



W.P No.3603/2025, etc.

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on	Pronounced on
28.04.2025	19.06.2025

CORAM

THE HONOURABLE MR. JUSTICE M.DHANDAPANI

W.P. NOS. 3603, 2195, 1197, 1823, 1827 & 1832 OF 2025

AND

W.M.P. NOS. 2545, 2087, 2080, 2073, 1438 & 2091 OF 2025

W.P. No.3603 of 2025 :

Manatec Electronics Pvt. Ltd.
Rep. By its Deputy General
Manager (HR & Admin) Mr. P.D.Sekar
No.C-22 & 23, Thantanchavady Industrial
Estate, Puducherry 605 009.

.. Petitioner

- Vs -

1. The Union Territory of Puducherry
Rep. By its Chief Secretary
Government of Puducherry
Puducherry.

2. The Government of Puducherry
Rep. By its Secretary to Government
Labour Department
Puducherry.

3. The Addl. Secretary to Government (Labour)
Labour Department



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Government of Puducherry
Puducherry.

4. The Commissioner (Labour)
Labour Department
Vazhudavoor Road
Gandhi Nagar, Puducherry 605 009.

.. Respondents

W.P. No.1197 of 2025

M/s.Fastenex Private Ltd.
Rep. By its Managing Director
Mr. A.L.Shah
A-25, Industrial Estate, Thattanchavady
Pondicherry 605 009.

.. Petitioner

- Vs -

The Government of Puducherry
Rep. By its Addl. Secretary to Government
Labour Department
Pondicherry 605 001.

.. Respondent

W.P. No. 2195 of 2025

Chemfab Alkalies Ltd.
Rep. By its DGM
HR. V.Kannappan
'Gnanananda Place'
Kalapet, Puducherry 605 104.

.. Petitioner

- Vs -

The Government of Puducherry
Rep. By its Addl. Secretary to Government



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Labour Department
Pondicherry 605 001.

.. Respondent

W.P. No.1823 of 2025

Hotels Association of Pondicherry
Rep. By its President Mr. A.Baskaran
No.237, Lal Bahadur Shastri Street
Puducherry 605 011.

.. Petitioner

- Vs -

1. The Union Territory of Puducherry
Rep. By its Chief Secretary
Government of Puducherry
Puducherry.
2. The Government of Puducherry
Rep. By its Secretary to Government
Labour Department
Puducherry.
3. The Addl. Secretary to Government (Labour)
Labour Department
Government of Puducherry
Puducherry.
4. The Commissioner (Labour)
Labour Department
Vazhudavoor Road
Gandhi Nagar, Puducherry 605 009.
5. Centre of Indian Trade Union (CITU)



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Puducherry State Committee
Rep. By its President, No.42, Cuddalore Road
Bharathi Mill Thittu, Mudaliarpet
Puducherry – 4.
(R-5 Impleaded vide order dated 19.2.2025
in WMP No.6339/2025)

.. Respondents

W.P. No.1827 of 2025 :

Nithya Packaging Pvt. Ltd.
Rep. By its Joint Managing Director
Mr. P.Thamotharan
No.258/1&2, IOC Gas Plant Road
Odiampet Village
Villianur Commune, Puducherry 605 110.

.. Petitioner

- Vs -

1. The Union Territory of Puducherry
Rep. By its Chief Secretary
Government of Puducherry
Puducherry.
2. The Government of Puducherry
Rep. By its Secretary to Government
Labour Department
Puducherry.
3. The Addl. Secretary to Government (Labour)
Labour Department
Government of Puducherry
Puducherry.
4. The Commissioner (Labour)



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Labour Department
Vazhudavoor Road
Gandhi Nagar, Puducherry 605 009.

.. Respondents

W.P. No.1832 of 2025 :

All Pondicherry Plastics Traders &
Manufacturers Association
Rep. By its President, Mr. S.Babu
No.A-7, Thattanchavady Industrial Estate
Puducherry 605 009.

