



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 8TH DAY OF APRIL, 2026

BEFORE

THE HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

WRIT PETITION No. 48686 OF 2015 (S-KSRTC)

BETWEEN:

DR. YELLAPPA K.K PURA
S/O YELLAPPA
AGED ABOUT 57 YEARS
WORKING AS DEPUTY CHIEF
TRAFFIC MANAGER (NOT IN SERVICE)
NEKRTS GULBARGA
GULBARGA DISTRICT
R/O NO.3066/11
1ST MAIN, 4TH CROSS
NEAR NIRMAL CONVENT SHCOOL
GOKULAM PARK GOKULM
MYSORE

...PETITIONER

(BY SRI. H M MANJUNATHA, ADVOCATE)

AND:

1. THE DIRECTOR (ADMINISTRATION)
(APPELLATE AUTHORITY)
KSRTC,
CENTRAL OFFICE,
K H ROAD,
SHANTHINAGAR
BENGALURU-560027
2. THE MANAGING DIRECTOR AND
DISCIPLINARY AUTHORITY,

Digitally signed
by BELUR
RANGADHAMA
NANDINI

Location: HIGH
COURT OF
KARNATAKA



KSRTC,
CENTRAL OFFICE,
K H ROAD,
SHANTHINAGAR
BENGALURU-560027

...RESPONDENTS

(BY SMT. H R RENUKA, ADVOCATE)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226
AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO:

- (I) CALL FOR RELEVANT RECORDS;
- (II) QUASH THE IMPUGNED ORDER DATED
01.06/07.2015 PASSED BY RESPONDENT
No.2 VIDE ANNEXURE-C, AS ARBITRARY,
ILLEGAL AND VOID;
- (III) ISSUE A CONSEQUENTIAL DIRECTION TO
RESPONDENTS TO RELEASE THE GRATUITY
AMOUNT ALONG WITH INTEREST AS
PROVIDED UNDER THE PROVISIONS OF
PAYMENT OF GRATUITY ACT, 1972 FOR 30
YEARS SERVICE RENDERED BY HIM, IN
RESPONDENT OFFICE AND ISSUE SUITABLE
ORDERS & ETC.

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

CORAM: HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE



ORAL ORDER

1. This petition is filed assailing the order passed by 2nd respondent in terms of which the entire gratuity payable to the petitioner is forfeited.
2. It is an admitted fact that domestic enquiry was held against the petitioner in respect of certain misconduct. The charges are established and the petitioner was dismissed from service.
3. The petitioner filed an appeal against the said order of dismissal from service and appeal also came to be dismissed. Petitioner's challenge to the aforementioned said orders in writ Petition No.42869/2015 is unsuccessful and order of dismissal is confirmed.
4. Since, the petitioner was dismissed from service exercising power under Section 4(6)(1)(b)(ii) of The Payment of Gratuity Act, 1972 (Act, 1972), the respondent/employer forfeited the entire gratuity amount.



5. Learned counsel for the petitioner would urge that the employer is not entitled to forfeit the gratuity amount as no loss is caused to the Corporation on account of misconduct alleged and proved. Assuming that any misconduct is proved, then also the forfeiture cannot exceed the damage caused or loss suffered. Thus, he would urge that the respondent should not have forfeited the entire gratuity amount.
6. Learned counsel for the respondent would refer to the judgment of the Apex Court in **WESTERN COAL FIELD LIMITED vs MANOHAR GOVINDA FULZELE**¹ wherein it is held that the employer is entitled to forfeit the gratuity amount in case the misconduct results in termination.
7. The Court has considered the contentions raised at the Bar and perused the record.
8. Section 4(6)(1)(b)(ii) of the Act, 1972 provides for forfeiture of gratuity either wholly or partially in the event

¹ MANU/SC/0224/2025



of termination of services of the employee for any act which constitutes moral turpitude provided the act is committed in the course of employment.

9. From the said provision, it is apparent that loss or damage to the employer is not the criterion to forfeit the penalty. The only criterion is the misconduct should constitute moral turpitude. The demand for bribe by the petitioner and receipt of the same certainly amounts to a misconduct constituting moral turpitude.
10. Under these circumstances, the Court is of the view that the Authority is justified in forfeiting the gratuity amount. However, it is required to be noticed that when the petitioner misconducted, he had already put in sufficient service and considerable gratuity amount had been accumulated in his account. The Court also asked the counsel for the respondent/Corporation as to whether any cases involving moral turpitude were pending against the petitioner.
11. The learned counsel for the respondent on instructions submitted that in all six cases involving certain



irregularities were held against the petitioner and in addition, the case involved in Writ Petition No.42869/2015 is one case which constituted moral turpitude.

12. Since, the present case is the only case constituting moral turpitude, the Court is of the view that forfeiting entire gratuity amount would be extremely harsh and disproportionate penalty on the petitioner.
13. The provision referred to above under the Act, 1972 does not mandate full forfeiture of the gratuity amount payable. The expression used is 'the gratuity payable to an employee may be wholly or partially be forfeited'. In appropriate cases, the employer can forfeit the gratuity amount partially. The Court is of the view that this is one such case which warrants partial forfeiture. Thus, the Court is of the view that forfeiture of 50% of the gratuity amount payable would be an appropriate penalty.
14. The respondent - Corporation is entitled to forfeit only 50% of the gratuity amount payable and the remaining



50% of the gratuity amount shall be released in favour of the petitioner.

15. In the result, I pass the following:

ORDER

- (i) The writ petition is ***allowed in part***;
- (ii) The impugned order dated 01.06/07.2015 passed by respondent No.2, vide Annexure 'C', is partly ***set aside***.
- (iii) The respondent – Corporation shall forfeit only 50% of the gratuity amount payable to the petitioner;
- (iv) Remaining 50% of the gratuity amount payable to the petitioner shall be released by the respondent – Corporation in favour of the petitioner, within two months from the date of receipt of a copy of this order.
- (v) It is also made clear that the liability to pay interest on 50% of the gratuity amount payable would accrue only after expiry of 60 days referred to



above and the liability to pay interest at the rate contemplated under the The Payment of Gratuity Act, 1972 would commence only after expiry of 60 days referred to above.

Sd/-
(ANANT RAMANATH HEGDE)
JUDGE

RK
List No.: 1 Sl No.: 5