(2026) 07 DEL CK 0234

In the Delhi High Court, Principal Bench, New Delhi

Case No : W.P.(C) 17069/2025, CM APPL. 70257/2025, CM APPL. 70258/2025

Abdul Samad Ansari APPELLANT

Vs

Fabindia Overseas Pvt. Ltd. & Ors. RESPONDENT

Date of Decision : 01-07-2026

Acts Referred:

Industrial Disputes Act, 1947 — Section 10(1)(c), 12(5), 25N
Income Tax Act, 1961 — Section 203
Income Tax Rules, 1962 — Rule 31(1)(b)
Constitution of India — Article 226, 227

Citation : 2025 INSC 1175

Hon'ble Judges : Sachin Datta, J

Bench : Single Bench

Advocate : Mr. Ankit Dwivedi, Ms. Jyoti Dwivedi

Final Decision : Dismissed

Judgement

1. The present petitions have been filed by the petitioners assailing awards dated 03.07.2025 passed in LIR No. 247/2022 and LIR No. 246/2022; [in W.P.(C) 17069/2025 and W.P.(C) 17075/2025] and award dated 02.07.2025 passed in LIR No. 245/2022 [in W.P.(C) 17083/2025] by the Presiding Officer, Labour Court-III, Rouse Avenue Courts, New Delhi.

2. The Labour Court adjudicated references made under Section 10(1)(c) and 12(5) of the Industrial Disputes Act, 1947 (hereinafter referred as “the IDA”) by the Deputy Labour Commissioner (South District), in view of complaints filed by the petitioners alleging illegal termination of their services by the respondent. The Labour Court *vide* the impugned awards, observing that the petitioners failed to establish employee-employer relationship, dismissed the claims filed by the petitioners.

3. At the outset, it is noted that impugned awards have been issued by the Labour Court in similar factual conspectus and the petitioners raise same ground of challenge against the common respondent. In the circumstances, it is

considered apposite to dispose of the petitions by way of a common order.

4. Further, for the sake of convenience, W.P.(C) 17069/2025 captioned as ***Abdul Samad Ansari vs Fabindia Overseas Pvt. Ltd*** is taken up as the lead matter. The reference to the facts as noted, unless the context indicates otherwise, are the facts as obtaining in the said petition.

5. Learned counsel for the petitioner submits that the petitioner was employed with the respondent at a permanent post of "pattern master" since 2016, drawing a monthly salary of Rs. 63,000/-. However, without any prior notice/ intimation his services were illegally terminated w.e.f from 07.02.2020, in violation of Section 25N of the Industrial Disputes Act, 1947 (hereinafter referred as "the ID Act").

6. It is submitted that the Labour Court erroneously concluded that there exists no employee-employer relation between the parties since the petitioner was associated with the respondent as a "consultant" and not as a "Pattern Master" inasmuch as (i) the Labour Court overlooked the fact that although petitioner's designation as per record was that of a consultant, however in reality the petitioner was assigned and performing duties of skilled workman i.e., 'Pattern Master' (ii) to qualify as a consultant along with experience, a candidate required requisite educational/special qualifications whereas a workman only required prior experience. In the present matter, the petitioner having studied till 10th Standard, could not have even qualified for the position of a consultant.

7. It is further submitted that contrary to the deposition of MW-1 during cross examination that the petitioner is a freelancer and had no fixed working hours during the period he was working as a consultant, Clause 12 of the said agreement stipulates petitioner's availability for a "minimum 9 hours per day, six days per week in a month or as required by the management of company". Further, the respondent in terms of clause 5 and 6 of the said agreement has been exercising control and supervision of every nature over the petitioner, however, to evade any legal and/or statutory liability of an employer, the respondent has documented the petitioner as a consultant. In this regard, the petitioner places reliance upon the tests laid down by the Supreme Court in ***General Manager U.P. Cooperative Bank Ltd. vs Achchey Lal and Anr***., 2025 INSC 1175.

