc or daily-wage service does not, by itself, confer a right to absorption where the employee is not working against a sanctioned post. Regularisation is a matter of policy and cannot be claimed as an enforceable right dehors the applicable regularisation policy.

iii) The Hon'ble High Court of Kerala in W.A.No.2084/2018, *Joy Joseph and another vs Institute of Human Resources Development (IHRD) and others* reiterated the principles governing regularisation of

temporary and contractual employees and held that long continuation in temporary service does not, by itself, create a right to regularisation. The judgment also reiterated that regularisation is not a mode of recruitment and that creation of posts and decisions relating to regularisation are matters falling within the executive domain.

iv) The Hon'ble High Court of Kerala in W.P.(C) No.5487/2021 filed by *Vishnu.S and others vs State of Kerala* made it clear that such regularisations were to be treated as one-time measures and should not constitute or be relied upon as precedents for future claims of a similar nature. The Hon'ble Court further directed strict adherence to the principles laid down by the Hon'ble Supreme Court in *Uma Devi case* and the relevant Government Orders governing public employment. Therefore, the regularisations granted in particular circumstances cannot be relied upon as creating a general right to regularisation for other contractual employees merely because their circumstances are claimed to be similar.

v) The Hon'ble High Court of Kerala in W.P.(C) No.44509/2025 *Prasanth M.P. and others vs Centre for Development of Imaging Technology (C-DIT)* reiterates the distinction between temporary engagement and regular public employment and the requirement to adhere to the constitutional and legal framework governing public appointments. Temporary engagement for a considerable period does not, by itself, confer a right to regular appointment or continued engagement contrary to the applicable legal and constitutional framework.

6) In light of the above Court directions, and since the petitioners were engaged for the implementation of a specific Government Scheme and not against sanctioned regular cadre posts, and their continued contractual engagement, even for a considerable period, does not by itself confer a right to regular Government service.

7) The contentions advanced by the petitioners have been duly examined and considered in detail, as set out hereunder :-

(i) The petitioners were engaged on contract basis for implementation of MGNREGS. The selection process followed in their case was a process for contractual engagement. Applications were invited for engaging persons on contract basis and the selection was made for the purpose of such contractual engagement. Such selection cannot be equated with the recruitment process followed for appointment to regular Government posts. No assurance or promise of regularisation was given to the

petitioners before their selection, during the selection process or after their appointment. The fact that the petitioners were selected through a notified selection procedure does not, by itself, confer any right to regular appointment or regularisation. The selection procedure followed for contractual engagement also cannot be equated with the selection process for regular Government employment, including recruitment through the Kerala Public Service Commission, where appointments are made against sanctioned posts in accordance with the applicable recruitment rules and constitutional requirements.

(ii) Government have also considered the contention that the petitioners are extended certain benefits such as Travelling Allowance, Earned Leave, Leave Surrender and Maternity Leave. Such benefits are intended to provide appropriate service conditions and welfare measures to persons engaged on contract for implementation of the Scheme. The extension of such benefits cannot, by itself, alter the contractual nature of their appointment or confer parity in status with regular Government employees. The satisfactory performance of the petitioners and successive renewal of contractual engagements, though relevant for continuation of a contractual engagement in accordance with the applicable terms and conditions, cannot by themselves create a right to regular appointment or regularisation.

(iii) Government have considered the contention that the petitioners' long and continuous service establishes that the work performed by them is permanent in nature. The nature and extent of work under a Government Scheme have to be assessed with reference to the objectives, operational requirements, funding pattern and administrative structure of the Scheme. The continuing requirement for certain functions under a Scheme does not, by itself, establish the existence of sanctioned permanent Government posts. The petitioners were engaged on contract for discharging duties connected with implementation of MGNREGS. Their contractual engagement was therefore linked to the implementation and administrative requirements of the Scheme. It is a material fact that no sanctioned regular posts have been created under the Employment Guarantee Scheme against which the petitioners can be accommodated. In the absence of sanctioned regular posts, the contractual positions held by the petitioners cannot be treated as regular Government posts.. Long continuation in contractual service cannot, by itself, result in creation of a sanctioned regular post or confer a right to appointment against a post which does not exist.

