[2025] 8 S.C.R. 320 : 2025 INSC 920

Ch. Joseph
v.
The Telangana State Road Transport Corporation & Other

(Civil Appeal No. 9986 of 2025)

01 August 2025

[J.K. Maheshwari and Aravind Kumar,* JJ.]

Issue for Consideration

i) Whether the retirement of the appellant on medical grounds due to colour blindness, without offering alternative employment, is legally sustainable in light of applicable service regulations and binding settlements; ii) whether Clause 14 of the Memorandum of Settlement dated 17.12.1979, executed u/s.12(3) of the Industrial Disputes Act, 1947, remains valid, binding, and enforceable despite the subsequent 1986 settlement and internal administrative circulars; iii) whether the respondents complied with their duty to make a *bona fide* assessment of alternative employment options for the appellant, as required by law, policy, and principles of natural justice; iv) whether the reliance placed by the High Court on *B.S. Reddy* was legally tenable in the context of the appellant's independent rights under a binding industrial settlement.

Headnotes†

Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 – APSRTC Employees (Service) Regulations, 1964 – Regn. 6A(5)(b) – Appellant-driver was found to be colour blind and was declared unfit to hold the post of driver – The appellant's representation seeking alternate employment came to be rejected by the respondent-corporation – The corporation passed an order retiring the appellant – Whether the retirement of the appellant on medical grounds due to colour blindness, without offering alternative employment, is legally sustainable in light of applicable service regulations and binding settlements:

Held: 1. The appellant's retirement from service on the ground of colour blindness was effected without any demonstrable effort by the respondent-corporation to identify or assess the feasibility of

* Author

alternative employment, despite the appellant having expressed willingness to be reassigned to a non-driving post – Such inaction violates both statutory obligation and administrative fairness. [Para 10.1]

2. The primary legal flaw lies in the assumption that medical unfitness for a particular post automatically entails incapacity for public service altogether – Colour blindness, though a disqualification for driving, does not render the appellant unfit to serve in any other non-driving role – There is no evidence that he was declared wholly incapacitated or incapable of performing other duties. [Para 13]

3. The MOS dated 17.12.1979 entered into u/s.12 (3) of Industrial Disputes Act, 1947 between the employer and the union representing the workmen under Clause 14 would indicate that the drivers found with "colour blindness" would be provided an alternate job and all service benefits would stand protected – However, the Corporation has relied upon the subsequent agreement, namely Memorandum of Settlement (MOS) dated 22.12.1986 to stave off the claim for alternate employment raised by the appellant in the instant case – A plea has been raised in the Counter affidavit filed by the Corporation that the MOS dated 17.12.1979 has been superseded by the agreement of 1986 – The said contention is rejected – The agreement dated 22.12.1986 does not refer to the agreement dated 17.12.1979 – In fact, Clause 5 (d) of the settlement agreement 22.12.1986 would indicate, suitable alternate jobs would have to be identified and only in the event of not being possible to identify such job, recourse to payment of additional monetary benefit as per the proposal sent to the government will be given after government's approval – The Settlement dated 22.12.1986 does not specifically supersede the settlement agreement of 17.12.1979 – It is only by way of a communication dated 10.11.2014, the benefit of alternate employment given to the drivers declared unfit due to "colour blindness" has been sought to be taken away which benefit was extended till that date. [Paras 14, 16, 16.1, 16.2, 16.3]

4. Retirement on medical grounds must be a measure of last resort, only after the employer exhausts all reasonable avenues for redeployment – This principle is inherent in the concept of "reasonable accommodation", which is now recognised as an aspect of substantive equality under Articles 14 and 21 – The failure to explore alternate employment before resorting to medical

retirement is not merely a procedural lapse—it is a substantive illegality that violates the appellant's right to livelihood and equal treatment. [Para 17]

Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 – Industrial Disputes Act, 1947 – s.12(3) – APSRTC Employees (Service) Regulations, 1964 – Regn. 6A(5)(b) – Whether Clause 14 of the Memorandum of Settlement dated 17.12.1979, executed u/s.12(3) of the Industrial Disputes Act, 1947, remains valid, binding, and enforceable despite the subsequent 1986 settlement and internal administrative circulars:

Held: 1. The appellant's entitlement to re-deployment arises from Clause 14 of the binding Memorandum of Settlement dated 17.12.1979, executed u/s.12(3) of the Industrial Disputes Act, 1947, which specifically provides for alternate employment to drivers declared colour blind, with pay protection and continuity of service – This clause remains valid and enforceable. [Para 10.2]

2. The Memorandum of Settlement dated 17.12.1979, was executed between the Corporation and its recognised union u/s.12(3) of the Industrial Disputes Act, 1947 – The Memorandum of Settlement is not a mere administrative circular—it is a binding statutory contract forged between labour and management. [Para 18]

3. The enforceability of this settlement is not diminished by the subsequent settlement dated 22.12.1986, which the Corporation claims to be governing the field – Clause 5(d) of the 1986 settlement provides that drivers who are medically unfit may, "to the extent possible", be provided alternative employment, and where not feasible, will be granted Additional Monetary Benefit (AMB) – Crucially, this clause does not contain any express language annulling or modifying Clause 14 of the 1979 agreement – Also, the absence of a termination clause in the 1986 settlement, coupled with the Corporation's continued adherence to Clause 14 in other cases even after 1986, confirms that the earlier agreement remained operational – Accordingly, this Court finds that 1986 settlement does not explicitly abrogate or nullify Clause 14 of the 1979 settlement. [Para 21]

Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 – Industrial Disputes

Ch. Joseph v.
The Telangana State Road Transport Corporation & Other

Act, 1947 – APSRTC Employees (Service) Regulations, 1964 – Whether the respondents complied with their duty to make a *bona fide* assessment of alternative employment options for the appellant, as required by law, policy, and principles of natural justice:

Held: 1. From the record, it is evident that the Corporation made no effort whatsoever to assess the feasibility of assigning the appellant to a non-driving post – There is no file noting, committee report, vacancy statement, or suitability assessment relating to the appellant – His representation requesting the post of Shramik remained unanswered – No comparative evaluation was conducted, and no individualized inquiry was held – The only justification offered is that the Corporation's circulars bar such alternate employment. [Para 24]

2. In the instant case, there is no evidence that the respondents examined even the most basic parameters—availability of vacancies, suitability of tasks, or the appellant's qualifications – This total failure undermines the Corporation's claim of compliance with either the 1979 or 1986 framework, and renders the retirement order void for non-consideration of appellant's claim in proper perspective. [Para 27]

Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 – Industrial Disputes Act, 1947 – s.47 – APSRTC Employees (Service) Regulations, 1964 – Whether the reliance placed by the High Court on *B.S. Reddy* was legally tenable in the context of the appellant's independent rights under a binding industrial settlement:

Held: 1. The Division Bench of the High Court erred in applying the judgment in *B.S. Reddy*, which dealt with the limited scope of s.47 of the 1995 Act, and did not consider claims arising independently under industrial settlements – The present case stands on an entirely different legal footing. [Para 10.5]

2. The *B.S. Reddy* judgment did not deal with the enforceability of a clause in an agreement/settlement entered into u/s.12(3) of Industrial Dispute Act, 1947 or the Corporation's obligations under bilateral agreements with its workers – The High Court overlooked the fundamental distinction between statutory rights under disability law and contractual service conditions enforceable through settlements. [Para 29]

3. The Court in *Mohamed Ibrahim* clarified that employees with conditions like colour blindness, although not falling within the defined categories of the statute, must still be accommodated wherever their functional capacity permits – To do otherwise would result in a regressive interpretation of the law, undermining the very foundation of equal opportunity in public employment. [Para 36]

4. Even though in the present case the appellant had an enforceable right under a statutory industrial settlement—placing his claim on firmer footing—this Court finds it necessary to reaffirm that even in the absence of such contractual rights, employees who acquire disabilities during service must not be abandoned or prematurely retired without being afforded a fair and reasonable opportunity for reassignment. [Para 37]

Case Law Cited

Kunal Singh v. Union of India and Another **[2003] 1 SCR 1059 : (2003) 4 SCC 524;** *Mohamed Ibrahim v. The Chairman and Managing Director and Others* **[2023] 13 SCR 924 – relied on.**

Andhra Pradesh State Road Transport Corporation Represented by its Managing Director and Others v. B.S. Reddy **(2018) 12 SCC 704;** *Vikash Kumar v. Union Public Service Commission and Others* **[2021] 12 SCR 311 : (2021) 5 SCC 370;** *Ravinder Kumar Dhariwal and Another v. Union of India and Others* **[2021] 13 SCR 823 – referred to.**

List of Acts

Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995; Industrial Disputes Act, 1947.

List of Keywords

Service Law; Retirement; Medical grounds; Retirement on medical grounds; Colour blind; Post of driver; Alternative employment; Service regulations; Binding settlements; Internal administrative circulars; Principles of Natural Justice; Statutory obligation; Administrative fairness; Incapacity for public service; Additional monetary benefit; Concept of reasonable accommodation; Termination clause; Right to livelihood; Equal treatment; Article 14 of Constitution; Article 21 of Constitution; Statutory rights under disability law; Reasonable opportunity for reassignment.

Ch. Joseph v.
The Telangana State Road Transport Corporation & Other

Case Arising From

CIVIL APPELLATE JURISDICTION: Civil Appeal No. 9986 of 2025

From the Judgment and Order dated 21.08.2017 of the High Court Of Judicature at Hyderabad for The State of Telangana and The State of Andhra Pradesh in WA No. 1343 of 2017

Appearances for Parties

Advs. for the Appellant:
C. Mohan Rao, Sr. Adv., R. Santhana Krishnan, Lokesh Kumar Sharma, Dharmendra Kumar Sinha.

Advs. for the Respondents:
Satyam Reddy Sarasani, Sr. Adv. Ms. Sri Ruma Sarasani, Shishir Pinaki.

Judgment / Order of the Supreme Court

Judgment

Aravind Kumar, J.

1. Leave granted.

2. Appellant herein is aggrieved by the judgment passed by the High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh (hereinafter referred to as High Court) in Writ Appeal No. 1343 of 2017 dated 21.08.2017, whereunder the writ appeal filed by Telangana State Road Transport Corporation [hereinafter referred to as **"TSRTC"**] i.e., Respondent No. 1, came to be allowed and the judgment of the single Judge dated 10.03.2016 passed in Writ Petition No. 5164 of 2016 directing the Respondent No.1 to provide the appellant an alternate employment came to be set-aside and permitted the appellant to make a detailed representation to the respondent-corporation to seek alternate employment.

