



W.P. Nos.9479 & 974/2015 & 21983/2019

W.P.Nos.9479 & 974 of 2015 and 21983 of 2019

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M.DHANDAPANI, J.

Today, this matter is listed under the caption “For Being Mentioned” at the instance of the learned counsel for the 2nd respondent in W.P.No.974 of 2015.

2. When the matter was taken up for hearing, Mr.P.Prabhumukuntharunkumar, learned counsel submitted that, though he was present on 26.03.2025 and advanced his arguments effectively on behalf of the 2nd respondent in W.P.No.974 of 2015, however, his appearance was not marked in the order dated 26.03.2025 made in W.P.No.974 of 2015. Hence, this Court may direct the Registry to carry out the necessary corrections in the order copy dated 26.03.2025 and re-issue fresh order copy.

3. Though the learned counsel for the 2nd respondent in W.P.No.974 of 2015 appeared and made arguments, however, inadvertently, the appearance of the learned counsel was not marked. Accordingly, the



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appearance of the learned counsel for the 2nd respondent in W.P.No.974 of 2015 shall be marked in the order dated 26.03.2025.

4. All the other observations and conditions made in the earlier order dated 26.03.2025 shall remain intact, except for the above said correction.

5. Registry is directed to carry out the necessary correction in respect of the appearance of the learned counsel for the petitioner in the above said order dated 26.03.2025 and issue a fresh copy of the order to the learned counsel for the parties.

27.03.2025

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on	Pronounced on
13.03.2025	26.03.2025

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THE HONOURABLE MR. JUSTICE M.DHANDAPANI

W.P. NOS.9479 & 974 OF 2015

W.P. NO. 21983 OF 2019

AND

M.P. NO. 2 OF 2015 & W.M.P. NO. 21224 OF 2019

Kovai Mavatta Pricol Thoshilalar
Otrumai Sangam, rep. By its
General Secretary
No.126-C, Easwaran Koil Street
Opp. Pricol Co-operative Store
Periyanaikkanpalayam
Coimbatore 641 020.

.. Petitioner in WP 9479/15
& 21983/2019

United Labour Federation
Rep. By its Secretary
Mr. D.Christopher
IV Floor, CJ Complex
No.149, Thambu Chetty Street
Chennai 600 001.

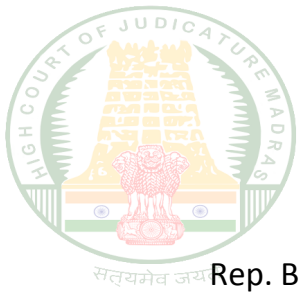
.. Petitioner in WP 974/15

- Vs -

Government of Tamil Nadu
Rep. By its Secretary
Labour & employment (D2) Department
Fort St. George, Chennai 600 009.

.. R-1 in WP 9479 & 947/15

Government of Tamil Nadu



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Rep. By its Principal Secretary
Labour & employment (D2) Department
Fort St. George, Chennai 600 009.

.. R-1 in WP 21983/19

M/s. NVH India Auto Parts Pvt. Ltd.
Rep. By its authorised Signatory
Plot No.B-68, SIPCOT Industrial Park
Irungattukottai, Kanchipuram Dist.
(R-2 impleaded vide order of court
Dated 20.03.2015 in MP 2/2015)

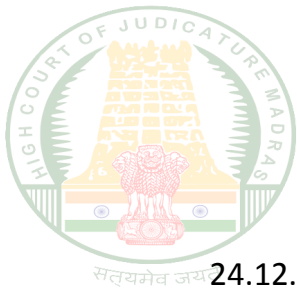
.. R-2 in WP 974/15

M/s.Hyundai Motor India Ltd.
Rep. By Mr. M.Sagadevan
Assistant General Manager
Legal & Secretarial
SIPCOT Industrial Park
Irungattukottai, Sriperumbudur
Kancheepuram District 602 117.
(R-2 impleaded vide order of court
Dated 06/04/2016 in MP 3/2015)

.. R-3 in WP 974/15

W.P. No.9479 of 2015 filed under Article 226 of the Constitution of India
praying this Court to issue a writ of certiorari calling for the records from the files
of the respondent in its G.O. (Ms) No.144 dated 3.12.2014 and G.O. (Rt.) No.331
dated 3.12.2014 notified in the Government Gazette dated 24.12.2014 issued by
the respondent and quash the same.

W.P. No.974 of 2015 filed under Article 226 of the Constitution of India
praying this Court to issue a writ of Declaration declaring the notification issued
in G.O. Rt. No.144 dated 3.12.2014 and published in the Official Gazette on



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24.12.2014 and the consequent notification namely G.O. Rt. No.331 dated 3.12.2014 published in the same Gazette to be ultra vires as offending Section 2 (n) (vii) and Section 40 of the Industrial Disputes Act and Article 14 of the Constitution of India.

W.P. No.21983 of 2019 filed under Article 226 of the Constitution of India praying this Court to issue a writ of certiorari calling for the records from the files of the respondent in the impugned G.O. (Rt.) No.180 dated 14.6.2019 of the Labour and Employment (D2) Department and the notification of the same in Tamil Nadu Government Gazette dated 3.7.2019 and quash the same.

For Petitioners : Mr. S.Kumarasamy, for
Mr. K.Bharathi in WP 9479/15 &
21983/19
Mr. V.Prakash, SC, for
M/s. K.Sudalaikannu in WP
974/15

For Respondents : Mr. P.Kumaresan, AAG, assisted
by Mr. K.Surendran, AGP for R-1
in all the writ petitions
Mr. K.Rajasekar for M/s.IPN
Associates for R-3 in WP 974/15
No Appearance for R-2 in WP
974/15

COMMON ORDER



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The issuance of Government Order adding 'Auto Components Manufacturing Industry' to the First Schedule of the Industrial Disputes Act (for short 'the Act') and the issuance of Government Order declaring the 'Auto Component Manufacturing Industry' as a public utility service for a period of six months from the date of publication of notification in the Tamil Nadu Government Gazette is put in issue before this Court by the petitioners by filing the present petitions.

2. While the writ petition in W.P. Nos.9479/15 and 974/15 have sought for quashment of G.O. (Ms) No.144 dated 3.12.2014 and G.O. (Rt.) No.331 dated 3.12.2014, W.P. No.21983/19 has been filed seeking quashment of G.O. (Rt.) No.180 dated 14.6.2019 and the consequential notification of the aforesaid Government Order in the Government Gazette dated 3.7.2019.

3. It is the case of the petitioners that they are Unions functioning for the welfare of the employees in Pricol Ltd. Plant III and Plant I and that the industry is a manufacturer of automotive component like Dash Boards, Meters & Oil Pumps and that the industry has been in existence for more than 35 years. It is the further case of the petitioners that during the third week of March, 2015, it came



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to the knowledge of the petitioners that the 1st respondent had included the auto components manufacturing industry in the First Schedule to the Act and also declared the said industry as a public service utility by issuing G.O. (Ms) No.144, Labour & Employment dated 3.12.2014.

4. In the above backdrop, it is the further case of the petitioners that the said declaration adversely affects the employees working in the auto component manufacturing industry. It is the further averment of the petitioners that right to strike for just and reasonable causes, which is a right of the labour force, stood negated by the declaration of the auto component manufacturing industry as public utility service. Once the industry is declared as a public utility service, it is practically not possible to resort to strike, which is a weapon in the hands of the workmen to receive just and reasonable work benefits, though equally, declaration of lockout by the management also stands negated.

