



IN THE HIGH COURT OF ORISSA AT CUTTACK

W.A. No.1274 of 2025

&

W.A. No.1310 of 2025

In the matter of Appeals under Clause 10 of the Letters Patent of Patna High Court read with Article 4 of the Orissa High Court Order, 1948 from judgment dated 20.06.2025 passed by the learned Single Judge in W.P.(C) No.24692 of 2012.

W.A. Nos.1274 & 1310 of 2025

1. *Mayadhar Nayak*

2. *Baina Nayak*

...

Appellants

-versus-

1. *State Bank of India, represented through its Chief General Manager, Bhubaneswar.*

2. *Deputy General Manager, State Bank of India, Zonal Office, Bhubaneswar*

3. *Assistant General Manager, State Bank of India, Government Treasury Branch, Bhubaneswar.*

...

Respondents

Advocates Appeared in this case

For Appellants -

Mr. R. Rath & S.S. Rath,
Advocates

For Respondents -

Mr. S.P. Mishra, Sr. Advocate
M/s.Bibhudendra Dash,
P.K. Mohanty, N.C. Jena
Advocates



CORAM :

MR. JUSTICE KRISHNA S. DIXIT

MR. JUSTICE CHITTARANJAN DASH

Date of Hearing & Judgment : 23.06.2026

per KSDJ

These two intra court Appeals have a common fact matrix, parties also being the same. Appellants happen to be daily wagers serving the Respondent-Bank since about three decades or so. They were before this Court in OJC No.13193 of 1999 and W.P.(C) No.8906 of 2007 wherein their essential grievance was as to non-regularization of their service and also denial of the remuneration on par with temporary employees of the Bank.

2. In W.P.(C) No.8906 of 2007, the following order was made on 24.07.2007:

“Heard learned counsel for the : petitioners.

The grievance of the petitioners in this writ application is that even though they were working as Cleaners/Sweepers on daily wage basis in the Government Treasury Branch of the State Bank of India at Bhubaneswar for more than 12 years, the O.Ps. have not yet considered their case for appointment against regular posts of Sweeper.

According to the learned counsel for the petitioners, the O.Ps. are now going to recruit candidates for seven posts of menial staff, which include Canteen boys and Sweepers.

Looking at the nature of prayer and the of with we grievance made in the writ application, this application wi dispose direction to the O.Ps. to consider the case of writ ent) a the petitioners in the event they are going to make any appointment to the posts of Sweeper Looking at the length of engagement and the service rendered by the petitioners under the Bank...”



3. Their OJC No.13193 of 1999 came to be disposed off vide order dated 05.12.2008, which reads as under:

“Heard.

In view of our order dated 24.7.2007 passed in W.P. (C) No.8906 of 2007, no further order is required to be passed in this case.

We dispose of the writ application in terms of our order dated 24.7.2007 passed in the aforesaid writ application.

We make it clear that the case of the petitioners shall be considered for regularization if any vacancy arises in future and so long the work is available, the petitioners shall be allowed to continue to work as such and shall not be substituted by any fresh hand The petitioners shall be paid remuneration as applicable under the Minimum Wages Act...”

In terms of the above order, Appellants were paid on 17.09.2021 the arrears of minimum wages quantified at Rs.1,61,619/- (Rupees One Lakh Sixty One Thousand Six Hundred Nineteen) only, each, for the period between April, 2017 & June, 2021.

It is relevant to mention that in Misc. Case No.12245/1999 arising out of the said OJC, a Co-ordinate Bench, vide order dated 28.10.1999, had inter alia directed “... if there is work for the Petitioners, they may not be retrenched...”

4. Subsequently, Appellants filed W.P.(C) No.24692 of 2012 claiming temporary pay, bonus & arrears, etc. The Respondent-Bank had filed I.A. No.6826 of 2022 seeking permission to retrench the Appellants as being surplus workers. Appellants filed two applications in I.A. Nos.7342 & 7343 of 2023 claiming bonus, the status of temporary employee and such other benefits. On the basis



of orders made on these applications, the Bank retrenched the Appellants on 19.07.2025 under Section 25F of Industrial Disputes Act, 1947 by paying Rs.3,30,934/- to each of them as retrenchment of compensation and payment in lieu of statutory notice. Learned Single Judge vide common order dated 20.06.2025 dismissed W.P.(C) No.24692 of 2012 and W.P.(C) No.15989 of 2020. Aggrieved thereby, these Appeals have been preferred.

5. Learned counsel for the Appellants vehemently submits that the impugned order is fraught with several infirmities: Firstly, he failed to see the long and spotless service since 1995; in the light of *Jaggo v. Union of India*, 2024 INSC 1034 & *Shripal v. Nagar Nigam*, 2025 INSC 144 the Appellants ought to have been given regularization with all consequential benefits, both service and monetary. Secondly, all those, who have been similarly circumstanced, have been drawing the emoluments having secured temporary status and therefore, at least that ought to have been granted. Thirdly, the two orders, namely, the one dated 24.07.2007 entered in their W.P.(C) No.8906 of 2007 and the other dated 05.12.2008 entered in their OJC No.13193 of 1999 have not been properly construed by the learned Single Judge to the due advantage of Appellants. Fourthly, the impugned order is bereft of elements of justice and that itself would constitute an error



apparent on the face of record warranting interference of this Court.

