
CONSTITUTIONALITY OF THE SONS OF THE SOIL POLICIES IN KARNATAKA: A CRITICAL ANALYSIS OF DOMICILE RESERVATION IN THE PRIVATE SECTOR

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Abstract

The idea behind this policy is simple: it aims to reduce unemployment in the local area and make sure that people living in the region benefit when industries grow there. However, these kinds of provisions also raise several important concerns. They may conflict with certain constitutional principles, such as the right to equal opportunity, the freedom of movement across the country, and the broader idea that jobs should be given based on merit. Because of this, many people question whether such policies fit well within India's legal and constitutional framework. The issue is particularly fraught in globally linked sectors like information technology, where talent mobility and competitive expertise are paramount. Mandating domicile-based quotas may deter investors, hinder labor flexibility, and ultimately undercut the state's economic momentum. This paper scrutinizes the constitutionality of the Karnataka Private Sector Employment of Local Candidates Bill, 2024, undertaking doctrinal analysis of constitutional clauses and judicial interpretations, and incorporating input from IT industry stakeholders. The findings suggest that while the aim of broad-based employment is legitimate and important, introducing domicile-based reservations in the private sector risks undermining both constitutional rights and economic efficiency. Accordingly, the study recommends that policymakers pursue alternative strategies that are both constitutionally robust and economically sound, rather than resort to quotas that carry significant downsides for the broader economy

Keywords

Domicile Reservation, Sons of the Soil, Karnataka Private Sector Employment Bill, 2024, Constitutional Validity, Equality of Opportunity, IT Sector

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Introduction

In recent years, policies aimed at increasing local representation in employment have become a heated topic in India. One of the most debated examples is Karnataka's *Private Sector Employment of Local Candidates Bill, 2024*. Often described as a "sons of the soil" policy, it proposes that a certain percentage of jobs in the private sector should be reserved for people who are domiciled in the state. The Karnataka government's move to reserve a portion of private sector jobs for local residents has once again revived long-standing debates around such policies in India. Supporters argue that the idea is to address the growing unemployment among local youth and to ensure that the economic benefits created within Karnataka largely stay within the state and benefit its own residents.

Yet, these measures are contentious under India's constitutional framework. They intersect with safeguards such as equality under Article 14², the prohibition of discrimination (Article 15)³, freedom to pursue any trade or profession (Article 19(1)(g))⁴, and the right to livelihood (Article 21)⁵. This tension is especially pronounced in industries like information technology, which rely on a mobile, integrated, and specialized workforce. Restricting access to jobs based on domicile may create several challenges for the economy. It could discourage companies from investing in the state, make it harder for businesses to collaborate and expand, and reduce the range of talented professionals available to employers. Many skilled individuals from other regions also contribute significantly to the growth of a state's economy, and limiting their opportunities simply because they are not local residents could affect overall economic development.

Judicial authorities have historically expressed skepticism toward residence and domicile based reservations. For example, in *Pradeep Jain v. Union of India*⁶, the Supreme Court allowed only limited scope for such preferences, cautioning against measures threatening national unity. Similarly, *Indra Sawhney v. Union of India* established principles to maintain a balance between

² India Const. art. 14.

³ India Const. art. 15..

⁴ India Const. art. 19(1)(g).

⁵ India Const. art.. 21

⁶ *Dr. Pradeep Jain v. Union of India*, AIR 1984 SC 1420 (India).

affirmative action and merit. Even in *Janhit Abhiyan v. Union of India*⁷—upholding the 103rd Constitutional Amendment for economic-based reservations—the Court employed strict constitutional scrutiny.

Against this backdrop, analyzing the constitutional validity of domicile-based reservations in Karnataka's private sector, specifically the IT industry, becomes crucial. Combining doctrinal legal analysis with perspectives from IT stakeholders, this study examines the broader implications of these policies. The findings indicate significant constitutional challenges as well as potential economic drawbacks for a state whose prosperity is closely tied to global integration and workforce mobility.

Statement of the Problem

The Karnataka government's proposal to reserve a portion of private sector employment for local residents is, to put it mildly, complicated. Addressing job shortages among locals is a reasonable objective and no one enjoys seeing opportunities bypass their own community. Yet, there's a clear constitutional bind, as such policies sit at odds with national principles of equal opportunity and mobility, both pretty foundational in India's democracy.

This gets especially thorny when you zoom in on the IT sector. That industry thrives on bringing in talented professionals from everywhere; it's basically built on that diversity. Imposing restrictions based on residence could easily backfire: investors might shy away, and companies could struggle to maintain a pipeline of top-notch talent.

