



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

WRIT PETITION NO. 27496 OF 2016 (S-RES)

BETWEEN:

THE KARNATAKA STATE
CO-OPERATIVE MARKETING FEDERATION,
N.8, CUNINGHAM ROAD,
BANGALORE-560 052,
REPRESENTED BY ITS MANAGING DIRECTOR.

...PETITIONER

(BY SRI. P. ANAND, ADVOCATE)

AND:

1. THE REGISTRAR OF
CO-OPERATIVE SOCIETIES (C & M)
OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES,
ALI-ASKAR ROAD,
BANGALORE-560 001.
2. NAGAYYA N.A.HIREMATH,
S/O ANDANAIAH HIREMATH,
AGED ABOUT 59 YEARS,
WORKING AS SENIOR ASSISTANT K.S.C.M.F.,
KONCHADI, DAREBAIL,
MANGALORE-6.

PRESENTLY R/AT: KUNDARAGI,
BEELAGI TALUK,
BAGALKOT DISTRICT-587 101

...RESPONDENTS

(BY SRI. G. RAMESH NAIK, AGA FOR R1
SRI. T. DADAKALENDAR, ADV. FOR R2)



THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE IMPUGNED AND ORDER DATED 19.05.2015 PASSED BY THE KARNATAKA APPELLATE TRIBUNAL AT BANGALORE IN APPEAL NO.102/2013 AND 208/2011 UNDER ANNEXURE-A IS NOT SUSTAINABLE AND ORDER TO RESTORE THE ORDERS IMPUGNED TO THE APPEALS AND ETC.,

THIS PETITION, COMING ON FOR ORDERS, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

ORAL ORDER

In this petition, petitioner seeks quashing of the impugned order at Annexure-A dated 19.05.2015 passed in Appeal Nos.102/2013 c/w 208/2011 by the Karnataka Appellate Tribunal, Bangalore (for short 'the KAT'), whereby the said appeals filed by the 2nd respondent – appellant was allowed by the KAT.

2. Heard learned counsel for the petitioner and learned AGA for 1st respondent as well as learned counsel for 2nd respondent and perused the material on record.

3. The material on record discloses that the 2nd respondent was working as a Senior Assistant in the petitioner – Federation, when disputes arose between them which culminated in the



previous round of litigation by an order dated 18.11.2004 passed in W.P.No.22202/1999 c/w W.P.No.25292/2002 filed by the 2nd respondent herein (writ petitioner in the said writ petitions), hereby this Court allowed W.P.No.22202/1999 and remitted the matter back to the Registrar for reconsideration afresh and also disposed of W.P.No.25292/2002 by reserving liberty in favour of the 2nd respondent to challenge the order, on the basis of which, the seniority list was prepared by the petitioner herein. In pursuance of the said order, the Additional Registrar of Co-operative Societies (ARCS) passed orders dated 31.11.2011 and 28.01.2013 rejecting the claim of the 2nd respondent, who filed appeals in Appeal Nos.208/2011 and 102/2013 respectively before the KAT. The said appeals were allowed by the KAT vide impugned common order dated 19.05.2015, whereby the KAT set aside the aforesaid orders and directed the petitioner – Federation to implement its order dated 05.07.1995 and include the 2nd respondent in the seniority of the internal auditor of the Federation and fix his pay scale in the cadre of Internal auditor of the Federation and granting all service financial benefits w.e.f. *01.04.1995 as stated in its aforesaid order dated 05.07.1995. Aggrieved by the impugned order passed by

** Corrected vide Court order dated: 07.08.2026.*



the KAT, petitioner – Federation is before this Court by way of the present petition.

