



IN THE HIGH COURT OF KARNATAKA, AT DHARWAD

DATED THIS THE 5TH DAY OF FEBRUARY, 2026

PRESENT

THE HON'BLE MR. JUSTICE M.I.ARUN

AND

THE HON'BLE MR. JUSTICE B. MURALIDHARA PAI

WRIT APPEAL NO. 100541 OF 2025 (L-RES)

BETWEEN:

N.W.K.R.T.C.,
REPRESENTED BY ITS DIVISIONAL CONTROLLER,
DIVISIONAL OFFICE, NWKRTC GADAG DIVISION,
MULGUND NAKA, GADAG.

... APPELLANT

(BY SRI. PRASHANT S. HOSMANI, ADVOCATE)

AND:

SHRI SHIVASHANKAR S/O BASALINGAPPA MADIWALAR,
AGE. MAJOR, OCC. RETIRED DRIVER,
R/O. KASHIVISHWANATH NAGAR,
NEAR APMC, GADAG-580 028.

... RESPONDENT

(BY SRI. ASR NAMAZI AND ASMA MAKANDAR, ADVOCATES)

THIS WRIT APPEAL IS FILED UNDER SECTION 4 OF THE KARNATAKA HIGH COURT ACT, 1961, PRAYING TO SET ASIDE THE ORDER DATED 24-02-2025 IN W.P. NO.101058/2024 (L-RES) PASSED BY THE LEARNED SINGLE JUDGE OF THIS COURT AND ALLOW THE SAID WRIT PETITION IN THE INTEREST OF JUSTICE AND EQUITY AND ETC.

THIS WRIT APPEAL IS COMING ON PRONOUNCEMENT AND THE SAME HAVING BEEN HEARD AND RESERVED FOR JUDGMENT ON 13.01.2026, THIS DAY, **B. MURALIDHARA PAI J.**, DELIVERED THE FOLLOWING:

CORAM: THE HON'BLE MR. JUSTICE M.I.ARUN
AND
THE HON'BLE MR. JUSTICE B. MURALIDHARA PAI



CAV JUDGMENT

(PER: THE HON'BLE MR. JUSTICE B. MURALIDHARA PAI)

1. The Respondent herein was a driver in Appellant - Corporation. On 28.09.2010, while he was on duty as the driver of bus No. KA-29-F-1515 en route from Tirupati to Gadag, Checking Officials of the Corporation inspected the vehicle at Stage No. 1 of Gadag, and discovered Rs. 2,100/- in his possession in excess of the declared amount of Rs. 200/-. Following the inspection report, the disciplinary authority framed charges against the Respondent and initiated an inquiry. The Inquiry Officer submitted an adverse report. After issuing a show-cause notice and considering the Respondent's reply, the disciplinary authority imposed a penalty of reduction of basic pay to the minimum and ordered that the suspension period be treated as not on duty.

2. Relying on this penalty order, the Government of Karnataka invoked Section 10(1)(c) of the Industrial Disputes Act, 1947 (in short, 'ID Act') and referred the matter to the Industrial Tribunal, Hubballi (hereinafter referred to as 'the Tribunal'), to assess the legality of the penalty imposed on the



Respondent. The Tribunal rejected the reference vide its order dated 06.05.2019. The Respondent challenged the rejection in WP No. 116892/2019. This Court allowed the writ petition on 01.02.2023 and remanded the matter to the Tribunal for fresh adjudication, affording an opportunity to the Respondent to present defence evidence.

3. On remand, the Respondent adduced his evidence by examining two witnesses. Nonetheless, the Tribunal once again rejected the reference on 26.09.2023, upholding the order dated 24.01.2013 passed by the disciplinary authority. Challenging this, the Respondent filed WP No. 101058/2024, which was allowed on 24.02.2025. Pursuant to it, the penalty imposed on the Respondent was quashed, and the Appellant was directed to compute and disburse the differential amount payable to the Respondent within 60 days of receiving a copy of the order. Aggrieved by this, the Appellant has preferred the present appeal.

4. Sri Prashanth S. Hosmani, learned Counsel for the Appellant, strenuously submitted that the Respondent undeniably possessed undeclared excess cash while on duty,



which established his misconduct. He contended that the penalty imposed was a minor one, proportionate to the misconduct, and that the learned Single Judge erred in interfering with the Tribunal's rejection of the reference, as judicial review is circumscribed. He attributed the impugned order to undue sympathy and sought its reversal.

5. Per contra, Sri A.S.R. Namazi, learned Counsel for the Respondent, defended the impugned order. He submitted that the amount in question did not belong to the Respondent personally but had been entrusted to him by Sri Sharanappa Mallappa Kamaldinni in Bengaluru for delivery to his father - Sri Mallappa Basappa Kamaldinni, in Gadag. Highlighting the Respondent's 30 years of unblemished service including awards of Silver and Gold medals for accident-free driving, he asserted that the learned Single Judge had meticulously evaluated the record and ruled lawfully.

6. Undeniably, the Tribunal dismissed the reference chiefly because it deemed the inquiry fair and proper and held that it lacked authority to alter the penalty absent proven victimization or unfair labour practices. The learned Single



Judge found no basis to discredit the testimony of Sri Sharanappa affirming the handover of the money to the Respondent and rejected the Tribunal's view that Section 11A of the ID Act could be invoked only in cases of victimization or unfair labour practices.

7. The reference under Section 10(1)(c) of the ID Act was to ascertain the legality of the punishment imposed on the Respondent. In WP No. 116892/2019, this Court had earlier set aside the rejection of the reference to provide a fair opportunity for the Respondent to place evidence on record in support of his defence. Post-remand, the Respondent availed of this opportunity and adduced his defence evidence. Yet the Tribunal upheld the rejection vide its order dated 26.09.2023, on the ground that the non-mentioning of details of the person said to have handed over the amount, at an undisputed point in time, created doubt and that the examination of WW-2 and WW-3 after remand was an attempt to fill lacunae by creating a new story. These observations indicate the Tribunal's failure to properly appreciate the object and purpose of the remand.



8. High Courts exercise a restrained approach while invoking powers under Articles 226 and 227 of the Constitution, eschewing the role of an appellate court by reappreciating facts and evidence. Interference by High Courts is warranted only in cases of patent perversity, manifest injustice, or breach of natural justice. In the present case, beyond possession of the undeclared/excess amount of Rs. 2,100/- by the Respondent, the Appellant-Corporation could not link the incident to any act of misappropriation or pilferage of its income. On the other hand, the Respondent adduced sufficient evidence before the Tribunal to probabalise his innocence by examining two witnesses. The explanation offered by the Respondent has been a consistent defence from the inception, albeit initially unnamed. In the absence of any prior incidents of similar conduct, neither the disciplinary authority nor the Tribunal had adequate basis to draw even a tentative adverse inference of misconduct. The penalty imposed on the Respondent thus lacked justification, rendering the Tribunal's findings glaringly perverse and manifestly unjust. In our considered view, this vitiation amply justified the



intervention of the learned Single Judge via the impugned order.

9. In the result, the writ appeal fails and stands dismissed.

**Sd/-
(M.I.ARUN)
JUDGE**

**Sd/-
(B. MURALIDHARA PAI)
JUDGE**

VB
CT:BCK