.. Petitioner

- Vs -

1. The Union Territory of Puducherry
Rep. By its Chief Secretary
Government of Puducherry
Puducherry.

2. The Government of Puducherry
Rep. By its Secretary to Government
Labour Department
Puducherry.

3. The Addl. Secretary to Government (Labour)
Labour Department
Government of Puducherry
Puducherry.

4. The Commissioner (Labour)
Labour Department
Vazhudavoor Road
Gandhi Nagar, Puducherry 605 009.

.. Respondents



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WEB COPY W.P. No.3603, 1823, 1827 & 1832 of 2025 filed under Article 226 of the

Constitution of India praying this Court to issue a writ of certiorarified mandamus calling for the impugned final notification in G.O. Ms. No.11/AIL/Lab/G/2024, Puducherry dated 02.09.2024, issued by the 2nd respondent herein , signed by the 3rd respondent herein, published in the Gazette of Puducherry in No.125 dated 20.09.2024 and to quash the same and consequently direct the respondents herein to have effective consultation with the petitioner's company and to consider their objections and suggestions put forth by the petitioner's company effectively while undertaking the process of revising the minimum wages for the employees in the Electronic Industries.

W.P. Nos.1197 and 2195 of 2025 filed under Article 226 of the Constitution of India praying this Court to issue a writ of certiorari calling for the records of the respondent relating to the impugned notification in G.O. Ms. No.11/AIL/Lab/G/2024, dated 02.09.2024 and quash the same.

For Petitioners : Mr. D.Ravichander in WP
Nos.3603, 1823, 1827 &
1832/2025
Mr. K.Ravi, SC, for M/s.Rugan &
Arya in WP Nos.2195 &
1197/2025



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For Respondents : Mr. V.Vasanthakumar, AGP (P)

COMMON ORDER

Assailing the impugned notification in and by which the minimum rates of wages have been revised in respect of employees employed in the petitioner industries as also the other industries in the Union Territory of Puducherry, the present writ petitions have been filed by the respective petitioners.

2. It is the case of the petitioners that the Labour Department originally published proposal for revision of minimum rates of wages payable to the employees employed in the various industries, which includes the industries of the petitioners as well, vide the notification in G.O. Ms. No.33/AIL/Lab./G/2023 dated 14.8.2023, which was published in the Official Gazette of Puducherry on 12.9.2023 calling for objections and suggestions from persons likely to be affected by the aforesaid notification, to be submitted within 60 days from the date of publication of the aforesaid notification of proposal for revision of minimum wages.



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3. It is the further averment of the petitioners that without following the procedures contemplated for revision of minimum wages, as provided under the Minimum Wages Act (for short 'the Act'), the impugned notification has been published in the Government Gazette and aggrieved by the same, the present petitions have been filed by the various stakeholders.

4. Learned counsel appearing for the petitioner in W.P. Nos. 3603, 1823, 1827 & 1832/2025 submitted that there is infraction of Section 5 (a) of the Act. It is submitted that while Section 5 (2) of the Act clearly spells out that the appropriate Government shall revise the minimum rates of wages in respect of each scheduled employment only after considering the advice of the Committee or after considering the representation received from the stakeholders u/s 5 (1)(b) of the Act, however, there is nothing on record to show that the objections and suggestions submitted by the stakeholders were taken into consideration by the Committee while finalizing the report, which has been approved by the appropriate Government and, therefore, the said notification prescribing minimum wages is violative of the mandate provided for under the Act.



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5. It is the further submission of the learned counsel that Section 5 (2) of the Act, which provides for the constitution of the Advisory Board provides that the members of the committee shall include persons representing the employees and employers of the various industries. However, there is no representation of persons representing the various industries, who have filed the writ petitions and, thereby, there is infraction of the mandate with regard to constitution of the committee and, therefore, the consultative process, which is alleged to have taken place is wholly ineffective and the report prescribing minimum wages, which has been accepted stands vitiated insofar as electronics industry is concerned.

6. It is the further submission of the learned counsel that there is no due application of mind by the respondents with regard to fixation of minimum wages, as the minimum wages for the various types of employees have been fixed at the same rate irrespective of skilled and unskilled labourers. The fixation of same minimum wages of both skilled and unskilled labourers vitiate the manner in which the minimum wages has been arrived at and renders the fixation bad.