4. A perusal of the material on record will indicate that KAT has correctly and properly considered and appreciated the rival contentions and has recorded findings of fact by holding that consequent to the reinstatement of the 2nd respondent as per the orders of the Industrial Tribunal, the petitioner – Federation had reinstated him as an Internal Auditor vide order dated 05.07.1995, wherein it is clearly stated that the 2nd respondent was reinstated the petitioner as an Internal Auditor in the pay scale of Rs.1280-30-1400-40-1800-50-2300-75-2375 and having issued the said order, the petitioner – Federation are estopped from contending that the order of the ARCS dated 31.01.1995 which was issued subsequent to the reinstatement order dated 05.07.1995 was applicable, since the 2nd respondent had already been reinstated prior to the aforesaid order dated 13.01.1998 passed by the ARCS which was not retrospective and would not affect the pay scale or seniority of the 2nd respondent who had been reinstated on 05.07.1995 much prior to the order dated 13.01.1998 which could not have been made the basis to reject the claim of the 2nd respondent and



dismiss the dispute raised by him. While arriving at the said conclusion, the KAT held as under:-

“Appeal No. 102/2013 has been filed by one Nagayya Hiremath under Section 105 of the K.C.S. Act assailing the order passed by the first respondent, Additional Registrar of Cooperative Societies (C & M) in Dispute No D-7 in original Petition No. 210/2006-07 passed on 28/1/2013. Appeal No.208/2011 was also filed by the same appellant as appeal 102/2013 under Section 105 of the KCS Act assailing the order passed by the first respondent Additional Registrar of Cooperative Societies (C & M) in original Petition No. 976/1985-86 passed on 31/1/2011.

2. As the two appeals are filed by the same appellant with matters relating to his cadre and seniority and fixation of pay, they were inter related thus were clubbed and heard together. The facts and grounds of the appeals are as follows.

3. The appellant had been appointed as an internal auditor on 4/2/1982 in the Raichur Oil Complex for a period of 5 years in the pay scale of Rs.400-900. The Raichur Oil Complex had been taken over by the 2nd Respondent Federation. As the appointment of the Appellant and other employees was co-terminator with the lease of the oil complex, the 2nd Respondent Federation terminated their services, but the Labour Court where the termination of the Appellant was challenged ordered his reinstatement with 50% back wages. However after an agreement of settlement the backwages were fixed at 25% and the



Appellant was then reinstated on 05-07-95 in the cadre of internal auditor, but the 2nd Respondent Federation later included him in the seniority list of senior assistant and fix his pay scale in that cadre. The 2nd Respondent Federation prepared a provisional seniority list of its officials vide its order dtd.03-01-2001 by way of which the Appellant who had been working as an internal auditor was shown in the seniority list of senior assistants which is below the rank and cadre of the internal auditors. The appellant filed his objections to the seniority lists on 8/1/2001 pointing out that the Second Respondent Federation had erred in including him in the seniority list of senior assistants. The Second Respondent Federation however rejected the objections of the appellant vide Letter No. EST/E2/1003/2001-02. The appellant then filed a Writ Petition before the Hon'ble High Court of Karnataka in WP No. 25292/1999 praying for the said seniority list to be quashed. The Hon'ble High Court of Karnataka in dismissing the Writ Petition filed by the appellant in its order passed on the 18th of November 2004 ordered as follows:

'Writ Petition No. 25292 is dismissed reserving liberty to the petitioner to challenge the order on the basis of which the seniority list is prepared. No costs.'

4. Consequentially the appellant filed a dispute under Section 70 of the KCS Act before the First Respondent Additional Registrar of Cooperative Societies (C&M) challenging the order passed by him in his Order No. MRT-1/MCS/1988/1996-97 praying that it is set aside and that directions be issued to the Second Respondent Federation



to post the appellant in the cadre of an internal auditor and to grant such other reliefs as the court deemed fit. The First Respondent Additional Registrar of Cooperative Societies (C&M) referred the dispute for adjudication to the Joint Registrar of Cooperative Societies ICDP who upon adjudicating the dispute passed the impugned order dismissing the dispute filed by the appellant. Aggrieved by the impugned order the appellant has preferred Appeal No. 102/2013 on the following:

