

(1979) 08 BOM CK 0013

In the Bombay High Court

Case No : Spl. Civil Application 381 of 1975

Manohar Narayan Joshi and Others

APPELLANT

Vs

State of Maharashtra and Others

RESPONDENT

Date of Decision : 23-08-1979

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 1 Rule 8
Constitution of India, 1950 — Article 226
Minimum Wages Act, 1948 — Section 27, 3, 3(1), 3(3), 5

Citation : (1980) 1 LLJ 230

Hon'ble Judges : S.C. Pratap, J;G. Manohar, J

Bench : Division Bench

Judgement

Pratap, J.—In this petition under Art. 226 of the Constitution, the petitioners challenge the validity of a Notification dated 15th November, 1974 (Exhibit J to the petition) issued by the State Government by virtue of its powers under S. 5(2) of the Minimum Wages Act, 1948, hereinafter referred to as the said Act. The circumstances leading to the filing of the present petition are as follows :

The petitioners herein carry on trade and business in the field of engineering industry. Under S. 27 of the said Act, the State Government is empowered to apply by a notification the provisions of the said Act to employees of any such scheduled employment as may be specified by it. The State is also entitled under the provisions of S. 3 of the said Act to fix minimum rates of wages payable to employees employed in an employment specified in Part I or Part II of the Schedule to the Act. The State is also entitled to add to either part of the said Schedule, by virtue of the powers under S. 27 of the said Act, any employment in respect of which it is of the opinion that minimum rates of wages should be fixed under the said Act. By virtue of its powers under S. 5 of the said Act, the State Government appointed a Committee to hold enquiries and to advise it in respect of fixation of minimum rates of wages qua employment in engineering industry. On the said Committee, there were representatives both of the employers as also of the employees. Chairman of the said Committee was one

Mr. D. G. Kale, the then Chief Labour Commissioner.

2. After considerable labour and industry as also considerable investigation, enquiries, recording of evidence, and also after meeting several representatives, both of the employers as also of the employees, including representative bodies in either categories, the Committee ultimately submitted its report in August, 1974. After receiving the said report, the State Government further considered the matter and applying its mind to the different aspects involved therein, ultimately issued the impugned Notification dated 15th of November, 1974, giving effect thereto from 1st December, 1974. Under the said notification, issued in exercise of powers conferred by clause (a) of sub-s. (1) of S. 3, read with sub-s. (2) of S. 5 of the said Act, the State Government fixed the minimum rates of wages consisting of (a) the basic rates of wages as set out in column 3 of the First Schedule to the said notification in respect of each Zone specified in the same column for the classes of employee mentioned against them in column 3 thereof, and (b) a special allowance, the rate of special allowance being adjusted as provided in clause of the said notification. The petitioners herein, contending that they were adversely affected by the aforesaid notification, have consequently challenged the legality and validity thereof in the present petition filed in this Court in February, 1975.

3. In support of the petition, we have heard Mr. P. Ramaswami, the learned advocate for the petitioners. The State is represented before us by the learned Assistant Government Pleader Mr. S. P. Kanuga. Respondents Nos. 2, 3 and 4 are represented by their learned counsel Mr. B. A. Desai. Respondents Nos. 5, 6 and 7 are represented by their learned advocate Mr. I. A. Saiyed. So far as these respondents are concerned, their interests are virtually the same. They represent the interests of the employees who had appeared in this Court in pursuance of a public notice earlier issued under the provisions of Order 1, Rule 8 of the Code of Civil Procedure.