FACTUAL BACKGROUND:

3. Appellant herein was selected and appointed as a 'driver' in the Andhra Pradesh State Road Transport Corporation **("APSRTC"** –i.e., the predecessor-in-title of the respondent-corporation) on 01.05.2014, after fulfilling the eligibility criteria fixed for the post. On a periodical

medical examination conducted by the medical officer of the dispensary belonging to the respondent-corporation, it was found that the appellant was 'colour blind' and was declared unfit to hold the post of 'driver'. The appellant preferred an appeal challenging the observation regarding his fitness for the post of 'driver', alternatively, the appellant also sought for alternate employment in the event, he was declared 'medically unfit'. The appellate authority dismissed the appeal filed by the appellant, upon which appellant made a representation to the Medical Board, to consider his case by the hospital belonging to the corporation. The Medical Board after considering the case of the appellant, reiterated the findings of the medical officer and the Appellate Authority.

4. The appellant's representation seeking alternate employment came to be rejected by the corporation on the ground that extant rules do not provide for granting alternate employment to colour blind drivers. The corporation, vide order dated 27.01.2016, passed an order retiring the appellant w.e.f. 06.01.2016 and directed him to avail the additional monetary benefits provided under the policy governing the same.

5. The appellant approached the High Court by filing a Writ Petition No. 5164/2016, impugning the order dated 27.01.2016 and sought for a direction to the corporation to provide him alternate employment contending his disability falls under the category of disablement under the provisions of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 (hereinafter referred to as **"the Act"**) and therefore he cannot be discriminated; it was also contended that such discrimination would be in violation of Section 47 of the Act and Article 14 and Article 21 of the Constitution of India. The appellant also relied on a Memorandum of Settlement (hereinafter referred to as **"MOS"**) dated 17.12.1979 entered between the respondent-corporation and the recognized union, which had a provision, namely, Clause 14 of the MOS, which stated that the 'drivers' would be provided with an alternate employment.

6. The Single Judge *vide* order dated 10.03.2016, allowed the Writ Petition. No. 25577/2014 wherein it was held that the category of 'colour also falls within the category of disablement within the provisions of the Act. Aggrieved by the direction of the Single Judge, the corporation filed an appeal and the Division Bench relying on the

judgment of this Court in ***Andhra Pradesh State Road Transport Corporation Represented by its Managing Director and Others v. B.S. Reddy***[1] *and connected matters* set-aside the order of the Single Judge and directed the appellant to make a representation to the corporation seeking the benefit as prescribed under the regulations and the scheme governing the corporation.

SUBMISSIONS OF THE PARTIES:

7. Mr. C. Mohan Rao, learned Senior Advocate representing the Appellant contends as follows:

   7.1. The Memorandum of Settlement (MOS) entered between the APSRTC and the recognized unions u/s 12(3) of the Industrial Disputes Act,1947 dated 17.12.1979 is binding on the respondent-corporation and according to the same, the appellant herein being the 'driver' of the corporation is entitled for an alternate employment and therefore, the appellant has the right to seek alternate employment.

   7.2. The High Court ought to have considered the case of the appellant positively and has failed to appreciate that the case of the Appellant falls within the category of people who have acquired the disability during service and thus appellant would be entitled for alternate employment.

   7.3. The High Court failed to appreciate the principles enunciated in the case of ***Kunal Singh v. Union of India and Another***[2] by this Court wherein this Court differentiated between the disability of a person and acquired disability while in service and contended that appellant having acquired disability while in service is entitled to alternate employment.

   7.4. The High Court ought to have considered that the Appellant herein is entitled to the benefit of Section 47 of the Act and therefore has the right to alternate employment.

   7.5. The appellant also relied on the judgment of this Court in ***Mohamed Ibrahim v. The Chairman and Managing Director and Others in Civil Appeal No. 6785 of 2023,*** wherein this court

1 (2018) 12 SCC 704

2 (2003) 4 SCC 524

directed Respondent-Corporation therein to give the appellant, who was colour blind, an alternate employment.

8. Mr. Satyam Reddy Sarasani, Senior Advocate appearing on behalf of the respondent-corporation, supporting the impugned order, has contended:

8.1. That MOS dated 17.12.1979 was replaced by the Memorandum of Settlement dated 22.12.1986, and the previous clause relating to alternate employment to the drivers came to be replaced by Clause 5(d) under the MOS dated 22.12.1986, which state as follows:

> *"5(d) Medically unfit driver- it is agreed that to the extent possible suitable alternative job will be identified. In case it is not possible to identify suitable jobs, additional monetary benefit as per the proposals sent to the Government will be given after Government's approval"*

8.2. As the appellant being an illiterate person and being a person without qualification, does not fall in the category of persons who can be given alternate employment as per clause 5(d) of the MOS dated 22.12.1986 and therefore, as there is no suitable post available in the corporation to accommodate the appellant, the decision of the corporation to terminate the services of the appellant is correct. The corporation also relied on the regulations governing the workmen of the corporation to demonstrate that, no provision is available in the regulation which imposes an obligation on the corporation to appoint the appellant by providing an alternate employment.

8.3. The term 'colour blindness' does not fall under the category of 'disability' as defined under Section 2(i) of the Act and therefore Section 47 of the Act does not apply. It is further contended that, the judgment passed in Civil Appeal No. 3529 of 2017, relied on by the High Court is correct and therefore supported the impugned order passed by the High Court.