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7. It is the further submission of the learned counsel that the manner of fixation of minimum wages clearly reveal that there is no proper application of mind to the objections and suggestions and the rates that are prevalent in the neighbouring State have been adopted for the purpose of fixation of minimum wages in the Union Territory of Puducherry. Further, the yardstick on which the said minimum wages has been arrived at has also not been clearly spelt out and before fixation of minimum wages, the views and suggestions of the stakeholders have not been taken into account nor properly appreciated by the respondents, which clearly vitiates the fixation of minimum wages.

8. The failure on the part of the respondents in issuing the final impugned notification without properly hearing the stakeholders and without following the due procedure mandated under the Act renders the impugned notification liable to be struck down and, accordingly prays for appropriate orders.

9. Learned senior counsel appearing for the petitioners in WP Nos.2195 & 1197/2025, submitted that even in respect of the draft notification, which was



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issued in the year 2015, writ petition in W.P. No.10773/2016 along with several other writ petitions were filed and the draft notification was stayed and, thereafter, it was disposed of vide common order dated 12.7.2023 on the ground that the period of five years have passed, which necessitates the issuance of a fresh notification. However, while disposing the said writ petitions, direction was issued that while fresh revision is contemplated and draft notification is issued, the procedures contemplated under the Act, including providing opportunity to all the stakeholders is followed.

10. In spite of the aforesaid order, learned senior counsel submits that fair wages as per market standards was being paid to all the employees irrespective of the fact that minimum wages have not been notified over the last nine years.

11. It is the further submission of the learned counsel that a fresh notification was issued on 31.1.2023 with a fresh draft proposal to revisit the rates far more than what was provided in the earlier notification was done. It is the further submission of the learned senior counsel that objections/suggestions was called for from the stakeholders with regard to the draft proposal notified.



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12. It is the further submission of the learned senior counsel that the Confederation of Indian Industry, of which the petitioners are also members, gave written recommendations dated 13.10.2023 raising several relevant points while submitting their objections/suggestions to the draft proposal.

13. It is the further submission of the learned senior counsel that though the Advisory Board meeting was alleged to be held on 26.2.2024, which is evident from the minutes of the meeting and the Confederation of Indian Industry is also alleged to have participated in the meeting. It is further submitted that it has been further minuted that the members who had attended the meeting have unanimously agreed to notify the preliminary notification except the employment in certain industries, which could be seen from the minutes and there is no reference to the objections/suggestions given by the petitioners nor there is any inference that the said objections/suggestions were taken note of during the deliberations by the Advisory Board.



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14. It is the further submission of the learned senior counsel that the constitution of the Board is vitiated, as the appropriate Government is also the independent member and Chairman of the Advisory Board and the self-nomination defeats the purpose of independent person, more particularly if the said person is appointed as the chairman. In the present case, the Addl. Secretary being designated as the chairman of the Board, who is the signing authority in the notification, it clearly violates the maxim *nemo judex in causa sua* thereby violating the principles of natural justice.

15. It is the further submission of the learned senior counsel that the objections/suggestions of the petitioner's industries were not at all taken into consideration. It is the further submission of the learned senior counsel that the objections/suggestions of the entire industrial sector ought to be taken into consideration, while fixing the minimum wages, as the fixation of minimum wages for all the industries, without proper consideration of the objections/suggestions would affect the entire spectrum of industries to which the notification applies.



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16. It is the further submission of the learned senior counsel that the minimum rates of wages have been revised without specifying under what authority of the provision of the Act the said revision is undertaken. It is further submitted that the notification is also silent on the 'basic' wage applicable to each class of employees and though the basic wage is not defined under the Act, the cost of living index number' is defined and the cost of living index should have ascertained while fixing the minimum wages of each class of employees. In spite of the fact that there is no definition of basic wage under the Act, the minimum rate of wage has been fixed, as per the notification, by taking into consideration the 'basic wage' and the average DA points of the Consumer Price Index, which clearly reveals that the fixation of minimum wages is on the basis of the Consumer Price Index and not on the Cost of Living Index, which alone is provided under the Act and, therefore, fixing the minimum rates on the basis of Consumer Price Index is grossly erroneous.