GROUND OF APPEAL

- i. The impugned order passed by the first respondent is contrary to law and facts.*
 - ii. The impugned order was passed by the first respondent without considering the pleadings and arguments of the appellants and the various decisions of the higher courts.*
 - iii. The first respondent arbitrarily dismissed the dispute petition without assigning any reason or explaining the basis of his findings.*
 - iv. The first respondent failed to appreciate that great loss had been caused to the appellant as a result of discrimination on part of the First Respondent Federation and unequal treatment to equals in law*
 - v. The first respondent had failed to see that the communication dated 13/1/1998 is not an order as stated by the second respondent in Dispute No. 976/1985-86.*
- 5. Contending so the appellant has sought for setting aside of the impugned order passed by the first respondent.*



6. *In the other Appeal No.208/2011 the Appellant has challenged the disparity in his pay scale accorded by the 2nd Respondent Federation. The brief facts and grounds of Appeal No. 208/2011 are as follows:*

7. *While all facts narrated in Appeal No. 102/2013 also from the back ground for this appeal the additional facts that led this appeal are that after the appellant was transferred and posted as the internal auditor at Head Office to work at their branch office at Peenya up to 31/5/1986. The salary that was given to the appellant was not equal to the salary which the internal auditors at the Head Office were drawing and though the appellant submitted several representations to the First Respondent Federation praying for equal salary for equal work the First Respondent Federation refused him equal salary. Thereafter the appellant preferred a dispute before the Registrar of Cooperative Societies in Dispute No. 976/1985-86 which came to be dismissed on 9/9/1997 against which the appellant preferred Appeal No. 709/1997 which also came to be dismissed following which the appellant preferred Writ Petition No. 22202/1999 before the Honorable High Court of Karnataka The Honorable High Court allowed the Writ Petition quashing the order of the Appellate Tribunal and remitted the matter back to the registrar for fresh consideration. The Additional Registrar of Cooperative Societies (C&M) who adjudicated the matter dismissed the dispute in Original Petition No. 976/1985 - 86 dated*



31/1/2011 aggrieved by which Appeal No. 208/2011 has been filed before this authority on the following:

GROUND OF APPEAL

- i. The impugned order is contrary to law and facts.*
- ii. The First Respondent Additional Registrar failed to appreciate the facts and evidence of the appellant.*
- iii. The impugned order was passed by the first respondent without assigning any reason and without taking into consideration the order passed by the Honorable High Court of Karnataka in Writ Petition No. 22202/1999.*
- iv. The First Respondent Additional Registrar failed to see that the denial of equal pay to equal posts was violative of Articles 14, 16 and 19 of the Constitution of India.*

7. Contending so the appellant has sought setting aside of the order passed on 31/1/2011 by the first respondent in Original Dispute No. 976/1985-86.

8. Appeal No. 102/2013 and Appeal No.208/2011 were both filed in time.

9. In Appeal No. 102/2013 the appellant was represented by the learned counsel Sri K.R. Respondent 1 by the learned State Representatives and Respondents 2 and 3 by the learned counsel Sri D.V.D. In Appeal No. 208/2011 the appellant was represented by the learned counsel Sri K.R, R-1 by the learned State Representative and R-2 by the learned counsel Sri U.M.J. The records of



the lower court were summoned, both appeals were clubbed and the arguments heard on 5/1/2015 and posted for final orders.

10. From the above facts and grounds of the two appeals the points that arise for our consideration are:

- i. Whether the Appellant proves that the impugned orders passed in Appeals No. 102/2013 and Appeal No. 208/2011 are bad in law and facts and are liable to be set aside?***
- ii. Whether the Appellant proves that there is a need for us to interfere in the impugned orders passed in Appeal No. 102/2013 and Appeal No. 208/2011?***
- iii. If so, what orders?***

11. For the reasons narrated below we answer:

- i. Point No.1- In the affirmative.***
- ii. Point No.2- In the affirmative.***
- iii. Point No.3- As per orders.***

