

IN THE HIGH COURT FOR THE STATE OF TELANGANA

W.P.No.24503 of 2002

(CNR.No.HBHC010185772002)

Between:

The Government of Andhra Pradesh,
Panchayat Raj Department, Sangareddy, reple
by its Executive Engineer-B.Raju

... Petitioner

And

The Authority Under Payment of Wages Act, 1936 &
Assistant Commissioner of Labour, Sangareddy
and another.

...Respondents

JUDGMENT PRONOUNCED ON 18.09.2026

HON'BLE JUSTICE LAXMI NARAYANA ALISHETTY

1. Whether Reporters of Local newspapers : Yes
may be allowed to see the Judgment?
2. Whether the copies of judgment may be
marked to Law Reporters/Journals? : Yes
3. Whether his Lordship wishes to
see the fair copy of the Judgment? : Yes

JUSTICE LAXMI NARAYANA ALISHETTY

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< Gist:

> Head Note:

! Counsel for the petitioner: GP for Services-II
^ Counsel for Respondent No.2: Sri N.Gangadhar

? Cases Referred:

1. 1991 (63) FLR 767
2. 2025 INSC 1175
3. Spl.L.P.14350 of 2020
4. WPNo.72 of 2020
5. 2014 AIR CC 1624

6. 2022(4) ALT 559 (S.B)
7. CRPNo.3745 & 5466 of 2005
8. 2025 Live Law (Del) 1748
9. 1973 Lab I.C.398
10. 1975 Lab. I.C. 202
11. 1998 SCC Onlilne 663

**HIGH COURT FOR THE STATE OF TELANGANA AT
HYDERABAD**

HON'BLE SRI JUSTICE LAXMI NARAYANA ALISHETTY

W.P.No.24503 of 2002

(CNR.No.HBHC010185772002)

Reserved on 29.07.2026

Pronounced on 18.09.2026

Uploaded on 19.09.2026

Between

The Government of Andhra Pradesh,
Panchayat Raj Department, Sangareddy, repleaded
by its Executive Engineer-B.Raju

.... Petitioner

And

The Authority Under Payment of Wages Act, 1936 &
Assistant Commissioner of Labour, Sangareddy
and another.

.... Respondents

ORDER:

This Writ Petition is filed to issue a Writ of *Certiorari* calling for records pertaining to Order passed by respondent No.1 in P.W.Case No.10 of 1998, dated, 10-10-2002 and to quash the same.

2. Heard learned Government Pleader for Services- II for petitioner and Sri N.Gangadhar, learned counsel for respondent No.2.

3. The brief facts as averred in the writ petition are that the petitioner had undertaken the project *viz.*, Netherlands Assistance Program for providing protected water supply to 110 villages in Medak District; that for implementation of the said project, Netherlands Assistance Program division was established at Sadasivapet in February, 1988. The project was completed in different phases by 1997, following which the said division was closed; that the petitioner Department thereafter continued to look after the maintenance and distribution of water by forming the Rural Water Supply Division, Sangareddy, at Sadasivapet.

3.1. It is further averred that the maintenance work was entrusted to contractors through piece-work agreements; that the contractors were paid lump-sum amounts for execution of the work and were responsible for engaging their own personnel; that one Md. Sujauddin, Contractor, was entrusted with the work of watch and ward of the pipeline for the period from 31.08.1996 to 06.01.1998; that thereafter, from 07.01.1998 to 30.04.1999, the said work was entrusted to Mohd. Samad; that the aforesaid contractors engaged respondent No.2 for executing the work entrusted to them.

3.2. It is further averred that notwithstanding the above arrangement, respondent No.2 approached respondent No.1 claiming that he had worked as an NMR Waterman under the petitioner Department and had been paid wages at rates lower than the applicable S.S.R. rates and claimed a sum of Rs.40,153/-

for the period from 01.06.1995 to 31.10.1998 under the Payment of Wages Act, 1936; that the said claim was disputed by the petitioner on the ground that respondent No.2 was engaged by the contractors and not by the petitioner Department and that the Government had banned engagement of NMRs with effect from 25.11.1993, therefore, the petitioner is not liable to pay the wages to respondent No.2.