5. It is the further averment of the petitioners that Section 2 (n)(v) defines public utility service as *“any industries specified in the First Schedule which the appropriate government may, if satisfied that public emergency or public interest so requires, by notification in the official gazette declare to be a public utility*



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*service for the purpose of the Act for such a period as may be specified in the notification and it has been further mandated that the said period, at the first instance shall not exceed six months, but may, by a like notification, be extended from time to time, by any period not exceeding six months, at any time, if **in the opinion of the appropriate Government, public emergency or public interest requires such extension**”.*

6. It is the further averment of the petitioners that Section 40 (1) empowers the Government to amend Schedule I if in the opinion of the appropriate Government, it is expedient in public interest to do, by notification in the official gazette add to the first schedule any industries and on such notification being issued the First Schedule shall be deemed to be amended accordingly.

7. It is the further averment of the petitioners that vide G.O. (Rt.) No.256 dated 10.8.2012, Automobile Manufacturing Industry has been declared to be a public utility service for a period of six months, however, the said industry has not been extended to be a public service utility beyond the initial period of six months, which, according to the petitioners, could only be inferred that the



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appropriate Government did not think that there was any public emergency or public interest to declare the Automobile Manufacturing Industry to be a public utility service beyond the initial period of six months.

8. It is the further averment of the petitioner that the Government of Tamil Nadu had entered into a MoU with Hyundai Motor India Ltd., in which one of the clause pertains to declaration of the said project as a 'public utility service' to prevent labour indiscipline. It is the further averment of the petitioners that the said demand resulting in the inclusion of the said clause is nothing but a pound of flesh taken out from the labour to be given to the automobile manufacturer to help meet out eventuality in case of any industrial unrest.

9. In the aforesaid backdrop, in the year 2014, the aforesaid two Government Orders have come to be issued and, thereafter, which Government Orders act in detriment to the rights of the labour protected under the Industrial Disputes Act and other Labour Laws and inspite of the fact that the above has been brought to the notice of the Government, no effective action has been taken on the said Government Orders and, therefore, left with no efficacious remedy, the present writ petitions have been filed.



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10. Learned senior counsel and the learned counsel appearing for the respective petitioners submitted that declaration of an industry as a public service utility could be only in case of public emergency or in public interest and it cannot be for the purpose of preventing labour indiscipline and to appease the industry. It is the further submission of the learned senior counsel that by such declaration, the rights of the labour, which has been provided under the Act have been robbed. In the same light, the declaration of the Auto Component Manufacturing Industry as a public utility service is nothing but an act robbing the labour of their rights which stands protected under the Industrial Disputes Act.

11. It is the further submission of the learned senior counsel that Section 2 (n) of the Act, which has delineated certain industries as public utility service, has provided for clause (vi), which authorises the Government to declare any service to be a public utility service and it does not clothe the Government with unfettered power to declare any industry as a public utility service, as satisfaction of the Government is to be recorded while declaring any industry as a public utility service. It is therefore the stand of the learned senior counsel for the petitioners that the Government is to form an opinion as to the necessity to



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declare any industry as a public utility service by recording its satisfaction, which clearly shows that an opinion as to satisfaction has to be formed before such declaration is issued.

12. It is further submission of the learned senior counsel that to declare an industry as a public utility service, whenever occasion arises, the same may be so declared, but would be subject to judging the emergency and public interest involved, which has to be subjectively satisfied by the Government. Therefore, it is submitted that there should be requisite materials for the Government to exercise its powers clause (vi) of Section 2 (n) of the Act. Without there being any emergency or the supply of the commodities not being essential, which is established, no industry could be declared as a public utility service. It is therefore the submission of the learned senior counsel that except public emergency and public interest no other circumstance could weigh in the mind of the appropriate Government to declare a particular industry to be a public utility service.

13. It is the further submission of the learned senior counsel that the demands of the workers or the management or the exigencies faced by the



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management are not relevant criteria to be taken into account for declaring an industry as a public utility service. In this regard, it is the submission of the learned senior counsel that though a strike may be justified in an industry because of reasonable demands of workers or a lock-out may be justified in the industry because of the difficulties faced by the management, both the things are prohibited in case the industry is declared as a public utility service, which is an exception to the general rights which the employees and the employees may otherwise enjoy. Therefore, the material to be considered by the authority is public emergency and public interest and it does not pertain to the demands of the workers or the difficulties faced by the Management. In short, the difficulty faced by the public due to the said strike or lock-out alone will have a direct impact on the declaration of an industry as a public utility service and would not be a consideration merely because the establishment being an industry.

14. It is the further submission of the learned senior counsel that the problems of the workers or the management are not relevant and it is only the needs of the general public which is relevant for the purpose of declaring an industry as a public utility service. It is the further submission of the learned senior counsel that declaration of an industry as a public utility service is only an



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extreme option available to the Government as the appropriate Government has powers u/s 10 (3) of the Act to prohibit continuance of strike or lock-out while referring the dispute for adjudication.

15. It is the further submission of the learned senior counsel that the Government has got powers u/s 10-B of the Act to issue orders regarding terms and conditions of service pending settlement of disputes for securing public safety or convenience or on the maintenance of public order or supply and services essential to the life of the community or for maintaining employment or for industrial peace in the establishment. In this regard, reference is drawn to a dispute that arose in Pricol Ltd., the Government has invoked Sections 10 (1) and (3) of the Act and passed orders, which has since been dealt with by this Court in W.A. No.777 of 2007 based on which G.O. Nos.393 and 394 dated 25.6.2009 were issued keeping in mind the public interest involved. Therefore, it is imperatively clear that declaration of an industry as a public utility service could be passed only when there are extraordinary circumstances covering an entire industry and for giving quietus to other issues, like industrial unrest, the other options provided under the Act have to be adverted to.

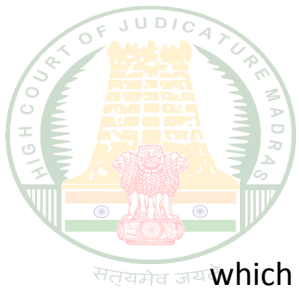


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16. It is the further submission of the learned senior counsel that inspite of industrial unrest over the past five years in respect of auto component units, the Government did not think it fit to declare the said industry as public utility service. In such circumstances, in the absence of subjective satisfaction on the requirement of public emergency and public interest, the objective rationale criteria has not been met and, therefore, the declaration of the auto components manufacturing industry as public utility service has been done in an arbitrary manner.

17. In the above stated scenario, learned senior counsel submits that the aforesaid Government Orders passed are not only arbitrary, unjust and illegal, but it seriously poses a threat to the collective bargaining rights of the workers and unions, which is provided for under the Labour Laws and trying to defeat the rights, without arriving at a subjective satisfaction by forming an opinion is wholly perverse and the impugned Government Orders deserve to be set aside.

18. Per contra, learned Addl. Advocate General appearing for the 1st respondent submitted that the Government had arrived at subjective satisfaction and formed an opinion before declaring the industry as a public utility service,



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which would be evident from the fact that the Government had constituted a committee under the Chairmanship of Commissioner of labour, Industries Commissioner and the Director of Industries and Commerce, the Executive Vice Chairman, Industrial Guidance and Export Promotion Bureau to recommend about declaring the Auto Components Manufacturing industry as a public utility service and only as per the report of the committee, the Government orders have come to be passed. Therefore, the contention of the petitioners that neither the Government had formed an opinion nor was there any subjective satisfaction arrived at is wholly erroneous.

19. It is the further submission of the learned Addl. Advocate General that the Government had recognized the automobile and auto components sector in particular to be labour intensive with huge potential for employment generation and the policy document stated that the automobile industry will be declared as a public utility to promote the industry, which was done to smoothen the uninterrupted operations to meet customer demands and maintain competitiveness in the State. Therefore, the vision clearly reveals that subjective satisfaction and opinion formation had taken place in the said declaration.