6. Learned Senior Advocate Mr.S.P.Mishra representing the Respondent-Bank resists the Appeals making submission in justification of the impugned order and reasons on which it has been constructed. He draws attention of the Court to the chronology of events including what compensation has been awarded by the Industrial Tribunal to other similarly retrenched employees by the C.G.I.T in I.D. Case No.7 of 2007. He tells that the Labour Court has awarded only a sum of Rs.1,00,000/- by way of retrenchment compensation to each of 125 workmen and that the same has been challenged by the Bank in W.P.(C) No.12239 of 2025 and by the Trade Union in W.P.(C) No.8206 of 2025, both now pending for consideration. He also presses into service doctrine of *res judicata* because of certain observations made in the aforesaid orders dated 24.07.2007 & 05.12.2008 respectively in W.P.(C) No.8906 of 2007 & OJC No.13193 of 1999. He also highlighted the efforts made by the Bank in the Court-constituted conciliation that did not bear fruit, there being no fair proposal from the side of Appellants.

7. Having heard learned counsel for the parties and having perused the bulky Appeal papers, we are inclined to grant indulgence in the matter as under and for the following reasons:



7.1. It is worthwhile to note that the Appellants had secured orders dated 24.07.2007 & 05.12.2008 respectively in W.P.(C) No.8906 of 2007 & OJC No.13193 of 1999, which effectively did not grant relief of regularization or unconditional appointment to the eventual vacancy which would arise in future. True it is that two vacancies arose subsequent to these orders; however, the management of the Bank took a considered decision to go for outsourcing. This policy decision taken in the light of IT development in the banking business has not been challenged before us. In terms of the said orders, Appellants have been paid minimum wages, is not in dispute. The direction to continue the Appellants being subject to availability of the work, would not much come to their aid.

7.2. AS TO CONCILIATORY EFFORTS

7.2.1. This Court, vide order dated 18.05.2026, had said as under:

“By our order dated 11.05.2026, we had said as under:

“Heard learned counsel for the Appellants and Mr. Mishra, learned Sr. Advocate appearing for the Management.

A plethora of litigations are noticed from the record. We have noted march of law on regularisation from Dharwad Disit P.W.D. Literate Daily Wage Employees vs. State of Karnataka & Ors. AIR 1990 SC 883 case up to Madan Singh vs. State of Haryana, 2026 INSC 379. There appears to be a prima facie case for granting relief to the Appellants



herein, who admittedly have put in service as Sweepers, first Appellant from 1994, and the second from 1995. The law, as it now stands in the June of its life, tilts in favour of the Appellant's herein, inasmuch as, arguably, the impugned order of the learned Single Judge has missed the march.

At this stage, we suggested to both the sides to negotiate a settlement with fairness and justice.

Mr. Mishra, learned Sr. Advocate in his usual style agrees with this proposal and wants to confirm with his client. To facilitate the same, a short accommodation as of necessity needs to be extended.

In the above circumstances, call this matter along with other connected cases for further hearing at 02.00 p.m. on 18.05.2026 instant."

2. Learned Senior Counsel-Mr. Mishra appearing for the Respondent Bank submits that since his client is a statutory body established under the State Bank of India Act, 1955, if the proposal from the Employees comes forth, the Management will be in a position to take a decision, may be with bit of sympathy.

3. Learned counsel appearing for the Employees submits that his clients were appointed way back in the 1994-1995; they have been granted a temporary status and therefore, temporary salary has to be extended to them in terms of policy statement. When we confronted him with the orders dated 24.07.2007 and 05.12.2008 passed in earlier rounds of litigation, he submits that his clients were working as temporary employee, which facts has been borne out by Annexure-2 series. He also tells that his clients were paid bonus during the period between 2006 and 2022, which aspect is denied by learned Senior Counsel-Mr. Mishra. Be that as it may.

In our considered view, the parties shall sit under the shadow of a tree and explore the possibility of an amicable settlement on the following lines:

(i) They shall decide as to the effective date of regularization of services and the grant of service and financial benefits on that basis.



(ii) The grant of bonus for the period after 2022, if already bonus was granted to the employees during the period between 2006 & 2002.

(iii) Parties to come back to the Court hopefully with settlement. We make it clear that in the event, no settlement is arrived at, on the next date of hearing, matter shall be heard on merits by this Bench itself.

It hardly needs to be stated that the jurisdictional officials of the Bank shall invite the employees for negotiation by a written notice of one week advance to the employees on the addresses and mobile phone numbers to be furnished by them to the learned advocate on record appearing for the Bank within one week from this day.

It is further made clear that decision in this regard has to be taken by the jurisdictional authorities of the Bank, so that on the next date of hearing, the Respondents shall not plead that they do not have power..."