3.3. It is further averred that after the year 1999, the water supply to the concerned villages was discontinued owing to shortage of power. Despite this, respondent No.2 sought payment of wages for the periods subsequent to 31.10.1998 i.e., Rs.45,553/- for the period from 01.11.1998 to 31.10.2000, Rs.10,585/- for the period from 01.11.2000 to 31.03.2001, Rs.17,725/- for the period from 01.04.2001 to 30.11.2001, Rs.4,526/- for the period from 01.12.2002 to 31.01.2002, Rs.4,307/- for the period from 01.02.2002 to 31.03.2002 and Rs.8,906/- from 01.04.2002 to 31.07.2002, by filing additional applications/memo in the same proceedings i.e. P.W. Case No.10 of 1998 along with a memo under Section 16(3) of the Act, 1936; that the petitioner objected to such claims along with the original claim of Rs.1,31,755 for the period from 01.02.1995 to 31.07.2002 and requested the authority to deal with the said claims separately, thereby enabling it to file its response to each claim.

3.4. It is further averred that respondent No.1 also considered the claims relating to the period anterior to 31.10.1998 along with the subsequent claims,

and allowed the claim of respondent No.2 and awarded compensation at three times the amount claimed for the period up to 31.07.2002; that aggrieved by the order passed by respondent No.1 in P.W. Case No.10 of 1998 dated 10.10.2002, the present Writ Petition is filed.

4. Learned Government Pleader for Services-II appearing for the petitioner submitted that respondent No.2 was never directly employed or engaged by the petitioner department; that the work in question was entrusted to private contractors on a piece-work basis, who were paid a lump-sum amount for execution of the work and were responsible for engaging their own personnel; that, therefore, there was no employer-employee or master-servant relationship between the petitioner and respondent No.2 and as such the petitioner department could not be fastened with liability for payment of wages to a person engaged by the contractors.

4.1. She further submitted that respondent No.1 Authority, while exercising jurisdiction under Section 15(2) of the Payment of Wages Act, 1936, could not have adjudicated upon a seriously disputed question as to the very existence of an employee-employer relationship between the petitioner and respondent No.2; that the jurisdiction of the said Authority under the said provision was confined to claims relating to delayed payment of wages or unlawful deductions; that determination of the status of the parties, disputed relationship of employment, falls outside the scope of such proceedings and such disputed questions, can be

adjudicated, in appropriate proceedings under Section 10 of Industrial Disputes Act, 1947 only.

4.2. She further submitted that even on the basis of the claim made by respondent No.2, his average wages exceeded the prescribed limit of Rs.1600/- per month upto the period 01.06.1998 and, therefore, respondent No.1-Authority ought not to have entertained the claim, as the same is not maintainable under Section 1(6) of the Payment of Wages Act, 1936.

4.3. She further submitted that respondent No.1 Authority had erroneously permitted respondent No.2 to introduce additional claims for different periods anterior to 31.10.1998, by filing a memo under Section 16(3) of the Payment of Wages Act and had considered those claims together with the original claim for the period from 01.06.1995 to 31.10.1998; that the petitioner had specifically objected to such course and had sought that the subsequent claims be treated as separate applications, so as to enable the petitioner to file appropriate counters; that the respondent No.1 Authority, without considering the said objection and without affording a proper opportunity to the petitioner to contest the additional claims, proceeded to adjudicate upon and ultimately allowed the same.

4.4. She further submitted that the reliance placed by respondent No.2 on S.S.R. rates was misconceived, as those rates were applicable to the execution and tendering of departmental works and did not constitute any agreed rate of wages payable by the petitioner Department to respondent No.2; that the

petitioner had neither engaged respondent No.2 nor undertaken to pay him wages at the S.S.R. rates and, therefore, any claim arising out of the wages allegedly payable to him could only be raised against the contractors who had engaged him.