17. It is the further submission of the learned senior counsel that even otherwise, the Consumer Price Index, which has been considered for the present revision are applicable only to Chennai and it cannot be made applicable to



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Pondicherry, inspite of the fact that Pondicherry is in close proximity to Chennai and the Cost of Living index in Pondicherry cannot be made comparable to Chennai, which is a larger cosmopolitan city/metro. In support of the aforesaid submission, learned senior counsel placed reliance on the decision of the Apex Court in ***Workmen Employed by M/s.Indian Oxygen Ltd. – Vs – M/s.Indian Oxygen Ltd.***

18. It is the further submission of the learned senior counsel that the Dearness Allowance component should not be treated as an independent component of the minimum wages and it should be treated as part and parcel of the process of computing the minimum wages, which is to be determined after considering the cost of the necessities. In this regard, learned senior counsel relied on the decision of the Apex Court in ***Air Freight – Vs – State of karataka (1999 SCC OnLine SC 693)***.

19. It is the further submission of the learned senior counsel that minimum wages for the very same type of workers is fixed differentially across the different types of industry, which has no rationale in fixation. When the



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same class of workers across the different industries are doing the very same work, without any justification fixing of different wages for the very same class of workers is unfair both on the employers as well as on the employees. It is the further submission of the learned senior counsel that in case of certain class of workers across different industries, the minimum rate of wages of a skilled worker is less than the unskilled workers across different industries and that is no reasonable justification for the same.

20. It is therefore the submission of the learned senior counsel that the fixation is not only in violation of principles of nature justice, but clearly reveals non-application of mind and the objections/suggestions have not been considered in proper perspective by the respondents as directed by this Court before publishing the impugned notification and, therefore, the impugned notification deserves to be quashed.

21. In support of the aforesaid submissions, learned senior counsel appearing for the petitioners, in addition to the aforesaid decisions, placed reliance on the following decisions :-



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- i) *R – Vs – Sussex Justices (1924 (1) KB 256);*
- ii) *Cooper – Vs – Wilson (1937 (2) KB 309);*
- iii) *Manak Lal – Vs – Dr.Prem Chand (AIR 1975 SC 425);*
- iv) *S.N.Mukherjee – Vs – Union of India (1990 (4) SCC 981); and*
- v) *Gullapalli Nageswara Rao – Vs – APSRTC (1958 SCC OnLine SC 49)*

22. Per contra, learned Addl. Government Pleader appearing for the respondents submit that the Advisory Board has been constituted on the basis of the ratio laid down by the Apex Court in ***Ministry of Labour Rehabilitation & Anr. – Vs – Tiffin’s Barytes Asbestos & Pants Ltd. & Anr. (1985 (3) SCC 594)*** and there is no infraction and independent persons as also the representatives of the employers and employees have been inducted in the Advisory Board and, therefore, the constitution of Advisory Board is in consonance with Section 9 of the Act.

23. It is the further submission of the learned Addl. Government Pleader that the method adopted for fixation of minimum wages is based on the fixation as has been carried out in the State of Tamil Nadu, which is the most proximate State to the Union Territory of Puducherry. It is the further submission of the



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learned Addl. Government Pleader that though Chennai is a metropolitan city, however, the consumer price index of Chennai is low compared to Puducherry, but the consumer price index of Chennai alone is adopted for fixation of minimum wages so as to maintain parity between the adjacent States.

24. It is the further submission of the learned Addl. Government Pleader that there is due compliance of the directions of this Court in W.P. No.10773/2016 and opportunity has been granted to all the stakeholders to submit their objections/suggestions and all those have been taken into consideration while fixing the minimum wages.

