



CNR: KAHC010321072021

NC: 2026:KHC:54533
WP No. 22029 of 2021

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 29TH DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE H.T. NARENDRA PRASAD

WRIT PETITION NO. 22029 OF 2021 (L-PG)

BETWEEN:

SRI P SUDARSHANA SHETTY
S/O LATE JINARAJA SHETTY
AGED ABOUT 53 YEARS
PROPRIETOR
SHANTHINATHA PRESS
NEAR JAIN BASADI
MAIN ROAD, PUTTUR
D K DISTRICT-574201.

...PETITIONER

(BY SRI. PRASANNA V R., ADVOCATE)

AND:

1. THE ASSISTANT LABOUR COMMISSIONER
-CUM- APPELLATE AUTHORITY
UNDER PAYMENT OF GRATUITY ACT, 1972
MANGALORE DIVISION
MANGALORE-575001.
2. THE CONTROLLING AUTHORITY
UNDER THE PAYMENT OF GRATUITY ACT 1972
MANGALORE DIVISION
MANGALORE-575001.
3. SRI DHANANJAYA GOWDA
S/O SANJEEVA GOWDA
AGE MAJOR,
R/AT BANNUR

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HAREKOPPA THIMMANNA GOWDA





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NEAR BANNUR SCHOOL
PUTTUR, D K DISTRICT-574201

...RESPONDENTS

(BY SRI. M RAJAKUMAR, AGA FOR R1 & R2:
SRI. HARSHA G, ADVOCATE FOR
B.S. SACHIN., ADVOCATE FOR R3)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASH THE ORDER DATED 16.07.2021 IN CASE NO.PGA/APPEAL/SR-3/2017 PASSED BY THE 1ST RESPONDENT ASSISTANT LABOUR COMMISSIONER-CUM-APPELLATE AUTHORITY VIDE ANNEXURE-A AND ORDER DATED 31.03.2016 IN NO.PGA/SR-50/2012 PASSED BY THE 2ND RESPONDENT CONTROLLING AUTHORITY VIDE ANNEXURE-B AND ETC.

THIS PETITION, COMING ON FOR PRELIMINARY HEARING IN 'B' GROUP, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE H.T. NARENDRA PRASAD

ORAL ORDER

This writ petition is filed under Articles 226 and 227 of the Constitution of India, challenging the order dated 31.03.2016 passed by the Controlling Authority vide Annexure-B and the order dated 16.07.2021 passed by the Appellate Authority vide Annexure-A, confirming the order passed by the Controlling Authority.

2. The brief facts of the case are that the petitioner is running a printing press in the name and style of

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'Shantinatha Press' at Puttur, D.K. District. Respondent No.3 herein was working as an Operator in the petitioner's printing press.

3. The case of respondent No.3 is that he was working in the petitioner's printing press from 03.11.1986 to 31.01.2012. Since gratuity was not paid to him, he approached the Controlling Authority by filing an application under Section 7 of the Payment of Gratuity Act, 1972 (for short, 'the 1972 Act'). The Controlling Authority registered the said application in PGA/SR No.50/2012.

4. The petitioner herein took a specific contention that only nine employees were employed in the printing press and, therefore, the establishment had less than ten employees and the provisions of the 1972 Act were not applicable. In support of his contention, the petitioner examined himself as RW1 and one S. Pushpadanta Shetty as RW2. The Controlling Authority disbelieved the evidence



of Pushpadanta Shetty only on the ground that he was related to the petitioner.

5. Respondent No.3 herein examined one Nalinakshi, who was also an employee in the petitioner's printing press. She deposed that, during the period when she was working in the said printing press, there were more than ten employees. In support of her contention, she produced a register. The petitioner disputed the said document and contended that the register produced by Nalinakshi was a forged and tampered document and that a criminal case in respect of the same was also pending.

6. It was also contended that the application filed by Nalinakshi herself under Section 7 of the 1972 Act was pending before the concerned authority. The Controlling Authority, however, accepted the evidence of Nalinakshi and allowed the application filed by respondent No.3 herein by the impugned order at Annexure-B.



7. Being aggrieved by the same, the petitioner preferred an appeal before the respondent No.1 - Appellate Authority under Section 7(7) of the 1972 Act. The petitioner also filed an application under Order XLI Rule 27 read with Section 151 of the Code of Civil Procedure, 1908 seeking permission to produce additional documents, particularly the register produced by Nalinakshi. The said application came to be dismissed. The same was challenged before this Court in W.P.No.58393/2017. This Court, by order dated 21.03.2018, disposed of the said petition, reserving liberty to the petitioner to challenge the rejection of the said application, in the event the Appellate Authority passed an adverse order against the petitioner.

8. The Appellate Authority thereafter passed the impugned order vide Annexure-A on 16.07.2021, exercising the power under Section 7(7) of the 1972 Act.



9. I have perused the impugned order. The Appellate Authority, after extracting the pleadings of the parties and the submissions made by the learned counsel appearing for the respective parties, has dismissed the appeal. The Appellate Authority has not assigned any independent reasons nor recorded its own decision on the issues arising for consideration. except for extracting the findings recorded by the Controlling Authority and the appeal was dismissed.

10. As per Rule 18(6) of the Payment of Gratuity (Central) Rules, 1972 (for short, '1972 Rules'), the Appellate Authority is required to record its decision after affording a reasonable opportunity of being heard to the parties and pass an appropriate order. In the present case, the impugned order at Annexure-A has been passed by the Appellate Authority without recording any independent decision or assigning reasons. Merely by extracting the



findings of the Controlling Authority, the appeal has been dismissed.

11. The impugned order passed by the Appellate Authority is, therefore, contrary to Rule 18(6) of the 1972 Rules and is also in violation of the principles of natural justice. On this short ground alone, the order passed by the Appellate Authority is liable to be quashed and the matter requires to be remitted back to the Appellate Authority for fresh consideration.

12. Accordingly, the following:

ORDER

(i) The writ petition is allowed.

(ii) The order dated 16.07.2021 passed by the first respondent vide Annexure-A is hereby quashed.

(iii) The matter is remitted back to the Appellate Authority for fresh consideration of the



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appeal, in accordance with law, after affording reasonable opportunity of hearing to both the parties.

(iv) The Appellate Authority shall consider and dispose of the appeal as expeditiously as possible, preferably within a period of six months from the date of receipt of a copy of this order.

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HAREKOPPA THIMMANNA GOWDA

**(H.T. NARENDRA PRASAD)
JUDGE**

CM
LIST NO.: 1 SL NO.: 52