4.5. She further submitted that respondent No.1 Authority had failed to properly appreciate the documentary evidence produced by the petitioner, including the agreements entered with the contractors, marked as Exs.R-1 to R-18 which clearly shows that the petitioner paid lumpsum amount to the contractor, that the observation of respondent No.1-Authority that certain attendance and wage records is incorrect, since such records were maintained by the contractors and not by the petitioner Department and therefore, no adverse inference could have been drawn against the petitioner on that account.

4.6. She also submitted that the finding of the respondent No.1 Authority regarding the alleged engagement of respondent No.2 by the petitioner was not supported by sufficient evidence and that the statement of the respondent No.2, by itself, could not have been treated as conclusive proof of such employment; that the evidence relied upon by the Authority, Ex A1,A2, A3,A4 did not establish that respondent No.2 had worked under the petitioner Department throughout the period for which the claim was made.

4.7. She further submitted that the contractual arrangement with contractor Mohd. Samad itself came to an end on 30.04.1999 and, therefore, there was no

basis for extending the claim of respondent No.2 beyond the said date; that, in the absence of any material establishing that respondent No.2 continued to attend the work thereafter, the respondent No.1 Authority had committed an error in granting amounts for the subsequent period; that Exs.A-1 to A-4 did not establish that respondent No.2 had worked on each and every day during the period from 01.06.1995 to 31.10.1998; that the said documents merely recorded the supply of water to the villages and the signatures of the departmental employees and villagers thereon could not, by themselves, establish either the existence of an employer-employee relationship between the petitioner Department and respondent No.2 or the continuous engagement of respondent No.2.

4.8. She further submitted that respondent No.1 Authority committed an error in relying upon the said judgment of the Hon'ble Supreme Court in **Union of India vs. K.V. Jankiraman**¹ while determining the claim of respondent No.2, since the said decision was not applicable to daily-rated workers whose engagement depended upon the exigencies of work.

4.9. She further submitted that the award of compensation at three times the amount claimed was also excessive and unsustainable in the facts and circumstances of the case.

¹ 1991 (63) FLR 767

5. By contending as above, learned counsel for petitioner prayed to allow the Writ Petition.

6. In support of her contentions the counsel for petitioner relied on THE following judgments:

- a. ***General Manager, UP. Co-operative Bank Ltd v. Achchey Lal and Another***², wherein, the Hon'ble Apex Court has held as under:

“It is by now well settled that to ascertain or rather the relevant factors to be taken into consideration to establish employer/employee relationship would include, inter alia i.e. (a) who appoints the workers; (b) who pays the salaries/remuneration; (c) who has the authority to dismiss; (d) who can take disciplinary action; (e) whether there is of service; and (f) extent of control and supervision i.e. whether there exists complete control and supervision.”

- b. ***M/S Utkal Highways Engineers And Others v. Chief General Manager***³, wherein, the Hon'ble Apex Court has held as under:

“Moreover, it is not an inviolable rule that no money claim can be adjudicated upon in exercise of writ jurisdiction. Non-payment of admitted dues, inter alia, may be considered an arbitrary action on the part of respondents and for claiming the same, a writ petition may lie. Further, throwing a writ petition on ground of availability of alternative remedy after 10 years, particularly, when parties have exchanged their affidavits, is not the correct course unless there are disputed questions of fact

² 2025 INSC 1175

³ Spl.L.P. 14350 of 2020

which by their very nature cannot be adjudicated upon without recording formal evidence.”

- c. ***M/s Annapoorna Financiers v. State of Andhra Pradesh***⁴, wherein the Hon’ble Apex Court has held as under:

“In view of the law laid down by the Apex Court in the judgments referred supra, when an order was passed prima facie, contrary to the law laid and violative of principles of natural justice, this Court can entertain a writ petition under Article 226 of the Constitution of India. The bar is self-imposed restriction, however, in view of the the principles laid down by Apex Court in the judgments referred supra, entertaining the writ petition, despite availability of statutory remedy is purely discretionary and not an absolute bar.”