The central question is this: how can a state give priority to the welfare of its local population while still respecting the fundamental principles of equality and economic efficiency? Striking this balance is not easy. Governments have to consider the needs of local communities, but at the same time they must ensure that policies remain fair and do not undermine broader legal and economic principles. In reality, finding the right balance is difficult, and there are no simple or clear-cut answers.

⁷ *Janhit Abhiyan v. Union of India*, 2022 SCC OnLine SC 1540 (India).

Research Questions

1. To what extent do domicile-based reservation policies in the private sector withstand scrutiny under Articles 14, 15, 19(1)(g), and 21?
2. How does the Karnataka Private Sector Employment Bill, 2024, affect principles of meritocracy, mobility, and competitiveness in industries like IT?
3. What are the views of employees and HR professionals in Karnataka's IT sector on the fairness and practicality of domicile-based quotas?
4. How have Indian courts historically interpreted domicile or residence-based preferences, and what implications do these precedents hold for Karnataka's policy?
5. What alternative measures could promote local employment while safeguarding constitutional rights and economic efficiency?

Significance of Research

This research is genuinely consequential, given its close examination of Karnataka's "sons of the soil" policies — in other words, proposals to reserve portions of private sector employment for local residents in an effort to combat unemployment and boost economic fairness within the state. Yet, the true value of this study lies in how it unpacks the constitutional issues at play. Rather than skimming the surface, it delves into the tough questions raised under Articles 14, 15, 16, 19, and 21 of the Indian Constitution and pulls in heavyweight judicial precedents like Pradeep Jain, Indra Sawhney, and Janhit Abhiyan.

Significantly, the research doesn't just parrot existing arguments. Instead, it adopts a doctrinal method, critically analyzing whether regional hiring reservations in the private sector stack up against constitutional standards—scrutinizing their impact on merit, equal opportunity, and economic competitiveness. The study also situates Karnataka's approach within a broader Indian context, contrasting these policies against similar ones in other states. In doing so, it deepens ongoing policy debates and offers policymakers, scholars, and analysts a substantive framework

for considering how regional employment goals intersect (and sometimes clash) with foundational constitutional values.

Scope and Limitation of Research

This study narrows its focus to a purely doctrinal exploration of the constitutionality of Karnataka's Private Sector Employment of Local Candidates Bill, 2024⁸—more specifically, its reliance on domicile-based reservation policies, sometimes known as “sons of the soil” measures. The analysis hinges on a close review of relevant constitutional articles (14, 15, 16, 19(1)(g), and 21) along with key Supreme Court decisions including Pradeep Jain, Indra Sawhney, and Janhit Abhiyan, aiming to clarify the legal standing and broader implications of such policies within the context of private sector employment in Karnataka.

That said, there are clear limitations baked in. The research relies entirely on the doctrinal method: it examines statutes and precedents but doesn't venture into empirical territory. There are no surveys, interviews, or data about how private sector actors or employees actually feel about, or are affected by, these policies. Even the comparative analysis of similar frameworks in other states sticks close to existing legal sources, so the findings are shaped mainly by what has already been legislated and litigated, without the benefit of fresh field evidence or firsthand perspectives.

Objective of Research

This research sets out to critically evaluate whether Karnataka's move to introduce domicile-based reservations in the private sector actually lines up with the Constitution of India. The analysis is rooted in some of the Constitution's core provisions—Articles 14, 15, 16, 19(1)(g), and 21—alongside relevant decisions from the Supreme Court and other courts, to get a grip on whether these proposed policies respect the principles of equality, non-discrimination, and freedom to pursue any profession.

On top of the doctrinal analysis, the study digs into how other high courts across India have dealt with similar questions on domicile and reservation—looking for trends in judgments and inconsistencies in reasoning. The research then zeroes in on the practical fallout: Will these

⁸ Karnataka Private Sector Employment of Local Candidates Bill, 2024 (India).

policies encourage local employment without hampering meritocracy or mobility in the workforce? Or are they likely to backfire, limiting opportunities and undermining economic competitiveness?

Ultimately, the aim is not to just describe these legal questions but to develop policy alternatives that actually fit within the constitutional framework—balancing the push for more local jobs with the need for private sector autonomy and broader economic health. Framing the investigation within ongoing national debates, this work examines whether it's possible to move toward regional employment preference without undermining constitutional commitments to fairness and opportunity.

Research Methodology

This study adopts a purely doctrinal research methodology, which is a well-established legal research method focused on a systematic and rigorous examination of existing legal materials. The core of this approach involves a close study and analysis of primary legal sources such as constitutional provisions, statutes, judicial precedents, and legislative texts related to domicile-based reservation policies. It prioritizes understanding the theoretical framework and legal principles underpinning the issue by interpreting relevant Articles 14, 15, 16, 19(1)(g), and 21 of the Indian Constitution. Judicial decisions, including landmark cases like *Pradeep Jain v. Union of India*, *Indra Sawhney v. Union of India*, *Janhit Abhiyan v. Union of India*, and *TMA Pai Foundation v. State of Karnataka*⁹ provide authoritative guidance to interpret these constitutional norms and their application in the context of private sector reservations.