25. It is the further submission of the learned Addl. Government Pleader that insofar as fixing of different minimum wages for different industries, which according to the petitioners is unsustainable, referring to the decision of the Apex Court in *Bhaikusa case (supra)*, it is submitted that as per the ratio laid down therein, the fixation of minimum wages depends on the prevailing economic conditions, the cost of living in a place, the nature of work to be performed and the conditions in which the work is performed as held by the Apex Court in the



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case of **Chandra Bhavan Boarding & Lodging, Bangalore – Vs – State of Mysore & Ors. (1969 (3) SCC 84)**. Scrupulously following the ratio laid down therein, the Advisory Board, taking into consideration the objections/suggestions, has fixed the minimum wages and has issued the final notification.

26. It is the further submission of the learned Addl. Government Pleader that in the meeting of the Advisory Board held on 23.1.2024 and 26.2.2024, the meeting was attended by all the members, including the representatives of the employers and the employees including the President of the Confederation of Indian Industries and after recording their views and suggestions, recommendations were given by the Advisory Board after taking into consideration the consumer price index for fixing the minimum wages, whereinafter the final notification was issued and, therefore, there is full compliance of the provisions of the Act. It is therefore submitted that the minimum wages prescribed in the aforesaid notification is in consonance with the provisions of the Act and, therefore, no interference is warranted with the same.



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27. This Court gave its anxious consideration to the submissions advanced by the learned counsel appearing on either side and perused the materials available on record as also the decisions relied on by the learned counsel for the petitioners.

28. Before embarking upon answering the issue, which is raised before this Court, the object of the Act and the consequences thereof towards the workmen and the employer has been dealt with in extensor by the Apex Court in ***M/s.Bhikusa Yamasa Kshatriya & Anr. – Vs – Sangamner Akola Taluka Bidi Kamgar Union & Ors. (AIR 1963 SC 806)***, wherein the Constitution Bench of the Apex Court, examining the object of the Act held that avoidance of exploitation of workers was the pivotal reason for the enactment of the Act and in the said context, held as under :-

“5. The object and policy of the Legislature appear on the face of the Act. The object of the Act is to prevent exploitation of the workers, and for that purpose it aims at fixation of minimum wages which he employers must pay. The Legislature undoubtedly intended to apply the Act to those industries or localities in which by reason of causes such as unorganized labour or absence of machinery for regulation of



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wages, the wages paid to workers were, in the light of the general level of wages, and subsistence level, inadequate. Conditions of labour vary in different industries and from locality to locality, and the expediency of fixing minimum wages, and the rates thereof 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 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. By entrusting authority to the appropriate Government to determine the minimum wages for any industry in any locality or generally, the legislature has not divested itself of its authority, nor has it conferred uncontrolled power upon the State Government. The power conferred is subordinate and accessory for carrying out the purpose and the policy of the Act. By entrusting to the State Government power to fix minimum wage for any particular locality or localities the Legislature has not stripped itself of its essential legislative power but has merely entrusted what is merely an incidental function of making a distinction having regard to the special circumstances prevailing in different



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*localities in the matter of fixation of rates of minimum wages. Power to fix minimum rates of wages does not by itself invest the appropriate Government with authority to make unlawful discrimination between employers in different industries. Selective application of a law according to the exigencies where it is sanctioned, ordinarily results in permissible classification. Article 14 forbids class legislation but does not prohibit reasonable classification for the purpose of legislation. If the basis of classification is indicated expressly or by implication, by delegating the function of working out the details of a scheme, according to the objects of the statute and principles inherent therein, to a body which has the means to do so at its command the legislation will not be exposed to the attack of unconstitutionality. In other words, even if the statute itself does not make a classification for the purpose of applying its provisions, and leaves it to a responsible body to select and classify persons, objects, transactions, localities or things for special treatment, and sets out the policy or principles for its guidance in the exercise of its authority in the matter of selection, the statute will not be struck does as infringing Art. 14 of the Constitution. This principle is well recognised : see *Kathi Raning Rawat v. The State of Saurashtra*, 1952 SCR 435 : (AIR 1952 SC 123)."*

(Emphasis Supplied)