- d. ***United Breweries (Holdings) Limited v. State Bank of India***⁵, wherein, the High Court of Karnataka has held as under:

“The case of Union of India and Others -Vs- R.Reddappa and Another (1993(4) SCC 269): Wherein it is held that the jurisdiction exercised by the High Court under Article 226 is not as wide as it is in an appeal or revision, but once the Court is satisfied of injustice or arbitrariness, then the restriction either self-imposed or statutory, stands removed and no rule of technicality on exercise of power can stand in the way of rendering justice.”

6. *Per contra*, learned Counsel for respondent No.2 submitted that the writ petition is not maintainable, as the petitioner has an effective alternative remedy of filing an appeal under Section 17 of the Act, 1936; that the impugned order was passed by respondent No.1 after considering

⁴ WP No. 72 of 2020

⁵ 2014 AIR CC 1624

the oral and documentary evidence adduced by both parties and after examining the witnesses, including a Court Witness; that the findings recorded by respondent No.1-Authority are essentially findings of fact which do not warrant interference under Article 226 of the Constitution of India.

6.1. He further submitted that though the petitioner Department had undertaken the Netherlands Assistance Programme for providing protected water supply to villages in Medak District, it was not correct to contend that the maintenance of the scheme was entirely entrusted to contractors under piece-work agreements; that the Executive Engineer had engaged NMR contractors for maintaining the water supply scheme and respondent No.2 was working as an NMR Waterman under the petitioner Department only; that the petitioner failed to establish that respondent No.2 was engaged by the contractors, as alleged, and that the contractors, despite being summoned by the Authority, were not produced as witnesses by the petitioner.

6.2. He further submitted that the petitioner failed to produce the muster rolls, wage records, vouchers or other material to establish that respondent No.2 was working under the contractors or that the wages claimed by him had been paid; that, in the absence of such evidence, the Authority was justified in considering the material available on record

and arriving at the conclusion that respondent No.2 was working under the petitioner.

6.3. He further submitted that respondent No.2 had been denied the wages payable to him in accordance with the S.S.R. rates from 01.06.1995 to 31.10.1998 and, therefore, he had rightly approached the Authority under the Section 15(2) of the Payment of Wages Act, 1936; that respondent No.1-Authority had jurisdiction under Section 15(2) of the said Act to adjudicate the claim, particularly when the evidence on record disclosed that the petitioner had failed to pay the wages due to respondent No.2.; that the petitioner had itself admitted the applicability of S.S.R. rates/minimum wages and, therefore, the Authority was justified in determining the wages payable to respondent No.2.

6.4. He further submitted that the additional claims relating to the subsequent periods were separately presented by respondent No.2 in Form-A along with a memo under Section 16(3) of the Payment of Wages Act, 1936 and were duly received by the authority; that Section 16(3) expressly permits the Authority to deal with a number of separate pending applications relating to persons belonging to the same unpaid group as a single application; that therefore, the consideration of the subsequent claims along with the original proceedings could not be said to be without jurisdiction; that the petitioner was afforded adequate opportunity to

contest the claims and to adduce oral and documentary evidence and, therefore, there was no violation of the principles of natural justice.

6.5. He further submitted that the documents marked on behalf of respondent No.2, including the relevant records relating to his work and the S.S.R. rates, supported his claim; that the books marked as Exs.A-1 to A-4 were maintained in connection with the water supply work and contained the signatures of the officials of the petitioner Department as well as endorsements relating to the supply of water to the villages; that the said material, coupled with the oral evidence, established that respondent No.2 was actually performing the duties of a Waterman under the petitioner Department.

6.6. He further submitted that the petitioner's reliance on the agreements with the contractors was misplaced, particularly when the agreements did not bear the signatures of the contractors and the petitioner failed to secure their evidence despite issuance of summons; that the Authority was, therefore, justified in not accepting the petitioner's version that respondent No.2 was engaged by the contractors.