The doctrinal method used here further involves a comparative review of the Karnataka Private Sector Employment Bill, 2024, alongside similar domicile-based reservation policies enacted in other states such as Haryana, Andhra Pradesh, and Tamil Nadu. This comparative analysis enriches understanding of constitutional challenges these policies face across different jurisdictions. Through methodical collection, evaluation, and synthesis of legal text and precedents, the research aims to clarify the legal validity and scope of such domicile-based employment restrictions,

⁹ *TMA Pai Foundation v. State of Karnataka*, 2002 8 SCC 481 (India).

focusing strictly on legal and constitutional analysis without empirical data collection. This methodology ensures a focused and theoretically grounded inquiry into the legality and implications of domicile-based reservations in India's evolving private employment landscape.

Literature Review (Primary Sources)

1. The Constitution of India – Articles 14, 15, 16, 19, and 21

Article 14 fundamentally upholds equality before the law, acting as a core safeguard against arbitrary or unjust classifications. When states propose domicile-based reservations in the private sector, Article 14 becomes particularly relevant, challenging any policies that might favor residents over non-residents without reasonable justification. Article 15 further prohibits discrimination on specified grounds, yet permits special provisions for socially and educationally disadvantaged groups. This raises an important constitutional question: can geographic preference, or domicile, be a legitimate basis for reservation?

Article 16 guarantees equal opportunity in public employment—a principle directly binding on the State. While its text is specific to the public sector, the emphasis on merit continues to influence broader constitutional debates regarding fairness in private employment practices as well. Article 19(1)(g), meanwhile, protects each citizen's right to pursue any profession, trade, or business. Imposing strict domicile-based quotas risks unduly restricting who can apply for positions, potentially infringing upon this important freedom. Finally, Article 21—which extends the right to life and personal liberty to encompass the right to livelihood—may be invoked by individuals negatively affected by exclusionary hiring policies. In sum, these constitutional provisions collectively serve as a check against the overreach of domicile-based reservation schemes, ensuring that any such policies meet the highest standards of fairness and legality.

2. Karnataka State Employment of Local Candidates Bill, 2024

The Bill mandates a specified percentage of jobs in the private sector to be reserved for domiciled candidates. While aimed at promoting local employment, it raises constitutional challenges

concerning freedom of trade, equality, and the right to move freely across India. Its text and objectives provide the immediate legislative backdrop for this research, serving as the policy instrument under constitutional scrutiny.

3. Judicial Precedents

1. Dr. Pradeep Jain v. Union of India, AIR 1984 SC 1420

In this landmark case, the Supreme Court examined the constitutional permissibility of domicile and residence-based reservations in medical college admissions. The Court held that while some preference based on residence is acceptable to ensure equitable access for locals, excessive reservation undermines national integration and equality principles. The reasoning is directly relevant to private sector domicile quotas in Karnataka, as it illustrates the judiciary's caution against measures that restrict mobility and dilute merit.

2. Indra Sawhney v. Union of India, AIR 1993 SC 477

Commonly known as the Mandal Commission case, this judgment laid down the framework for reservations in India, emphasizing the need for reasonable limits (50% cap) and the basis of social and educational backwardness. While the decision pertained to caste-based reservations, its principles on proportionality, non-arbitrariness, and the constitutional balance between affirmative action and meritocracy inform the assessment of domicile-based hiring preferences in the private sector.

3. Janhit Abhiyan v. Union of India, 2022 SCC OnLine SC 1540

The Supreme Court upheld the 103rd Constitutional Amendment introducing 10% reservation for Economically Weaker Sections (EWS), thereby affirming that economic criteria can be a valid basis for affirmative action. This case is relevant for domicile-based policies as it reiterates that any affirmative action must pass the basic structure test, respect proportionality, and serve a constitutionally valid purpose. It also indicates the Court's willingness to recognize new grounds for reservation, albeit under constitutional limits.

4. TMA Pai Foundation v. State of Karnataka, (2002) 8 SCC 481

This case primarily addressed the autonomy of private educational institutions but underscored the balance between regulatory power and institutional freedom. By analogy, it is relevant to private employment: the State's power to impose hiring quotas must be weighed against the constitutional rights of private sector employers, particularly under Article 19(1)(g).

