

Supreme Court of India

Jalan Trading Co. (P) Ltd. And Ors. vs D.M. Aney And Anr. on 16 November, 1978

Equivalent citations: AIR 1979 SC 233, 1979 (38) FLR 58, (1979) ILLJ 162 SC, (1979) 3 SCC 220

Bench: A Koshal, P Kailasam, V K Iyer

ORDER

1. The short and only point, draped as a constitutional issue, urged before us, after having been repelled by the Bombay High Court against whose judgment this appeal is filed by certificate, is as to whether Section 10 of the Bonus Act is ultra vires of Article 19(1)(g) and Article 301 of the Constitution.

2. We are satisfied that the restriction imposed by the Bonus Act in compelling the employer to pay the statutory minimum bonus even in years where there has been a loss sustained by the management is reasonable or in public interest within the meaning of Articles 19(8) and 302. What is reasonable depends on a variety of circumstances, 'but what is important is that the Directive Principles of State Policy in Part IV of the Constitution are fundamental to the governance of the country. Therefore, what is directed as State Policy by the founding, fathers of the Constitution cannot be regarded as unreasonable or contrary to public interest even in the context of Article 19 or 302. It follows that payment of bonus, being in implementation of Articles 89 and 48 of the Constitution, is reasonable. We agree with the High Court and dismiss the appeal with costs quantified at Rs. 2,000/-. The costs be paid to respondent No. 2.