

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

PETITION(S) FOR SPECIAL LEAVE TO APPEAL (C) NO(S).32030/2026

[Arising out of impugned final judgment and order dated 16-06-2026 in WA No. 1694/2024 passed by the High Court of Karnataka at Bengaluru]

T.R.SRINATH

Petitioner(s)

VERSUS

KARNATAKA STATE AGRO CORN PRODUCTS LIMITED

Respondent(s)

FOR ADMISSION

WITH

Petition for Special Leave to Appeal (C) No.32592/2026 (Item 60)

WITH

SLP(C) No. 33162-33163/2026 (IV-A) (60.1)

Date : 18-09-2026 These petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE MANOJ MISRA
HON'BLE MR. JUSTICE VIJAY BISHNOI

For Petitioner(s) :Mr. S N Bhat, Sr. Adv.
Mr. D P Chaturvedi, Adv.
Mr. Tarun Kumar Thakur, Adv.
Mr. Abhay Choudhary M, Adv.
Ms. Anuradha Mutatkar, AOR
Mrs. Parvati Bhat, Adv.

For Respondent(s) :

UPON hearing the counsel the Court made the following
O R D E R

1. The petitioners faced disciplinary proceedings resulting in a disciplinary action as well as orders of recovery of the alleged loss caused to the

Corporation from the dues payable to the petitioners. The disciplinary action as well as the recovery direction was challenged by the petitioners through writ petition. The petitioners succeeded before the learned Single Judge against which the Corporation preferred a writ appeal. The Writ Appellate Court found that there was no procedural lapse in the disciplinary inquiry; the petitioners were given opportunity to defend their cases; and the charges stood proved. Based on those findings, the Division Bench allowed the writ appeals and set aside the order passed by the learned Single Judge. However, the Division Bench clarified that the writ petitioners would be entitled to payment of earned leave in terms of Rule 4.17 (8) (Note:1(ii)). Besides, they were also held entitled for gratuity along with statutory interest. The Division Bench further directed that those benefits shall be released within a period of six weeks. However, while closing the judgment, the Division Bench observed -

‘However, the right of the appellant – corporation to recover the amount in appropriate civil proceedings is protected’

2. The petitioners have challenged the order of the Division Bench on the ground that the learned Single

Judge had found the charges to be vague and, therefore, the Division Bench was not justified in interfering with the order passed by the learned Single Judge.

3. Additionally, it was submitted that since there was no categorical finding in respect of any loss deliberately caused by the writ petitioners to the Corporation, there was no justification to leave it open for the corporation to recover the disputed amount through civil proceedings.
4. We have considered the submissions and have perused the materials available on record. Upon perusal of the record and upon consideration of the submissions, we notice that the charges, *inter alia*, were in respect of not maintaining records in a proper manner and of not ensuring the requisite ratio of supply and receipt. Those charges are proved in the inquiry and, therefore, the disciplinary action taken by the Corporation cannot be faulted. The view taken by the learned Single Judge that charges were not specific is not acceptable having regard to the nature of charges and the findings returned by the Inquiry Officer.
5. In such circumstances, the Division Bench was justified in setting aside the order of the learned Single Judge.

6. Moreover, the Division Bench has directed payment of earned leave and gratuity along with statutory interest to the writ petitioners, therefore, the writ petitioners' grievance that quantum of loss has not been properly determined to effect recovery from the writ petitioners no longer subsist. In case the Corporation decides to recover any loss, it would have to initiate appropriate proceeding against the writ petitioners where the writ petitioners would have a right to set up their defence. We, therefore, find no good reason to interfere with the impugned order(s). However, we deem it appropriate to clarify that in case the Corporation seeks to recover any amount of losses by instituting civil proceedings against the petitioners, the petitioners will have a right to contest those proceedings on merits.
7. Subject to above clarification, these special leave petitions stand disposed of.
8. Pending application(s), if any, shall also stand disposed of.

(KAVITA PAHUJA)
ASTT. REGISTRAR-cum-PS

(SAPNA BANSAL)
COURT MASTER (NSH)