4. Mr. Ramaswami, the learned advocate for the petitioners, first contended that the procedure laid down under S. 5 of the said Act has not been followed in the instant case. He drew our attention to the provisions of the said Section and submitted that as the State Government had failed to comply with the procedure laid down therein, the impugned notification must, on this ground itself, be quashed. It is, indeed, difficult to accept this contention. The Scheme of S. 5 of the said Act is very simple and clear. Section 5 lays down procedure for fixing or revising minimum rates of wages. Under sub-s. (1) of the said Section, in fixing minimum rates of wages in respect of any scheduled employment for the first time under the said Act, or in revising minimum rates of wages so fixed, the appropriate Government shall either (a) appoint as many committees and sub-committees as it considers necessary to hold enquiries and advise it in respect of such fixation or revision, as the case may be, or (b) by notification in the Official Gazette, publish its proposals for the information of persons likely to be affected thereby and specify a date, not less than two months from the date of the

notification, on which the proposals will be taken into consideration. After complying with the aforesaid obligation enjoined upon it, sub-s. (2) of S. 5 lays down that the appropriate Government would then, after considering the advice of the Committee or Committees aforesaid, or as the case may be all representations received by it before the date specified in the notification under clause (b) of that sub-section, the State Government shall by notification in the Official Gazette fix or as the case may be revise the minimum rates of wages in respect of each scheduled employment, and unless such notification otherwise provides, it shall come into force on the expiry of three months from the date of its issue. By virtue of the proviso to sub-s. (2) of S. 5, where the appropriate Government proposes to revise the minimum rates of wages by the mode specified in clause (b) of sub-s. (1) of S. 5, the State Government shall also consult the Advisory Board. In the present case, the question of consulting the Advisory Board did not arise, because this was a case not of revising the minimum rate of wages already fixed, but of fixing a minimum rate of wages for the first time qua the engineering industry.

5. Now, as stated above, the procedure spelt out by S. 5 is very simple and clear and we do not see how, on the face of the said section, it can be held that the appropriate Government, which is the State Government in the present case has failed to follow the procedure laid down under S. 5 of the said Act. There is no dispute that in the present case the State Government chose the option of appointing a committee to go into the matter rather than publish proposals and invite representations. In other words, it chose the option given to it under clause (a) of sub-s. (1) of S. 5 of the said Act. There is also no dispute that having chosen the said option, the State Government appointed a committee in March, 1973 to hold enquiries and to advise it in respect of fixation of minimum rates of wages qua engineering industry. This committee, as mentioned above, consisted of representatives both of employers and employees. Chairman of the said Committee was one Mr. D. G. Kale, who was the Chief Labour Commissioner and consequently a person having experience in the field. There is also no dispute that it was after the receipt of the report of the said Committee, sometime in August, 1974, that the State Government, in November, 1974, issued the impugned notification. In this view of the matter, it is extremely difficult to come to the conclusion that the procedure under S. 5 of the said Act was, in this case, not followed by the State Government

6. Mr. Ramaswami, however, contended that it is not any breach of the letter of the said Section that he was complaining of, but that the State Government had violated the spirit behind the said Section. Even in this behalf, we are afraid, we are unable to accept the said submission. In the first place, it is difficult to appreciate as to what exactly is meant by the spirit behind the said Section. However, if it means not a technical but more than a substantial compliance with the conditions of the said Section, even so we find that the State Government has, in this case, so complied therewith. It is nobody's case that the Committee was not a Committee as contemplated by the said Section; nor is it anybody's

case that the constitution of the said Committee was in any Way defective. It is also nobody's case that the appointment of the Committee or the submission of its report was a farce. On the contrary, the record, such as the one before us, including the report of the committee, gives an indication that the committee had gone into the matter in quite some detail and has, after consideration of several aspects of the case, submitted its report in August, 1974. In these circumstances, even the spirit of the said Section, whatever that may mean, cannot be said to have been violated in the present case.

7. Mr. Ramaswami then contended that the committee, while performing its work, did not satisfactorily proceed to do so, that the Committee did not apply its mind to factors which were relevant for the purpose of its work and for the purposes of its report, and that the report ultimately submitted by the Committee was one which cannot be said to be a satisfactory report at all. Now, this submission cannot constitute any attack as such on the validity of the Committee or the validity of its report. Then again, whether the report of the Committee satisfied or did not satisfy one or the other class of representatives either of the employers or of the employees, cannot constitute a test for determining the validity of its working and the validity of its report. It is not the case of the petitioners that they were not given any hearing by the Committee. It is not the case of the petitioners that there was no opportunity provided to them or to their recognised associations by the Committee. It is not the case of the petitioners that the view point of the employers represented before the Committee has not been considered by the Committee. It is also not the case of the petitioners that there was no material at all before the Committee, no data before the Committee and no investigation at all by the Committee which was called upon to report to the State Government.