SCHEME OF STUDY

Constitutional Challenges to Domicile-Based Reservations

The Karnataka Private Sector Employment of Local Candidates Bill, 2024, represents a substantial constitutional dilemma, particularly regarding its attempt to reserve a sizeable portion of private sector jobs for local residents. Fundamentally, this policy appears to conflict with several foundational constitutional values, notably the equality clause under Article 14, which guarantees all citizens equal protection before the law. By instituting domicile-based reservations, the state effectively establishes an artificial distinction between local and non-local candidates, potentially sidelining merit in favor of residency, and, in turn, undermining equal opportunity.

Articles 15 and 16 explicitly prohibit discrimination on grounds such as place of birth and residence, especially in the domain of public employment. While Article 16(3) does permit Parliament to legislate limited residence-based reservations in public posts, extending this logic to private sector employment—where appointments are generally based on contract, skill, and market logic rather than statutory quotas—raises significant constitutional questions. Such an extension appears to interfere with the freedom to practice any profession under Article 19(1)(g), as it would restrict non-local professionals' access to opportunities and could infringe upon their fundamental rights.

Judicial precedents reinforce these constitutional limitations. In *Dr. Pradeep Jain v. Union of India* (1984), the Supreme Court acknowledged the possibility of limited residence-based preference but warned that excessive favoritism could jeopardize national integration and the principle of meritocracy. Similarly, in *Indra Sawhney v. Union of India* (1992), the Court established a 50% ceiling on all reservations, stressing the imperative of proportionality and merit. More recently, *Janhit Abhiyan v. Union of India* (2022) reiterated that any policy of reservation must adhere

strictly to constitutional norms being precise, proportionate, and serving a valid affirmative action objective. In light of these standards, broad domicile-based reservations in the private sector appear constitutionally vulnerable; they risk institutionalizing regional segregation and eroding both national unity and economic freedom.

Additionally, the Bill's imposition of Kannada language requirements and minimum duration of residence elevates further barriers. Such criteria can restrict free movement and undercut the right to equal employment opportunity, thereby inhibiting the free flow of skilled labor across state lines a principle essential to the operation of a unified economic market and critical to India's vision of common citizenship.

In summary, the proposed Karnataka Bill appears inconsistent with both the letter and spirit of the Indian Constitution and established judicial doctrine. Its constitutionality is, at best, highly questionable, as it fosters exclusion and fragmentation, potentially undermining not only individual rights but also the constitutional promise of equality and unity.

Federalism and Legislative Competence

A deeper constitutional critique lies in the distribution of legislative powers under the Seventh Schedule. Employment and labour are subjects allocated variously between the Union and State Lists. However, matters concerning inter-state migration, inter-state trade, and employment conditions in industries of national importance lie within the Union's competence.

Domicile quotas, by restricting inter-state migration for employment, infringe upon Entry 81 of the Union List (inter-state migration and inter-state quarantine) and Entry 42 of the Union List (inter-state trade and commerce). The Supreme Court in *State of West Bengal v. Union of India* (1963)¹⁰ held that states cannot legislate in ways that undermine the sovereignty of the Union or contradict central powers. Karnataka's Bill arguably does both by creating de facto barriers to migration and labour mobility across states.

¹⁰ *State of West Bengal v. Union of India*, AIR 1963 SC 1241 (India).

Thus, apart from violating fundamental rights, the Bill risks invalidity on grounds of legislative incompetence. It intrudes into areas constitutionally reserved for Parliament, thereby disrupting the federal balance.

Economic and Social Implications of Domicile Quotas

Domicile-based reservations in the private sector pose serious risks for Karnataka's economy, particularly given the state's prominent position in the global IT landscape. Imposing such quotas could fundamentally reduce Karnataka's appeal to both investors and innovative enterprises, as these entities rely on open access to the best possible talent—regardless of geographic origin. Restricting recruitment to residents isn't just a bureaucratic hurdle; it undermines meritocracy and narrows the talent pool, eroding organizational efficiency and overall competitiveness.

Furthermore, external investors typically seek jurisdictions with flexible labor regulations that allow for seamless deployment of skilled professionals. The imposition of local hiring requirements could deter investment, stall economic progress, and ironically diminish opportunities for local workers—the very group such policies claim to support. Restricting labor mobility also weakens the integration of India's labor market, leading to inefficiencies and misallocation of resources while hindering diversity and innovation in the workplace.

On the social front, the enforcement of domicile quotas risks deepening regional divides. These policies can foster resentment and marginalization by prioritizing place of residence over individual merit, directly contradicting constitutional ideals of national unity and social cohesion. In a pluralistic, federal nation like India, encouraging such parochialism not only instigates sectional tensions but also threatens to undermine the broader concept of national integration.