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29. Keeping the principles aforesaid in mind, traversing through the materials available on record reveals that over the past nine years, the minimum wages, insofar as the Union Territory of Puducherry is concerned, have not been revisited. In fact, even when revisitation was taken up in the year 2015 by way of publication of draft notification, W.P. No.10773/2016 was filed in which an order of stay was initially granted that nothing went through and after five years, the writ petition was closed by noting that the life of the notification stood lapsed on the completion of five years and direction was issued that as and when a fresh notification for raising the minimum wages is issued, all the stakeholders shall be afforded an opportunity of hearing to put forth their objections/suggestions, which shall be taken into consideration before any notification revising minimum wages is passed.

30. The main grievance espoused on behalf of the petitioners is that the stakeholders were not given an opportunity during the process of consultation by the Advisory Board with regard to enhancement of minimum wages. Further, the Advisory Board was not properly constituted as there is no proper representation for employees and the employers and that the impugned notifications clearly



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reveals non-application of mind, as the minimum wages fixed for the skilled workers is less than that of unskilled workers. Further, the minimum wages have not been fixed based on Cost of Living Index, but it has been fixed on the basis of Basic Wage and Consumer Price Index, which is not what is mandated under the Act.

31. The procedure for fixing minimum wages is provided for u/s 5 of the Act and for better appreciation, the same is quoted hereunder :-

“5. Procedure for fixing and revising minimum wages.-

(1) In fixing minimum rates of wages in respect of any scheduled employment for the first time under this 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.



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(2) After considering the advice of the committee or committees appointed under clause (a) of sub-section (1), 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 appropriate 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:

Provided that where the appropriate Government proposes to revise the minimum rates of wages by the mode specified in clause (b) of subsection (1), the appropriate Government shall consult the Advisory Board also.]”

32. Sub-section (1) of Section 5 reveals that where minimum wages are sought to be fixed by the appropriate Government, either for the first time or revision subsequently, it shall appoint the necessary committees to advise it with regard to the fixation of minimum wages and by publishing 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.



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33. Sub-section (2) of Section 5 provides that the Government, after considering the advice of the committee or committees appointed under clause (a) of sub-section (1), 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 appropriate 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.

34. It is not in dispute that preliminary notification had been issued calling upon the stakeholders to submit their objections/suggestions on the proposal of the Government to revise the minimum wages. Pursuant to the said notification, the petitioners have also submitted their objections/suggestions. Therefore, there is clear fulfilment of Sections 5 (1)(b) and 5 (2) of the Act, as not only draft notification calling for suggestions/objections was published, the stakeholders have submitted their objections/suggestions, which were placed before the Advisory Board for deliberations and action. Once this Court comes to the conclusion that Section 5 (1)(b) and 5 (2) stands fulfilled, it goes without saying



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that the directions of this Court in W.P. No.10773/2016 stands fulfilled and contention to the contra does not merit acceptance. Therefore, the contention raised in regard to not providing opportunity to the stakeholders to submit their objections/suggestions deserves to be rejected.

35. The next of the contention relates to the composition of the Advisory Board, which according to the petitioners did not consist of members as provided u/s 9 of the Act and further the Chairman of the Committee is not an independent member, but the Addl. Secretary to Government. Section 9 of the Act, which deals with composition of committees, etc., reads as under :-

*"9. **Composition of Committees, etc.** :- Each of the committees, sub-committees and the Advisory Board shall consist of persons to be nominated by the appropriate Government representing employers and employed in the scheduled employments, who shall be equal in number and independent persons not exceeding one-third of its total number of members; one of such independent persons shall be appointed the Chairman by the appropriate Government."*



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36. The Addl. Secretary to Government has been appointed as the Chairman of the Board. True it is that Section 9 of the Act provides that an independent person, who has been nominated by the Government shall be appointed as the Chairman. However, it should not be lost sight of that independent persons are also picked by the Government and merely because the Addl. Secretary to the Government has been appointed as the Chairman of the Board, that would not vitiate the composition of the Board, as the Board consists of the Chairman and other members, who are drawn from the employers and the employees and also independent members and the majority decides on the wages that is to be fixed as the minimum wages and it is not the Chairman of the Board, who alone is vested with power to decide. He is merely a signature subscribing authority on the report which is to be forwarded to the Government and when the deliberations are being undertaken by all the persons in the Board, the lone person, viz., the Chairman, viz., the Addl. Secretary to Government, if appointed by the Government alone would not be a cause, which vitiates the appointment.



