



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. 30626 OF 2024 (L-PF)

BETWEEN:

THE MANAGING DIRECTOR,
M/S, KARNATAKA MILK FEDERATION LTD,
CENTRAL OFFICE, DR.M.H. MARIGOWDA ROAD,
BANGALORE-560029,
NOW REP. BY ITS DIRECTOR (ADMINISTRATION),
REGISTERED UNDER CO.OP SOCIETIES ACT, 1959.

...PETITIONER

(BY SRI PRASHANTH B R, ADVOCATE)

AND:

1. B K VENKATESH,
S/O. LATE B.R. KRISHNAMURTHY RAO,
AGED ABOUT 64 YEARS,
NO.93/B, BEHIND MUNESHWARA TEMPLE,
NEAR SCHOLL OF INDIA, JAYARAM LAYOUT,
OLD SAMPEGE, BHANERUGATA,
BENGALURU-560083.
2. LABOUR OFFICER AND CONTROLLING AUTHORITY
UNDER PAYMENT OF GRATUITY ACT 1972,
BANGALORE, DIVISION-6, BANGALORE-560029.
3. THE ASSISTANT LABOUR COMMISSIONER.
AND APPELLATE AUTHORITY UNDER PAYMENT
OF GRATUITY ACT 1972, BANGALORE DIVISION-4,
KARMIKA BAVANA, BANARGATTA ROAD,
BANGALORE-560029.

...RESPONDENTS

(BY SRI NAIK V S, ADVOCATE FOR R1,
SRI M RAJAKUMAR, AGA FOR R2 AND R3)

Digitally signed
by BELUR
RANGADHAMA
NANDINI

Location: HIGH
COURT OF
KARNATAKA



THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE IMPUGNED ORDER DTD. 12.05.2023 PASSED BY THE CONTROLLING AUTHORITY UNDER PAYMENT OF GRATUITY ACT, 1972 IN NO. SANKYA KAABE/PGA/CR-60/2021-22 AT ANNEX-A. QUASH THE ORDER DTD. 26.03.2024 PASSED BY THE ASSISTANT LABOUR COMMISSIONER AND APPELLATE AUTHORITY UNDER PAYMENT OF GRATUITY ACT 1972, IN APGA/CR-15/2023-24 AT ANNEX-B.

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

CORAM: HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

ORAL ORDER

This case was disposed of vide order dated 01.04.2026. While passing the said order, the Court has recorded the submission made by the learned counsel for respondent No.1 who made a statement that respondent No.1 does not claim the benefit of interest awarded by the Appellate Authority. However, before the order is signed, the learned counsel for respondent No.1 has moved a memo dated 02.04.2026 stating that the concession is inadvertently made and requested the matter to be listed and to hear further. Accordingly, the matter is listed on 08.04.2026 for further hearing.

2. This petition is filed assailing the order dated 12.05.2023 passed by the Controlling Authority as well as the



order dated 26.03.2024 passed by the Appellate Authority under the Payment of Gratuity Act, 1972 (for short, 'the Act of 1972').

3. In terms of the order dated 12.05.2023 passed by the Controlling Authority, the petitioner-employer was directed to pay Rs.3,02,320/- towards gratuity along with interest at the rate of 10% per annum from 29.03.2022 till payment. This order is accepted by the petitioner. However, the workman being aggrieved by denial of interest for certain period, filed an appeal before the Appellate Authority.

4. The Appellate Authority, in terms of the order dated 26.03.2024 has allowed the appeal and granted interest on the difference amount from 01.03.2021 at the rate of 10% per annum.

5. The employer is before this Court assailing the aforementioned two orders.

6. It is to be noticed that, the order passed by the Controlling Authority was not questioned by the petitioner-employer.



7. In terms of the order dated 12.05.2023, the Controlling Authority has calculated the tenure of four years where the respondent-workman was working as apprentice.

8. Learned counsel for the petitioner would submit that, under the Act of 1972, the apprentice is not entitled to payment of gratuity for the period, during which he worked as an apprentice. Learned counsel would refer to Section 2(e) of the Act of 1972. In addition, it is also urged that there was an error in calculating the payment of gratuity payable to the workman and that has to be rectified.

9. Learned counsel for the respondent-workman would urge that, the petitioner-employer opposed the claim for payment of gratuity for the period during which the workman was working as apprentice and the said contention was overruled by the Controlling Authority. The employer has not challenged the said order and has accepted the same. It is only the employee who has challenged the order which denied interest for certain period. Thus, learned counsel for the respondent-workman would contend that the petitioner is not entitled to any relief and is not entitled to challenge the order



passed by the Controlling Authority, as there was no appeal against the said order.

10. In addition, the learned counsel for the respondent would also urge that the workman was under Group 'C' employee and the ratio in ***State of Punjab and Others V/s Rafiq Masih (White Washer) etc.***,¹ would apply to the facts of the case and thus would urge to dismiss the petition.

11. It is also submitted that the amount is already paid and there is no question of any recovery to be made from the respondent.

12. The Court has considered the contentions raised at the bar and perused the records.

13. As can be noticed from the order passed by the Controlling Authority, it is evident that the Controlling Authority has calculated the gratuity payable by taking into account the period during which the respondent was apprentice. However, the petitioner-employer has not questioned the said order and has accepted the said order.

¹ AIR 2015 SC 696



14. It is noticed that the petitioner-employer has deposited the amount before the competent authority when the appeal was filed by the workman seeking interest for the certain period which was denied by the Controlling Authority. This being the position, the Court is of the view that the petitioner's challenge to the Controlling Authority's order without filing an appeal, is not maintainable.

15. It is also required to be noticed that the amount is already paid and in case the respondent-workman is falling under 'C' group, then the ratio laid down in ***Rafiq Masih*** (*supra*), would apply to the facts of the case according to the petitioners.

16. Learned counsel for the petitioner submits that the amount is already paid to the respondents and under these circumstances, he would submit that the contention that the apprentice is entitled to gratuity for that period during which he was apprenticed be kept open and this order should not be treated as precedent.

17. It is made clear that this order should not be construed as an order to hold that the apprentice is entitled to



the gratuity for the period during which he was working as apprentice, as the said question is not decided by this Court, as the petitioner-employer has not questioned the order passed by the Controlling Authority. The said question is kept open to be decided in appropriate case.

18. The amount in deposit pursuant to the order passed by the Appellate Authority shall be released in favour of the respondents.

19. Hence the following:

ORDER

- (i) The Writ Petition is **dismissed**.
- (ii) This order should not be construed as having recorded a finding that apprentice is also entitled to gratuity. The said question is kept open to be decided in an appropriate case.

**Sd/-
(ANANT RAMANATH HEGDE)
JUDGE**