8.4. On the bare reading of the definition given in Section 2(i) it can be seen that, persons who have more than 40% of disability will fall into the category of 'persons with disability', and appellant's case therefore does not fall in the category of 'persons with disability'.

8.5. That the corporation has also introduced a scheme for providing employment to one of the family members of the medically invalidated workers of the Corporation, therefore appellant should opt for the same.

9. Upon hearing the learned counsels appearing for the parties and perusing the material available on record the following questions arise for our consideration.

I. Whether the retirement of the Appellant on medical grounds due to colour blindness, without offering alternative employment, is legally sustainable in light of applicable service regulations and binding settlements?

II. Whether Clause 14 of the Memorandum of Settlement dated 17.12.1979, executed under Section 12(3) of the Industrial Disputes Act, 1947, remains valid, binding, and enforceable despite the subsequent 1986 settlement and internal administrative circulars?

III. Whether the Respondents complied with their duty to make a bona fide assessment of alternative employment options for the Appellant , as required by law, policy, and principles of natural justice?

IV. Whether the reliance placed by the High Court on ***B.S. Reddy*** (supra) was legally tenable in the context of the Appellant's independent rights under a binding industrial settlement?

FINDINGS:

10. Before we proceed to elaborate on the detailed analysis of the issues arising in the present case, we deem it appropriate to set out in brief the principal grounds which compel us to set aside the impugned order passed by the High Court and to allow the present petition. We do so for the following reasons:

10.1. **Firstly**, the Appellant's retirement from service on the ground of colour blindness was effected without any demonstrable effort by the Respondent–Corporation to identify or assess the feasibility of alternative employment, despite the Appellant having expressed willingness to be reassigned to a non-driving post. Such inaction violates both statutory obligation and administrative fairness.

10.2. **Secondly**, the Appellant's entitlement to redeployment arises from Clause 14 of the binding Memorandum of Settlement dated 17.12.1979, executed under Section 12(3) of the Industrial Disputes Act, 1947, which specifically provides for alternate employment to drivers declared colour blind, with pay protection and continuity of service. This clause remains valid and enforceable.

10.3. **Thirdly**, the subsequent settlement dated 22.12.1986 neither expressly overrides nor impliedly nullifies the 1979 settlement. Both settlements operate harmoniously, with the latter being general in scope and the former addressing a specific category of disability. Hence, the Respondents' reliance on the 1986 settlement to deny relief is misplaced.

10.4. **Fourthly**, internal circulars issued by the Corporation in 2014 and 2015, which purport to deny alternate employment to colour-blind drivers, are administrative instructions that cannot override binding service conditions created by a statutory settlement under the Industrial Disputes Act.

10.5. **Fifthly**, the Division Bench of the High Court erred in applying the judgment in ***B.S. Reddy*** (supra), which dealt with the limited scope of Section 47 of the Act, and did not consider claims arising independently under industrial settlements. The present case stands on an entirely different legal footing.

11. We now proceed to examine each of these issues in detail.

RE: ISSUE – I

12. The undisputed factual position is that the Appellant was appointed as a driver with the Telangana State Road Transport Corporation (TSRTC), was medically examined and declared fit at the time of entry and discharged his duties until he was found colour blind during a routine medical check-up. Pursuant to the medical report declaring him unfit for driving duties, he was retired from service under Regulation 6A(5)(b) of the APSRTC Employees (Service) Regulations, 1964. The Respondents have sought to justify this action by referring to internal circulars dated 10.11.2014 and 14.05.2015, which stipulate that employees found medically unfit due to colour blindness shall not be offered alternate employment, and shall be retired with the grant of "Additional Monetary Benefit" (AMB).

13. The primary legal flaw in this approach lies in the assumption that medical unfitness for a particular post automatically entails incapacity for public service altogether. Colour blindness, though a disqualification for driving, does not render the Appellant unfit to serve in any other non-driving role. There is no evidence that he was declared wholly incapacitated or incapable of performing other duties. This Court in ***Kunal Singh*** (supra), held that when an employee acquires a disability in the course of service, the employer must retain the employee by providing suitable alternate employment, unless no such post exists. In the present case, the Appellant had requested reassignment to the post of Shramik, which, by its nature, does not demand normal colour vision. No effort was made by the Corporation to assess his suitability or to examine the availability of such posts.

14. Further, it can be seen that, Rule 6A (5) (b) only provides for the extent of terminal benefits which an employee may be entitled to, in the case of retirement of a driver on medical grounds. The MOS dated 17.12.1979 entered into under Section 12 (3) of Industrial Disputes Act, 1947 between the employer and the union representing the workmen under Clause 14 would indicate that the drivers found with "colour blindness" would be provided an alternate job and all service benefits would stand protected.

15. For immediate reference Clause 14 of the said MOS dated 17.12.1979 is extracted below:

> ***"14. Colour Blind Drivers***
>
> *a) The long pending issue has been decided and it was agreed to give alternate job to the Drivers found colour blind during the periodical examination. While giving the alternate job, the time scale and pay drawn by the Driver at the time of disqualification would be protected. Circular instructions would be issued in this regard incorporating the cases arising after the issue of circular No. P1/210(1)/76-PD, dt. 16-8-1976.*
>
> *b) Having given the alternative job, the seniority of Drivers will, however, be continued in the Drivers cadre, and they shall take their further promotions at appropriate time as per Cadre & Recruitment Regulations.*

c) Drivers who are found Colour Blind during periodical Medical Examination would be given day duties subject to availability of such duties in the Depots.

d) Regarding the suggestion of the Union for finding out an alternate test for Ishara test, the VC & GM agreed to request the Eye Specialist of RTC Hospital Dr. E. Babu Rao and after hearing the views of few other eye Specialists, the decision would be taken whether to continue the Ishara Test or a suitable alternate test is available for determination of colour blindness keeping in view the safety of passengers and the vehicle."

