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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved On: 11.11.2026	Delivered On: 17.11.2026

CORAM

THE HONOURABLE DR JUSTICE G. JAYACHANDRAN
and
THE HONOURABLE MR JUSTICE E. MANOHARAN

W.P.No.7401 of 2008
and
M.P.No.1 of 2008

Tamil Nadu Government Transport
Corporations Staff Federation,
Rep. By its General Secretary,
(Regd No.601/MDU)
TNSTC Head Office Complex,
Bye Pass Road, Madurai – 625 010. … Petitioner

vs.

1. The Government of Tamil Nadu,
Rep. By its Secretary,
Transport Department,
Fort St. George,
Chennai – 600 009.

2. The Tamil Nadu State Corporation,
(Madurai) Ltd.,
Rep. By its Managing Director,
Bye Pass Road,
Madurai – 625 010.

3. The Tamil Nadu State Corporation
(Kumbakonam) Ltd.,
Rep. By its Managing Director,
Railway Station Road,
Kumbakonam.
4. The Tamil Nadu State Corporation,
(Coimbatore) Ltd.,

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Rep. By its Managing Director,
No.37, Mettupalayam Road,
Coimbatore. … Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, to issue Writ of Declaration by declaring sub-rule 4(a)(b) of Part-C of Appendix II read with Rule 59(b) of Common Services Rules as null and void and to forbear the respondents from granting promotion to the graduate conductors on the basis of the impugned sub-rule and to pass orders.

For Petitioner : Mr.V.Govardhanan,
for M/s.Row and Reddy

For Respondents : Mr.K.Rajesh,
Government Advocate, for R1
: Mr.C.Senapathi, for R3
: Mr.A.Sundaravadhanan, for R4

O R D E R

Dr. G. Jayachandran, J.
and
E.Manoharan, J.

The case of the petitioner federation, in short, is that it is a recognised Union by virtue of an election held in the year 1998. Serial No.4(a) and (b) of Part C of Appendix II, read with Rule 59(b) of the Common Service Rules, which came into effect from 22.05.1987 insofar as prescribing quota of 25% for graduates for promotion to the posts supervisory and above in the Traffic/Administrative/Technical category, is void since under Clause 15 of the 12(3) settlement signed in the year 1977, it was agreed that there will be no

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time-based review for filling the posts in supervisory group. The number of supervisory posts will be fixed by the Corporation and vacancies to be filled by promotion will be filled up from among the working group who have the prescribed qualifications based on merit-cum-seniority. Therefore, when merit-cum-seniority is the basic policy in operation for about 30 years, the impugned Paragraph 4(a) and (b) in the Appendix, which deals with the method of recruitment to the post of Checking Inspector, 25% is earmarked exclusively for Conductors who possess graduate degree in Arts, Science or Commerce. The remaining 75% to be filled on the basis of seniority. When the Corporation tried to provide quota for graduates serving as Senior Assistants to Supervisory post, dispute was raised by the aggrieved employees, which was subject matter of I.D.No.18 of 1991. In the said dispute, an award was passed on 13.05.1997 holding that the settlement binds both the management and the employees. When the settlement does not provide for any such quota, the same principle should equally apply to the promotion for Special Grade Conductors to Checking Inspectors.

2. The Learned Counsel, referring to the observations made in Paragraph 12 of the award dated 13.06.1997 in the case of quota given to the graduates in the Senior Assistant post, contended that the same analogy applies

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to Senior Conductors. For better appreciation of the said submission, the relevant portion of the award is extracted below:-

> *"12. The main question raised by the petitioner-unions in the industrial dispute is one of discrimination shown between technical and non-technical staff. While they are promoted to the supervisory cadre and thereafter. It seems the respondent Corporations have prescribed certain qualifications for the senior posts like that of the General Manager. Managing Director or Chairman-cum-Managing Director. The petitioner-Union are very much dissatisfied with the respondent Management for promoting only the technically qualified staff members to the higher post and not the non-technical persons. The petitioner unions have clearly stated the guidelines prescribed by the respondent for such higher post. The respondent have also not stated that the managements have prescribed any qualifications for the staff members to reach the higher post in the transport Corporation. However, from the claim statement and the counter statement it is clear that only technically qualified staff members alone reach the post like General Manager and above and nontechnical persons are not promoted like to the said position. From the hierarchy shown In the counter statement one may feel that the non-technical staff members belonging to the administrative set up may not reach the higher positions because by the time when they reach the eligibility for promotion to the higher posts*