8. It is also submitted that the Labour Court failed to appreciate the contents of the consultancy agreement and the intent of the documentation; and merely draws conclusion based on the observation that the invoices prepared addresses the petitioner as consultant. No other document has been taken into consideration which could have showed/demonstrated that the petitioner was undertaking duties of a workman/employee and not of a consultant.

9. It is further submitted that the consultancy agreement was portrayed as an appointment letter to the petitioner and due to the aforesaid, the petitioner continued working with the respondent under an impression that the petitioner

was a “worker” of the respondent.

10. It is noticed that for substantiating their claims before the Labour Court, the petitioners [in W.P(C) 17075/2025 LRs of the deceased petitioner] examined themselves as the sole witness and tendered evidence by way of an affidavit. To refute the claims made by the petitioners, the respondent placed reliance upon various documents, particularly consultancy agreements executed by it in favour of the petitioners and also the Income Tax Returns (ITR) and TDS certificates issued by the respondent in the name of the petitioners during the relevant period. The aforementioned documents (ITR and TDS certificates) were also substantiated by the respondent through a tax assistant from the Income Tax Department (i.e., MW2 before the Labour Court).

11. The Labour Court after considering the aforesaid aspects held that the petitioners failed to lead any evidence to prove existence of employer-employee relationship between the parties inasmuch as: -

i. the petitioners in order to establish their employee-employer relationship with the respondent only examined themselves as the sole witness, tendered evidence by way of affidavits, without any documents in support thereof;

ii. TDS certificates have been issued by the respondent to the petitioners in FORM 16A and not FORM 16. As per Section 203 of the Income Tax Act, 1961 read with Rule 31(1)(b) of the Income Tax Rules, 1962 the TDS certificate in Form No. 16A is issued in respect of money received by an Assessee, otherwise than by salary;

iii. The petitioners have reflected the income received by them from the respondent during their alleged employment under the head of ‘Income from Business and Profession’ and not under ‘Salary’, therefore negating stand of the petitioners that they were employees of the respondent;

12. In addition to the aforesaid observations, the Labour Court also noticed that the petitioner in W.P(C) 17069/2025 (a) during cross-examination, admitted signatures on the consultancy agreement wherein Clause E of the agreement, stipulated that the petitioner shall provide consultancy services to the respondent as an independent professional. Further, the agreement categorically recorded that the same shall not have any effect of creating employee-employer relationship between the parties.

13. The Labour Court rejected the allegation that the respondent misrepresented the consultancy agreement as an appointment letter. It was observed that the said allegation was beyond the pleadings and was also not supported by any evidence. Further, the petitioner himself admitted to signatures even on renewal agreements of the consultancy contract. Also, although in the pleadings as well as evidence by way of affidavit the petitioner averred failure of the respondent to respond to the demand notices, however, during cross-examination, the petitioner accepted receipt of response of the demand notice from the

respondent, wherein the respondent had clarified to the petitioner his status of being associated with them as a consultant. Particularly, during cross-examination, the petitioner admitted to his signatures on letters which records detailed particulars of the full and final payment made by respondent to the petitioner in terms of the consultancy agreement towards the petitioner's consultancy fees for a period of 2 months in lieu of 2 months advance notice. The said aspect was not disclosed by the petitioner before the Labour Court.

14. The petitioner in W.P(C) 17083/2025 failed to produce any document to prove existence of employer-employee relationship between the parties, particularly, the original copy of consultancy agreement relied upon to contest that the petitioner was employed with M/s Fab India Overseas Pvt Ltd as Consultant till March 2009, whereafter, he was appointed on regular rolls of the said management. Further, no cogent rationale for non-production was provided thereof. The aforesaid, coupled with petitioner's admission during cross examination, and also documents tendered by the witness examined on behalf of the respondent/management, not only negated the petitioner's claim of existence of employer-employee relationship between the parties but also substantiated the claim of respondent that the petitioner was working with them in capacity of a consultant.

15. The sole document relied upon by the LRs of deceased petitioner in W.P.(C) 17075/2025, viz. an appointment letter as evidence to establish employer-employee relationship, was not issued by the respondent but instead by an independent entity known as M/s Dilli Karigari Ltd. The LRs of the deceased petitioner were unable to establish/justify any relationship/rationale thereof. Further, the Court also took into consideration various invoices (i.e., Ex. MW-1/3 t Ex. MW-1/6 tendered as evidence by the respondent) raised by the deceased petitioner before the respondent towards payments of his consultancy fees during the concerned period.

