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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23.01.2025

CORAM

THE HON'BLE Mr. JUSTICE **C.V.KARTHIKEYAN**

W.P.Nos.27122 & 27127 of 2024

Federation of Bus Operators Association
of Tamil Nadu represented by its Secretary
No.6, Bishop Wallers Avenue (East)
Mylapore, Chennai 600 004.

.. Petitioner
in W.P.No.27122 of 2024

Federation of Bus Owners Association
represented by its President
'Bus Mahal', No.37, Annamalai Lay-out,
Mettur Road, Erode – 638 001.

.. Petitioner
in W.P.No.27127 of 2024

Vs.

1.The Government of Tamil Nadu
rep. by the Secretary,
Home Department,
Fort St. George,
Chennai 600 009.

2.The Transport Commissioner,
Guindy, Chennai – 600 032

.. Respondents
in both W.Ps



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Common Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Mandamus, directing the first respondent to revise the fare in respect of the stage carriage services proportionate to the increase of the fuel cost and other allied materials and also to constitute a Committee comprising of the high level government officials for the purpose of evolving the indexing method of pricing for fare revision every year or whenever need thereof arises, as contemplated under Notification VII Contained in G.o. Ms. No 34 Home (VII) Department dated 19.1.2018.

For Petitioner
in W.P.No.27122 of 2024

.. Mr.M.Palani

For Petitioner
in W.P.No.27127 of 2024

.. Mr.M.R.Jothimanian

For Respondents
in both W.Ps

.. Mr.P.S.Raman
Advocate General
assisted by
Mr.V.Manoharan
Additional Government Pleader

ORDER

W.P.No.27122 of 2024 had been filed by the Federation of Bus Operators Association at Chennai and W.P.No.27127 of 2024 had been filed by the Erode District Bus Owners Association. In both the writ petitions, the



relief sought is for a direction against the 1st respondent, the Secretary, Home Department, Government of Tamil Nadu to revise the fare with respect to stage carrier services in proportion with the increase in fuel cost and other materials. The petitioners also seek constitution of a Committee of high level Government officials for the purpose of indexing method of pricing for fare revision every year.

2. Primarily, the writ petitioners seek a mandamus to put into effect Section 67 of the Motor Vehicles Act, 1988, which authorizes the State Government to control road transport and while exercising such road transport, to also promote effective competition among the transport services providers. The effective competition among transport service providers would be possible only when there is revision of fare in proportion to the increase in the fuel prices and other overhead costs suffered by the transport operators during the course of their services.

3. In the writ petitions, it had been contended that for this purpose, the Government has to constitute a High Level Committee to examine the



difficulties faced by the private operators, particularly since there has been steep increase in the fuel price and also in overheads like payment of the salary to the employees and in other aspects and even the maintenance cost for the vehicles.

4.The learned Advocate General argued on behalf of the respondents and it was pointed out that the Government had passed G.O.Ms.No.675, Home (Transport-7) Department, dated 06.12.2024, wherein, a High Level Committee had been constituted with the following Members:

1	Additional Chief Secretary to Government, Home Department	Member
2	Additional Chief Secretary to Government, Transport Department	Member
3	Principal Secretary to Government, Finance Department	Member
4	Principal Secretary/Transport Commissioner, Commissionerate of Transport and Road Safety	Convener



5.The remit of the Committee had been given in Paragraph No.4, which is as follows:

4. Accordingly, the Government have decided to constitute an Expert Committee consisting of the Principal Secretary/Transport and Road Safety Commissioner, the Director, Institute of Road Transport and an official from Finance Department, Government of Tamil Nadu. The Expert Committee shall have a detailed consultation with all the factors of fare revision of stage carriages with the stakeholders viz., the State Transport Undertakings, Private Bus Operators and Owners, Consumers and other Public etc. After consultation, the Expert Committee shall submit its recommendations/suggestions to the High Level Committee.

6.In Paragraph No.6, it had also been stated as follows:

6. The above High Level Committee, after the receipt of recommendations/suggestions from the Expert Committee



regarding revision of fare in stage carriages shall scrutinize and offer their report thereon to the Government.

7.The grievance of the petitioners was that for the past eight years there has been no revision of fares even though there has been substantial increase of cost of the fuel and substantial increase in the cost of living which directly affected and made it imperative for the petitioners to pay higher salary for the employees and also the overhead cost had increased steeply. It was therefore stated that the High Level Committee which had been constituted should show some effective progress in determining the revision of fares and examining the grievance of the petitioners.

