



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 9TH DAY OF MAY 2024

BEFORE

THE HON'BLE MR JUSTICE N S SANJAY GOWDA

WRIT PETITION No.19588 OF 2023 (S-RES)

BETWEEN:

1 . UEMSHA T N



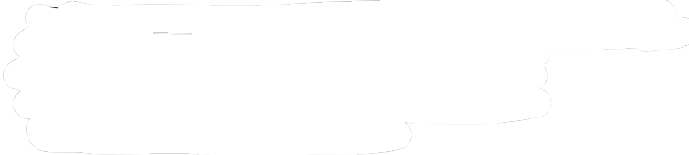
2 . KANTHARAJU T.,



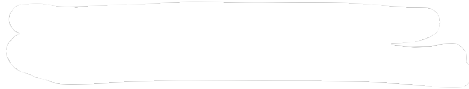
3 . NARASIMHA MURTHY H.N.,



4 . MANJUNATHA T. B.,



5 . K H JAGADISH,





[Redacted]

6 . MAHESH

[Redacted]

7 . S C JAYARAMA,

[Redacted]

8 . KUSHA D A, S/O LATE AMASEGOWDA

[Redacted]

9 . SRINIVAS G,

[Redacted]

10 . ARUNAKUMAR N,

[Redacted]

11 . VENUGOPALA B.S.,

[Redacted]



12 . DODDAIAH G T,



13 . SRINIVAS C K



14 . RAVIKUMAR T. N.,



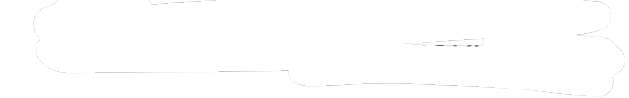
15 . NARAYANA SWAMY C.,



16 . CHIKKANNA K C



17 . SIDDARAJU,





[Redacted]

18 . KUMARASWAMY H S,

[Redacted]

19 . MANJUNATHA C

[Redacted]

20 . GANGADARAPPA S R.

[Redacted]

21 . KRISHNAPPA P C,

[Redacted]

22 . RANGANARASIMHAIAH

[Redacted]

23 . SRINIVASA B N,

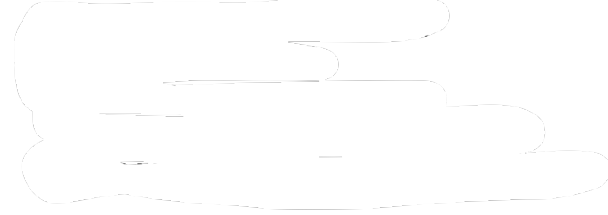
[Redacted]



24 . BUGUDEGAWDA M R



25 . SIDDARAJU H



26 . C L MANJUNATH,



27 . HANUMANAYAK



...PETITIONERS

(BY SRI. BIPIN HEGDE, ADVOCATE FOR
SRI. SAMARTH PRAKASH, ADVOCATE)

AND:

1 . STATE OF KARNATAKA
REPRESENTED BY ITS UNDER SECRETARY
DEPARTMENT OF SCHOOL
EDUCATION AND LITERACY



2 . DIRECTOR



GOVERNMENT SECURITY PRESS,
[REDACTED]

3 . THE DIRECTOR,
GOVERNMENT SECURITY PRESS,
[REDACTED]

...RESPONDENTS

(BY SRI. REUBEN JACOB, AAG FOR
SMT. MAMATHA SHETTY, AGA)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASH ORDER/ENDORSEMENT BARING No.DPS VSU 10 COURT 2022-23/348 DATED 11.08.2023 PASSED BY THE R-2 VIDE ANNEXURE-A, ETC.

THIS PETITION HAVING BEEN HEARD AND RESERVED FOR ORDERS ON 24.04.2024, COMING ON FOR PRONOUNCEMENT THIS DAY, THE COURT MADE THE FOLLOWING

ORDER

1. This petition is presented by 27 persons seeking quashing of the endorsement dated 11.08.2023 by which their claim for regularization has been rejected. They are also praying for a direction to be issued to the respondents to regularise their services since they have worked with the respondents for the past 22 years. In addition, they also seek payment of arrears up to date.



2. It is the case of the petitioners that they were employed as binders and subsequently as printers from the year 2000 at the printing press in Tumkur, and after the closure of the press at Tumkur, they were working at the printing press in Peenya on an outsourced basis.

