HC-KAR

NC: 2026:KHC:16494
WP No. 21869 of 2022

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

WRIT PETITION NO. 21869 OF 2022 (L-RES)

BETWEEN:

M/S L G B FORGE LIMITED,
PLAT NO.80-81, 5TH MILE
K R S ROAD, METAGALLI,
MYSORE DISTRICT-570016,
REP BY ITS AUTHORIZED SIGNATORY,
C SATHEESH KUMAR,
AGED ABOUT 43 YEARS,
REGISTERED UNDER COMPANIES ACT, 1956

…PETITIONER

(BY SRI NATARAJA BALLAL A,ADVOCATE)

AND:

1. ASSISTANT LABOUR COMMISSIONER
   CUM AUTORITY UNDER THE KARNATAKA
   PAYMENT OF SUBSISTENCE ALLOWANCE ACT 1988,
   MYSURU DIVISION, MYSURU -570016.

2. SRI K M SHIVAKUMAR,
   EMPLOYEE NO.127,
   LGB FORGE LIMITED,
   C/O GENERAL SECRETARY
   INDUSTRIAL WORKERS UNION,
   NO.627, NALA STREET,
   K R MOHALLA, MYSORE DISTRICT,
   PINCODE-570004.

…RESPONDENTS

(BY SRI M RAJAKUMAR, AGA FOR R1,
SRI V S NAIK, ADVOCATE FOR R2)

Digitally signed by C HONNUR SAB
Location: HIGH COURT OF KARNATAKA

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION INDIA PRAYING TO CALL FOR THE RECORDSQUASH THE ORDER DTD.9.1.2020 PASSED BY TH R-1 IN CASE NO.SA KAA AA MY/JI.NI.BHA.KAA.C.R.-01/2017-18 ANNEXURE-A.

THIS PETITION, COMING ON FOR FURTHER HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

ORAL ORDER

This petition is filed to quash the order dated 09.01.2020 by the Assistant Labour Commissioner and the authority under the Karnataka Payment of Subsistence Allowance Act, 1988 (for short, 'Act of 1988').

2. In terms of the said order, the application of respondent No.2- employee seeking subsistence allowance is allowed and the petitioner-employer is directed to pay ₹71,728/- towards arrears of subsistence allowance. The petitioner is before this Court on the premise that the authority under the Act of 1988 had no jurisdiction to entertain the application for claiming arrears of subsistence allowance as the petitioner-employer has its own certified standing orders and under the said standing orders, a provision is made for

payment of subsistence allowance, in case, any employee is placed under suspension.

3. Learned counsel for petitioner would urge that, the authority under the Act of 1988 would have jurisdiction only in a situation where the standing orders of the Company does not make provision for payment of subsistence allowance, in case, any employee is placed under suspension.

4. To substantiate his contention, learned counsel for petitioner would also place reliance on the judgment of the Co-ordinate Bench of this Court in WP.No.58284/2015 dated 04.11.2020.

5. The Co-ordinate Bench of this Court referring to the object of the aforementioned Act of 1988, has held that the Act of 1988 is introduced to tide over a situation where the standing orders do not provide for the subsistence allowance when the employee is under suspension. In this context, the Co-ordinate Bench has held that the claim under the Act of 1988 is not applicable in a situation where the standing orders provide for payment of subsistence allowance to an employee who is under suspension. Thus, urged that the petition be

allowed and the order passed by the authority is without jurisdiction.

6. Learned counsel for the respondent-workman would submit that penalty of dismissal imposed on the respondent - employee was the subject matter of challenge before the Labour Court.

7. It is further submitted that Labour Court has passed an award directing reinstatement and without backwages and continuity of services. This being the position, learned counsel would urge that the respondent - employee is entitled to subsistence allowance as per the standing order.

8. Learned counsel for the petitioner submits that he is not aware as to whether there is any challenge to the award or not.

9. Learned counsel for the respondent submits that as on today, there is no challenge to the award.

10. This being the position, the Court has to take into consideration, subsequent development and should hold that the respondent - employee is entitled to the subsistence

allowance as per the standing orders applicable to the petitioner and the respondent - employee. If any arrears are to be paid, the same shall be paid to the respondent- employee and same shall be subject to any challenge to the award by either of the parties.

11. With the above observations, the Writ Petition is ***disposed of.***

12. The respondent-employee is not entitled to subsistence allowance in terms of Act of 1988. Annexure-A is set-aside with a specific observation that respondent-employee is entitled to subsistence allowance as per the standing orders.

Sd/-
(ANANT RAMANATH HEGDE)
JUDGE

LB, GVP
List No.: 1 Sl No.: 22