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37. Further, the above view of this Court is strengthened by the decision of the Apex Court in the case of ***Ministry of Labour & Rehabilitation & Anr. – Vs – Tiffin's Barytes Asbestos & Paints Ltd. & Anr. (1985 (3) SCC 594)***, wherein the Apex Court has held that where the Government itself is not the employer, the Government officials dealing with implementation of the Act can be included in the committee as independent persons. Therefore, the inclusion of the Addl. Secretary as an independent person and appointing as Chairman of the Committee cannot be said to be erroneous.

38. However, insofar as the composition of the Committee is concerned, though it is the claim of the petitioners that the employers and employees have not been properly represented in the Advisory Board, it is to be pointed out that the fixation of minimum wages has not been put in issue by the employees/workmen; rather, it is only the petitioners, who are the employers have come before this Court claiming that they have not been included in the Advisory Board, which infracts Section 9 of the Act and, therefore, the constitution of the Board not being in consonance thereof, the report submitted by the Board stands vitiated.



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39. Though such a contention has been advanced, it is to be noted that there has been effective representation on the part of the petitioners through the Confederation of Indian Industry of which the petitioners are members and it is evident from the affidavit of the petitioners that in the meeting of the Advisory Board held on 26.2.2024, it is evident from the minutes of the meeting that the Confederation of Indian Industry had represented the cause of the petitioners. Therefore, the contention that the petitioners' not forming part of the Advisory Board vitiates its composition is misconceived and deserves rejection.

40. Turning back to the contention relating to non-application of mind with regard to fixation of minimum wages and notifying the same in the official gazette, more particularly with reference to the minimum wages being higher for unskilled workers and low for skilled workers and also the minimum wages with respect to a particular type of unskilled workers belonging to different types of establishment being different, which according to the petitioners reveal clear non-application of mind by treating equal work unequally.



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41. It is borne out by record that upon publication of the draft notification, suggestions/objections were called for from the stakeholders, which were submitted by the various industries. In fact, the Confederation of Indian Industry, to which the petitioners are also members, had submitted their recommendations on the draft proposal. The meeting of the Advisory Board was held on 26.2.2024, which included the participation of the authorised representative of the Confederation of Indian Industry and in the meeting it was resolved as under :-

“The members unanimously have agreed to notify the above mentioned preliminary notifications, except employments in footwear industries, plastic industries, shop and establishments and detergent industries.”

42. From the above minutes, it is evident that there was consensus in the meeting with regard to adoption of the minimum wages notification and the Confederation of Indian Industry, which represents the petitioners had also participated and had given their approval for the said notification. Such being the case, the petitioners can neither claim that they were not included in the Board, as they were represented by the Confederation of Indian Industry nor



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could they claim that their suggestions/objections were not taken note of. When there has been a unanimous resolution to adopt the draft notification for minimum wages, it cannot be said that the Board had not properly applied its mind while fixing the minimum wages in regard to the various avocations in the respective industries.

43. Insofar as the fixation of differential minimum wages for the very same unskilled work done across various industries, which according to the petitioners, reveal non-application of mind, as differential minimum wages cannot be fixed for the very same type of work in different industries, it is to be pointed out that merely because differential minimum wages is fixed for the very same type of work in different industries, that cannot be said to reveal non-application of mind on the part of the Board. It is to be pointed out that though the type of unskilled work may be the same across different industries, but not necessarily all the nature of unskilled work in all the industries can be said to be the same. For example, two different industries may carry the nomenclature of work as a cleaner but the said individual may be doing different works depending upon the nature of the work in the particular industry. The work in a plastic industry,