3. They contend that there were a total of 96 workers who had been initially employed and, thereafter, 50 employees had been absorbed, while the remaining continued to work on a piece-rate basis. They also contend that the printing press at Tumkur shut down in the year 2016 and they were asked to work in the press through different contractors from the year 2016, and this was done only to ensure that there was no evidence of a direct contract between the printing press and them. They also state that in the year 2018, they had sought regularisation and this request was also considered by resolving that action to be taken to absorb them as and when vacancies were created.



4. It is, however, stated that on 07.02.2023, the Government ordered the closure of the printing press at Peenya and also transferred all the assets to the press on Mysore road and in this order, the Government had also decided to dispense with the services of the 40 persons who had been appointed on outsourced basis. It is the case of the petitioners that the order by which the services of 40 persons (such as the petitioners) who had been engaged through an outsourcing agency, was illegal since they had rendered nearly 22 years of service and their services could not be dispensed with.

5. The petitioners had, in fact, preferred W.P.No.3718/2023 challenging the order of the Government closing the printing press at Peenya and the consequential termination of the 40 outsourced employees, and this writ petition was disposed of on 13.06.2023, holding that the petitioners had been in service for more than 2 decades and in light of the



judgment in **Nagendra S.G.**¹ rendered by a division bench of this Court, the case of the petitioners for regularization was required to be considered.

6. It is the further case of the petitioners that despite this order directing the State to consider their case in regularization in accordance with the decision of the Division Bench rendered in **Nagendra S.G.**, which was based on the judgment of the Supreme Court in **Sheo Narain Nagar**², the respondents have issued the impugned endorsement rejecting their claim.

7. As stated earlier the present writ petition is filed challenging the rejection of their claim and for issuance of consequential directions to regularise their services.

8. The learned counsel for the petitioners Sri. Bipin Hegde contended that the petitioners were continuously employed since the year 2000 and the material on record

¹ Karnataka Veterinary Animal and Fisheries Sciences University v. Nagendra S.G, *W.A.1185/2021 disposed on 10.01.2022.*

² Sheo Narain Nagar & Ors. v. State of Uttar Pradesh & Anr., (2018) 13 SCC 432.



clearly established that they had rendered services for more than 2 decades and, consequently, the petitioners had acquired a right to be regularized. He contended that though the respondents had contended that the petitioners had not been employed from the year 2000 to 2010, the respondents had engaged a manpower agency for packing and allied services on piece rate basis through which the petitioners were employed.

9. He submitted that the material on record, including the inspection report of the Labour Department, clearly indicated that the petitioners had been continuously employed and had also been paid wages through the contractor. He submitted that the process of securing employment through an outsourcing agency was basically a camouflage to escape the consequences and the liability of employing the petitioners directly.

10. Learned counsel also placed reliance on the affidavit that had been filed by the Assistant Director of the Government press wherein it was admitted that though



tenders had been called and contracts had been awarded for providing manpower services, the petitioners had, in fact, rendered services through different contractors, and this, by itself, proved that the entire charade of outsourcing was to get over the fact that there was a direct employment and there was a clear relationship of 'master and servant'. He also placed reliance on **Nagendra S.G.** as well as the judgment rendered by the Supreme Court in the case of **Sheo Narain Nagar** (both cited *supra*) to contend that the petitioners are entitled for regularization.

11. *Per contra*, the learned Additional Advocate General—Mr. Reuben Jacob contended that the petitioners had never been employed by the Government printing press and the press had, in fact, he'd entered into a contract whereby payment was made on a piece-rate basis and the Government had absolutely no knowledge about the employees who had been engaged with the contractor for execution of the work, at least from 2000 to 2010.



12. He submitted that from the year 2011 to 2015, no contract employees had been engaged and this had proved that the employment of the petitioners was not continuous. He further contended that the petitioners were basically employed by the contractors for the year 2016-17 up to 2022-23 and since their employment was contractual, and, that too, with a contractor, they could not claim regularisation under the Government.

13. During the course of hearing the arguments, on 04.10.2023, this Court directed the learned AAG to submit an affidavit indicating the length of service of the petitioners and also categorically state as to whether the same set of employees had been appointed year after year, either through the same contractors or through different contracts.