6.7. He further submitted that the petitioner had failed to establish that respondent No.2 was engaged only for the periods covered by the agreements with the contractors or that his engagement came to an end on 30.04.1999; that the petitioner's own failure to produce the relevant

attendance and wage records could not be used to defeat the legitimate claim of respondent No.2, particularly when such records were within the control of the petitioner or the persons through whom the work was allegedly executed.

6.8. He further submitted that the judgment reported in 1991 (63) FLR 767 relied upon by the Authority was correctly applied and that there was nothing in the said decision to suggest that its principle was inapplicable to daily-rated workmen; that the petitioner had failed to establish any distinguishing circumstance warranting interference with the findings of respondent No.1-Authority in the impugned order; that respondent No.1-Authority had properly exercised its power in awarding compensation at three times the amount found due, after considering the material on record and framing the necessary issues; that the award of such compensation was within the jurisdiction conferred by the Payment of Wages Act, 1936 and does not suffer from any legal infirmity.

7. He finally submitted that the impugned order was passed after a full enquiry, upon consideration of the evidence and after affording sufficient opportunity to both parties; that the petitioner had failed to demonstrate any jurisdictional error, violation of natural justice or perversity in the findings warranting interference by this Court under

Article 226 of the Constitution of India; that the writ petition is devoid of any merit and is liable to be dismissed.

8. In support of his contentions the learned Counsel for respondent No.2 relied on the following judgments:

- a) ***Executive Engineer, A.P. State Irrigation Development Corporation Limited, Sangareddy v. Authority under Payment of Wages Act and Labour Officer, Sangareddy and Others***⁶, wherein, the erstwhile High Court of Telangana held as hereunder:-

“Indeed Section 15(1) itself provides that the Authority has the power to determine all matters incidental to the claim arising from deductions from or delay in payment of wages. It is also true that while deciding whether a particular matter is incidental to claim or not care should be taken neither to unduly expand nor curtail the jurisdiction of the Authority. But it has at the same time to be kept in mind that the jurisdiction under Section 15 is a special jurisdiction.”

- b) ***The Executive Engineer, APSIDC Division, Sangareddy v. Ramalingeswara Rao***⁷; wherein, the erstwhile High Court of Andhra Pradesh has held as under:

“The Supreme Court, while considering the scope of Section 15 (2) second proviso of the Payment of Wages Act, 1936, held that “The jurisdiction conferred on the Authority by the second proviso to Section 15(2) of the Act clearly shows that if the Authority is

⁶ 2002(4) ALT 559(S.B)

⁷ C.R.P. No.3745 and 5466 of 2005

satisfied that there was sufficient cause for the delay, the decision of the Authority in such a discretionary matter could not have been questioned by the appellant before the High Court in its revisional jurisdiction, and much less before Supreme Court under its jurisdiction under Article 136.”

9. This Court has carefully considered the rival submissions advanced by the learned counsel appearing for both the parties and perused the material available on record.

10. The principal questions that arise for consideration are:

- (1) whether an employer-employee relationship existed between the petitioner-department and respondent No.2;
- (2) whether respondent No.1 had jurisdiction to entertain the claim under Section 15(2) of the Payment of Wages Act, 1936; and
- (3) Whether this Writ Petition is maintainable in spite of existence of alternative remedy of appeal.
- (4) whether the impugned order passed by respondent No.1 warrants interference by this Court.

Issue Nos.1 and 2:-

11. The material available on record discloses that the petitioner-department had taken up the project namely Netherlands Assistance Programme Division at Sadasivapet and the same was closed during the

year 1997. Thereafter, in order to monitor and maintain the said scheme, the petitioner formed the Rural Water Supply Division at Sangareddy at Sadasivapet.