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20. It is the further submission of the learned Addl. Advocate General that Section 40 (1) of the Act confers power on the State to include any industry in the First Schedule to declare the same as a public utility service and that the declaration as a public utility service could only be made to the industry as a whole and not to a particular unit/establishment. The Government, considering the pros and cons had declared the auto component manufacturing industry as public utility service, which cannot be said to be arbitrary or perverse. Further it is submitted that the aspect of industrialisation by making the State as a auto components manufacturing hub was also kept in mind, while issuing the said declaration as the same will earn substantial foreign exchange to the Government.

21. It is the further submission of the learned Addl. Advocate General that more than six international brands of automobile manufacturers have their presence in the State and to cater to the requirement of components, the auto components manufacturing industries have been put up, which industries provide employment to lakhs of workers and improve the economic condition of the State and their sustenance is very much essential for the automobile industry, which alone would enable the products to come out as a whole in the market.



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22. It is the further submission of the learned Addl. Advocate General that the inclusion of Auto Components Manufacturing Industries as public utility service by including the said industry under the First Schedule to the Act was done with an aim to boost the industry and provide uninterrupted services to the public at large. Further the inclusion of the industry as a public utility service will only improve the work environment and avoid any exploitation of power by the management over the workmen. Hence, the inclusion and the consequent declaration of the industry as a public utility service was not done with any ulterior, sinister or oblique motive, but only in the interests of the public and the workmen and, therefore, the said Government Orders are well within the four walls of law, as provided under the Industrial Disputes Act.

23. It is the further submission of the learned Addl. Advocate General that the Government Orders, which have been put in issue, have declared the industries as public utility service for a period of six months, which period has already come to an end, thereby, nothing survives for consideration in the present petitions and the petitions have become infructuous. Accordingly, he prays for dismissal of the present petitions.



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24. This Court gave its careful consideration to the submissions advanced by the learned senior counsel and the learned counsel appearing on either side and perused the materials available on record.

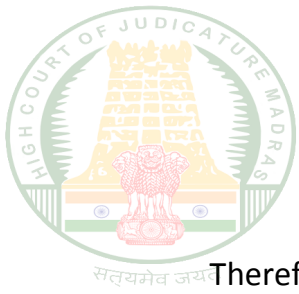
25. Even before embarking upon discussing the legality of the impugned Government Orders, it could safely be concluded that vide the aforesaid Government Orders, the State, by exercising its power u/s 40 of the Act had included Auto Components Manufacturing Industry in the First Schedule to the Act and, thereafter, had issued the Government Order declaring the Auto Components Manufacturing Industry as a public utility service u/s 2 (n)(vi) of the Act for a period of six months in the year 2014, vide G.O. Rt. No.331 dated 3.12.2014, which, as is not clear from the materials, has not been extended, but, thereafter, vide G.O. Rt. No.180 dated 14.6.2019, once again, Auto Components Manufacturing Industry was declared to be a public utility service for a period of six months, whereinafter, it is not clear as to whether the said period was extended.



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26. From the above, it is evident that during two broken phases, once in the year 2014, viz., from 3.1.2014 for a period of six months and, thereafter, in the year 2019, viz., from 14.6.2019 for a period of six months, the power vested u/s 2 (n)(vi) of the Act has been invoked declaring the Auto Components Manufacturing Industry as a public utility service. However, there being no extension after the said periods and as on date, there is no Government Order declaring the Auto Components Manufacturing Industry to be a public utility service, the present writ petitions, insofar as the reliefs claimed therein relating to the respective Government Orders have become infructuous.

27. However, it should not be lost sight of that the Government, by exercising its power u/s 2 (n)(vi) of the Act has, for two periods, declared the Auto Components Manufacturing Industry to be a public utility service, as vide G.O. Ms. No.144 dated 3.12.2014, the Auto Components Manufacturing Industry has been added to the First Schedule of the Act. Therefore, in view of the said addition, there is enough power vested on the Government to declare the auto components manufacturing industry as a public utility service, which would result in putting spokes in the bargaining power of labour, which has otherwise been vested through the provisions of the Industrial Disputes Act on the workmen.



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Therefore, even inspite of the fact that the relief sought for in the present writ petitions no longer survive, learned counsel appearing for the workmen wanted this Court to decide the larger issue as to whether the declaration of auto components manufacturing industry as a public utility service is permissible u/s 2 (n) (vi) of the Act as neither public emergency nor public interest exists in the said declaration. In such a backdrop, this Court would proceed to analyse the issue as to whether the declaration of the auto components manufacturing industry as a public utility service is permissible u/s 2 (n)(vi) of the Act and the said act of the Government is liable to be sustained.

28. First Schedule to the Industrial Disputes Act prescribes the industries which may be declared to be public utility services under sub-clause (vi) of clause (n) of Section 2. Vide G.O. Rt. Nos 122 and .256 dated 10.08.2012, Automobile Manufacturing Industry was included in the First Schedule to the Act and was also declared to be a public utility service by the Government in exercise of powers conferred u/s 40 of the Act for an initial period of six months. However, there is no clarity with regard to further extension of the said industry as a public utility service. Neither the inclusion nor the declaration of the automobile



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manufacturing industry as a public utility service has been questioned by the workmen or any other person at any point of time.

29. In the year 2012, one of the petitioner, viz., the petitioner in W.P. No.21983/19 had resorted to strike against which action was taken and at that point of time, a writ petition in ***W.P. No.33142/2012 (United Labour Federation – Vs – Government of Tamil Nadu & Ors.)*** was filed before this Court and a learned single Judge of this Court, vide order dated 2.7.2013, had allowed the petition and passed a slew of directions with regard to the strike by holding that the auto components manufacturing industry has not been declared to be a public utility service and, therefore, there was no embargo for the workmen therein to go on strike.

30. On the heels of the aforesaid order, communication was addressed by the Chairman, Automotive Component Manufacturers Association dated 25.8.2014, requesting the Government to declare the automobile and auto components industry to be a 'public utility service' under the Act, which, for better appreciation, is quoted hereunder :-



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“At the outset, I would like to once again congratulate the Govt. Of Tamil Nadu for bringing out an excellent Policy Document on Tamil Nadu Automobile and Auto Components Policy 2014.

The State’s Automobile and Auto Components Policy is widely recognised as a benchmark initiative and several states are now trying to follow in Tamil Nadu’s footsteps.

The Government of Tamil Nadu has also rightly recognised the automobile and auto components sector in particular to be labour intensive with a huge potential for employment generation.

The Policy document states that the automobile industry will be declared to be a ‘Public Utility’ under the Industrial Disputes Act, 1947 in order to prevent flash strikes. We, therefore, appeal to the Government of Tamil Nadu to expeditiously issue the Notification declaring the automobile and automotive components sector to be a “Public Utility Service” under Section 2 (n) of the Industrial Disputes Act, 1947 which will be of a great help to smoothen uninterrupted operations and to meet the customer demands and maintain competitiveness of the State.”

31. As could be seen from the above letter, reference was drawn to the Policy Document of the Government of Tamil Nadu, in and by which the Government of Tamil Nadu has expressed its inclination to declare the automobile industry as a ‘Public Utility’ under the Industrial Disputes Act. The relevant portion of the policy document is as under :-



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“8.12 Labour :

8.12.1 Automotive, and component sector in particular, is labour-intensive and has huge potential for employment generation.

8.12.2 Subject to applicable laws and as far as possible, the Government will consider giving permission to the automobile and auto components industry for 24 x 7 (three shifts) operations, employment of women in the night shifts, flexibility in employment conditions including working hours for women and shorter or longer shift timings and hiring of contract workers.