16. However as can be seen from the Counter affidavit, the Corporation has relied upon the subsequent agreement, namely Memorandum of Settlement (MOS) dated 22.12.1986 to stave off the claim for alternate employment raised by the Appellant in the instant case. A perusal of the said MOS dated 22.12.1986 would indicate that it was referrable to two earlier agreements dated 9.10.1985 and 10.03.1986. Though a plea has been raised in the Counter affidavit filed by the Corporation that the MOS dated 17.12.1979 has been superseded by the agreement of 1986, we are loath in accepting the said contention for reasons more than one which are as under:

16.1. ***Firstly***, the agreement dated 22.12.1986 does not refer to the agreement dated 17.12.1979

16.2. ***Secondly***, 17.12.1979 agreement, there is a specific reference to 'Colour Blind Drivers' (Clause 14) which refers to the same, has been extracted supra. In fact, Clause 5 (d) of the settlement agreement 22.12.1986 which has been heavily relied upon by the Corporation to reject the claim of the Appellant requires to be noticed to the benefit of the Appellant. It reads thus:

"5. Problems of Drivers:

*"….. **d) MEDICALLY UNFIT DRIVERS :** It is agreed that to the extent possible suitable alternate jobs will be identified. In case it is not possible to identify suitable jobs, additional monetary benefit· as per the proposals sent to the Government will be given after Govt's approval."*

A perusal of the above clause would indicate, suitable alternate jobs would have to be identified and only in the event of not being possible to identify such job, recourse to payment of additional monetary benefit as per the proposal sent to the government will be given after government's approval.

16.3. ***Thirdly***, the Settlement dated 22.12.1986 does not specifically supersede the settlement agreement of 17.12.1979. It is only by way of a communication dated 10.11.2014, the benefit of alternate employment given to the drivers declared unfit due to "colour blindness" has been sought to be taken away which benefit was extended till that date. The only ground on which the aforesaid communication 10.11.2014 came to be issued is on account of the reliance on the dicta laid down by this Court in ***Union of India v. Devendra Kumar Pant and Others***[3].

17. The Respondents' defence based solely on internal circulars and a mechanical reading of Regulation 6A(5)(b) cannot override this obligation. Retirement on medical grounds must be a measure of last resort, only after the employer exhausts all reasonable avenues for redeployment. This principle is inherent in the concept of "reasonable accommodation", which is now recognised as an aspect of substantive equality under Articles 14 and 21. The failure to explore alternate employment before resorting to medical retirement is not merely a procedural lapse—it is a substantive illegality that violates the Appellant's right to livelihood and equal treatment.

RE: ISSUE – II

18. The Appellant relies upon the Memorandum of Settlement dated 17.12.1979, executed between the Corporation and its recognised union under Section 12(3) of the Industrial Disputes Act, 1947. The Memorandum of Settlement is not a mere administrative circular—it is a binding statutory contract forged between labour and management.

19. Clause 14 of the Memorandum of Settlement dated 17.12.1979 provides as follows:

> *"(a)…It was agreed to give alternate job to the Drivers found colour blind during the periodical examination. While giving*

3 (2009) 14 SCC 546

the alternate job, the time scale and pay drawn by the Driver at the time of disqualification would be protected…"

20. This provision was incorporated into a settlement concluded under Section 12(3) of the Industrial Disputes Act, 1947, during conciliation proceedings before the Assistant Commissioner of Labour. By virtue of Section 18(3) of the Act, such a settlement binds not only the parties to the dispute but also all workmen of the establishment and their successors.

21. The enforceability of this settlement is not diminished by the subsequent settlement dated 22.12.1986, which the Corporation claims to be governing the field. Clause 5(d) of the 1986 settlement provides that drivers who are medically unfit may, "to the extent possible", be provided alternative employment, and where not feasible, will be granted AMB. Crucially, this clause does not contain any express language annulling or modifying Clause 14 of the 1979 agreement. Clause 14 of the 1979 Settlement specifically provides for alternative employment in cases of colour blindness, with pay protection and continuity of seniority. It is neither time-barred nor ambiguous. The Corporation's submission that this was superseded by the later settlement dated 22.12.1986 is both misplaced and misconceived. This industrial settlement, being a bilateral agreement between employer and workmen, has statutory force and is binding. In industrial law, a beneficial provision in a prior settlement cannot be deemed overridden unless there is an express revocation or contradiction. No such conflict exists in the present case. Additionally, the 1986 clause is general in nature, addressing medically unfit drivers as a class. The 1979 clause is specific, dealing solely with colour blindness. Applying the principle of ***generalia specialibus non derogant [A general provision does not override a specific provision***], the 1979 clause continues to govern the case of colour-blind drivers. The absence of a termination clause in the 1986 settlement, coupled with the Corporation's continued adherence to Clause 14 in other cases even after 1986, confirms that the earlier agreement remained operational. Accordingly, we find that 1986 settlement does not explicitly abrogate or nullify Clause 14 of the 1979 settlement.

