



LABOUR

Safeguarding employment rights of workers with acquired disabilities: Supreme Court's progressive ruling in Ch. Joseph v. TSRTC

AUTHOR Nidhi Singh

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Introduction

The Supreme Court of India in *Ch. Joseph v. Telangana State Road Transport Corporation* (2025 INSC 920) has set aside the medical retirement of a bus driver who was declared colour blind during service. The Court held that the employer's failure to consider alternate employment, despite a binding industrial settlement, violated the principles of fairness, statutory obligations, and constitutional rights under Articles 14 and 21. This decision upheld the jurisprudence on reasonable accommodation, strengthens the enforceability of industrial settlements under the Industrial Disputes Act, 1947, and affirms the obligation of employers to safeguard the dignity and livelihood of workers with acquired disabilities.

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Factual Background

The appellant, Ch. Joseph, was appointed as a driver with the Andhra Pradesh State Road Transport Corporation (APSRTC) on 1 May 2014. In a routine medical check-up, he was found to be colour blind and consequently declared unfit for driving duties. Upon exhausting appeals and medical reviews, his request for alternate employment was rejected by the corporation, which relied on internal circulars denying such benefits to colour-blind drivers. He was retired with effect from 6 January 2016, with a direction to avail additional monetary benefits.

The appellant challenged the decision before the High Court, relying on Section 47 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 (prohibits dismissal or demotion of employees who acquire a disability during service and mandates reassignment or retention on equivalent terms where feasible) (PwD Act) and Clause 14 of a 1979 Memorandum of Settlement (MOS) entered under Section 12(3) of the Industrial Disputes Act (provides that drivers found colour blind during service must be given alternate employment with pay protection and service continuity). While the Single Judge ruled in his favour, the Division Bench reversed the decision, holding that colour blindness was not a recognised disability under the Act. The appellant then approached the Supreme Court.

Key Legal Issues

The Supreme Court addressed the following critical questions:

1. Whether retiring the appellant on medical grounds without assessing alternate employment violated service regulations or binding settlements.
2. Whether the 1979 MOS remained binding despite the subsequent 1986 settlement.
3. Whether the employer discharged its duty to explore alternate roles in good faith.
4. Whether the High Court's reliance on *B.S. Reddy* (2018) 12 SCC 704 was legally sustainable in the context of independent contractual rights.

Supreme Court's Findings

1. Breach of Statutory and Contractual Obligations

The Court held that the 1979 settlement, entered under Section 12(3) of the Industrial Disputes Act, was a binding quasi-statutory instrument. Clause 14 of the MOS explicitly provided that drivers found to be colour blind during service would be offered alternate employment with protection of pay and continuity in service. This provision was never expressly rescinded or overridden.

The 1986 MOS, which included a more general clause (Clause 5(d)) on medically unfit drivers, did not specifically deal with colour blindness and did not refer to the earlier 1979 settlement. The Court invoked the rule of *generalia specialibus non derogant*, holding that the specific entitlement under Clause 14 continued to remain effective.

2. Invalid Reliance on Internal Circulars

The Corporation's justification for retirement rested on internal circulars issued in 2014 and 2015, which excluded colour-blind drivers from redeployment. The Court held that such circulars, being administrative in nature, could not override a binding industrial settlement created through statutory conciliation.

Moreover, there was no evidence that any effort was made to evaluate the appellant's suitability for non-driving roles, such as that of a Shramik. The employer failed to conduct any comparative assessment or explore vacancies, rendering the retirement decision arbitrary and in violation of natural justice.

3. Reaffirming Reasonable Accommodation

Citing *Kunal Singh v. Union of India* (2003) 4 SCC 524 and *Mohamed Ibrahim v. CMD, TANGEDCO* (Civil Appeal No. 6785 of 2023), the Court highlighted that the constitutional and statutory duty to offer reasonable accommodation to employees acquiring disabilities during service. It clarified that protection under Section 47 of the PwD Act cannot be read restrictively and must be interpreted purposively to advance the objectives of inclusion and dignity.

The Court further observed that even if colour blindness did not qualify as a benchmark disability under the statute, the principle of non-discrimination and substantive equality under Articles 14 and 21 of the Constitution required the employer to consider redeployment in suitable roles.

Broader Legal Significance

This judgment affirms several vital principles with far-reaching implications:

- **Binding Nature of Industrial Settlements:** The Court held that the 1979 Memorandum of Settlement, executed during conciliation proceedings under Section 12(3) of the Industrial Disputes Act, 1947, is a statutory settlement. Under Section 18(3) of the Act, such settlements are binding not only on the parties to the dispute but also on all employees and their successors in the establishment. The Court emphasised that such settlements are not mere administrative arrangements they carry the force of law and cannot be nullified by internal circulars or later general agreements unless expressly revoked.
- **Protection Against Arbitrary Medical Retirement:** Employers, especially in the public sector, cannot resort to retirement solely on medical grounds without first evaluating the possibility of reassignment.
- **Reasonable Accommodation as a Legal Imperative:** The ruling affirms that employers must provide necessary modifications or roles that suit an employee's residual ability unless doing so imposes a disproportionate burden.
- **Statutory and Constitutional Synergy:** The Court harmonised the Industrial Disputes Act with disability law and constitutional guarantees, highlighting that procedural and substantive fairness must guide employment decisions.

Direction Issued by the Court

The Supreme Court directed the Telangana State Road Transport Corporation to reinstate the appellant in a suitable non-driving role on the same pay scale as on the date of retirement. He was awarded 25% of arrears from 6 January 2016 to the date of reinstatement, with the entire intervening period treated as continuous service.

Conclusion

The decision in *Ch. Joseph v. TSRTC* stands as a robust affirmation of the rights of employees who acquire disabilities during service. It reflects a holistic approach that integrates labour law, disability rights, and constitutional values to ensure that procedural formalities do not eclipse human dignity. The ruling sends a clear message to public sector employers that obligations under settlements, statutory schemes, and constitutional principles cannot be diluted by administrative convenience.

This judgment is a valuable precedent for workers, unions, and legal practitioners seeking to uphold employment protections in cases of acquired disability and sets a benchmark for inclusive workplace practices in India.

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