8.12.3 The automobile industry will be declared to be a ‘Public Utility’ under the Industrial Disputes Act, 1947 in order to prevent flash strikes.”

32. Based on the aforesaid policy document, an office note was prepared and circulated amongst the members of the Public Utility Service Committee, in which the following has been placed for consideration :-

“Therefore, we may recommend the Government for adding the Auto components manufacturing industry to the First Schedule of the Industrial Dispute Act, 1947 and declaring the above industry as Public Utility Service in accordance with Section 2 (n)(vi) of the Act after obtaining views from the members of P.U.S. committee.



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While examining this case, the fulfilment of the criteria is as follows :

i) *Whether any request is received from the employer?*

Yes. Request has been received from Automotive Component Manufacturers Association of India, Chennai.

ii) *Whether the Industry is strike/lockout prone?*

There was no strike in the applicant company during 2013.

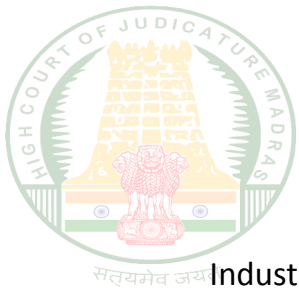
iii) *Whether the service of the industry is useful to the society?*

It is informed by the above company that the Government of Tamil Nadu has also rightly recognized the automobile and auto components sector in particular, to be labour intensive with a huge potential for employment generation and the policy document stated that the automobile industry will be declared to be a 'Public Utility' in order to prevent flash strikes and if the Automobile and Auto Components Industry declared as PSU which will help to smoothen uninterrupted operations and to meet the customer demands and maintains competitiveness of the State.

iv) *Whether the industry is earning foreign exchange?*

Yes. The industry is earning any foreign exchange."

33. Based on the above note circulated, the matter ended up at the hands of the Public Utility Service Committee, consisting of the Industries Commissioner & Director of Industries and Commerce and the Executive Vice Chairman of



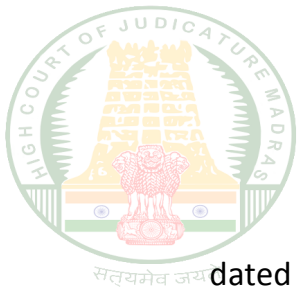
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Industrial Guidance and Export Promotion Bureau to offer their remarks for inclusion of the above industry in the First Schedule to the Act and declaring the Auto Components Manufacturing Industry as Public Utility Service.

34. Curiously, though the matter has been recommended for the consideration by the Public Utility Service Committee, however, the minutes and the deliberations of the Committee and the issues that weighed with the committee to offer its views for declaring the Auto Components Manufacturing Industry as a Public Utility Service has not been placed before this Court. There is only a crisp reference in the records placed by the 1st respondent to the effect that the file was circulated to the members of the Public Utility Service Committee for obtaining their remarks for inclusion of the Auto components Manufacturing Industry to the First Schedule of the Industrial Disputes Act, there is a mere reference in the file that the members of the PUS Committee have agreed for the said inclusion, but the minutes of the said meeting and the deliberations which took place are not available in the typed set of documents.

35. Based on the recommendations of the Committee, draft notification was issued which has finally led to the issuance of the aforesaid G.O. Ms. No.144



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dated 3.12.2014 by which the Auto Components Manufacturing Industry has been included in the First Schedule to the Industrial Disputes Act based on which G.O. (Rt.) No.331 dated 3.12.2014 and G.O. (Rt.) No.180 dated 14.6.2019 have been issued in and by which the Auto Components Manufacturing Industry has been declared to be a Public Utility Service for a period of six months.

36. In the above sequence of events, which has led to the declaration of the Auto Components Manufacturing Industry as a Public Utility Service, it becomes necessary for this Court to find out whether the said declaration satisfies the ingredients laid down u/s 2 (n) (vi) and 40 of the Act.

37. Section 2 (n) (vi) of the Act defines 'public utility service' and for better appreciation, the same is quoted hereunder :-

"2.

.....

(n) "public utility service" means--

(i) any railway service 2*[or any transport service for the carriage of passengers or goods by air];

[(ia) any service in, or in connection with the working of, any major port or dock;]



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(ii) any section of an industrial establishment, on the working of which the safety of the establishment or the workmen employed therein depends;

(iii) any postal, telegraph or telephone service;

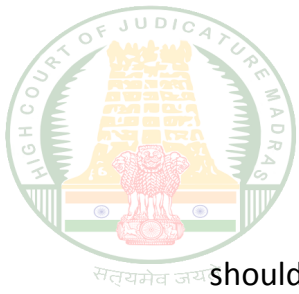
(iv) any industry which supplies power, light or water to the public;

(v) any system of public conservancy or sanitation;

(vi) any industry specified in the [First Schedule] which the appropriate Government may, if satisfied that public emergency or public interest so requires, by notification in the Official Gazette, declare to be a public utility service for the purposes of this Act, for such period as may be specified in the notification:

Provided that the period so specified shall not, in the first instance, exceed six months but may, by a like notification, be extended from time to time, by any period not exceeding six months, at any one time if in the opinion of the appropriate Government public emergency or public interest requires such extension;"

38. From a careful reading of sub-clause (vi) of clause (n) of Section 2, it is clear that the appropriate Government, may, if satisfied that public emergency or public interest so requires, by notification in the Official Gazette, declare any industry to be a public utility service for the purpose of this Act, for such period as may be specified in the notification. Therefore, the main ingredient is that there



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should be an element of public emergency or public involved, which alone could form the basis for the appropriate Government, in the present case, the State Government, to declare any industry to be a public utility service.

39. Further, for an industry to be declared a public utility service, the said industry should be notified under the First Schedule and Section 40 of the Act confers power on the State Government to include any industry in the First Schedule and the said provision, for better appreciation, is quoted hereunder :-

“40. Power to amend Schedules.-(1) The appropriate Government may, if it is of opinion that it is expedient or necessary in the public interest so to do, by notification in the Official Gazette, add to the First Schedule any industry, and on any such notification being issued, the First Schedule shall be deemed to be amended accordingly.

(2) The Central Government may, by notification in the Official Gazette, add to or alter or amend the Second Schedule or the Third Schedule and on any such notification being issued, the Second Schedule or the Third Schedule, as the case may be, shall be deemed to be amended accordingly.

(3) Every such notification shall, as soon as possible after it is issued, be laid before the Legislature of the State, if the notification has been issued by a State Government, or before Parliament, if the notification has been issued by the Central Government.]”

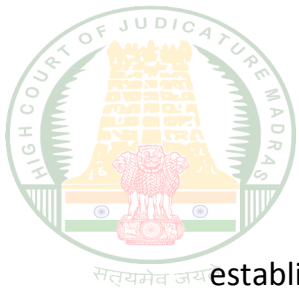


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40. Section 40 confers power on the Government to amend the Schedules and for the purpose of carrying out the said amendment, the appropriate Government, if it is of the opinion that it is expedient or necessary in public interest to include any industry to the First Schedule, may by notification add the industry to the First Schedule.

41. There is no quarrel with the fact and rather even the petitioners are not questioning the power of the Government to include any industry in the First Schedule and further declaring it as a public utility service. However, what is sought to be impressed upon the Court is that there should be an element of public emergency or public interest involved which necessitates the declaration of an industry as a public utility service, when the said industry finds place in the First Schedule, which inclusion could be done only after an opinion is formed by the appropriate Government that it is expedient and necessary to include the industry in the First Schedule.