22. Settlements entered under Section 12(3) of the Industrial Disputes Act are not administrative conveniences. They are quasi-statutory instruments reflecting negotiated justice, and they bind both employer

and employee with the force of law. Where such settlements create specific entitlements, courts must give them purposive effect, unless expressly rescinded or demonstrably superseded. Their terms are not to be overridden by internal policy or circulars issued in contravention thereof.

23. Further, the Corporation's internal circulars dated 10.11.2014 and 14.05.2015, which purport to deny alternate employment to colour-blind drivers and limit them to AMB, are administrative in nature and cannot override the binding effect of a statutory settlement under Section 12(3). Therefore, the Respondents' reliance on internal instructions in disregard Clause 14 is both procedurally and substantively invalid.

RE: ISSUE – III

24. From the record, it is evident that the Corporation made no effort whatsoever to assess the feasibility of assigning the Appellant to a non-driving post. There is no file noting, committee report, vacancy statement, or suitability assessment relating to the Appellant. His representation requesting the post of Shramik remained unanswered. No comparative evaluation was conducted, and no individualized inquiry was held. The only justification offered is that the Corporation's circulars bar such alternate employment.

25. Such inaction is wholly unjustified. Even assuming the applicability of the 1986 settlement, it expressly mandates that alternate jobs be identified "to the extent possible". The phrase itself presumes an active, documented effort to explore available posts. The failure to discharge this obligation violates not only the terms of the settlement but also the principle of natural justice, which demands that before depriving a person of livelihood, relevant material be gathered and considered.

26. The burden lies on the Corporation—not the employee—to establish that no suitable alternate post was available or could reasonably be created. Mere invocation of a medical certificate, or the silence of a circular, cannot constitute compliance. Inaction is not neutrality; in such cases, it is a form of institutional exclusion.

27. In the present case, there is no evidence that the Respondents examined even the most basic parameters—availability of vacancies, suitability of tasks, or the Appellant's qualifications. This total failure

undermines the Corporation's claim of compliance with either the 1979 or 1986 framework, and renders the retirement order void for non-consideration of Appellant's claim in proper perspective.

RE: ISSUE – IV

28. The Division Bench of the High Court reversed the relief granted by the learned Single Judge by placing reliance on the decision in ***B.S. Reddy*** (supra), where this Court held that the protection of Section 47 of the Persons with Disabilities Act, 1995 is limited to disabilities enumerated under Section 2(i) of that Act[4]. However, the Division Bench erred in applying that ruling to the present case, as the Appellant's rights do not solely emanate from Section 47[5], but rather from a contractual settlement which carries independent statutory force under Section 18(3) of the Industrial Disputes Act,1947.

29. The ***B.S. Reddy*** (supra) judgment did not deal with the enforceability of a clause in an agreement/settlement entered into under Section 12(3)[6] or the Corporation's obligations under bilateral agreements with its workers. The High Court overlooked the fundamental distinction between statutory rights under disability law and contractual service conditions enforceable through settlements. The correct line of precedent is that found in ***Kunal Singh (supra)*** and ***Vikash Kumar v. Union Public Service Commission and Others***[7], which recognise that even beyond codified statutes, constitutional obligations of non-discrimination and fairness demand that employers seek to retain employees with acquired impairments through accommodation and redeployment. In this case, where a specific settlement exists and a broad practice of redeployment was followed for similarly placed employees, the denial of relief to the Appellant amounts to arbitrary discrimination and failure of equal protection.

30. While we have, in the preceding analysis, demonstrated sufficient and independent grounds to set aside the impugned action on the basis of binding industrial obligations and procedural infirmities, we consider it necessary to also reaffirm the broader legal framework that governs

4 Persons with Disabilities Act, 1995

5 Persons with Disabilities Act, 1995

6 Industrial Disputes Act,1947

7 (2021) 5 SCC 370

cases involving employees who acquire disability during service. Our concern is not confined to the facts of the present case but extends to the systemic risk that employers, particularly public sector entities, may attempt to bypass their obligation to offer alternate employment by drawing rigid distinctions between recognised and unrecognised disabilities under statutory frameworks. To safeguard against such evasion, and to reinforce the constitutional and statutory principles of non-discrimination, reasonable accommodation, and substantive equality, we draw guidance from a consistent line of precedent that interprets such protections not narrowly, but purposively.

In ***Kunal Singh*** (supra), this Court made a clear distinction between "disability" and "person with disability" under the 1995 Act, and emphasised the mandatory obligation imposed by Section 47 to protect the employment of persons who acquire a disability during their tenure. The Court held:

> *"**9.** …It must be remembered that a person does not acquire or suffer disability by choice. An employee, who acquires disability during his service, is sought to be protected under Section 47 of the Act specifically. Such employee, acquiring disability, if not protected, would not only suffer himself, but possibly all those who depend on him would also suffer. The very frame and contents of Section 47 clearly indicate its mandatory nature. The very opening part of the Section reads "no establishment shall dispense with, or reduce in rank, an employee who acquires a disability during his service".*
>
> *The Section further provides that if an employee after acquiring disability is not suitable for the post he was holding, could be shifted to some other post with the same pay scale and service benefits; if it is not possible to adjust the employee against any post he will be kept on a supernumerary post until a suitable post is available or he attains the age of superannuation, whichever is earlier. Added to this no promotion shall be denied to a person merely on the ground of his disability as is evident from sub-section (2) of Section 47. Section 47 contains a clear directive that the employer shall not dispense with or reduce in rank an employee who acquires a disability during*

the service. In construing a provision of social beneficial enactment that too dealing with disabled persons intended to give them equal opportunities, protection of rights and full participation, the view that advances the object of the Act and serves its purpose must be preferred to the one which obstructs the object and paralyses the purpose of the Act. Language of Section 47 is plain and certain casting statutory obligation on the employer to protect an employee acquiring disability during service."