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generally they retire. However, from the reading of the claim statement it is clear that the managements select only technical qualified persons to the higher positions and not the non-technical staff members. No specific cases have been shown as to how a non-technical staff member was prevented from not reaching the higher positions. Respondent No. 7 and some respondents have raised this point in their counter statement and contended that the claim statement is vague and non specific instances have been shown to prove the discrimination attitude by the management between technical and non-technical staff members. In turn the petitioner Unions in their reply statement have stated that there is one of the general nature and therefore they need not show any specific cases of discrimination to achieve their object. Whatever, it may be, it will be better to show one or two specific instances to prove the fact that the Corporations promote only technical staff members to the post and not non-technicals. While considering the reasons shown by both the parties and also the documents marked on their sides, it is clear that they have not come forward with specific instances. The petitioner unions have also not shown how technically qualified persons alone are preferred for the higher positions."

3. The respondents in the counter states that the writ petition is not maintainable for two reasons:-

(i)Firstly, the writ petitioner filed by a Trade Union for the cause of a

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group of employees as against another group of employees is not maintainable especially, when the writ petitioner Union was unsuccessful in the election conducted for recognition. After the process of election to identify the majority union, the Management has entered into 12(3) Settlement with the Labour Progressive Front which is the successful Union and other recognised unions on 08.01.2011. In the said settlement, the issue of promotion to the supervisory post been decided and given effect.

(ii)Secondly, the writ petition has to be dismissed for not including the necessary parties (the graduates in the post of Senior Conductors) who are likely to be affected if in the event of their prayer is granted. Particularly, when the graduates filed writ petition to implement 25% quota as per Paragraphs 4(a) and (b) and same was dismissed as withdrawn after the management undertaking to implement the same.

4. The Learned Counsel for the respondents further submitted that State Transport Corporations which function under several divisions spread over the State, periodically enter into settlements with the Unions and decide about the issues including promotional aspect. Based on the conditions prevailing and without causing any infringement to the Service Rules, the terms of the settlements are finalised. Providing quota for graduates and non-graduates is

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not violative of Articles 14 or 16 of the Constitution. In fact, by providing quota for each distinct group, the promotional opportunities proportionate to their strength are ensured.

5. The Hon'ble Supreme Court has consistently held that the fixation of quota among graduates and non-graduates is permissible provided there is fair and equitable distribution among them. The Common Service Rules (CSR) are framed by the Transport Department for Transport Undertakings to adopt and implement. Liberty is given to the respective Divisions to modify the rules with the approval of the Board of Directors. The Settlements under Section 12(3) is arrived periodically, involving the Managing Directors of all the Divisions and the Unions. Challenging provision of the CSR after 24 years of its existence and effective implementation with certain variations which are required and settled through the 12(3) settlement process, requires no interference.

6. Heard the Learned Counsel for the petitioner and the Learned Counsel for the respondents.

7. We are conscious of the fact that the writ petition is filed

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challenging the vires of a Rule, which provides flexibility to modify. The effectiveness of the impugned paragraphs in the Appendix well been examined by the stakeholders during the settlement talks and appropriate decisions taken. If there is a reasonable ground to provide quota for higher qualifications, the same cannot be questioned on the ground of equality alone. The test of *intelligible differentia* and reasonableness, san arbitrariness is to be applied when the constitutional validity of a Rule is subjected to challenge.

8. In the case in hand, we find that in the Paragraphs 4(a) and (b), quota is prescribed for the post of: a) Checking Inspector/Time Keeper and b) Junior Checking Inspector/Time Keeper from among the feeder categories, namely Direct Recruits and promotees, in the ratio of 3:1. Thus, the promotees are given 75% and the direct recruits are given 25%. From among the quota meant for promotees, 75% is distributed equally among:

(i)Selection Grade Conductors (III Level) in the working group for the promotional post of Checking Inspector/Time Keeper (Second Level) in the miscellaneous group, and

(ii)Selection Grade Conductors who possess MGEQ (Minimum General Educational Qualification) or any other higher qualification.

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9. The remaining 25% is reserved for Senior Conductors (Second Level) who possess a Degree in Arts, Science or Commerce only for the post of Junior Checking Inspector and Junior Time Keeper (first level) in the miscellaneous group, or by direct recruitment, to the post of Junior Checking Inspector / Junior Time Keeper.