42. Memorandum of Understanding has been entered into with the automobile manufacturing company, viz., Hyundai Motor India Ltd., for the



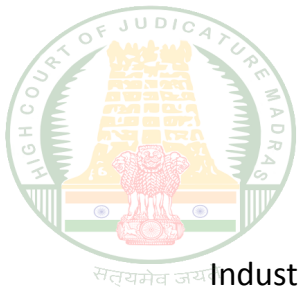
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establishment of a manufacturing facility in the State. Even at the time of entering into the said MoU, a clause has been inserted in the said MoU that the project of Hyundai Motor India Limited will be declared as a public utility to prevent labour indiscipline. Based on the said MoU, declaration of Automobile Manufacturing Industry as a public utility service was notified on 10.08.2012. The declaration of the Automobile Manufacturing Industry as a public utility service has not been questioned.

43. Thereafter, Policy, 2014 relating to Tamil Nadu Automobile and Auto Components was issued by the Government of Tamil Nadu in which it was highlighted that automobile industry will be declared to be a public utility under the Industrial Disputes Act, 1947 in order to prevent flash strikes. The relevant portion of the policy has already been extracted supra.

44. On the basis of the aforesaid policy, the communication was addressed by the Automotive Component Manufacturers Association of India requesting the Government to declare the Auto Components Manufacturing industry vide communication dated 25.8.2014. Thereafter, the G.O. Ms. No.144 dated 3.12.2014 had come to be issued including Auto Components Manufacturing



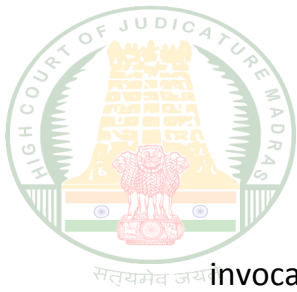
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Industry in the First Schedule to the Industrial Disputes Act. Thereafter, vide G.O. Rt. No.331 of even date, the Auto Components Manufacturing Industry was declared to be a public utility service and a gazette notification to the said effect was also issued for a period of six months invoking the powers u/s 40 of the Act. Once again, vide G.O. Rt. No.180 dated 14.6.2019, the Auto Components Manufacturing Industry was declared to be a public utility service for a period of six months.

45. This Court is now entrusted with the task of testing whether the aforesaid Government Orders satisfy the tests laid down u/s 2 (n) (vi) and 40 of the Act.

46. Section 40 of the Act has already been extracted above, which clearly provides that the appropriate Government may, ***if it of opinion that it is expedient or necessary in public interest***, by notification in the Official Gazette add any industry to the First Schedule. It is to be pointed out that the power vested under the aforesaid section is not an unfettered power but a power, which is to be invoked only if public interest warrants. So, the appropriate Government has to form an opinion and show that public interest warrants the



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invocation of such a power to include in the First Schedule, the auto components manufacturing industry.

47. In this regard, useful reference can be had to the judgment of the Hon'ble Apex Court in **Barium Chemicals Ltd. - Vs - A.J. Rana (1972 (1) SCC 240)**, wherein the necessity to examine all the documents while considering the case for grant of prosecution has been dealt with. In the above context, the Hon'ble Apex Court held as under :-

“14. The words “considers it necessary” postulate that the authority concerned has thought over the matter deliberately and with care and it has been found necessary as a result of such thinking to pass the order. The dictionary meaning of the word “consider” is “to view attentively, to survey, examine, inspect (arch), to look attentively, to contemplate mentally, to think over, meditate on, give heed to, take note of, to think deliberately, bethink oneself, to reflect” (vide Shorter Oxford Dictionary). According to Words and Phrases — Permanent Edition Vol. 8-A “to consider” means to think with care. It is also mentioned that to “consider” is to fix the mind upon with a view to careful examination; to ponder; study; meditate upon, think or reflect with care. It is therefore, manifest that careful thinking or due application of the mind regarding the necessity to obtain and examine the documents in question is sine qua non for the making of the order. If the impugned order were to show that



there has been no careful thinking or proper application of the mind as to the necessity of obtaining and examining the documents specified in the order, the essential requisite to the making of the order would be held to be non-existent.

15. A necessary corollary of what has been observed above is that mind has to be applied with regard to the necessity to obtain and examine all the documents mentioned in the order. An application of the mind with regard to the necessity to obtain and examine only a few of the many documents mentioned in the order, while there has been no such application of mind in respect of the remaining documents, would not be sufficient compliance with the requirements of the statute. If, however, there has been consideration of the matter regarding the necessity to obtain and examine all the documents and an order is passed thereafter, the Court would stay its hand in the matter and would not substitute its own opinion for that of the authority concerned regarding the necessity to obtain the documents in question."

(Emphasis supplied)

48. Yet again, in ***Khudiram Das vs. The State of West Bengal and Ors.***

MANU/SC/0423/1974), the Supreme Court held as under :-

"8. Now it is clear on a plain reading of the language of sub-sections (1) and (2) of Section 3 that the exercise of the power of detention is made dependent on the subjective satisfaction of the



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detaining authority that with a view to preventing a person from acting in a prejudicial manner, as set out in sub-clauses (i), (ii) and (iii) of Clause (a) of Sub-section (1), it is necessary to detain such person. The words used in sub-sections (1) and (2) of Section 3 are "if satisfied" and they clearly import subjective satisfaction on the part of the detaining authority before an order of detention can be made. And it is so provided for a valid reason which becomes apparent if we consider the nature of the power of detention and the conditions on which it can be exercised. The power of detention is clearly a preventive measure. It does not partake in any manner of the nature of punishment. It is taken by way of precaution to prevent mischief to the community. Since every preventive measure is based on the principle that a person should be prevented from doing something which, if left free and unfettered, it is reasonably probable he would do, it must necessarily proceed in all cases, to some extent, on suspicion or anticipation as distinct from proof. Patanjali Sastri, C.J., pointed out in State of Madras v. V.G. Row A.I.R. 1952 S.C. 597 that preventive detention is "largely precautionary and based on suspicion" and to these observations may be added the following words uttered by the learned Chief Justice in that case with reference to the observations of Lord Finlay in Rex v. Halliday [1917] A.C. 260 namely, that "the court was the least appropriate tribunal to investigate into circumstances of suspicion on which such anticipatory action must be largely based". This being the nature of the proceeding, it is impossible to conceive how it can possibly be regarded as capable of objective assessment. The



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matters which have to be considered by the detaining authority are whether the person concerned, having regard to his past conduct judged in the light of the surrounding circumstances and other relevant material, would be likely to act in a prejudicial manner as contemplated in any of sub-clauses (i), (ii) and (iii) of Clause (1) of Sub-section (1) of Section 3, and if so, whether it is necessary to detain him with a view to preventing him from so acting. These are not matters susceptible of objective determination and they could not be intended to be judged by objective standards. They are essentially matters which have to be administratively determined for the purpose of taking administrative action. Their determination is, therefore, deliberately and advisedly left by the legislature to the subjective satisfaction of the detaining authority which by reason of its special position, experience and expertise would be best fitted to decide them. It must in the circumstances be held that the subjective satisfaction of the detaining authority as regards these matters constitutes the foundation for the exercise of the power of detention and the Court cannot be invited to consider the propriety or sufficiency of the grounds on which the satisfaction of the detaining authority is based. The Court cannot, on a review of the grounds, substitute its own opinion for that of the authority, for what is made condition precedent to the exercise of the power of detention is not an objective determination of the necessity of detention for a specified purpose but the subjective opinion of the detaining authority, and if a subjective opinion is formed by the detaining authority as regards the necessity of detention for a



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specified purpose, the condition of exercise of the power of detention would be fulfilled. This, would clearly show that the power of detention is not a quasi-judicial power. It was, however, sought to be contended on behalf of the petitioner, relying on the observation of this Court in Bhut Nath Mete v. The State of West Bengal MANU/SC/0412/1974 : 1974CriLJ690 that the exercise of the power of detention "implies a quasi-judicial approach", that the power must be regarded as a quasi-judicial power. But we do not think it would be right to read this observation in the manner contended on behalf of the petitioner. This observation was not meant to convey that the power of detention is a quasi-judicial power. The only thing which it intended to emphasise was that the detaining authority must exercise due care and caution and act fairly and justly in exercising the power of detention."