8. Indeed, going through the report one finds indication after indication of the pains and labours taken by the Committee in going into the matter in all its variegated aspects; the pains and labours taken by the Committee in interviewing extensively representatives both of the employers as also of the employees; and the pains and labours taken by the Committee in seeing to it that extensive data and material was collected by it before it could ultimately submit its report to the State Government. Several meetings were, held by the Committee; as many as 5,000 questionnaires were issued to the employers of different establishments in the engineering industry all over the State. Pertinent in this context is the fact that only 150 returned the questionnaires duly filled in. Equally pertinent is the fact that none of the petitioners herein appears to have submitted any filled in questionnaire to the Committee. That apart, we also find from the report that the Committee engaged services of investigators from the office of the Commissioner of Labour. These investigators visited selected establishments in the engineering industry in the State and collected data and materials about the prevalent level of wages in specially prepared schedules. The Committee also sent-separate questionnaire for eliciting the opinions of the organisations of both the employers and the employees. Response to the said

questionnaire was also very poor and only 12 organisations submitted replies.

9. Still further, the Committee, during the course of its investigations, visited several places in the State of Maharashtra. It visited Nasik, Dhulia, Aurangabad, Jalna, Nanded, Kolhapur, Iqhalkaranji, Sangli, Satara, Pune, Akola, Amravati, Chandrapur, Nagpur and Greater Bombay. What is equally significant to note is the fact that at these various places, which the Committee visited, advance intimation was given to the employers and the employees about the programme of the Committee through the local offices of the Commissioner of Labour. Indeed, the Committee went still further and actually visited some factories at each of these places in order to study the conditions of work and other relevant matters and what perhaps is still more significant is that the members of the Committee then made enquiries with individual workers as well as their leaders and unions. The Committee also had discussions with officials of the various factories. Furthermore, programme of the Committee was given publicity also though local newspapers. It is difficult to appreciate as to what better method the Committee could have adopted in order to elicit the reactions and views of the employers and the employees and in order to collect materials and data for the purpose of reporting to the Government in the matter of fixation of minimum rates of wages in the field in question.

10. Turning to Chapter II of the report we find that the Committee was more than sufficiently conscious of the nature of the industry and the field in which it was called upon to report. As mentioned in the report, the engineering industry is heterogeneous in character, there being considerable variation and diversity in the products manufactured and the nature of manufacturing processes carried out by different units. The Committee was also not oblivious of the distinction between a small workshop and a big factory. It was also not oblivious that the equipment used in the manufacturing processes also varies from very crude machine to well developed modern and sophisticated machine. As further observed by it, the diversity in the processes of manufacturing, the nature of the final product, size of the factory, the number of workers employed and skills required from them, the type of machinery used-all these factors add to the heterogeneous character of the industry.

11. The Committee has then referred to the growth and development of engineering industry in Maharashtra. It has found that the engineering industry has been steadily growing in the State of Maharashtra since thirties and received a sudden phillip after independence, particularly after the introduction of Five Year Plans. It also referred to the existence of Oil Engine Industry in mofussil centres. It also commented that the industry had not much developed in certain centres. It has also referred to the employment position in the engineering industry. It has also reported upon the production side in the engineering industry. It has also connected upon the fact that this industry having been concentrated in few areas boasted of fairly good organisations of both employers and employees.

12. It has, in Chapter III of its report, referred to the views of the employers and the employees. It has also stated that during the course of its various tours, quite a large number of employers and employees as well as their organisations submitted, either written memoranda or gave evidence before the Committee. The Committee has in detail referred to the various view points set forth on behalf of the employers. It has also specifically referred to various unions and organisations representing the interests of the employers and has summarised its diverse contentions. The Committee has then gone on to refer to the views on behalf of the employees and there also the Committee has summarised, but that too in an extensive manner, the various representations and views presented before it by the various employees" union as also union leaders.