14. In response, an affidavit was filed by the Assistant Director of the Government press wherein it has been stated that from the year 2000 to 2005, the department had not engaged any manpower/outsourcing agency and



no contract employees were engaged by the Government district press at Tumkur. It is also stated that from 2005 to 2010, a manpower agency was engaged in the Government district press at Tumkur for packing and allied services, and the same was on piece-rate basis and the payment to the contractor was also made on this basis, and there was no hiring of any particular employee as a contract labour by the department.

15. It was thus contended that it cannot be stated with certainty that the petitioners had worked at the Government district press at Tumkur through the outsourcing agencies from 2005 to 2010.

16. It is also stated in the affidavit that as per the Government Order dated 07.08.2015, sanction had been accorded to start the second shift of operations at the Government security press at Peenya and permission was accorded for engaging 40 persons through an outsourcing agency on contract basis. It is stated that pursuant to said approval, tenders had been called for every year from



2015-16 to 2022-23 for providing manpower services on contract basis at the Government Security press at Peenya, and 4 different agencies had secured contracts for said period from 2015-16 to 2022-23.

17. It is admitted that the service of the petitioners had been provided by the successful tenderers to the department from February, 2016 to March, 2023. It is also admitted that petitioner Nos.1 to 19 and 22 to 27 had worked on contract basis through an outsourcing agency from 2016 to 2023 and petitioner Nos.20 and 21 had worked through outsourcing agencies from June, 2017 to March, 2023 and the period of services rendered by the petitioners has also been set out in the tabular column in the affidavit.

18. In response of this affidavit, objections were filed by the petitioners enclosing the payment and attendance register as well as documents to indicate that salaries were transferred by the 1st respondent to the 3rd respondent, thereby establishing that the petitioners had



worked from the year 2000 as piece-rate employees and had been employed directly by the 1st respondent. The petitioners have also produced report of the spot inspection conducted by the labour inspector and the printing press, Tumkur on 04.10.2008 to indicate there were a total of 96 employees, and contended that this report also indicates that the petitioners had been employed from the year 2000.

19. The State Government has thereafter filed a rejoinder to the objections filed to the affidavit, in which it is stated that on verification of the records regarding the engagement of the petitioners as casual labourers, between the year 2000 to 2004, it was found that only a few of the petitioners had been engaged for a few months while a few petitioners had been engaged in 2002, 2003 and 2004.

20. It is stated in the rejoinder that from the year 2005 to 2010, a manpower agency was engaged for packing and allied services on piece-rate basis and the payments were



made to the contractor, and, hence, it cannot be said that the petitioners had been deployed the contractors, as per the available records.

21. The service details of the casual labourers employed is also produced and a perusal of the tabular column clearly indicates that the petitioners had been engaged as casual workers from the years 2000 to 2004.

22. It may be pertinent to state here that this Court while disposing of W.P.No.3718/2023 had categorically recorded as follows:

“Perusal of the writ papers would indicate that petitioners were in service with the respondent No.2 for more than two decades.”

23. In light of this finding which has not been challenged by the Government, it cannot be argued by the State that the petitioners had not worked for 20 years. The fact that the Director, in his affidavit, seeks to state that there were no records available to indicate that the petitioners had



been engaged on piece-rate basis and the subsequent rejoinder filed by the State in which the details of employment of the petitioners have been furnished in a tabular column establishes that the petitioners had indeed been employed to work in the printing press. The further fact that the salary and attendance registers of the year 2000 and 2005 produced by the petitioners in which the names of the petitioners have been found in respect of several years clearly indicates that the petitioners had been continuously engaged in the printing press, both at Tumkur and at Peenya.

24. The fact that the spot inspection report of the labour department, which is also produced by the petitioners, also indicates that nearly 103 persons had been paid on piece-rate work also establishes that the petitioners had been engaged continuously. The summary of the inspection note dated 04.10.2008 which contains a tabular column with an entry of more than 30 employees, wherein the names of the petitioners are also recorded, also



establishes that the petitioners had been employed at least from the year 2008.

25. The learned AAG furnished the calculation sheet of gratuity amount that is admissible to contractual employees as per the Payment of Gratuity Act, 1972 indicating the total number of years that the petitioners had worked for. This calculation sheet indicates that the petitioners had worked for periods ranging from 6 to 10 years during the period 2001 to 2010 and for a similar period of 6 to 7 years from 2016-17 to 2023. It is only for the period between 2011 and 2015 that no contract employees had been engaged.