49. In **Rajeev Suri vs. Delhi Development Authority and Ors.** (MANU/SC/0001/2021), the Supreme Court had occasion to consider the formation of opinion/subjective satisfaction of the Government vis-à-vis judicial review and in the said context, the Apex Court held thus :-

"156. Another dimension to be kept in mind is the factum of subjective satisfaction of the executive. The law regarding the involvement of constitutional Courts in public interest in cases involving subjective satisfaction is well settled. The interference of Courts is neither warranted to look into the quality of material relied upon by the Government to approach a decision nor to



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adjudicate upon the sufficiency of such material. These matters are of a subjective character and if legislature permits subjective powers on one organ of the State, the other (in the name of judicial review) is not expected to substitute its own subjective opinion in its place. The sole concern of the Court is to look at the relevancy of the material relied upon to take a decision in order to see that the decision is not devoid of application of mind. It is based on the basic idea that the structure of a subjective decision stands on the foundation of objective reasons. The Court may interfere when a decision is devoid of any reason or affected by malafides or when the decision is reached in the aftermath of statutory violations. In Barium Chemicals MANU/SC/0037/1966 : AIR 1967 SC 295 (para 10, 27, 60 and 64), the Court while dealing with an order in the exercise of statutory powers, adverted to the exposition of Privy Council and observed thus:

(60)...Even if it is passed in good faith and with the best of intention to further the purpose of the legislation which confers the power, since the Authority has to act in accordance with and within the limits of that legislation, its order can also be challenged if it is beyond those limits or is passed on grounds extraneous to the legislation or if there are no grounds at all for passing it or if the grounds are such that no one can reasonably arrive at the opinion or satisfaction requisite under the legislation...

This decision delineates the contours of judicial review, such as:



(i) The formation of the opinion/satisfaction by the Government was a purely subjective process and such an opinion could not be challenged on the ground of propriety, reasonableness or sufficiency;

(ii) However, the subjective opinion/satisfaction of the Government is required to be arrived at based on facts/circumstances, which the Government must be able to objectively establish to exist;

(iii) Mala fides, fraud or corruption would vitiate the formation of the opinion/satisfaction; and

(iv) If the opinion/satisfaction was reached in good faith it was immune from judicial review unless:

(a) it was shown that the objective facts/circumstances did not exist; or

(b) it was impossible for anyone to form the opinion/satisfaction based on those facts/circumstances, for then the Government's opinion could be challenged on the ground of non-application of mind or perversity or on the ground that it was formed on grounds extraneous to the legislation and was beyond the scope of the statute.

The aforesaid principles are restated in *Rohtas Industries MANU/SC/0020/1968 : (1969) 1 SCC 325 (paras 7 to 9, 11 and 13) wherein this Court noted thus:*

11. ...For the reasons stated earlier we agree with the conclusion reached by Hidayatullah and Shelat, JJ. in *Barium Chemicals* case that the existence of circumstances suggesting that the company's business was being conducted as laid down in



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Sub-Clause(1) or the persons mentioned in Sub-Clause (2) were guilty of fraud or misfeasance or other misconduct towards the company or towards any of its members is a condition precedent for the Government to form the required opinion and if the existence of those conditions is challenged, the courts are entitled to examine whether those circumstances were existing when the order was made. In other words, the existence of the circumstances in question are open to judicial review though the opinion formed by the Government is not amenable to review by the courts. As held earlier the required circumstances did not exist in this case.”

(Emphasis Supplied)

50. From the above, it is manifestly clear that the subjective satisfaction/formation of opinion of the authority is mandatory, when there is a clear prescription in the statute, more especially when it spelt out in the provision that an act should be performed by the authority only upon arriving at a subjective satisfaction, which alone would form the basis for the Government to declare the industry to be a public utility service.

51. In the present case, the policy document pertaining to the automobile and auto components industry of the year 2014, presented by the Government



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had envisaged that the automobile industry will be declared to be a 'public utility' in order to prevent flash strikes. However, what formed the basis and the necessity for passing such declaration is not available on record. There is no iota of material placed before this Court to infer that there was any public interest involved, which necessitated making such a claim in the policy document and, thereafter, passing the impugned G.O. Ms. No.144 dated 3.12.2014, including the auto components manufacturing industry under the First Schedule to the Industrial Disputes Act.

52. It has been the consistent view of the Courts that when the Government is vested with powers and the said power to be invoked only upon subjective satisfaction and forming an opinion, necessarily, the invocation of such power should be premised on the basis of materials upon which subjective satisfaction was prefaced and the formation of opinion for invocation of power should be exhibited in the said order. However, except for the solitary policy document in and by which Government had made a tall claim for declaring the automobile industry to be a 'public utility', there is no other material, which showcases public interest necessitating the Government in forming such an opinion for providing such inclusion. Therefore, the invocation of Section 40 by

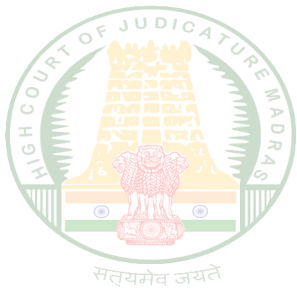


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the 1st respondent, is without following the due safeguards provided under the

53. Turning attention to the declaration of the auto components manufacturing industry as a 'public utility service' u/s 2 (n) (vi) of the Act, the aforesaid provision, which has already been extracted supra, clearly spells out that any industry, as specified in the First Schedule could be notified to be a public utility service, if the appropriate Government is satisfied that public emergency or public interest so requires for such period, which shall not exceed six months at any one time.

54. Therefore, what is of mandatory necessity is that there should be an element of public emergency or public interest involved, and upon such satisfaction, the appropriate Government could notify the said industry to be a public utility service. In the present case, as aforesaid, the policy document was released stating that the automobile industry will be declared as a public utility. However, the reason shown therein for the necessity to notify the said industry as a public utility stems from the fact that it is for the purpose of preventing flash strikes.



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55. Strike is a weapon in the armoury of the working class, viz., the labourers, to get the rights and benefits due to them. However, such strikes cannot be made at the beck and call for the workmen, but are subject to the provisions of Section 10 of the Act, as the Government is clothed with power to interfere in the strike by making reference of disputes, on which the strikes rests, to the Labour Court/Tribunal. Therefore, it is clear from the above that the right to strike provided to the workmen can always be subject to the rightful interference of the Government. Equally, the right to lock-out also stands curtailed, thereby, both the workmen and the industry have a protection from the Government in the form of Section 10 of the Act.

56. Notwithstanding the said fact, Section 2 (n)(vi) provides for notifying an industry as a public utility service, which unambiguously means that it is an essential service, in which a larger public interest is involved and, therefore, in order not to jeopardize the interests of the public from the unsavoury demands of the workmen and the unscrupulous acts of the management against the workmen and to maintain a level playing field in which the workmen and the management do not scuttle the interest of the public, a particular industry could



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be notified to be a public utility service, thereby, protecting the public interest.