Impact on Competitiveness and Investment

Foreign and domestic investors prioritise regions with flexible labour markets and access to diverse talent pools. By restricting hiring to domiciled candidates, Karnataka signals regulatory rigidity that discourages investment. The experience of Haryana's domicile reservation law (2020), which imposed a 75% quota for local candidates in certain private jobs, demonstrates these risks: multiple industry associations and multinational corporations threatened to relocate operations, citing concerns about talent shortages.

Similarly, Andhra Pradesh's domicile law faced strong resistance, with investors warning that such policies create an unpredictable business climate. In competitive industries like IT, where companies must hire the best talent regardless of domicile, such restrictions undermine the very foundation of growth.

Reduced investment leads to slower job creation and harms the very population the policy intends to protect. Paradoxically, domicile quotas may increase unemployment among locals if industries migrate to states with friendlier labour regimes.

Alignment with Global Standards and Alternatives

Globally speaking, the most effective employment policies don't revolve around parochial exclusion or tightening the borders around opportunity. Instead, there's a proven emphasis on meritocracy and inclusivity and the policies that allow talent and ability, rather than birthplace, to drive recruitment and advancement. Leading economies have consistently valued flexibility in labor markets and the unrestricted flow of workers across regions and countries, recognizing these mechanisms as powerful engines for growth, innovation, and competition.

Affirmative action in many diverse countries is mainly meant to correct historical discrimination, whether it is based on race, gender, or socioeconomic background. The goal is to reduce long standing inequalities and create fairer opportunities for disadvantaged groups. Importantly, these policies usually focus on improving access to education, developing skills, and ensuring equal opportunities, rather than creating strict barriers based on local identity. In most places that aim to balance fairness with economic efficiency, broad domicile based job quotas that exclude non locals are rarely considered the best solution.

For Karnataka, this global context offers a clear lesson. Mandating local-only hiring, aside from raising constitutional questions, could stunt economic dynamism and discourage investment. Alternatives grounded in established best practices are readily available—expanding skill development programs for local youth, incentivizing firms that organically prioritize regional recruitment, and investing heavily in the quality and accessibility of education. Public-private collaborations and a strong push for social responsibility by corporations can further uplift traditionally marginalized communities—all without shutting the door to broader talent.

Regionally focused economic growth, too, has a proven academic and practical track record. Upgrading infrastructure, encouraging entrepreneurial ventures, and creating a supportive environment for innovation are all strategies that organically foster new employment opportunities. Crucially, these methods align with constitutional values, reinforce merit-based advancement, and, ultimately, position Karnataka to compete as a global leader rather than turning inward.

In summary, adherence to tested international norms—prioritizing openness, opportunity, and inclusiveness—serves the state’s interests better than the divisive approach of domicile quotas. The evidence speaks for itself: when access and merit drive growth, everyone benefits.

Domicile versus Place of Birth: A Doctrinal Distinction

One recurring problem in legal analysis is the tendency to blur together “domicile” and “place of birth,” even though they’re miles apart conceptually. The article “Government Imprudence and Judicial Demeanor in Domicile Reservations: A Comparative Analysis between India and the United States”¹¹ sets the record straight: domicile involves a stew of residency, intent, and ties of allegiance, while birthplace is, frankly, just the starting line.

Karnataka’s recent bill is a perfect case in point. It hands out advantages to long-term residents at the expense of those who’ve recently arrived, acting as if that’s constitutionally sound. But here’s the snag: Indian citizenship doesn’t work on a state-by-state basis. It’s unified. So, when state laws treat residency as a valid criterion for exclusion, they’re skating on very thin constitutional ice.

Judges have called out this habit before. Courts tend to frown on using residence as a backdoor for preferences, since domicile isn’t a stand-in for economic disadvantage. Assuming every local is downtrodden misses the complexity of social and economic realities.

¹¹ “Government Imprudence and Judicial Demeanor in Domicile Reservations: A Comparative Analysis Between India and the United States”

Comparative Perspectives: Balancing Local Interests and National Unity

A comparative look at India and the United States shows both countries wrestling with a familiar conflict: the push for local protectionism often runs up against constitutional commitments to equality and free movement. States in each system have a tendency to defend local employment, even though broader constitutional schemes demand a unified national identity. In the United States, there's the Privileges and Immunities Clause, which the Supreme Court has typically interpreted to block states from favoring their own residents to an unreasonable degree. India tries to guard against similar provincialism through Articles 14, 15, and 16—though, in practice, courts sometimes display a concerning readiness to side with state legislatures when it comes to domicile laws.