31. Perusal of the above judgment in ***Kunal Singh*** (supra) rendered by this court makes it clear that there is a distinction between persons suffering from disability and persons who have acquired disability during service. It would be apposite to reproduce Section 47 of the Act. It reads thus:

> *"**47. Non-discrimination in Government employment.-** (1) No establishment shall dispense with, or reduce in rank, an employee who acquires a disability during his service:*
>
> *Provided that, if an employee, after acquiring disability is not suitable for the post he was holding, could be shifted to some other post with the same pay scale and service benefits:*
>
> *Provided further that if it is not possible to adjust the employee against any post, he may be kept on a supernumerary post until a suitable post is available or he attains the age of superannuation, whichever is earlier.'*
>
> *(2) No promotion shall be denied to a person merely on the ground of his disability:*
>
> *Provided that the appropriate Government may, having regard to the type of work carried on in any establishment, by notification and subject to such conditions, if any, as may be specified in such notification, exempt any establishment from the provisions of this section."*

32. Section 47 mandates that such an employee be shifted to another post with the same pay and service benefits, and if no such post is available, be retained on a supernumerary post until one becomes available or until the date of superannuation. The provision further

ensures that no promotion is denied merely on the ground of disability, recognizing that employment security is central not only to individual dignity but also to familial survival.

33. This principle was further extended in ***Mohamed Ibrahim v. The Chairman and Managing Director & Ors***.[8], wherein one of us (Aravind Kumar, J.) was party to the judgment. The Court held that even if colour blindness does not fall within the statutory definition of "disability" under Section 2(i) or "persons with disability" under Section 2(t) of the Rights of Persons with Disabilities Act, 2016, the employer is still bound to provide reasonable accommodation and cannot terminate employment without exploring alternate roles. This Court observed:

> *"**19**. The Act contains a general non-discriminatory provision:*
>
> > ***"3. Equality and non-discrimination**.*
> >
> > *(1) The appropriate Government shall ensure that the persons with disabilities enjoy the right to equality, life with dignity and respect for his or her integrity equally with others.*
> >
> > *(2) The appropriate Government shall take steps to utilise the capacity of persons with disabilities by providing appropriate environment.*
> >
> > *(3) No person with disability shall be discriminated on the ground of disability, unless it is shown that the impugned act or omission is a proportionate means of achieving a legitimate aim.*
> >
> > *(4) No person shall be deprived of his or her personal liberty only on the ground of disability.*
> >
> > *(5) The appropriate Government shall take necessary steps to ensure reasonable accommodation for persons with disabilities."*
>
> ***20.** The twin conditions of falling within defined categories, and also a threshold condition of a minimum percentage,*

8 Civil Appeal No. 6785 of 2023

of such disabilities, in fact are a barrier. The facts of this case demonstrate that the appellant is fit, in all senses of the term, to discharge the duties attached to the post he applied and was selected for. Yet, he is denied the position, for being "disabled" as he is colour blind. At the same time, he does not fit the category of PWD under the lexicon of the universe contained within the Act. These challenges traditional understandings of what constitute "disabilities". The court has to, therefore, travel beyond the provisions of the Act and discern a principle which can be rationally applied.

21. *In Jeeja Ghosh v. Union of India, [2016] 4 SCR 638. this court observed:*

> *"40. In international human rights law, equality is founded upon two complementary principles: non-discrimination and reasonable differentiation. The principle of non-discrimination seeks to ensure that all persons can equally enjoy and exercise all their rights and freedoms. Discrimination occurs due to arbitrary denial of opportunities for equal participation. For example, when public facilities and services are set on standards out of the reach of persons with disabilities, it leads to exclusion and denial of rights. Equality not only implies preventing discrimination (example, the protection of individuals against unfavourable treatment by introducing antidiscrimination laws), but goes beyond in remedying discrimination against groups suffering systematic discrimination in society. In concrete terms, it means embracing the notion of positive rights, affirmative action and reasonable accommodation."*

22. *Ravinder Kumar Dhariwal v. Union of India, 2021 (13) SCR 823 highlighted on the right to equality and underlined the two aspects: formal equality and substantive equality. It stated that substantive equality aims at producing equality of outcomes, and in the context of the case, observed that the "principle of reasonable accommodation is one of the means for achieving substantive equality, pursuant to which*

disabled individuals must be reasonably accommodated based on their individual capacities." The court recollected Vikash Kumar v. Union Public Service Commission, 2021 (12) SCR 311, which held as follows:

> *"The principle of reasonable accommodation acknowledges that if disability" should be remedied and opportunities are "to be affirmatively created for facilitating the development of the disabled. Reasonable accommodation is founded in the norm of inclusion. Exclusion results in the negation of individual dignity and worth or they can choose the route of reasonable accommodation, where each individual's dignity and worth is respected."*