26. This calculation sheet clearly indicates that the petitioners have worked for periods ranging between 13 and 18 years. These facts therefore clearly establish that the petitioners have rendered service in the press at Tumkur and at Peenya for more than 15 years with a break of about 5 years in between.



27. The learned AAG, however, submitted that the service of the petitioners could not be regularised since their case did not fall within the parameters set out in **Umadevi's**³ case. He also sought to contend that the decision rendered in **Nagendra S.G.'s** case cannot be relied upon since there was specific bar for absorption of services of the employees of establishments in public sector into the public services by virtue of Section 3 of the Karnataka State Civil Services (Prohibition of absorption of services of the employees of establishments in Public Sector into Public Service) Act, 2020.

28. As for the argument that there is a bar for regularising the services by virtue of the 2020 Act, it is to be stated here that said Act only barred the employment of persons who were rendering service in the public sector into the Government service. In fact, "public sector" had been defined under said Act and public sector would mean to be a co-operative society, a government company, a

³ State of Karnataka v. Umadevi, 2006 (4) SCC 1.



local authority, a statutory/non-statutory body, a Government University or any other organization as may be specified by the Government of Karnataka. It is to be stated here that the Government printing press would not fall within the definition of "public sector" as defined under said Act, and, therefore, the provisions of said Act would be inapplicable.

29. The learned AAG also submitted that since the Government had decided to close down the printing press by the order dated 07.05.2023, it would be impossible for the Government to provide employment to the petitioners since the press itself is no longer in existence. In my view, this argument merits acceptance, but only to a certain extent.

30. It is no doubt true that if the Government press itself is ordered to be shut down, the question of regularising the services of the people who had been engaged through a contractor cannot be possible. The closure of the printing press, by itself, indicates that there is no need for



employment. However, the fact that the service of the petitioners would stands dispensed with, and, that too, after they have rendered service in excess of 13 years, deserves consideration.

31. A three-judge bench of the Supreme Court in the case of **Ranbir Singh**⁴, while dealing with a claim for absorption of persons who had been engaged by the LIC as temporary/badli/part-time workers and who had rendered a service for several years, ultimately passed an order in the following terms:

"86. 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:

⁴ Ranbir Singh v. S. K. Roy, 2022 SCC OnLine SC 521.



(i) 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;

(ii) The verification shall be confined to persons who were working between 20 May 1985 and 4 March 1991;

(iii) All persons who are found to be eligible on the above norm shall be entitled to compensation computed at the rate of 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 TN Terminated Employees Association (supra);

(iv) In carrying out the process of verification, the Committee appointed by this Court shall not be confined to the certified list before the CGIT and shall consider the claims of all workers who were engaged between 20 May 1985 and 4 March 1991;

(v) For the purpose of verification, LIC shall make available all the records at the Divisional level to the Committee appointed by this Court;



(vi) 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;

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

(viii) 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

(ix) 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."



32. In my view, this principle of paying monetary compensation in lieu of reinstatement ordered by the Apex is required to be adopted and be applied since in the present case, the petitioners have been engaged by the Government Printing press through Contractors on piece rate basis or through Contractors for supply of man power agency for period ranging upto 18 years. This principle would also have to be applied since the Printing Press has been ordered to be closed by the Government citing lack of work for the press and the only means of providing relief to the petitioners who have put in long years of service would be monetary compensation.

33. In the present case, in light of the affidavits and the memo filed by the State, it is clear that the petitioners herein have rendered services from periods ranging between 13 and 18 years and, therefore, there would be no need for verification of the claims of the petitioners as regards their tenure of employment.



34. In my view, it would be appropriate to follow said decision insofar as it relates to the grant of compensation computed to Rs.50,000/- for every year of service in lieu of the claim for reinstatement and regularisation and as a means of full and final settlement of all claims of the petitioners.