13. We then find, in Chapter IV of the report further observations of the Committee, some of which give an indication that it did carry on its work in a highly satisfactory manner. As observed by the Committee, it visited a number of establishments at various centres in the State; it had discussions with the organisations of employers, unions of employees, as also individual employers and employees; it also visited establishments to acquaint itself with the actual working conditions at the place of work; it sent out investigators at various centres; it selected establishments in the industry for the study of the investigators, including small workshops employing less than 20 workers. The Committee found that the engineering industry was concentrated at three main centres in the State, namely, Greater Bombay and its adjoining industrial area Poona, Chinchwad and Pimpri and the adjoining area, and the Kolhapur, Sangli-Miraj and the adjoining areas. The Committee also observed that the industry was fast coming up in Nasik, Aurangabad and certain other centres. It also found that the location of the establishments in this industry was near the main towns and the centre of communications, there being very few factories in the villages.

14. The Committee has then gone on to divide the engineering factories into three main groups, viz., (i) the factories manufacturing articles of direct consumption, such as, steel furnitures, nuts and bolts, electric fans, switches, machineries, etc., (ii) those factories which are doing job-work mainly from the bigger establishments; and (iii) maintenance and repairs workshops. It has also then gone on to analyse and find out the different areas and localities where the aforesaid different groups of industries were situated. For instance, it found that at Pune and Kolhapur regions, factories were manufacturing goods for bigger establishments. In Nasik region, it was noted that a number of factories were manufacturing articles of direct consumption like spark plugs, industrial gaskets, nuts and bolts, etc., and the Bombay region was found to boast of multifarious varieties of factories, both of large-scale like M/s. Godrej Boyee Manufacturing Company and of small-scale like workshops having hardly 10 workmen manufacturing the same items. The Committee also noted that there were big steel foundries employing over 500 workers as well as small foundries employing 5 workers.

15. The Committee has then gone on to observe and note that the wages in the industry in question also varied from place to place. In a far off place like Nanded, the wage varied from Rs. 3 to Rs. 5 for an unskilled workman, whereas in a small establishment in Bombay the wage varied from Rs. 4 to Rs. 6. The Committee also found that the manufacturing processes also varied from establishment to establishment depending upon the nature and quality of the product. It further found that the occupations in most of the factories was almost of the same kind and category, namely, fitters, turners, shapers, assemblers, etc. It also found that the nature of work in the factories appeared to be strenuous and quite often hazardous. It has then been considered by the Committee in the report that both the employers and the employees in this industry were fairly well organised, as would be evident from the fact that largest numbers of awards and agreements existed in this industry. It also found that establishments employing 50 or more workmen were organised under the banners of different trade unions and were able to bargain collectively with the employers, though that was not the position so far as the establishments not covered under the Factories Act were concerned.

16. It is thereafter that we find in Chapter V of the report the recommendations of the Committee and even here we find indications regarding application of its mind by the Committee to the question involved. The Committee observed that the concept of minimum wage did not require any further elaboration than already found by the various authorities and previous Minimum Wages Committees, as reflected in their various reports. The Committee then observed that the minimum wage should not be so low as to be "below the subsistence level", nor should it be so high as to drive the marginal units from the business and thus aggravate unemployment situation. The Committee then notes that it has adopted the middle course in making its report and recommendations. The Committee then records that it has given full consideration to the various memoranda submitted by organisations of the employers and the employees as well as the views expressed during the course of its evidence-recording sessions. It has also recorded that it has also taken into consideration the prevailing wage level existing in this industry at the various centres and the recent rise in the consumer price index numbers and that it has also further considered the minimum rates of wages fixed recently by the Government For employees in other employments. It then observes that after making a thorough study, the Committee makes the recommendations embodied in the report.