12. It is further evident from the record that the work relating to watch and ward of the pipelines from Karasguthy to Karamungi and from Errakpally X Roads to Errakpally Village was entrusted to contractors on contractual basis and an agreement dated 20.03.1997 was entered into with Md. Sujauddin for the period from 31.08.1996 to 06.01.1998. Thereafter, agreements dated 27.05.1998 and 18.06.1998 were entered into with Mohammed Samadh for the period from 07.01.1998 to 30.04.1999 and the contractors were paid lump-sum amounts for the work entrusted to them. It is specific case of the petitioner that respondent No.2 was engaged by the said contractors for carrying out the work.

13. That, while deciding P.W.Case No.10 of 1998, respondent No.1 proceeded on the premise that respondent No.2 was working under the petitioner-department. The authority observed that the contractor had failed to appear before it despite repeated summons and that the petitioner-department had failed to produce certain records, including muster rolls. On that basis, an adverse inference was drawn against the petitioner-department and it was concluded that respondent No.2 was

working under the petitioner-department as Watermen prior to 01.06.1993.

14. The aforesaid approach, in the considered view of this Court, cannot be sustained. In this regard, it is pertinent to refer to the following judgment:

- a) ***Indraprastha Gas Limited v. Ambrish Kumar***⁸: wherein the Delhi High Court has held as under:

“It is a well-settled principle of law that the initial burden of proving the existence of an employer-employee relationship lies upon the person who asserts such a relationship. When a claimant alleges that he is an employee of a particular establishment and the management denies this assertion, the obligation to produce cogent, credible, and convincing evidence to substantiate the claim rests squarely on the claimant. Only upon discharge of this initial burden, does the onus shift to the management to rebut the evidence and disprove the claim.”

- b) ***N.C. John v. Secretary Thodupuzha Taluk Shop and Commercial Establishment Worker’s Union***⁹, wherein, the Kerala High Court held as under:

“It forgets the fact that the burden of proof is on the workmen to establish the employer-employee relationship. The burden of proof being on the workmen to establish the employer-employee relationship an adverse inference cannot be drawn against the employer that if he were to produce books of accounts, they would have proved employer-employee relationship.”

⁸ 2025 LiveLaw (Del) 1748

⁹ 1973 Lab. I.C. 398

c) ***Swapan Das Gupta v. The First Labour Court of West Bengal***¹⁰,

wherein, the West Bengal High Court has held as under:

“Where a person asserts that he was a workman of the Company, and it is denied by the Company, it is for him to prove the fact. It is not for the Company to prove that he was not an employee of the Company but of some other person.

15. The principle in the aforesaid judgments assumes significance in the present case. The initial burden was upon respondent No.2 to establish, by cogent and reliable material, that he was employed by the petitioner-department. The material on record, however, does not disclose any appointment order, agreement, wage register, muster roll, or other document evidencing the existence of such employer-employee relationship between the petitioner-department and respondent No.2. On the contrary, the petitioner-department has placed on record the agreements entered into with the contractors, as well as the material relating to payment of lump-sum amounts to the contractors for the work entrusted to them. The very nature of the contractual arrangement indicates that the work had been entrusted to the contractors, who were responsible for carrying out the work assigned to them. The claim of respondent No.2 that he was employed by the petitioner-department, therefore, could not have been accepted merely on the ground that the contractor failed to appear before the authority or that certain records

¹⁰ 1975 Lab. I.C. 202

were not produced by the petitioner-department. The failure of the contractor to respond to the summons, by itself, could not discharge the initial burden resting upon respondent No.2 to establish the foundational fact of an employer-employee relationship with the petitioner-department.

16. It is also significant that respondent No.2 has not placed any material on record to establish that he was appointed by the petitioner-department, that his wages were fixed or paid by the petitioner-department, or that the petitioner-department exercised such control over his engagement, which would establish the relationship of employer and employee.

17. Likewise, no material has been placed to substantiate the assertion that the petitioner-department had undertaken to pay wages to respondent No.2 at the rates claimed by him.