(iv) The fact that the petitioners perform duties involving Government funds or matters of public importance also does not alter the legal character of their appointments. The nature or importance of the duties assigned to a contract employee cannot, by itself, determine whether the employee holds a regular Government post. Regular Government status depends upon appointment to a sanctioned post through the prescribed recruitment process. Similarly, the short intervals of one or two days between successive contractual spells cannot be treated as converting the separate contractual engagements into a regular appointment. Each contractual engagement was governed by the terms and conditions applicable to that particular period. Such intervals cannot be disregarded for the purpose of creating a right to regularisation in the absence of a sanctioned post and a lawful regular recruitment framework.

(v) Government have also considered the contention of the petitioners that regularisation would not impose any financial burden on the State Government since the administrative expenditure under MGNREGS was funded by the Central Government. The said contention was based on the funding pattern applicable to the erstwhile MGNREGS. Under the erstwhile Scheme, the administrative component was funded from the Central Government allocation and the petitioners have pointed out that only 4.75% of the permissible administrative component was utilised during 2024-25. However, the erstwhile MGNREGS has since been replaced by the new Viksit Bharat Guarantee for Rozgar and Aajeevika Mission – Gramin (VB-G RAM(G)) Scheme. Under the new Scheme, the funding pattern has changed from the earlier arrangement and the Central and State shares are in the ratio of 60:40. The devolution of funds has also shifted from a demand-based allocation to a normative allocation.

(vi) Under VB-G RAM(G) Scheme the administrative component is linked to the normative allocation and the expenditure within the prescribed administrative component is subject to the applicable funding ratio. Expenditure above the normative allocation is required to be borne by the State Government. Consequently, any increase in expenditure arising from regularisation, including pay and other service-related liabilities, would have direct financial implications for the State exchequer. Therefore, the availability or non-utilisation of a portion of the administrative allocation under the erstwhile MGNREGS cannot be treated as establishing the financial feasibility or entitlement for

regularisation under the present Scheme.

(vii) Further, under the new Scheme, no works are proposed to be undertaken during the peak agricultural season. Therefore, the extent and nature of the requirement of contractual personnel may vary depending upon the operational requirements of the Scheme. The requirement of personnel under VB-GRAM(G) has consequently to be assessed with reference to the provisions and operational structure of the new Scheme. The continuation of the petitioners for a considerable period under the erstwhile MGNREGS was in the context of the continuing implementation of that Scheme. With the replacement of MGNREGS by VB-GRAM(G), the requirement of personnel has to be assessed afresh in accordance with the nature, scope, operational requirements and administrative structure of the new Scheme. Since the Scheme itself is not a permanent cadre establishment of Government, the requirement of personnel for its implementation cannot, by itself, be construed as establishing permanent Government posts.

8) Government have also examined the instances of regularisation relied upon by the petitioners. As per G.O.(Ms) No.192/2020/LSGD dated 22.12.2020, regularisation was granted to 13 employees belonging to the Scheduled Caste community of the erstwhile AHADS. The said decision was taken as a specific policy decision of Government having regard to the special circumstances prevailing in the Attappadi region. Similarly, G.O. (Ms) No.172/2024/LSGD dated 07.12.2024 related to regularisation of four employees who had worked under the former Poverty Alleviation Unit/DRDA pursuant to the judgment of the Hon'ble Kerala Administrative Tribunal and the specific circumstances governing that case. These decisions were taken in the specific factual, legal and policy circumstances applicable to those employees. They cannot be treated as creating a general precedent or an enforceable right to regularisation for contractual employees engaged under other Government Schemes. Extending regularisation merely on the basis of such precedents would also result in claims for similar treatment from contractual employees engaged under various other Schemes and projects, notwithstanding the absence of sanctioned regular posts and a general regularisation policy.