REASONS

***12. Point Nos.i and ii:** As both these points require a common discussion they have been taken up together. It is the appellant's case that he was working as the Internal Auditor in the Raichur Oil Complex and that he was transferred to the Head Office of the Second Respondent Federation.*

13. It was the say of the learned counsel for the Appellant that though the Appellant who had worked as an internal auditor formed the Raichur Oil Complex had been



transferred to the Head Office of the 2nd Respondent Federation he was treated as a senior Assistant given a lower pay scale and though he was several letters to the 2nd Respondent to consider his request for equal pay and equal work. These letters were ignored and he was issued a notice of termination on 31-05-1986 which he challenged before the Industrial Tribunal in case No.403/1991. The Industrial Tribunal directed that the 2nd Respondent Federation reinstate the Appellant and give him 50% backwage with continuity of service. Though the Industrial Tribunal in its order dated 19-03-1994 had ordered 50% backwages and continuity of service, the 2nd Respondent entered into an agreement with the Appellant on 04-07-1995 and gave backwages of only 25% and issued an order to the 2nd Respondent on 05-07-1995 reinstating his as an internal auditor. Subsequently though the Appellant gave several representation, the 2nd Respondent Federation failed to fix his pay in the cadre rank of internal auditor causing the Petitioner to raise dispute DRB 976 of 85-86 under Section 70 of the K.C.S. Act which came to be dismissed. On 09-09-1997 aggrieved by this the Appellant preferred an appeal before the Karnataka Appellate Tribunal in Appeal No.709/1997 which also came to be dismissed. Thereafter the Appellant filed a writ pet. No. 22202/99 before the Hon'ble High Court of Karnataka which is in his order dated: 18-11-2004 quashed the order of the Registrar and the Karnataka Appellate Tribunal and remitted the matter for fresh consideration, but the 1st Respondent Addl. RCS (C & m) without application of mind



dismissed the dispute without taking into the consideration the direction of the Hon'ble High Court of Karnataka and that the order of dismissal is illegal and contrary to law and is liable to be set-aside.

14. Per contra the learned counsel for the 2nd Respondent argued that the Appellant has been appointed as an Internal Auditor on 04-02-1992 in the pay scale of Rs.400 to 900 for period of 5 years in the Raichur Oil Complex which had been taken over by the 2nd Respondent on lease for a period of 5 years and that the appointment of employees of the Raichur Oil Complex being co-terminator with the lease of oil complex, the employees of the oil complex were terminated by the 2nd Respondent Federation some of them including the Appellant approached the Labour Court which directed this reinstatement. Subsequently an agreement was reached fixing the backwages to 25% instead of 50%. The Appellant was reinstated on 05-07-1995 in the scale of Rs. 1280-2375 w.e.f. 01-04-1995, this pay scale which was earlier equated with the scale of an internal auditor. However upon reinstatement as per the letter of the Department dtd: 25-04-96 the posts in this pay scale of Rs. 1280 to 2375 were equated to those of senior assistants and it was as per the said directions of Addl. RCS (C & M) that the Appellant was given the pay scale of senior assistants and not that of Internal Auditor. The Appellant then filed writ Pet.No. 22202/99 before the Hon'ble High Court of Karnataka which dismissed the writ petition with liberty to the Appellant to challenge the order dated: 13-01-1998. It was the argument



of the learned counsel for the 2nd Respondent Federation that in the impugned order the Court below had rightly come to the conclusion that the Appellant is not entitled to the pay scale of an internal auditor or of the 2nd Respondent Federation as the posts of internal audit of the Oil Complex and the 2nd Respondent Federation are two different units and that both these posts are different and that their scale are also different. The Hon'ble High Court of Karnataka in disposing of the writ petition filed by the Appellant had dismissed the writ petition with liberty to the Appellant to challenge the order on the basis of which the seniority list was prepared. In dispute NO.ACM/DIS/D7/976 of 85-86 filed before the Court below the Appellant has prayed for granting of the pay scale of internal auditor quashing of the extension of the probationary period of the Appellant without any reason by the 2nd Respondent Federation non granting of increments and arrears of increment and any such relief as the court deemed fit. The Court below has observe that consequent reinstatement of the Appellant by the 2nd Respondent Federation it was as per the orders of the Registrar of Co-op. Societies who is the authority to fix the pay scale of the employee that the pay scale of the Appellant which was fixed in the pay scale of Rs.400-20-500-900 and was equated to that of senior assistants as that point of time the pay scale fixed in respect of the Appellant was in the pay scale of Rs. 1050-50-1950 and that the Appellant could not have been reinstated as an internal auditor as the posts of the internal auditor of the Raichur Oil Complex and the Federation were different.