23. *It was also noted that provisions of Chapters VII and VIII of the Act are in furtherance of the principle of reasonable accommodation which is a component of the guarantee of equality. This has been recognised by a line of precedent. This court, in multiple cases has held that the principle of reasonable differentiation, recognising the different needs of persons with disabilities is a facet of the principle of equality.*

24. *The significant impact of Vikash Kumar (supra) is that the case dealt with a person with a chronic neurological condition resulting in Writer's Cramp, experiencing extreme difficulty in writing. He was denied a scribe for the civil services exam by the UPSC, because he did not come within the definition of person with benchmark disability (40% or more of a specified disability). This court, rejected this stand, and held him to be a person with disability. It was also stated that the provision of scribe to him fell within the scope of reasonable accommodation. The Court said:*

> *"… the accommodation which the law mandates is 'reasonable' because it has to be tailored to the requirements of each condition of disability. The expectations which every disabled person has are unique to the nature of the disability and the character of the impediments which are encountered as its consequence…"*

> ***25.*** *The appellant is, for all purposes, treated as a person with disability, but does not fall within the categories defined in the Act, nor does he possess the requisite benchmark eligibility condition. The objective material on the record shows that the colour vision impairment is mild. Yet, TANGEDCO's concerns cannot be characterised as unreasonable. However, TANGEDCO is under an obligation to work under the framework of "reasonable accommodation", which is defined by Section 2 (y) as follows:*
>
> > *"(y) "reasonable accommodation" means necessary and appropriate modification and adjustments, without imposing a disproportionate or undue burden in a particular case, to ensure to persons with disabilities the enjoyment or exercise of rights equally with others;.."*
>
> ***26.*** *Reasonable accommodation thus, is "appropriate modification and adjustments" that should be taken by the employer, in the present case, without that duty being imposed with "disproportionate or undue burden".*

34. Similarly, in ***Ravinder Kumar Dhariwal and Another v. Union of India and Others***[9], the Court reaffirmed that reasonable accommodation is a means to achieve substantive equality, and obligates the employer to assess each case individually, based on the employee's residual functional ability and not just on formal disability classifications.

35. When a disability is acquired in the course of service, the legal framework must respond not with exclusion but with adjustment. The duty of a public employer is not merely to discharge functionaries, but to preserve human potential where it continues to exist. The law does not permit the severance of service by the stroke of a medical certificate without first exhausting the possibility of meaningful redeployment. Such obligation is not rooted in compassion, but in constitutional discipline and statutory expectation.

36. In light of this evolving doctrine, the Court in ***Mohamed Ibrahim*** clarified that employees with conditions like colour blindness, although not

9 [2021] 13 SCR 823

falling within the defined categories of the statute, must still be accommodated wherever their functional capacity permits. To do otherwise would result in a regressive interpretation of the law, undermining the very foundation of equal opportunity in public employment.

37. Thus, even though in the present case the Appellant had an enforceable right under a statutory industrial settlement—placing his claim on firmer footing—we find it necessary to reaffirm that even in the absence of such contractual rights, employees who acquire disabilities during service must not be abandoned or prematurely retired without being afforded a fair and reasonable opportunity for reassignment. The obligation to reasonably accommodate such employees is not just a matter of administrative grace, but a constitutional and statutory imperative, rooted in the principles of non-discrimination, dignity, and equal treatment.

38. This Court, therefore, affirms that beneficial and remedial legislation must not be diluted by narrow interpretation, and the protections offered therein must be extended purposively to protect the livelihood, dignity and service continuity of employees who acquire disabilities during employment. In doing so, we not only vindicate the Appellant's rights but also reaffirm our constitutional commitment to a just and humane employer-employee relationship.

CONCLUSION:

39. To conclude, the record before us makes it clear that the Appellant was prematurely retired from service on medical grounds without any meaningful effort by the Respondent–Corporation to explore his suitability for alternate employment. This action, taken in disregard of Clause 14 of the binding Memorandum of Settlement dated 17.12.1979 and without adherence to principles of fairness or accommodation, cannot be sustained in law.

40. The Corporation's omission to consider redeployment violates both statutory and constitutional obligations. Settled jurisprudence, including ***Kunal Singh*** (supra), which mandates that an employee who acquires a disability during service must be protected through reassignment where possible. The duty to reasonably accommodate such employees is now part of our constitutional fabric, rooted in Articles 14 and 21.

41. While judicial restraint guards against overreach, it must not become an excuse for disengagement from injustice. When an employee is removed from service for a condition he did not choose, and where viable alternatives are ignored, the Court is not crossing a line by intervening, it is upholding one drawn by the Constitution itself. The employer's discretion ends where the employee's dignity begins.

42. In light of the foregoing, the judgment of the High Court in W.A. No. 1343 of 2017 is set aside. The Respondent–Corporation is directed to appoint the Appellant to a suitable post, consistent with his condition, and on the same pay grade as he held on 06.01.2016, within eight weeks from the date of receipt of this order. The Appellant shall be entitled to 25% of the arrears of salary, allowances, and benefits from the date of his termination to the date of reinstatement. The intervening period shall be reckoned as continuous service for all purposes.

43. The Appeal stands allowed. There shall be no order as to costs.

Result of the case: Appeal allowed.

[†]*Headnotes prepared by:* Ankit Gyan