Legal News

# FCC Sets Aside State Bank Dispenser’s Regularisation in 2–1 Ruling

An FCC majority set aside an order regularising an outsourced State Bank dispensary worker. It held that length of service alone did not confer that right.

By Shahbaz Shah · 23 November 2026

**F.C.P.L.A. Nos. 642 and 643 of 2026 · Decided 30 September 2026**



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The Federal Constitutional Court has set aside the orders that gave an outsourced State Bank dispensary worker regularisation and reinstatement. Justice Aamer Farooq, joined by Justice Rozi Khan Barrech, held that long service under the staffing arrangement gave the worker no right to a permanent job at the bank. Justice Syed Arshad Hussain Shah dissented. The Court decided the appeals on 30 September and uploaded the complete judgment, including the dissent, on 23 November. Majority order, paragraphs 15–16.

## The employment dispute

State Bank of Pakistan Banking Services Corporation engaged Prime Human Resource Services under a December 2014 staffing contract. The company supplied a dispenser to work at the bank’s premises. The dispenser worked there from 2015 until the company ended his engagement on 13 November 2017. He challenged the termination before the National Industrial Relations Commission and sought regularisation. The NIRC granted relief, and its Full Bench and the Sindh High Court left the orders in place. Majority, paragraph 3 and dissent, paragraph 2.

## Why the majority set the orders aside

The contract let State Bank BSC approve locations and certain staffing changes and inspect records connected to the services. The majority read those terms alongside the employment evidence. It found that the contractor supplied the dispenser, paid him and ended his engagement. State Bank BSC had neither hired him directly nor paid him. The State Bank of Pakistan itself had no role in the contract, yet the regularisation direction ran against it. Majority, paragraphs 8–9 and paragraph 15.

The Court considered Standing Order 1(b), which describes a permanent workman by reference to work likely to last more than nine months and satisfactory completion of probation, among other criteria. The majority held that the definition created no right to regularisation merely because someone crossed the nine-month mark. It looked for a law, policy, rule or regulation that conferred the relief claimed. Finding none applicable, it held that the NIRC lacked jurisdiction to order regularisation in this case and dismissed the grievance petition. Majority, paragraphs 10–13 and paragraphs 14–16.

## Why Justice Shah dissented

Justice Shah gave weight to the NIRC's findings about the way the dispensary actually operated. Bank doctors supervised the work, the bank provided medicines and equipment, and the dispensary served its employees. Drawing on Fauji Fertilizer Company Ltd v. NIRC (2013 SCMR 1253), he considered the nature and continuity of the duties, practical control and the contractor's role relevant to identifying the employer. He also addressed the standing-orders safeguards for termination and the constitutional protections against exploitation and unequal treatment. He would have dismissed the petitions and preserved the NIRC and High Court orders. Dissent, paragraphs 5–8 and paragraphs 9–12.

## Sources

Complete FCC judgment · Official court PDF · FCC judgment register.

## Frequently asked questions

### What did the FCC decide about the State Bank dispenser?

The majority allowed the connected appeals, vacated the orders granting relief and dismissed the dispenser's grievance petition. Judgment.

### Does working for more than nine months confer regularisation?

In the majority's reasoning, the Standing Orders definition of a permanent workman did not create a right to regularisation based on length of service alone. The claimed right needed an applicable law, rule, regulation or policy. Judgment.

### Who employed the dispenser on the majority's findings?

The majority found that the staffing company supplied him, paid him and ended his engagement. State Bank BSC was the establishment where he worked under the contract. Judgment.

### What was the dissent's main point?

Justice Shah would examine the actual relationship, including supervision and the nature of the work, to determine whether statutory labour protection applied. He would have upheld the orders in the dispenser's favour. Judgment.