15. *It is not in dispute that consequent to the reinstatement the Petitioner as per the orders of the Industrial Tribunal the Appellant had been reinstated by the 2nd Respondent Federation as an internal auditor vide its order passed on 05-07-1995, thin order is at page-118 of the Lower Court Records in which it has been clearly stated that the Appellant had been reinstated as an internal auditor in the pay scale of Rs. 1280-30-1400-40-1800-50-2300-75-2375. This order has been passed by the 2 Respondent Federation. It is also not disputed by the 2nd Respondent Federation that this order was issued to the Appellant. Having reinstating the Appellant as an internal auditor issued this order the 2nd Respondent Federation cannot now take a stand that the order passed by the Addl. Registrar on 31-01-1998 subsequent to the order of reinstatement issued in the Appellant on 05-07-1995 in which the posts of the internal auditors and the employees of the Raichur Oil Complex as senior assistant is most certainly not applicable to the Appellant, as the Appellant had already been reinstated by the 2nd Respondent Federation vide its order dated: 05-07-1995 as an internal auditor having issued the order reinstating the Appellant as an internal auditor in the pay scale of an internal auditor the 2nd Respondent Federation cannot by any measure rely upon a subsequent order of the Department to justify downgrading the Appellant to the cadre of senior Assistant which is a part below the rank of an internal auditor. The Appellant reinstatement to the post of an internal auditor was an event that took place on 05-07-1995 before the*



order of the Addl. Registrar of Co-op. Societies (C & M) dated: 13-01-1998 was passed. The reinstatement of the Appellant to the post of an internal auditor (at page-118 of the Lower Court Records) was issued on 05-07-1995 almost 3 years prior to the order passed by the Addl. Registrar of Co-op. Societies equating the post of the employees of the Oil Complex to the post of Sr. Assistants. The entitlement of the Appellant to the post of an internal auditor should be viewed with the spectacle of the order passed by the 2nd Respondent Federation on 05-07-1995 at page-118 of the Lower Court Records and not through the order passed by the Addl. Registrar on 13-01-1998. Besides the order of the Addl. Registrar of Co-op. Societies (C & M) dated: 13-01-1998 could by no stretch of imagination have retrospective effect. The court below has thus grievously erred in holding that the act of the 2nd Respondent Federation in equating the pay scale of the Appellant to the pay scale as prescribed by the Addl. Registrar three years subsequent to his reinstatement as an internal auditor is proper. The order issued by the 2nd Respondent Federation had reinstating the Appellant in the post of an internal auditor on 05-07-1995 in the pay scale Rs.1280-30-1400-40-1800-50-2300-75-2375 w.e.f. 01-04-1995 is binding and final on the 2nd Respondent Federation. Therefore we say that the order issued by the 2nd Respondent Federation vide its order No.sibandhi-e3/411/95-96 dated: 05-07-1995 at page-118 of the Lower Court Records is the basis on which the seniority of the Appellant had to be fixed. The Court below has erred by