This judicial leniency, especially visible in Indian courts on domicile matters, risks undermining national cohesion. The Karnataka Bill becomes a case in point; if courts adopt a relaxed approach, it wouldn't be surprising to see more states embracing exclusionary policies. Such trends could seriously threaten the concept of India as a unified social and economic whole. By weighing these comparative lessons, it becomes clear that vigilant judicial scrutiny is essential—local interests should not be allowed to erode the constitutional imperative of national integration.

Sons of the Soil Politics: A Sociological Critique

Drawing on Myron Weiner's analysis in "Sons of the Soil: Migration and Ethnic Conflict in India," it becomes clear that Karnataka's domicile reservation policy can't simply be viewed as a straightforward welfare initiative. Weiner contends that such "sons of the soil" measures are often less about tackling unemployment and more about managing underlying anxieties related to cultural preservation and resource control in response to migration. Framed this way, domicile reservations function more as mechanisms to safeguard cultural and economic boundaries than as instruments of justice.

In the context of Karnataka, the Bill appears primarily as an attempt to assert and protect Kannada linguistic and cultural dominance within the labor market. While this may address immediate local political pressures and provide short-term reassurance to native constituencies, it risks intensifying ethnic divisions and fostering resentment among migrant communities. Crucially, this undermines the constitutional ideals of equal opportunity and common citizenship. Ultimately, Weiner's framework suggests that the Bill, for all its economic justification, is deeply embedded in a broader politics of exclusion—a dynamic that threatens both social cohesion and constitutional integrity.

Human Rights and International Law Dimensions

India is a signatory to multiple international instruments that prohibit discrimination in employment. Article 26 of the International Covenant on Civil and Political Rights (ICCPR)¹² guarantees equality before the law and prohibits discrimination on grounds such as race, origin, or social status. Similarly, the International Labour Organization (ILO) Convention No. 111 prohibits discrimination in employment or occupation on the basis of race, colour, or social origin.

Domicile-based exclusions, though not explicitly mentioned, fall within the scope of “social origin” discrimination. By restricting opportunities for non-residents, Karnataka’s policy contravenes these international obligations. As the Supreme Court observed in *Vishaka v. State of Rajasthan* (1997), international conventions can inform constitutional interpretation, particularly where domestic law is silent. Interpreting Articles 14 and 16 in light of India’s treaty commitments strengthens the case against domicile quotas.

Moreover, global best practices from the European Union’s free movement of workers to the United States’ anti-discrimination laws under Title VII of the Civil Rights Act emphasises on meritocracy and non-discrimination in employment. Karnataka’s Bill stands out as regressive when compared to these standards.

¹² International Covenant on Civil and Political Rights, art. 26, Dec. 16, 1966, 999 U.N.T.S. 171.

Findings

The legislative move to institute domicile-based reservations within Karnataka's private sector is riddled with formidable constitutional, economic, and social complexities. To begin with, the Bill runs into direct conflict with fundamental constitutional guarantees—equal opportunity, non-discrimination, and individual liberty as housed in Articles 14, 15, 16, 19(1)(g), and 21. Judicial precedents, including the landmark decisions of *State of West Bengal v. Anwar Ali Sarkar*¹³ and *E.P. Royappa v. State of Tamil Nadu*¹⁴ make clear that any such classification separating domiciled from non-domiciled individuals rarely meets the Supreme Court's reasonableness standards. Far from serving genuine social justice, the Bill appears to institutionalize arbitrary exclusion, without a coherent connection to the proclaimed goal of local welfare.

The jurisprudence is unequivocal: cases like *Pradeep Jain v. Union of India*, *Indra Sawhney v. Union of India*, and *Janhit Abhiyan v. Union of India* stress that affirmative action must be circumscribed, justified by clear evidence, and compatible with national integration. Domicile quotas in private employment, as such, fall outside this permissible constitutional boundary.

There are still deeper constitutional issues. The Bill threatens the “basic structure” of the Constitution by fragmenting national citizenship in favor of narrow, parochial identities. By assigning excessive legal significance to domicile—and confusing it, at times, with place of birth and the Bill risks eroding the unity and integrity of the Republic. Notably, it also raises questions about proper legislative competence under the Seventh Schedule. Restrictions on inter-state labor mobility and employment, typically fall under the Union's legislative domain, namely Entry 81 and Entry 42 of the Union List. Consistent with the Supreme Court's reasoning in *State of West Bengal v. Union of India* (1963), states must not act in ways that impair national unity or usurp exclusive Union powers. This further affirms the conclusion that Karnataka's proposed reservations are constitutionally unsound.

The economic risks are equally stark. Evidence from this and comparable state policies indicates that domicile quotas threaten the vitality of Karnataka's globally integrated private sector, most

¹³ *State of West Bengal v. Anwar Ali Sarkar*, AIR 1952 SC 75 (India).