Existence of same was never disputed by the LRs of the deceased petitioner.

16. In the above conspectus, it is evident that the impugned decisions passed by the Labour Court are based upon appreciation of the attendant facts and circumstances; and based upon the evidence on record.

17. The law is well settled that a writ court under Article 226 of the Constitution of India cannot interfere with findings of facts recorded by a labour court unless the same is wholly unsupported by evidence, arbitrary or perverse in nature. A Division Bench of this Court in ***Dinesh Kumar and Ors. vs Central Public Works Department and Ors.***, 2023 SCC OnLine 6518 took note of the legal position enunciated by the Supreme Court in this regard as under: -

> "11. *The Hon'ble Supreme Court in paragraph 17 of the judgment in Indian Overseas Bank v. I.O.B. Staff Canteen Workers' Union, (2000) 4 SCC 245, has held as under:*
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> "17. *The learned Single Judge seems to have undertaken an exercise, impermissible for him in exercising writ jurisdiction, by liberally reappreciating the evidence and drawing*

conclusions of his own on pure questions of fact, unmindful, though aware fully, that he is not exercising any appellate jurisdiction over the awards passed by a tribunal, presided over by a judicial officer. The findings of fact recorded by a fact-finding authority duly constituted for the purpose and which ordinarily should be considered to have become final, cannot be disturbed for the mere reason of having been based on materials or evidence not sufficient or credible in the opinion of the writ court to warrant those findings, at any rate, as long as they are based upon some material which are relevant for the purpose or even on the ground that there is yet another view which can reasonably and possibly be taken… …The only course, therefore, open to the writ Judge was to find out the satisfaction or otherwise of the relevant criteria laid down by this Court, before sustaining the claim of the canteen workmen, on the facts found and recorded by the fact-finding authority and not embark upon an exercise of reassessing the evidence and arriving at findings of one's own, altogether giving a complete go-by even to the facts specifically found by the Tribunal below."

12. The Hon'ble Supreme Court in the aforesaid case has held that the findings of fact recorded by a fact finding authority (Tribunal) duly constituted for the purpose becomes final unless the findings are perverse or based upon no evidence. The jurisdiction of the High Court in such matters is quite limited.

13. *The Hon'ble Supreme Court has taken a similar view in Hari Vishnu Kamath v. Ahmed Ishaque, AIR 1955 SC 233, inter alia held as under:*

"21. *… On these authorities, the following propositions may be taken as established: (1) Certiorari will be issued for correcting errors of jurisdiction, as when an inferior Court or Tribunal acts without jurisdiction or in excess of it, or fails to exercise it. (2) Certiorari will also be issued when the court or Tribunal acts illegally in the exercise of its undoubted jurisdiction, as when it decides without giving an opportunity to the parties to be heard or violates the principles of natural justice. (3) The court issuing a writ of certiorari acts in exercise of a supervisory and not appellate jurisdiction. One consequence of this is that the court will not review findings of fact reached by the inferior court or tribunal, even if they be erroneous. This is on the principle that a court which has jurisdiction over a subject-matter has jurisdiction to decide wrong as well as right, and when the legislature does not choose to confer a right of appeal against that decision, it would be defeating its purpose and policy if a superior court were to rehear the case on the evidence and substitute its own findings in certiorari. These propositions are well-settled and are not in dispute.*

23. *It may therefore be taken as settled that a writ of certiorari could be issued to correct an error of law. But it is essential that it should be something more than a mere error; it must be one which must be manifest on the face of the record. … The fact is that what is an error apparent on the face of the record cannot be defined precisely or exhaustively, there being an element of indefiniteness inherent in its very nature, and it must be left to be determined judicially on the facts of each case."*

14. *In Dharangadhara Chemical Works Ltd. v. State of Saurashtra, 1957 SCR 152, the Supreme Court, once again observed that where the Tribunal having jurisdiction to decide a question comes to a finding of fact, such a finding is not open to question under Article 226, unless it could be shown to be wholly unsupported by evidence.*