7.2.2. In terms of the above order, although both the sides gathered and discussed certain aspects of the dispute and the possible measures whereby it can be put to an end. All being said, the conciliatory efforts did not fructify. It is on record that the Respondent-Bank had proposed to pay a sum of Rs.5 lakh to the each of the Appellants as a lump sum compensation to put the dispute to burial. However, the Appellants declined the offer as being frugal. After the long argument by both the Advocates, we interacted with the Appellants personally present before the Court. The interaction was in Odiya language known to them. The Appellants specifically said that if they are given Rs.25 lakh, they would go home happily. Mr. Mishra argues that the claim is too



much on the higher side. He cited Apex Court decision in Civil Appeal No.6882 of 2016 between *State Bank of India v. Shyam Sundar Adhikari* disposed off vide order dated 01.03.2023 wherein a sum of Rs.5 lakh is paid to the employee. This judgment although gives a broad indication, is not law declared under Article 141 of the Constitution, inasmuch as the same has been rendered under Article 142, as has been specifically mentioned in it. Secondly, the length of service rendered by the employee in that case was with some breaks during the period between 1996 & 2010. In the Appeals at hand, admittedly the Appellants have put in about 30 years of spotless service.

7.3. AS TO WHY & WHAT COMPENSATORY RELIEF IN LIEU OF SUBSTANTIVE:

7.3.1. The Appellants have been fighting the legal battles since about three decades, complete justice eluding for one or the other reason. If they are directed to be regularized with effect from the date they completed ten years of continuous service, in the light of *Jaggo v. Union of India*, 2024 INSC 1034 & *Shripal v. Nagar Nigam*, 2025 INSC 144, the Bank has to bear the brunt of losing huge money. At the same time, their W.P.(C) No.8906 of 2007 & OJC No.13193 of 1999 did not yield much milk on the ground. The prayer made in the Writ Petitions from which these Appeals have arisen to an extent have to suffer *res judicata*, there being only a



direction to pay them minimum wages, which admittedly have been paid. We have also noticed a Co-ordinate Bench order dated 17.03.2026 entered in W.P.(C) No.8128 of 2019 between *Secretary, Berhampur Cooperative Central Bank Ltd., Berhmapur, Ganjam vs. Bhaba Sundar Dalai* wherein a sum of Rs.10 lakh has been awarded in lieu of regularization/retrenchment compensation. Here again, the facts are a bit different: there was no impediment of *res judicata* in the said case; the length of service rendered by those employees was also not that long; the Bank was only a Cooperative Bank unlike a nationalized Bank in these Appeals. The Appellants have about ten more years left for their superannuation. Lastly, we are told at the Bar that both the Appellants belong to Scheduled Castes.

7.3.2. Rupees 5 lakh offer made by the Bank as compensation is too frugal to be mentioned, when bread is costlier than blood, Rupee value now-a-days dwindling down. The Appellants, who have given their sweat & blood, cannot seek gainful employment elsewhere at their present declining age. They were working only as sweepers with not much education nor with due social status. In the AI era, we are not sure that they would be able to eke out their livelihood, having spent prime of their life blood in the menial job all these years. Even Rs.10 lakh compensation awarded by the Co-ordinate Bench to the workmen of a Cooperative Bank would not



constitute a solid yardstick for determining what should be paid to these poor persons. Should Appellants be regularized in service, it would incur more expenditure than otherwise. Respondent is a mighty Banking Organization unlike a Co-operative Bank. That being said, the claim made by the Appellants for Rs.25 lakh each is on the higher side, cannot be much disputed by a neutral arbiter. In our considered view, a lump sum award for Rs.20,00,000/- (Rupees twenty lakh) each, would do complete justice to both the sides.

In the above circumstances, we make the following order:

- (i) These Writ Appeals are allowed in part. The impugned order of the learned Single Judge is set at naught. The subject W.P.(C) No.8906 of 2007 & OJC No.13193 of 1999 are partly favoured, granting secondary relief as under.
- (ii) In lieu of regularization and otherwise continuation of service, each of the Appellants shall be paid a lump sum compensation of Rs.20,00,000/- (Rupees twenty lakh) only, within eight (8) weeks; that collectively works out to Rs.40,00,000/- (Rupees Forty Lakh) only.
- (iii) Delay in complying with the direction to make the payment, as above, would entail the Respondent-Bank with otherwise avoidable liability to pay interest @ 1% per mensem for the first month, and at 2% for the period next following.
- (iv) The interest component, if any, on account of delayed payment of compensation may be recovered from the erring officials of the Bank personally, of course after the same is remitted to the Appellants.



Since this judgment has been rendered in a fact specific scenario, we do not intend to make it a binding precedent or a Rule of Parity.

Costs made easy.

Web copy of judgment to be acted upon by all concerned.

(Krishna S. Dixit)
Judge

(Chittaranjan Dash)
Judge

Orissa High Court, Cuttack
The 23rd Day of June, 2026/Bijay/Sarbani