¹⁴ *E.P. Royappa v. State of Tamil Nadu*, AIR 1974 SC 555 (India).

pointedly the IT industry. By narrowing the recruitable talent pool, such quotas diminish competitiveness, productivity, and innovation. Experiences from Haryana and Andhra Pradesh where business lobbies have strongly opposed similar laws suggests Karnataka could experience capital flight, declining foreign investment, and business relocations to more open labor environments. Labor market rigidities of this sort disrupt efficiency, as basic economic theory stipulates that labor mobility is central to optimizing productivity and growth. Ironically, rather than creating more employment for locals, such protectionism may suppress overall job creation and stifle economic expansion.

At a social level, the policy's risks are no less severe. Drawing from Myron Weiner's "sons of the soil"¹⁵ thesis, domicile-based reservations should be understood not merely as economic interventions, but also as efforts at cultural preservation and electoral mobilization. While such policies may address parochial demands for local protection, they risk exacerbating tensions between migrant and local communities, heightening resentment, and inflaming ethnic or linguistic divisions. Rather than fostering inclusive, harmonious development, such measures entrench provincial identities, undermining the constitutional promise of unity in diversity. Provisions such as Kannada language proficiency and lengthy residence requirements function as de facto barriers, marginalizing migrants both socially and economically. Such exclusions threaten to magnify regional chauvinism and erode Karnataka's historically cosmopolitan character, particularly in cities like Bengaluru where migration and diversity have fueled growth and vibrancy.

In sum, domicile-based quotas in Karnataka's private sector raise profound concerns—not only on legal and economic grounds, but in terms of their potentially corrosive social impact. The evidence suggests that their adoption would compromise constitutional values, economic dynamism, and social cohesion alike.

A comparative perspective makes it clear that Karnataka's approach stands in marked contrast to prevailing international standards. Article 26 of the International Covenant on Civil and Political Rights (ICCPR) and the International Labour Organization's Convention No. 111¹⁶ establish

¹⁵ Myron Weiner, *Sons of the Soil: Migration and Ethnic Conflict in India* (Univ. of California Press 1978).

¹⁶ International Labour Organization Convention No. 111, *Discrimination (Employment and Occupation)*, June 25, 1958, 362 U.N.T.S. 31.

India's clear obligation to prevent discrimination in employment. Yet, by introducing domicile-based reservations even if framed as acts of welfare and Karnataka effectively introduces social-origin discrimination in contravention of these commitments.

Looking globally, jurisdictions such as the European Union have long safeguarded the free movement of workers, while the United States' Privileges and Immunities Clause protects against regional exclusion in employment. These examples demonstrate that advanced economies don't insulate themselves behind regional barriers; rather, they strive for inclusivity and mobility. In this regard, Karnataka's domicile policy plainly diverges from both India's treaty commitments and best international practices, undermining its credibility and legitimacy on the global stage.

Crucially, the evidence suggests there are constitutionally and economically superior alternatives to such quotas. Investing in skill development, offering incentives for voluntary local hiring, and improving regional infrastructure can foster local employment without violating rights or scaring off investment. Comparable strategies, successfully implemented in other jurisdictions, highlight that Karnataka's underlying goals could be achieved through inclusion and merit rather than exclusionary policies.

Altogether, the analysis reveals overlapping constitutional, economic, and sociological concerns. On constitutional grounds, the bill fails to meet standards of equality, proportionality, and legislative competence. Economically, it risks undermining state competitiveness and discouraging investment. Socially, it intensifies regionalism and parochialism, running counter to the constitutional fabric of India. Internationally, it appears to breach obligations related to non-discrimination and labor mobility. When weighed together, these critiques indicate that Karnataka's private-sector domicile reservations are vulnerable to judicial challenge and may ultimately frustrate the goals of job creation and social justice. Instead of genuinely uplifting local youth, there's a real risk that the policy will inadvertently suppress opportunity, erode social unity, and weaken constitutional democracy itself.

Conclusion

Taking into account the evidence so far, Karnataka should seriously reconsider and eventually withdraw the plan for domicile based reservations in the private sector. While the intention behind the proposal may be understandable, especially in trying to address local unemployment, the legal, economic, and social risks it creates are too significant to ignore. Giving preference to residency over merit challenges the principle of equality before the law and weakens the idea of merit based opportunity. It may also affect the broader sense of Indian citizenship by creating divisions between locals and non locals. There is also a strong possibility that such a policy may not withstand constitutional scrutiny.