17. Now, if this is the impression that one gathers after going through the report of the Committee, how is it possible to successfully contend that the work of the Committee was of an unsatisfactory nature and character or that the Committee did not proceed to carry out its duties in a proper manner. The report of the Committee need not reflect every aspect, every material, every data before it. The report is a report after all. It is not supposed to contain within itself the most minutes analytical or arithmetical dissection of all the aspects involved. If the report indicated that it has fully considered everything and if the report further

indicated the extensive coverage by the Committee and if the report further indicated that full scope was given both to the employers and the employees to represent their views before the Committee and if the report indicated that the said views, materials and dates and memoranda collected have been taken into consideration while making its ultimate re-commendations, it would then be virtually impossible to even so characterise the report as either perfunctory or unsatisfactory or disclosing non-application of mind or made in ignorance of the relevant factors and considerations. It is, therefore, not possible to accept the contention aforesaid of the Learned advocate Mr. Ramaswami.

18. The contention of Mr. Ramaswami that the Committee did not apply its mind must, therefore, also suffer the same fate. If at all, we find extensive application of mind by the Committee. One cannot, in this context, ignore that the Committee consisted of several representatives of the employers. One also cannot ignore that as many as five thousand questionnaires were sent out, nor can one ignore that extensive publicity and opportunity was given to all concerned persons to present their views before the Committee. All this can be the result only of application of mind. The report thereafter submitted also indicates very good application of mind to all the material data, memoranda and evidence collected by the Committee in the process of its investigation.

19. Mr. Ramaswami then contended that the needs of the employees were not considered by the Committee. It is not possible for us to accept this contention. Indeed, going through the report, we find more than adequate consideration by the Committee of the needs of the employees. Employees' representatives were heard in extense. In the context of the work of the said Committee, it must be assumed and presumed that this hearing necessarily was in respect of, inter alia, the needs of the employees. It is not as if the Committee was working in a vacuum or in the abstract. It was going around in the performance of its functions in a satisfactory manner and it has indeed, according to us, well performed the said functions. Further-more, as already indicated above, the report need not necessarily reflect every minutes aspect of the matter taken into consideration by the Committee. Suffice if the report indicates that all relevant aspects were considered. The report herein also shows everything that was done by the Committee from March, 1973 when it was appointed till August, 1974, when it submitted its report. It is not possible to go behind such a report.

20. Mr. Ramaswami relied upon a decision of a Full Bench of the Kerala High Court in *West Coast Employers' Federation and Others Vs. State of Kerala and Others*, . We do not see how the said decision helps the aforesaid contention of the learned advocate. If at all the ratio of the said decision appears to run contrary to his contention. As observed in the said judgment the only relevant consideration for the fixing of the minimum wages is the minimal requirements of the workers concerned and no other considerations arise for consideration and that the minimum wages represent the limit below which the wages shall not be allowed to drop. There is nothing in the report of the Committee in the present

case to indicate that these minimal requirements of the workers were not at all taken into consideration. On the contrary, the whole effort and attempt of the Committee, as reflected by its report, indicates that its object was to find out much requirements. It was not for nothing that investigators were also appointed to visit selected establishments in the industry; it was also not for nothing that the members of the Committee personally went around various factories and workshops and personally interviewed individuals representing employers as also employees; it was also not for nothing that publicity to the working of the Committee in the local areas visited by it was given in advance through the local Labour Offices and newspapers. If all this was not to find out the requirements of workers, then for what purpose was this extensive set up enacted. It would be impossible to hold that the members of the Committee were either ignorant of the consideration of minimal requirements of the workers or that being conscious thereof they did not carry out its work with that end in view.