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leather goods manufacture industry, hotel industry and chemical industry, even with regard to unskilled work, significantly differs and a common nomenclature of work defined as a cleaner cannot form the basis to fix the very same rate across the board for all the industries. Therefore, fixing of differential rates of minimum wages in regard to the unskilled work in different industries cannot be held to be non-application of mind on the part of the Board in fixing the wages. The Advisory Board is the best judge in fixing the minimum wages based on the type of work being rendered by a workman in the various industries and the Board forming part of all the stakeholders, which include the members/representatives of the petitioners had taken into consideration and fixed the minimum wages of the various skilled and unskilled workmen in different types of industries, merely because there is differential treatment with regard to fixation of minimum wages for workmen categorised to do certain types of work cannot be the basis to hold non-application of mind, as the said act cannot be said to be erroneous for the reasons aforesaid and the contention in this regard does not deserve acceptance.



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44. The further contention of the petitioners is that the fixation of minimum wages in different industries in relation to skilled and unskilled workers is on the higher side. To buttress the said stand, the petitioners have placed a working sheet along with the written submissions to substantiate their stand that the minimum wages are steeply high. However, it is to be pointed out that the exercise of fixation of minimum wages had been taken up after a period of about nine years. The fixation of minimum wages by issuing a draft notification in the year 2015 was stalled through the orders of stay passed by this Court in the year 2016 and the writ petition came to be dismissed in the year 2023, whereinafter, the present draft notification was issued, which culminated in the final impugned notification. A perusal of the working sheet reveals that there is an increase of about 70% over a period of 9 years, which in effect turns out that an increase of about 8% per year is the effective yield to the wages of the workmen. The above increase, by no stretch, could be held to be high or exorbitant. The tabulated statement merely shows the basic pay and dearness allowance in the year 2016 and 2024 and the flow through each year has not been shown. Merely the increase is shown to be 25.7% and 108% in the wages, but the manner in which the said computation has been made by the Advisory Board has to be looked into



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yearwise while deciding whether the hike is high. There being no empirical data placed before this Court, which would have been available before the Advisory Board, resulting in the unanimous agreement to adopt the minimum wages, the increase in minimum wages after a period of 9 years taking into account various cost factors by the Advisory Board cannot be said to be unreasonable or arbitrary warranting any interference.

45. For the reasons aforesaid, all these writ petitions fail and the same are dismissed. Consequently, connected miscellaneous petitions are closed. There shall be no order as to costs.

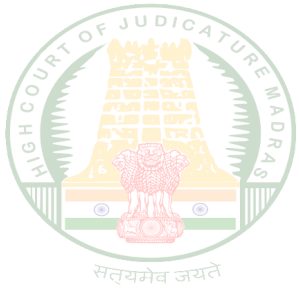
19.06.2025

Index : Yes / No

GLN

To

1. The Chief Secretary
Government of Puducherry
Puducherry.
2. The Secretary to Government
Labour Department, Govt. of Puducherry

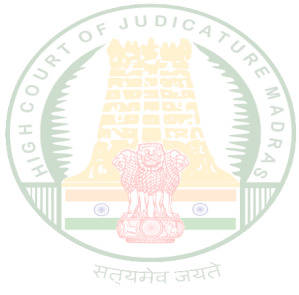


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3. The Addl. Secretary to Government (Labour)
Labour Department
Government of Puducherry
Puducherry.

4. The Commissioner (Labour)
Labour Department
Vazhudavoor Road
Gandhi Nagar, Puducherry 605 009.



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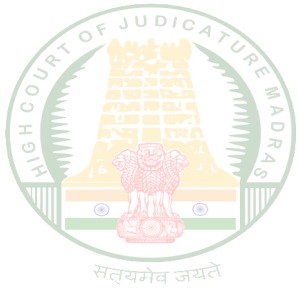


W.P No.3603/2025, etc.

M.DHANDAPANI, J.

GLN

**PRE-DELIVERY ORDER IN
W.P. NOS. 3603, 2195, 1197,
1823, 1827 & 1832 OF 2025**



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W.P No.3603/2025, etc.

**Pronounced on
19.06.2025**