The necessity for notifying an industry as a public utility service also stems from a public emergency situation, where any flash strikes or lock-outs by the workmen or the management would impinge on the interest of the public. Therefore, the Government, analysing the situation, more particularly with reference to public emergency and in the interest of the public could, invoking its power under Section 40, upon arriving at a subjective satisfaction that the interest of the public warrants the invocation of powers u/s 40 of the Act, include any industry in the First Schedule and, thereafter, notify the said industry to be a public utility service u/s 2 (n) (vi) of the Act. Therefore, necessarily the element of subjective satisfaction coupled with public emergency or public interest is mandatory while the power u/s 40 and Section 2 (n)(vi) are invoked by the Government.

57. As extracted in extenso above, with regard to the various communications and the manner in which the decision had been arrived at by the Government in notifying the auto components manufacturing industry as a public utility service and inclusion of the said industry in the First Schedule to the Act, it is beyond a pale of doubt that the said act has been undertaken only to appease



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the auto components manufacturing industry and the safeguards provided u/s 2 (n)(vi) and 40 have been thrown to the wind.

58. There is not even a miniscule of subjective satisfaction or opinion formation that had gone into the whole aspect, more particularly on the prevalence of public emergency or public interest, which are the basic ingredients u/s 2 (n)(vi) and 40. Neither the note of the Government referring the matter to the Public Utility Service Committee nor Minutes of the Committee, which has not even been placed before the Court, speak in any uncertain terms about the prevalence of public emergency or public interest, which warrants the invocation of the power of the Government u/s 2 (n)(vi) and 40 to notify the auto components manufacturing industry as a public utility service.

59. A committee has been formed under the name of Public Utility Service Committee comprising of the Industries Commissioner & Director of Industries & Commerce and the Executive Vice Chairman, Industrial Guidance and Export Promotion Bureau, whose opinions/remarks were sought for, for the Government to decide whether to notify the auto components manufacturing industry as a public utility service. The remarks of the members of the committee



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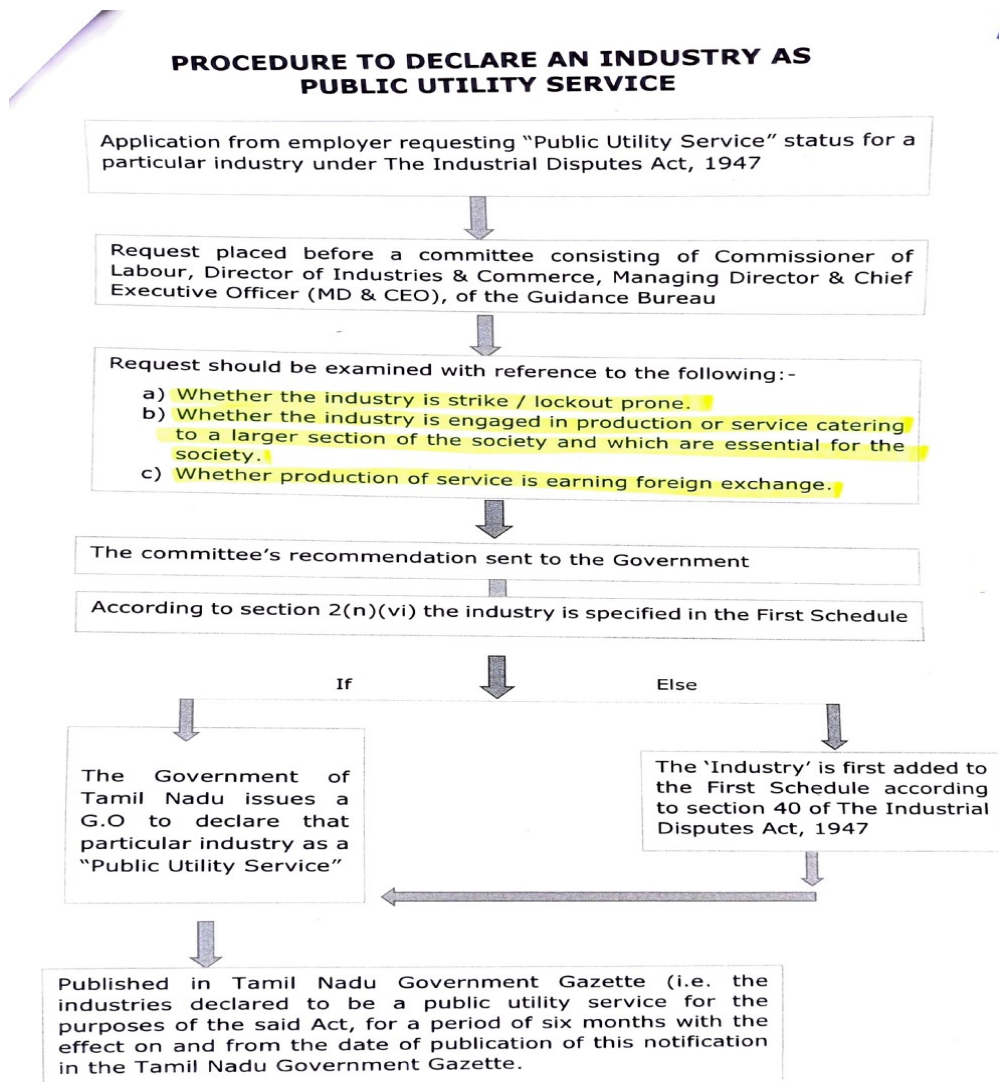
are the guiding factor coupled with the ground reality with regard to public emergency and public interest, which would form the basis for the Government to issue notification with regard to declaring an industry as a public utility service. However, there is no material available in the entire typed set of papers as also the counter affidavit and written arguments of the 1st respondent for this Court to even remotely infer that based on materials subjective satisfaction has been arrived at by the Government.

60. As already stated above, the declaration of an industry as a public utility service, more particularly under the Industrial Disputes Act is not an empty formality, as such declaration seriously jeopardizes the interest of the workmen, while trying to safeguard the interests of the industry, in the name of the public, whose interests are sought to be safeguarded. Therefore, unless it is shown that any act affecting the industry would have a deleterious effect on the interest of the public, resorting to such a declaration would be wholly impermissible, as such a declaration scuttles the rights and robs the workmen of their rights protected under the Industrial Disputes Act.



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61. In fact, the materials available on record leans more in favour of the workmen rather than the industry, which has been declared as a public utility service. A flow chart has been placed before the Court by the respondents, which shows the procedure that is followed for declaring an industry as a public utility service. For better appreciation, the said flow chart, is captured below :-





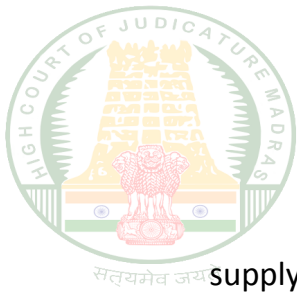
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62. A bare perusal of the procedure clearly denotes that examination of the request for declaring an industry as a public utility service should satisfy three tests, viz.,

- a) *Whether the industry is strike/lockout prone.*
- b) *Whether the industry is engaged in production or service catering to a larger section of the society and which are essential for the society.*
- c) *Whether production of service is earning foreign exchange.*

63. It is not the case of the 1st respondent that the automobile components manufacturing industry is strike/lockout prone. This would be determinable from the office note of the 1st respondent, which has been circulated for obtaining the remarks of the Public Utility Service Committee, in which there is a categorical assertion that during the year 2013, there was no strike in the said industry. Therefore, the first limb of the requirement on which examination to arrive at the public interest fails.

64. Insofar as the second limb of the requirement is concerned, the industry is engaged in catering to the automobile manufacturing industry by

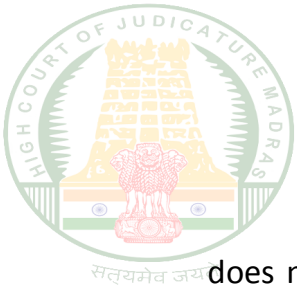


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supplying spare parts and is catering to a larger segment of the society, but the essentiality of such service is the necessity when the actual extent of the society, viz., the public is concerned. However, in the case on hand, the segment to which the automobile sector caters cannot be held to be an essentiality for the entire society, though to packets of the society, the automobile sector is essential. Therefore, this limb stands neutral and neither supports the petitioner nor the 1st respondent.