18. In this context, the decision of the Hon'ble Supreme Court in ***General Manager, U.P. Co-operative Bank Ltd's case*** (cited *supra*), is also relevant with regard to the determination of an employer-employee relationship. Applying the principles governing such relationship to the facts of the present case, the foundational requirement of establishing an employer-employee relationship between the petitioner-department and respondent No.2 has not been satisfied.

19. It is pertinent to note that once respondent No.2 failed to establish that he was an employee of the petitioner-department, the claim against the petitioner-department for alleged deduction or non-payment of wages could not have been entertained under Section 15(2) of the Act, 1936. The jurisdiction of the authority under the said provision necessarily presupposes the existence of the relationship contemplated under the Act between the claimant and the person against whom the claim is made. In the present case, the material on record indicates that the work was entrusted to contractors and that payments were made by the petitioner-department to such contractors pursuant to the contractual arrangements. In the absence of material establishing that respondent No.2 was an employee of the petitioner-department, the liability, if any, towards payment of wages to respondent No.2 could not have been fastened upon the petitioner-department. Therefore, respondent No.1, having proceeded on an erroneous assumption as to the existence of an employer-employee relationship and having placed the burden of proof upon the petitioner-department instead of requiring respondent No.2 to establish the foundational fact asserted by him, committed an error in entertaining and allowing the claim under Section 15(2) of Act,1932.

20. Accordingly, issue Nos.1 and 2 are answered in favour of the petitioner-Department.

Issue Nos.3 and 4:-

21. As regards the contention raised by learned counsel for respondent No.2 that the present Writ Petition is not maintainable in view of the availability of an alternative statutory remedy of appeal under Section 17 of the Payment of Wages Act, 1936, it is trite to note that it is well settled that the availability of an alternative remedy does not operate as an absolute bar to the exercise of jurisdiction under Article 226 of the Constitution of India, particularly where the impugned order suffers from a jurisdictional error, violation of principles of natural justice, or involves an arbitrary exercise of jurisdiction. This principle has also been reiterated in *M/s Utkal Highways Engineers's case (cited supra)*, *M/s Annapoorna Financiers's case (cited supra)* and *United Breweries (Holdings) Limited's case (cited supra)* and in *Whirlpool Corporation v. Registrar of Trade Marks, Mumbai and Others*¹¹

22. In *Whirlpool Corporation's* case (cited supra), the Hon'ble Apex Court, while referring to catena of judgments, has held that the jurisdiction of the High Court in entertaining writ petition under Article 226 of the Constitution, in spite of the alternative statutory remedies, is not affected, specially in a case where the authority against whom the writ

¹¹ 1998 SCC OnLine 663

is filed is shown to have had no jurisdiction or had purported to usurp jurisdiction without any legal foundation.”

23. In the present case, the objection regarding availability of an alternative remedy cannot be considered in isolation. The very basis of the jurisdiction exercised by respondent No.1 under Section 15(2) of the Act, 1936 is in dispute, as the parties are at dispute with regard to the existence of an employer-employee relationship. The material on record further discloses that respondent No.1 proceeded to determine the claim by placing the burden upon the petitioner-department, despite respondent No.2 having asserted the existence of such relationship. In such circumstances, where the jurisdiction of the statutory authority itself is questioned and the impugned order is founded upon an erroneous assumption regarding the existence of the employer-employee relationship, this Court is not precluded from examining the legality of the impugned order in exercise of its jurisdiction under Article 226 of the Constitution of India.

24. Having regard to the facts and circumstances of the case, particularly in absence of any material to establish employer-employee relationship between the petitioner and respondent No.2, this Court is of the considered opinion that respondent No.1 was not justified in

entertaining and allowing the claim under Section 15(2) of the Payment of Wages Act, 1936. The impugned order, therefore, cannot be sustained.

25. Accordingly, this Writ Petition is allowed and the impugned order passed by respondent No.1 in P.W.Case No.10 of 1998, dated 10.10.2002, is hereby set aside.

26. Miscellaneous petitions pending, if any, shall stand closed. No costs.

LAXMI NARAYANA ALISHETTY, J

Date:18.09.2026

Note:

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B/o

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