ignoring this fact eventhough all these documents were on the record of the Court below final and binding on the 2nd Respondent Federation. The Court below. The administrative order passed by the Addl. Registrar of Co-op. Societies three years subsequent to the reinstatement of the Appellant in the post of an internal auditor is not applicable to the Appellant as it has no retrospective effect. For these reasons all arguments advanced by the learned counsel for the 2nd Respondent Federation lose all force. We are in agreement with the learned counsel for the Appellant that the impugned order is unlawful and arbitrary, bad both in facts and law and therefore unsustainable in the eye of law. Though there were specific directions of the Hon'ble High Court of Karnataka that the Petitioner was at liberty to challenge the order on the basis of which the seniority had been preferred when the dispute was raised by the Appellant despite all these facts having been placed before it the Court below, failed to consider the order dated: 05-07-1995 passed by the 2nd Respondent Federation reinstating the Appellant as an internal auditor, this reduction in rank to that of a senior Assistant was therefore arbitrary, illegal and unsustainable in the eye of law. The 2nd Respondent Federation after reinstating the Appellant as an internal auditor on 05-07-1995 could not have brought down his rank to that of a Sr. Auditor without any reason and that too based on the order of the Addl. Registrar of Co-op. Societies (C & M) passed on three years, subsequent to the order of reinstatement. Furthermore, the 2nd Respondent Federation had no right to reduce the pay scale



of the Appellant on the frivolous ground that it was bound by an administrative order passed 3 years subsequent to the reinstatement of the appellant. Clearly the 2nd Respondent Federation has caused a grave injustice to the Appellant and has put him through suffering both in terms of denying him the appointing of working as an internal Auditor and also denying him service and financial benefits. The 2nd Respondent Federation has misrepresented facts attempting to camouflage its illegal act by stating in these appeals that the order of the Addl. Registrar of Co-op. Societies (C & M) that was passed 3 years subsequent to the order of reinstatement of the Appellant was applicable to him. In view of these facts we answer point Nos.i and ii in the affirmative.

16. **Point No.iii:** For the reasons narrated at Point Nos.i to ii we proceed to pass the following:

ORDER

Both appeals bearing Nos. 102/13 and 208/11 are allowed.

The order passed by Respondent-1 in Dispute No.A(C and M)DIS-D7/210/2006-07 dated: 28-01-2013 and No.A(C and M)DIS-D7/976/1985-86 Dated: 31-01-2011 are set aside. The 2nd Respondent Federation shall implement its order dated: 05-07-1995 and include the Appellant in the seniority list of an internal auditor of the Federation and shall fix his pay scale in the cadre of internal Auditor of the Federation and grant him all service and financial benefits w.e.f. *01-04-1995 as stated its Order No. sibandhi-e3/411/95-96 dated: 05-07-1995.

There shall be no costs.

The Registrar of the Tribunal is directed to comply with Regulations 53(b) of Chapter - IX of Karnataka Appellate Tribunal Regulations 1979 by

*** Corrected vide Court order dated: 07.08.2026.**



communicating this order to the persons mentioned therein and also parties in this appeal and send back records to the trial court along with a copy of this judgment.

The office shall send back the records with copy of the judgment immediately to the Trial Court.”

5. As can be seen from the aforesaid findings recorded in the impugned order, the KAT has come to the correct conclusion that the reasons assigned by the ARCS to reject the claim and dismiss the dispute of the 2nd respondent were contrary to facts and law and accordingly, the KAT proceeded to allow the appeals filed by the 2nd respondent as stated supra. In the instant case, the aforesaid findings recorded by the KAT based on correct and proper consideration and appreciation of the material on record, whereby categorical findings of fact are recorded by the KAT, the same cannot be interfered by this Court in the exercise of its jurisdiction under Articles 226 and 227 of the Constitution of India.

6. Under these circumstances, upon reconsideration, re-evaluation and re-appreciation of the entire material on record, I am of the view that the impugned order passed by the KAT cannot be said to be perverse or capricious nor be said to have occasioned



failure of justice warranting interference by this Court in the present petition.

7. Accordingly, I do not find any merit in the petition and the same is hereby dismissed.

Sd/-
(S.R.KRISHNA KUMAR)
JUDGE

BH/SRL
List No.: 1 Sl No.: 24