9) Government have also examined the judgments relied upon by the petitioners, including *Bhagwati Prasad and others v. Delhi State Mineral Development Corporation*, *Rajkaran Singh v. Union of India*, *Vinod Kumar v. Union of India* and *Jaggo v. Union of India*. The principles laid down in the said judgments have to be applied having regard to the facts, nature of

appointment, applicable recruitment framework and circumstances of each case. The petitioners' engagement in the present case was contractual and was made for implementation of a Scheme. They were not appointed against sanctioned regular posts in accordance with the regular recruitment rules. The judgments relied upon by the petitioners therefore cannot be construed as creating an automatic or enforceable right to regularisation in the present case, particularly in view of the principles laid down by the Hon'ble Supreme Court in *Uma Devi* and the subsequent Government instructions governing regularisation. The petitioners' reliance upon the principle of equal treatment also cannot, by itself, result in regularisation. Equality in public employment has to be achieved within the constitutional framework governing recruitment to public posts. Granting regular status to contractual employees without sanctioned posts or without following the prescribed recruitment process would itself have to conform to the constitutional requirements of equality of opportunity in public employment.

10) On consideration of the entire matter, Government find that the petitioners were engaged on contract basis for implementation of the erstwhile MGNREGS; that their selection was for contractual engagement and not recruitment to sanctioned regular Government posts; that no promise or assurance of regularisation was given to them; and that their successive contractual engagements were governed by the terms applicable to each contractual spell. Government further find that the long period of service, satisfactory performance, successive renewal of contracts, extension of certain service benefits, performance of functions of public importance or the continuing requirement of personnel for implementation of the Scheme cannot, individually or collectively, create a right to regularisation in the absence of sanctioned regular posts and a lawful regular recruitment framework.

11) Government also find that the replacement of MGNREGS by VB-G RAM(G) has brought about a changed Scheme framework and funding arrangement. The requirement of personnel under the new Scheme has to be assessed with reference to its operational requirements and cannot be treated as establishing a permanent Government establishment. The petitioners' contention that the State Government would not incur additional financial liability cannot also be accepted as a basis for regularisation, since the funding pattern under VB-G RAM(G) differs from that of the erstwhile MGNREGS and any increase in expenditure arising from regularisation would have financial implications for the State Government. Government have also taken note of the legal principles reiterated by the Hon'ble High

Court of Kerala in W.A.No.2084/2018, W.P.(C) No.5487/2021 and W.P.(C) No.44509/2025, read with the principles laid down by the Hon'ble Supreme Court in, *State of Karnataka vs Uma Devi and others*. These principles do not support regularisation of the petitioners merely on the ground of long contractual service in the absence of sanctioned regular posts and a lawful recruitment framework. The satisfactory nature of the services rendered by the petitioners may be considered for continuation of contractual engagement in accordance with the terms and conditions governing the Scheme, but cannot override the requirement of sanctioned posts and the constitutional and legal framework governing regular public employment.

12) In the light of the foregoing facts, legal principles and circumstances, Government find that the petitioners have not established any legal or statutory right to regularisation of their contractual service with effect from the date of their initial appointment or to consequential service benefits including pension. Accordingly, the Ext.P10 representation submitted by Smt. Manju.L and others requesting regularisation of their services with effect from the date of initial appointment and grant of consequential service benefits including pension, is hereby rejected. The judgment of the Hon'ble High Court of Kerala in W.P.(C) No.46047/2025, read as 2nd paper above, is accordingly complied with.

(By order of the Governor)
ANUPAMA T V I A S
SECRETARY

To:

1. Smt. Manju.L and other petitioners,(Through Mission Director, VB-GRAM(G)
2. The Advocate General, Keralam, Ernakulam (with CL).
3. The Principal Director, Local Self Government Department, Thiruvananthapuram.
4. The Mission Director, VB-GRAM(G), Thiruvananthapuram.
5. The Principal Accountant General (Audit), Kerala, Thiruvananthapuram.
6. The Accountant General (A&E), Kerala, Thiruvananthapuram.

7. The Information & Public Relations Department (Web & New Media).
8. Stock File/Office Copy.

Forwarded /By order

Section Officer