21. Mr. Ramaswami then contended that in any event the State Government did not apply its mind to the report and, in any event, on that ground the impugned notification is bad. Even this contention is not possible of acceptance. Indeed, we find from the petition as also the affidavit in reply filed both by the employees as also by the State Government that the State Government has more than applied its mind to the report of the Committee. It has even gone to the extent of modifying the recommendations of the Committee and, what is more, some of these modifications are to the prejudice of the employees and in favour of the employers to which class the petitioners belong. Going through the objections and the affidavits, we find, for instance, that the Government did not accept the recommendation of the Committee that in the event of increase in consumer price index beyond 1,150, there should be increase of special allowance at the rate of 7.5 paise per day for every 10 point rise. If this recommendation had been accepted, the un-controversial position emerging would have been that emerges is that a large class of employees in the engineering industry outside Bombay would have been extensively benefited, because the index numbers at different centres outside Bombay were far higher than the index number at Bombay. For instance, the table of consumer price index, also known as C.P.I., submitted before us and which is Annexure "A" to the Government's affidavit in reply, shows that whereas the index rise was 39 in Bombay, it was 42 in Pune, 48 in Sholapur, 72 in Jalgaon, 44 in Nagpur, 45 in Aurangabad and 43 in Nanded. Consequently, if the Government modified the recommendations of the Committee and fixed the quantum of special allowance linking it to the C.P.I. at Bombay uniformly, the benefit of that modification has gone not to the employees, but to the employers. That apart, this is an indication of the application of mind by the Government to the report of the Committee. This is also an indication of the objective application of mind by the Government to the report. It has not gone out of its way to favour the employees. It has seen to it that both the employers as also the employees were treated fairly and justly.

22. Yet another indication of the Government's application of mind, once again

also in favour of the employers, is seen from the fact that whereas the Committee had recommended wage of Rs. 6 per day for an unskilled workman in the lowest one, the State Government did not accept the said recommendation, but instead fixed, by its impugned notification, a lower wage of Rs. 5.25 per day in the lowest zone. It is, therefore, extremely difficult to accept the contention that there has been no application of mind by the State Government to the report of the Committee. We have given the above, two instances only by way of illustration, but they are important illustrations indicating application of its mind by the Government before it issued the impugned notification. A notification is not expected to itself indicate application of mind in any extensive manner. It is after all a notification being the ultimate culmination of the entire process.

23. Mr. Ramaswami then contended that classification of zones either by the report or by the notification was not based on any rational ground and the same in any event, requires to be struck down. Now, as observed by the Supreme Court in the case of Chandra Bhavan Boarding and Lodging, Bangalore Vs. The State of Mysore and Another,

"The fixation of minimum wages depends on the prevailing economic conditions, the cost of living in a place, the nature of the work to be performed and the conditions in which the work is performed. The contention that it was impermissible for the Government to divide the State into several zones is opposed to S. 3(3) as well as to the scheme of the Act."

24. Therefore, fixation of zones is permissible under the Act. Indeed, as is well-established what is barred is not classification, but class legislation. Further, as is again well-known, the very object of classification is to bring about equality. There is no perfect equality. Such equality as is best under all the circumstances of the case can many a times be brought about by classification. Classification, per se, therefore, cannot be said to be bad. On the merits of the classification, we do not see why the classification in the instant case is bad. Several factors enter into classifying a State into various zones. It would not be open to a Court to go into those various circumstances and analyse the social, economic and other conditions of the various localities in the State and meticulously scrutinise and analyse whether the classification ultimately made by the Government was proper or not. For this, as in many other fields, the executive is the best judge of the matter and in the absence of any mala fides or good faith, a Court would normally be inclined to uphold the classification.

25. As observed by the Supreme Court in the case of Bhikusa Yamasa Kahatriya Vs. Sangamner Akola Taluka Bidi Kamgar Union, , conditions of labour vary in different industries and from locality to locality, and the expediency of fixing minimum wages, and the rates there of depends largely upon diverse factors which in their very nature are variable and can properly be ascertained by the Government which is in charge of the administration of the State. It is to carry out effectively the purpose of this re-enactment that power has been given to the appropriate Government to decide, with reference to local conditions, whether it

is desirable that minimum wages should be fixed in regard to any scheduled trade or industry, in any locality, and if it be deemed expedient to do so, the rates at which the wages should be fixed in respect of that industry in the locality. The classification in the present case, therefore, cannot be said to be either irrational or arbitrary.