65. The last limb relates to whether the production of service is earning foreign exchange. Here again, there is no clarity with regard to the foreign exchange earned as the office note circulated to the Committee with regard to its remarks for declaring the industry as a public service utility does not disclose that enormous foreign exchange is earned, which would tilt the scales in favour of the said declaration. Therefore, necessarily the third limb also fails.

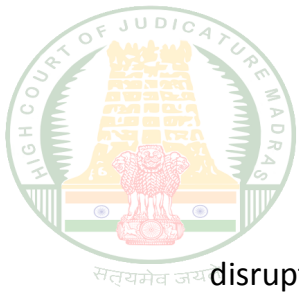
66. It is the specific case of the 1st respondent that for consideration of declaration of an industry to be a public utility service, the three limbs as specified above, ought to be fulfilled, which alone could form the basis for forming a subjective opinion/satisfaction. When of the three limbs, two limb



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does not find favour for arriving at a subjective satisfaction/forming an opinion and the third limb also stands neutral, in the absence of the report of the Committee, more particularly its recommendation, which would, if at all, speak of the subjective satisfaction and formation of opinion of the Government as provided for u/s 2 (n)(vi) and 40 of the Act with regard to public emergency or public interest, the grant of public utility service to the auto components manufacturing industry is wholly against the legal mandate as provided for under the statute. That being the obtainable position as available through the records, which have been placed before this Court, the declaration of the auto components manufacturing industry as a public utility service is seriously erroneous.

67. Further, it is to be pointed out that what had prevailed upon the Government for making the said declaration is the flash strikes and the customer demands, which have been pointed out in the letter of the Auto Components Manufacturers Association. It is also to be pointed out that the Commissioner of Labour had addressed the Secretary to Government, Labour and Employment Department vide letter dated 15.9.2014 on the office note in which there is a specific mention that the industry is strike/lockout prone and that the said



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disruption may affect the automobile industries. However, there is no material evidencing such strike/lockout, as it is the specific answer in the office note that in the preceding year, there were no strike/lockouts. Therefore, there are two differential views in the aegis of the Government itself, which had not been properly explained.

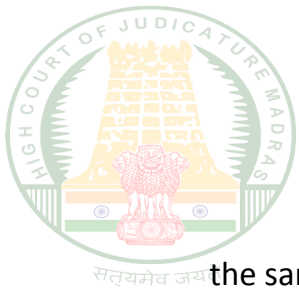
68. Further, even the letter of the Commissioner of Labour merely speaks that the file has been circulated to the members of the Public Utility Service Committee and that they have agreed for such declaration. However, the said letter is bereft of any particulars for the said agreement and what prevailed upon the said Committee to come to the said view. For the asking of the Automobile Components Manufacturers Association, the industry cannot be declared as public utility service and it should satisfy the tests enumerated u/s 2 (n)(vi) and 40 of the Act so as to enable the Government to invoke its power and issue such a declaration. However, the present declaration culminating in the aforesaid Government Orders miserably fails to fulfil the requisite criteria imposed through the aforesaid provisions of law.



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69. One other aspect, which also requires particular mention here is the fact that all industries cater to larger sections of public, but merely because larger sections of public are catered to cannot be the basis to declare the said industries as public utility service. Only industries, which are essential in nature and the closure or temporary shutdown of which affects the daily lives of the public and jeopardizes the interest of the public could be brought within the ambit of public utility service, that too, after the Government comes to a subjective satisfaction, based on materials. Not all industries can be brought within the said ambit, as giving any such construction would severely jeopardize the interests of the workmen and would defeat the rights of the workmen protected under the Industrial Disputes Act. The Act is a benevolent piece of legislation has been aimed to remove the causes of friction between the employer and workmen in the day-to-day working of the industry and to promote measures for securing amity and good relations between the employer and the workmen.

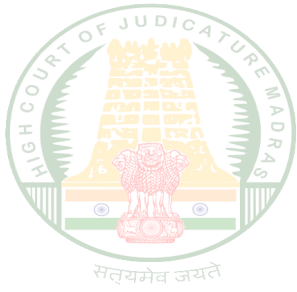
70. If, for the asking, for reasons not justifiable and without any subjective satisfaction, if one or the other industries are declared as public utility service, it would greatly hamper the application of the Industrial Disputes Act and the other Labour laws, which are aimed at protecting the interests of the workmen and at



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the same time safeguarding the interests of the management. Only with the said avowed object in mind, the Parliament had thought it fit to enact the Industrial Disputes Act with in-built safeguards both for the workmen and the employer, which, if twisted for the benefit of one or the other would severely hamper the other entity, thereby, scuttling industrial peace.

71. The present Government Orders, viz., G.O. Ms. No.144 dated 3.12.2014, G.O. Rt. No.331 dated 3.12.2014 and G.O. Rt.. No.180 dated 14.6.2019, which were issued for a period of six months, which has outlived its time and has, thus, become academic, however, notwithstanding the said fact, the aforesaid Government Orders have been passed without properly applying the provisions of Section 2 (n)(vi) and 40 of the Industrial Disputes Act and the declaration of the Auto Components Manufacturing Industry as a public utility service is against the provisions of the Act, insofar as the mandate laid down therein has not been followed in letter and spirit and necessarily the said Government Orders deserve to be quashed holding that the said Government Orders have been passed without proper application of mind to the provisions of Section 2 (n)(vi) and 40 of the Act and are thus, arbitrary, unreasonable and perverse and, therefore, the said Government Orders deserve to be set aside.



W.P. Nos.9479 & 974/2015 & 21983/2019

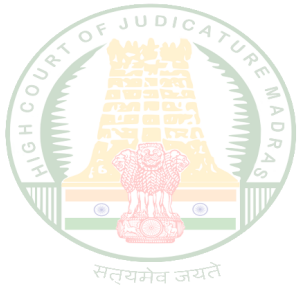
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72. For the reasons aforesaid, though by efflux of time, the relief sought for in the writ petitions no longer survives, however, the larger relief of the declaring the of auto components manufacturing industry as a public utility service by including the same under the First Schedule to the Industrial Disputes Act is grossly perverse, arbitrary and unreasonable and, therefore, the said Government Orders, declaring the auto components manufacturing industry as a public utility service by including the same under the First Schedule to the Industrial Disputes Act are quashed and the writ petitions are allowed. Consequently, connected miscellaneous petitions are closed. There shall be no order as to costs.

26.03.2025

Index : Yes / No

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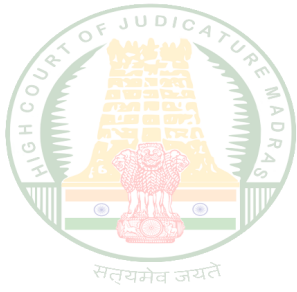
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To

1. The Secretary to Government
Government of Tamil Nadu
Labour & employment (D2) Department
Fort St. George, Chennai 600 009.

2. The Principal Secretary to the Government
Government of Tamil Nadu
Labour & employment (D2) Department
Fort St. George, Chennai 600 009.



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W.P. Nos.9479 & 974/2015 & 21983/2019

M.DHANDAPANI, J.

GLN

**PRE-DELIVERY ORDER IN
W.P. NOS.9479 & 974 OF 2015
AND
W.P. NO. 21983 OF 2019**

**Pronounced on
26.03.2025**