35. It is, however, to be stated here that the petitioners have put in service during 2 time frames i.e., from 2001 to 2010 and from 2016 to 2023 with a break of about 5 years between 2011 and 2015. It is, thus, obvious that the petitioners were gainfully employed during this period from 2011 to 2015 when no contract workers had been employed. Having regard to the fact that claim for regularisation is being made in the year 2023, it would be appropriate to hold that the petitioners would be entitled to a sum of Rs.25,000/- for every year of service rendered for the period 2000 to 2010 and also hold that they would be entitled for a sum of Rs.50,000/- per year for every year of service rendered from 2016-17 to 2022-23.



36. As a consequence, the petitioners would be entitled for the following sums:

Details of Contract Employees worked in the year 2001 to 2010 (A)					Details of Contract Employees worked in the Year 2016 to 2023(B)				
Sl.No.	Name	Total Years	Lump sum	Lump sum x No. of Years of service rendered		Total Years	Lump sum	Lump sum x No. of Years of service rendered	Lump sum Amount Calculated as per LIC
1	UMESH T.N.	10	25,000	2,50,000	2011 to 2015 Contract Employees were not worked	7	50,000	3,50,000	6,00,000
2	KANTHARAJU.T	7	25,000	1,75,000		7	50,000	3,50,000	5,25,000
3	NARASIMHA MURTHY H.N	10	25,000	2,50,000		7	50,000	3,50,000	6,00,000
4	MANJUNATHA T.B	10	25,000	2,50,000		7	50,000	3,50,000	6,00,000
5	K.H.JAGADISH	10	25,000	2,50,000		7	50,000	3,50,000	6,00,000
6	MAHESH	11	25,000	2,75,000		7	50,000	3,50,000	6,25,000
7	S.C.JAYARAMA	11	25,000	2,75,000		7	50,000	3,50,000	6,25,000
8	KUSHA D.A.	11	25,000	2,75,000		7	50,000	3,50,000	6,25,000
9	SRINIVAS.G	10	25,000	2,50,000		7	50,000	3,50,000	6,00,000
10	ARUN KUMAR.N	11	25,000	2,75,000		7	50,000	3,50,000	6,25,000
11	VENUGOPAL B.S	8	25,000	2,00,000		6	50,000	3,00,000	5,00,000
12	DODDAIAH G.T.	8	25,000	2,00,000		7	50,000	3,50,000	5,50,000
13	SRINIVAS C.K.	10	25,000	2,50,000		7	50,000	3,50,000	6,00,000



14	RAVIKUMAR T.N.	10	25,000	2,50,000	7	50,000	3,50,000	6,00,000
15	NARAYANA SWAMY.C	7	25,000	1,75,000	7	50,000	3,50,000	5,25,000
16	CHIKKANNA.K.C.	11	25,000	2,75,000	7	50,000	3,50,000	6,25,000
17	SIDDARAJU	6	25,000	1,50,000	7	50,000	3,50,000	5,00,000
18	KUMARASWAMY.H.S.	11	25,000	2,75,000	7	50,000	3,50,000	6,25,000
19	MANJUNATHA.C	6	25,000	1,50,000	7	50,000	3,50,000	5,00,000
20	GANGADHARAPPA S.R.	10	25,000	2,50,000	6	50,000	3,00,000	5,50,000
21	KRISHNAPPA P.C.	10	25,000	2,50,000	6	50,000	3,00,000	5,50,000
22	RANGANARASIMHAIAH	10	25,000	2,50,000	7	50,000	3,50,000	6,00,000
23	SRINIVASA.B.N.	8	25,000	2,00,000	7	50,000	3,50,000	5,50,000
24	BUGUDEGOWDA.M.R.	8	25,000	2,00,000	7	50,000	3,50,000	5,50,000
25	SIDDARAJU.H	10	25,000	2,50,000	7	50,000	3,50,000	6,00,000
26	C.L.MANJUNATH	10	25,000	2,50,000	7	50,000	3,50,000	6,00,000
27	HANUMANAYAK	8	25,000	2,00,000	7	50,000	3,50,000	5,50,000

37. The petitioners would be entitled to the sums mentioned in the **Column No.10** as compensation in lieu of their claim for reinstatement, regularisation and the payment of the sums mentioned therein shall be the full



and final statement of all their claims and demands. The said amount shall be made over to the petitioners within a period of two months from the date of receipt of a copy of this order.

38. The present petition is accordingly ***disposed of*** as per the terms mentioned in the preceding paragraphs.

**Sd/-
JUDGE**

GSR