15. *In Management of Madurantakam Coop. Sugar Mills Limited v. S. Viswanathan, (2005) 3 SCC 193, the Apex Court, held that the Labour Courts/Industrial Tribunals as the case be is the final court of facts, unless the same is perverse or not based on legal evidence, which is when the High Courts can go into the question of fact decided by the Labour Court or the Tribunal. But before going into such an exercise it is imperative that*

the High Court must record reasons why it intends reconsidering a finding of fact. In the absence of any such defect, the writ court will not enter the realm of factual disputes and finding given thereon.

16. *In a Constitution Bench judgment of the Supreme Court in Syed Yakoob v. K.S. Radhakrishnan, AIR 1964 SC 477, the Apex Court has inter alia held as under:*

"7. *The question about the limits of the jurisdiction of High Courts in issuing a writ of certiorari under Article 226 has been frequently considered by this Court and the true legal position in that behalf is no longer in doubt. A writ of certiorari can be issued for correcting errors of jurisdiction committed by inferior courts or tribunals : these are cases where orders are passed by inferior courts or tribunals without jurisdiction, or is in excess of it, or as a result of failure to exercise jurisdiction. A writ can similarly be issued where in exercise of jurisdiction conferred on it, the Court or Tribunal acts illegally or properly, as for instance, it decides a question without giving an opportunity, be heard to the party affected by the order, or where the procedure adopted in dealing with the dispute is opposed to principles of natural justice. There is, however, no doubt that the jurisdiction to issue a writ of certiorari is a supervisory jurisdiction and the Court exercising it is not entitled to act as an appellate Court. This limitation necessarily means that findings of fact reached by the inferior Court or Tribunal as a result of the appreciation of evidence cannot be reopened or questioned in writ proceedings. An error of law which is apparent on the face of the record can be corrected by a writ, but not an error of fact, however grave it may appear to be. In regard to a finding of fact recorded by the Tribunal, a writ of certiorari can be issued if it is shown that in recording the said finding, the tribunal had erroneously refused to admit admissible and material evidence, or had erroneously admitted inadmissible evidence which has influenced the impugned finding. Similarly, if a finding of fact is based on no evidence, that would be regarded as an error of law which can be corrected by a writ of certiorari. In dealing with this category of cases, however, we must always bear in mind that a finding of fact recorded by the Tribunal cannot be challenged in proceedings for a writ of certiorari on the ground that the relevant and material evidence adduced before the Tribunal was insufficient or inadequate to sustain the impugned finding. The adequacy or sufficiency of evidence led on a point and the inference of fact to be drawn from the said finding are within the exclusive jurisdiction of the Tribunal, and the said points cannot be agitated before a writ court. It is within these limits that the jurisdiction conferred on the High Courts under Article 226 to issue a writ of certiorari can be legitimately exercised (vide Hari Vishnu Kamath v. Syed Ahmed Ishaque, Nagendra Nath Bora v. Commissioner of Hills Division and Appeals, Assam, and Kaushalya Devi v. Bachittar Singh.*

8. *It is, of course, not easy to define or adequately describe what an error of law apparent on the face of the record means. What can be corrected by a writ has to be an error of law; but it must be such an error of law as can be regarded as one which is apparent on the face of the record.Where it is manliest or clear that the conclusion of law recorded by an inferior Court or Tribunal is based on an obvious misinterpretation of the relevant statutory provision, or sometimes in ignorance of it, or may be, even in disregard of it, or is expressly rounded on reasons which are wrong in law, the said conclusion can be corrected by a writ of certiorari. In all these cases, the impugned conclusion should be so plainly inconsistent with the relevant statutory provision that no difficulty is experienced by the High Court in holding that the said error of law is apparent on the face of the record. It may also be that in some cases. the impugned error of law may not be obvious or patent on the face of the record as such and the Court may need an argument to discover the said error; but there can be no doubt that what can be corrected by a writ of certiorari is an error of law and the said error must, on the whole,*