26. We may now observe that though we have heard Mr. Ramaswami extensively on the aforesaid aspects, we have done so with a view not to give to the petitioners any feeling of not having been heard on their petition. Our view, however, has been that at least some of the above aspects are really not aspects which can be gone into in a writ petition under the Constitution. Whether the work of a particular Committee appointed by the State Government is satisfactory or not and whether a report submitted by the said Committee to the Government is good or not, can hardly be said to be a matter which is justiciable. Even otherwise, whether the notification ultimately issued by the Government is on its own merits good or bad can only be subject to a limited challenge in a Court of law. It is not the case of the petitioners herein that any of their fundamental or constitutional rights is violated. The whole brunt of the attack was on the manner of the working of the Committee and the non-application of its mind by the State Government to the report. So far as the first aspect is concerned, it can hardly be subject-matter of a writ petition as of the instant nature. So far as the second aspect is concerned, we have already seen that there has been application of mind by the State Government after the receipt of the Committee's report and we have also further seen that the application of mind has been, at more than one place, more in favour of the employers than in favour of the employees. It may, in the context, be also relevant to note that though public notice under Order 1, Rule 8 of the Code of Civil Procedure, was issued in this case, not a single employer from the State has come forward to make any grievance against the impugned notification, save and except the petitioners who have filed the present petition.

27. Moreover, the report of the Committee was, after all, only a recommendation or an advice to the Government. Law did not require that the Government must accept the said advice. Indeed, law did not require the Government to even appoint a Committee. That was only an option which was exercised by the Government. The exercise of the said option is a further indication of the fact that the Government felt that since it proposed to include a new industry within the purview of the Minimum Wages Act, justice and fairness would be better served and the cause of the persons affected, including the employers, would be better served if an appropriate Committee was appointed by it to go into the matter and make a report.

28. Mr. Ramaswami did not, advisedly, challenge the validity of the Act itself. That the Act is valid is an issue long back settled by virtue of the decision of the Supreme Court in *Bijay Cotton Mills Ltd. Vs. The State of Ajmer*, . Then, as observed by the Supreme Court in the case of *U. Unichoyi and Others Vs. The*

State of Kerala,

"The determination of minimum wages must inevitably take into account several relevant factors and the decision of this question has been left by the legislature to the Committee which has to be appointed under the Act. We have already referred to the composition of the Committee and have reviewed very briefly its report. When a Committee consisting of the representatives of the industry and the employees considers the problem and makes its recommendations and when the said recommendations are accepted by the Government it would ordinarily not be possible for us to examine the merits of the recommendations as well as the merits of the wage structure finally notified by the Government."

29. It would be best to conclude this judgment by yet another observation of the Supreme Court in the case of Bhikusa Yamasa Kahatriya Vs. Sangamner Akola Taluka Bidi Kamgar Union,

"Fixation of rates of wages and the revision thereof were manifestly preceded by a detailed survey and enquiry and the rates were brought into force after full consideration of the representations which were made by a section of the employers concerned. It would be difficult in the circumstances to hold that the notification - which fixed different rates of minimum wages for different localities, was not based on intelligent differential having a rational nexus with the object of the Act ..."

In this view of the matter that we take, we find no good reason to find any fault with the impugned notification. We hold the same to be a valid notification issued by the State Government in exercise of its powers in that behalf under the provisions of the Act in question.

30. In the result, this petition stands dismissed with costs in favour of the contesting respondents. We further direct that the petitioners herein will pay the arrears of minimum wages accorded from the point of time when it fell due after the crossing of the index beyond 301 with interest thereon at the rate of 6 per cent from the aforesaid date till payment. We have taken the cost of living index at point 301 as the basis, because that was taken as the basis earlier by this Court at the time of passing an order of interim relief on 11-4-1975.

31. Rule discharged with costs.

32. For the reasons stated in our judgment in Special Civil Application No. 381 of 1975, Rule in Special Civil Application No. 770 of 1975 also will stand discharged with costs. In this petition also we direct that the petitioners will pay the arrears of minimum wages accrued from the point of time when it fell due after the crossing of the index beyond 301 with interest thereon at the rate of 6 per cent from the afore-said date till payment.