8.A status report had now been filed by the 2nd respondent, Principal Secretary/Transport and Road Safety Commissioner, Chennai, wherein, in Paragraph Nos.4 and 5, it had been stated as follows:

4. Accordingly, the Expert Committee consisted of the members viz., the Principal Secretary / Transport Commissioner, Chennai-32, Joint Secretary to Government,



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Finance Department, Secretariat, Chennai-9 and the Director, Institute of Road Transport, Taramani, Chennai-113 have conducted the preliminary meeting on 08.01.2025 at 3.30 PM in the Chamber of Transport Commissioner, Chennai -32 and discussed the issue of fare fixation/ revision for stage carriages as under:-

- The private operators are requesting fare revision for private stage carriages based on the fuel cost and other operational costs involved as of now.*
- It is learnt that, so far the fare fixation of stage carriages has been done by the Government on the basis of the proposal submitted by the Transport Department, done lastly during 2018, vide G.O.(Ms). No. 48, Home (Tr.VII) Department, dated 28.01.2018.*
- The diesel price on January 2018 was Rs.67.50 and now, the diesel price is Rs.92.39 (as of January 2025). Comparatively Rs.24.89 has been higher (by increasing 36.87%).*
- The prevailing Stage carriages fare in neighbouring states*



were reviewed and comparative table was submitted below:

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Name of the States	Fares Fixed for Ordinary stage carriage	Revision done on	Remarks (Fixed by)
Kerala	Rs.1.10/Km	30.04.2022	A committee headed by High Court Justice recommends Government to Government
Karnataka	Rs.1.00/Km	29.07.2020	Government fixed the rates
Andhra Pradesh	Rs.1.02/Km (includes Fuel Cess of Rs.0.19 paise)	30.06.2022	Government
Telangana	Rs.0.83/Km (Min, Fare Rs.10.00)	01.12.2019	Government
Tamil Nadu	Rs.0.58/Km	28.01.2018	Government

The Expert Committee has decided to hold meeting with Stakeholders viz., STUS, Private operators, Consumers etc., in a phased manner. The first of such meeting may be held with STUs and then with Private Bus operators and finally with Consumers Forum etc.,



5. *It is respectfully submitted that, the Principal Secretary /Transport Commissioner, Chennai-32 briefed the members about the existing provisions of Motor Vehicles Act, and the rules framed there under, as below:-*

•*As per sub section 40 of section 2 of MV Act, 1988, "stage carriage" means a motor vehicle constructed or adapted to carry more than six passengers excluding the driver for hire or reward at separate fares paid by or for individual passengers, either for the whole journey or for stages of the journey;*

•*As per rule 3 (e) of TNMVR, 1989, "City and Town Service" means a service partly within and partly outside the limits of a municipal town or city not exceeding 35 kilometers in all districts except Chennai.*

•*As per rule 3 (1) of TNMVR, 1989, "Express Service" means a service plying on route covering a distance of not less than 120 kilometers, which can pick up and set down passengers only once for every 25 kilometers of the total distance covered by its route.*



•As per rule 3(p) of TNMVR, 1989, "Ordinary Service" means a service plying in an area other than the Madras Metropolitan area and routes other than City and Town service routes and excludes an Express Service.

9. Thereafter, it had also been stated in Paragraph Nos. 7 and 8, as is as follows:

7. It is respectfully submitted that, the director IRT has agreed to submit a report containing a strategy that has been previously adopted for the fixation of fare for stage carriages during 2018 for the purpose of utilizing the same analogy in preparing the report with regard to revision of fare for stage carriages and also to submit a further report to the High Level Committee, as directed by the Government. He also submitted a copy of the ASRTU formula for fare revision.

8. It is respectfully submitted that, The next meeting of the Expert Committee will be held shortly with STUs.

10. The learned Advocate General pointed out that the High Level



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Committee is actively considering the grievances raised and a meeting should be conducted first with the State Transport Operators and then certainly with the petitioners Association and others like the petitioners, particularly, the private bus operators. The learned Advocate General had also stated that the Government is aware that the petitioners are important stakeholders and have to be consulted.

11.The grievance raised by the learned counsel for the petitioners is that there is no effective progress and that no specific dates have been mentioned when the meeting would be convened and that the Court should ensure that the meetings are held regularly. It had therefore been stated that the Court should monitor the progress of the meeting. That would go beyond the purview of this Court.

12.The primary relief sought is for constitution of High Level Committee to examine the revision of fares. The Government had constituted the High Level Committee and there cannot be any doubt raised that the High Level committee would not examine the grievances raised by



the petitioners herein. The Court can only place its confidence on the High Level Committee to proceed further with conducting meetings and arrive at a decision which is apt and addresses all the aspects raised by the petitioners and other stakeholders. The Court cannot continue to monitor the progress of the High Level Committee. Since, the High Level Committee is now put in place, any decision taken by them would always be subject to judicial review provided, the procedure adopted could be challenged by the petitioners on any ground whatsoever.

13.Let me not keep the writ petitions pending any longer, but close the same with the observation that the High Level Committee can proceed further with the meeting and take a decision at the earliest. It is hoped that some decision addressing the grievances of the petitioners would be taken, within a period of four months from the date of this order.

12.Both the writ petitions stands disposed of. No Costs.

23.01.2025

Index:Yes/No



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Internet: Yes/No

Speaking Order/Non-Speaking Order

Neutral Citation: Yes/No

ssr



To
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1. The Secretary,
Government of Tamil Nadu
Home Department,
Fort St. George,
Chennai 600 009.
2. The Transport Commissioner,
Guindy, Chennai – 600 032



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C.V.KARTHIKEYAN,J.

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