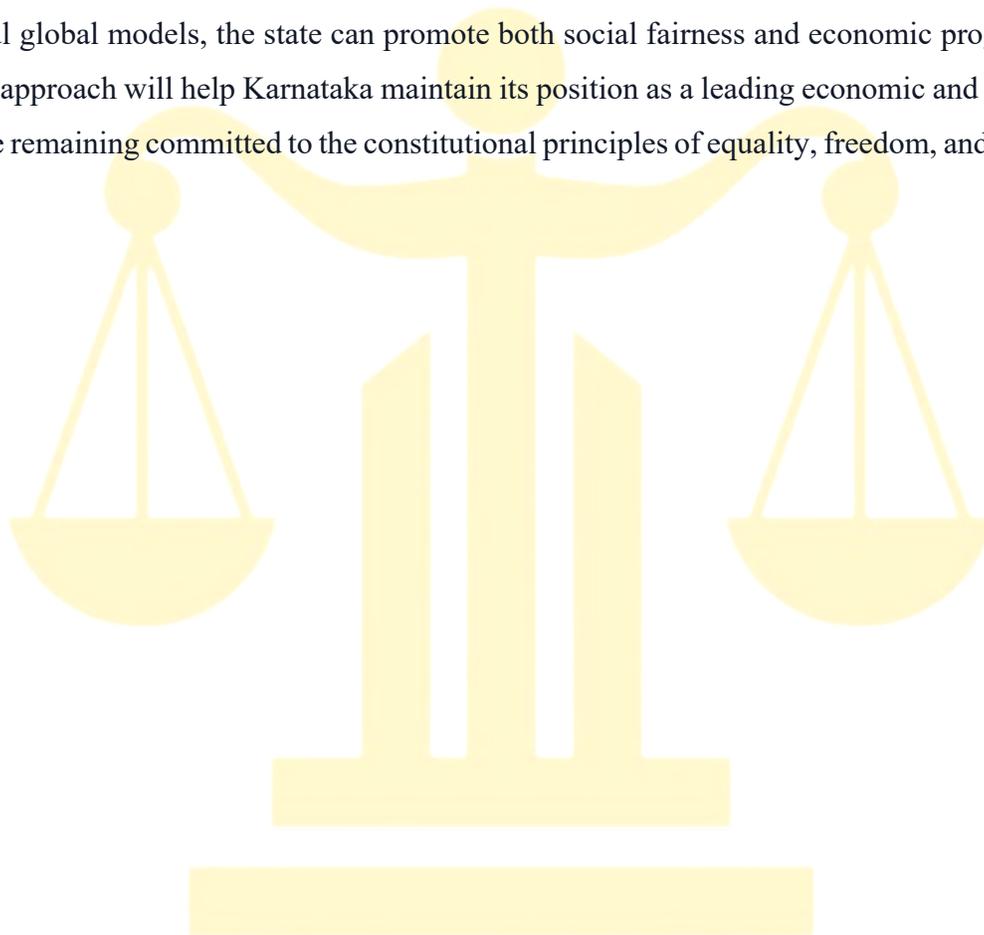
A more constructive and effective approach would be to invest in skill development and capacity building programs for local youth. Instead of restricting opportunities for outsiders, the state could focus on equipping residents with the skills that industries actually require. Programs that provide technical training, internships, and partnerships with private companies can help local job seekers become more competitive while also strengthening the overall quality of Karnataka's workforce. This approach benefits both the local population and the wider economy, and it also supports the national goal of improving human capital.

In addition, rather than imposing strict hiring requirements on companies, the government could introduce incentives that encourage businesses to voluntarily hire more local workers. These incentives could include tax benefits, subsidies, or other financial support. Corporate social responsibility initiatives could also be directed toward supporting local communities through training centers, skill development programs, and infrastructure projects. Such measures can create sustainable employment opportunities while still respecting the autonomy of businesses and the constitutional principles of freedom and equality.

Looking at global examples, it is often openness and mobility that drive innovation and economic growth. In many regions, diverse and flexible labor markets allow ideas, skills, and talent to move freely, which helps industries grow and remain competitive. If Karnataka wishes to continue developing as a major center for innovation and investment, maintaining an open and inclusive employment environment will be important.

Ultimately, meaningful and inclusive development does not come from exclusion. Instead, empowering people through education, skill training, and social support programs helps create equal opportunities for everyone. Policies that rely heavily on restrictive quotas risk deepening social divisions and weakening the broader ideals of equality and unity within the constitutional system.

In conclusion, Karnataka's most effective path forward is not to enforce strict hiring mandates but to rethink employment policies in a way that respects both constitutional values and economic realities. By investing in people, encouraging inclusive hiring practices, and drawing lessons from successful global models, the state can promote both social fairness and economic progress. This balanced approach will help Karnataka maintain its position as a leading economic and innovation hub while remaining committed to the constitutional principles of equality, freedom, and fraternity.



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