be of such a character as would satisfy the test that it is an error of law apparent on the face of the record. If a statutory provision is reasonably capable of two constructions and one construction has been adopted by the inferior Court or Tribunal, its conclusion may not necessarily or always be open to correction by a writ of certiorari. In our opinion, it is neither possible nor desirable to attempt either to define or to describe adequately all cases of errors which can be appropriately described as errors of law apparent on the face of the record. Whether or not an impugned error is an error of law and an error of law which is apparent on the face of the record, must always depend upon the facts and circumstances of each case and upon the nature and scope of the legal provision which is alleged to have been misconstrued or contravened."

17. *The Hon'ble Supreme Court has in the aforesaid case again dealt with scope of interference by High Court in respect of finding of fact arrived at by Tribunals and in light of the aforesaid judgment, the question of interference by this Court does not arise.*

18. *The Hon'ble Supreme Court in State of Haryana v. Devi Dutt, (2006) 13 SCC 32, has held that the writ Court can interfere with the factual findings of fact only if in case the Award is perverse; the Labour Court has applied wrong legal principles; the Labour Court has posed wrong questions; the Labour Court has not taken into consideration all the relevant facts; or the Labour Court has arrived at findings based upon irrelevant facts or on extraneous considerations.*

19. *In the present case, the Labour Court has arrived at a conclusion based upon the evidence adduced by the parties and the learned Single Judge has affirmed the findings of fact again after minutely scanning the entire evidence, and therefore, the question of interference by this Court does not arise.*

20. *The supervisory jurisdiction of the High Courts under Article 227 of the Constitution of India, was discussed by the Supreme Court in Mohd. Yunus v. Mohd. Mustaqim, (1983) 4 SCC 566, whereby it was, inter alia, held as under:*

"7. *The supervisory jurisdiction conferred on the High Courts under Article 227 of the Constitution is limited "to seeing that an inferior court or tribunal functions within the limits of its authority", and not to correct an error apparent on the face of the record, much less an error of law. In this case there was, in our opinion, no error of law much less an error apparent on the face of the record. There was no failure on the part of the learned Subordinate Judge to exercise jurisdiction nor did he act in disregard of principles of natural justice. Nor was the procedure adopted by him not in consonance with the procedure established by law. In exercising the supervisory power under Article 227, the High Court does not act as an appellate court or tribunal. It will not review or reweigh the evidence upon which the determination of the inferior court or tribunal purports to be based or to correct errors of law in the decision."*

21. *Furthermore, in Khalil Ahmed Bashir Ahmed v. Tufelhussein Samasbhai Sarangpurwala, (1988) 1 SCC 155, the Supreme Court held as under:*

"13. *The intention here is manifest. In any event this is a possible view that could be taken. This Court in Venkatlal G. Pittie v. Bright Bros. (P) Ltd. [(1987) 3 SCC 558] and Beopar Sahayak (P) Ltd. v. Vishwa Nath [(1987) 3 SCC 693] held that where it cannot be said that there was no error apparent on the face of the record, the error if any has to be discovered by long process of reasoning, and the High Court should not exercise jurisdiction under Article 227 of the Constitution. See in this connection the observations of this Court in Satyanarayan Laxminarayan Hegde v. Mallikarjun Bhavanappa Tirumale [AIR 1960 SC 137 : (1960) 62 Bom LR 146]. Where two views are possible and the trial court has taken one view which is a possible and plausible view merely because another*

> *view is attractive, the High Court should not interfere and would be in error in interfering with the finding of the trial court or interfering under Article 227 of the Constitution over such decision."*
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> 22. *In light of the aforesaid judgment, a finding of fact made by a Tribunal which has the jurisdiction to make such finding cannot be questioned by the High Court exercising writ jurisdiction unless the finding is shown to be perverse or entirely unsupported by evidence. Under these circumstances, this Court has no hesitation in holding that the Ld. Single Judge rightly dismissed the writ petition filed by the Appellants."*

18. In the circumstances, this Court finds no substance in the present petitions. Accordingly, the present petitions stand dismissed. Pending applications stands disposed of.