10. The rule under challenge explicitly makes out an *intelligible differentia* for the posts as well the feeder category. It is not only educational qualifications but also the level i.e., First level, Second level and third level in the respective cadre based on the length of service and the group to which they belong such as Working Group and Miscellaneous Group. Therefore, fusing in one cadre but with differentia necessitates to fix quota for each distinct group/grades.

11. In ***State of Mysore and another -vs- P.Narasinga Rao*** *reported in* ***AIR 1968 SC 349***, in the newly formed State viz., State of Mysore when two scales of Tracers who were doing the same kind of work challenged as ultra vires to Article 14 and 16 of the Constitution, the Constitutional Bench of the Apex Court held as below:-

> "4. The relevant law on the subject is well settled. Under Article 16 of the Constitution, there shall be equality of opportunity

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for all citizens in matters relating to employment or appointment to any office under the State or to promotion from one office to a higher office thereunder. Article 16 of the Constitution is only an incident of the application of the concept of equality enshrined in Article 14 thereof. It gives effect to the doctrine of equality in the matter of appointment and promotion. It follows that there can be a reasonable classification of the employees for the purpose of appointment or promotion. The concept of equality in the matter of promotion can be predicated only when the promotees are drawn from the same source. This Court in dealing with the extent of protection of Article 16(1) observed in General Manager, Southern Rly. v. Rangachari.

> *"Thus construed it would be clear that matters relating to employment cannot be confined only to the initial matters prior to the act of employment. The narrow construction would confine the application of Article 16(1) to the initial employment and nothing else; but that clearly is only one of the matters relating to employment. The other matters relating to employment would inevitably be the provision as to the salary and periodical increments therein, terms as to leave, as to gratuity, as to pension and as to the age of superannuation. These are all matters relating to employment and they are, and must be, deemed to be included in the expression 'matters relating to employment' in Article 16(1)…. This equality of opportunity need not be confused with absolute equality as such. What is guaranteed is the equality of opportunity and nothing more. Article 16(1) or (2) does not prohibit the prescription of reasonable rules for selection to any employment or appointment to any office. Any provision as to the*

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> *qualifications for the employment or the appointment to office reasonably fixed (emphasis added) and applicable to all citizens would certainly be consistent with the doctrine of the equality of opportunity; but in regard to employment, like other terms and conditions associated with and incidental to it, the promotion to a selection post is also included in the matters relating to employment, and even in regard to such a promotion to a selection post all that Article 16(1) guarantees is equality of opportunity to all citizens who enter service…. In this connection it may be relevant to remember that Article 16(1) and (2) really give effect to the equality before law guaranteed by Article 14 and to the prohibition of discrimination guaranteed by Article 15(1). The three provisions form part of the same constitutional code of guarantees and supplement each other. If that be so, there would be no difficulty in holding that the matters relating to employment must include all matters in relation to employment both prior, and subsequent, to the employment which are incidental to the employment and form part of the terms and conditions of such employment."*

12. Hence, we hold that for adequate opportunity for the graduates, quotas have been prescribed, which is not an alien concept in Indian Service Jurisprudence. It is neither violative of Article 14 or Article 16(1) of the Constitution of India, which envisages equality of opportunity. When the feeder category is composed of persons of different grades, levels and education qualifications, earmarking reservations proportionate to their representation is

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one of the methods to ensure equality to the possible extent.

13. As we have pointed out earlier, the Rule under challenge is not rigid Rule but it is amenable to modification by way of a 12(3) settlement. This has been demonstrated during the earlier settlement arrived between the respective Managing Directors of the Transport Corporation Division and the representatives of the Trade Unions. As a result, we hold, the Rules impugned is neither arbitrary nor discriminative to declare it as void.

14. Accordingly, **this Writ Petition is dismissed.** No order as to costs. Consequently, connected Miscellaneous Petition is closed.

(Dr. G.J. J,) & (E.M. J,)

17-11-2026

Index :Yes.
Internet :Yes.
bsm
To,
1. The Secretary,
Government of Tamil Nadu,
Transport Department,
Fort St. George, Chennai – 600 009.

2. The Managing Director,

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Order QR

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Dr. G.JAYACHANDRAN, J.
&
E. MANOHARAN, J.

bsm

Pre-Delivery order made in
W.P.No.7401 of 2008

Judgment delivered on
17-11-2026

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