
(2005) 07 AP CK 0059

In the Andhra Pradesh High Court

Case No : Writ Petition No's. 9385, 9404 and 9410 of 2004

C. Kavitha

APPELLANT

Vs

State Transport Appellate Tribunal and Others

RESPONDENT

Date of Decision : 01-07-2005

Acts Referred:

Andhra Pradesh Motor Vehicles Rules, 1989 — Rule 258, 258(2)
Andhra Pradesh Motor Vehicles Taxation Act, 1963 — Section 57(8)
Motor Vehicles Act, 1988 — Section 100, 2(31), 2(38), 47(3), 67

Citation : (2005) 5 ALD 333

Hon'ble Judges : V.V.S. Rao, J

Bench : Single Bench

Advocate : E. Maruthi Raja, for the Appellant; Government Pleader for the Respondent Nos. 1 and 2 and K. Srinivasa Rao, for the Respondent No. 3, for the Respondent

Final Decision : Dismissed

Judgement

V.V.S. Rao, J.—This common order shall dispose of all the three writ petitions in view of the background of the cases, which are similar. Indeed W.P. Nos. 9404 and 9410 of 2004 are filed by the same petitioner. All the writ petitions are filed aggrieved by the orders of the State Transport Appellate Tribunal (the Tribunal, for brevity) dated 28.4.2004. By reason of the impugned orders, the learned Tribunal set aside the orders of the second respondent granting variation of permit in favour of the petitioners extending the route on town service route purporting to exercise power under Sub-section (3) of Section 80 of the Motor Vehicles Act, 1988 (the Act, for brevity).

2. The fact of the matter is not much in dispute. The petitioners are existing bus operators on town service route from Kalyandurg to Bairasamudram. They were granted pucca stage carriage permits. They applied to the second respondent for variation of the route by extension of the route from Bairasamudram to Vepulaparthi, to make the said route as Kalyandurg to Vepulaparthi via

Bairasamudram. All the petitioners have starting terminus at one place or other in Kalyandurg but were operating buses upto Bairasamudram. They sought variation of the route from Bairasamudram to Vepulaparthi. The second respondent by proceedings passed on various dates granted variation. The Andhra Pradesh State Road Transport Corporation (APSRTC) opposed the grant of variation but the objections were overruled. Be that as it is, aggrieved by the proceedings of the second respondent beyond the variation of the route by extension of the route, the third respondent herein filed revision petitions before the Tribunal u/s 90 of the Act. These revision petitions were allowed by three separate orders on 28.4.2004, which are assailed in the writ petitions.

3. Before the Tribunal, it was contended by APSRTC that the route Bairasamudram to Vepulaparthi was not formulated by the Government u/s 68(3) (ca) of the Act and therefore even if the Transport Commissioner granted permission for extension of the town service up to Vepulaparthi under Rule 258(2)(ii) of A.P. Motor Vehicles Rules, 1989 (hereafter called, the Rules), the grant of variation is illegal. Reliance was placed on the decision of this Court in N. Swarnalatha Vs. Managing Director, APSRTC, Hyderabad and others, . It was further contended by the APSRTC that the grant of variation amounts to grant of new permit and therefore under Sub-section (3) of Section 80 of the Act, variation has to be treated as grant of new permit, which is prohibited. Reliance was placed on an unreported judgment of this Court in W.P.No. 18888 of 1994 dated 5.12.2002 and the reported decision in T. Panchala Naidu Vs. State Transport Appellate Tribunal and Others, . The Tribunal held that when the route is not formulated, the grant of variation is contrary to Section 68(3)(ca) of the Act. Accordingly, the revision petitions filed by the third respondent were allowed setting aside the proceedings of the second respondent. In these writ petitions, this Court while admitting the writ petitions passed interim orders of status quo on 1.6.2004. The APSRTC now moved applications for vacating interim orders when with the consent of learned Counsel for the petitioners, Sri Noushad Ali and learned Standing Counsel for APSRTC, Sri K. Srinivasa Rao, the matters were heard finally.

4. The learned Counsel for the petitioner submits that in the absence of any notified scheme prohibiting the grant of variation by way of extension of the route, there was no infirmity in the orders passed by the second respondent in granting variation. He would urge that Sub-section (3) of Section 80 of the Act cannot be invoked. Secondly, he would urge that having regard to the permission granted by the Transport Commissioner permitting town service beyond 8 kilometers, Section 68(3)(ca) of the Act has no application especially when the route from Kalyandurg to Bairasamudram or the route Kalyandurg to Vepulaparthi via Bairasamudram is not a notified route. He also contends that APSRTC has no locus standi to file revision petition against the proceedings of the second respondent. He placed strong reliance on A. Janardhana Rao Vs. Deputy Transport Commissioner, Kakinada and Others, and Shiv Chand Amolak Chand Vs. Regional Transport Authority and Another, .

5. Per contra, the learned Standing Counsel for APSRTC would urge that whether or not it is a notified scheme unless and until the route is formulated by the Government, the second respondent has no authority or jurisdiction to grant variation by extension of the route from Kalyandurg to Bairasamudam, which is a duly formulated route. He further submits that even when an application for variation is considered, such application has to be treated as an application for a new permit and therefore the authority competent to grant variation is bound by various provisions of the Act including Section 68(3)(ca) of the Act. He would urge that APSRTC raised objections before the second respondent and therefore when the proceedings of the second respondent are against the APSRTC, which is aggrieved, APSRTC is entitled to invoke the revisional jurisdiction of the Appellate Court. In support of his submission, learned Counsel placed reliance on the decisions in *L. Raghuraman Vs. State Transport Appellate Tribunal, A.P., Hyd.* and others, and *N. Swarnalatha v. Managing Director, APSRTC, Hyderabad (supra)*.

6. In the background of rival contentions, two points would arise for consideration: whether the application filed by the petitioners for variation to pucca permits on the stage carriage routes are to be treated as an application for grant of new permit? and whether in the absence of a duly formulated route, is it competent for the second respondent to grant variation u/s 80(3) of the Act?

7. Before considering these two points together, the objection of the learned Counsel for the petitioners with regard to locus standi of the third respondent may be considered. The second respondent at the time of considering the application of the petitioners appears to have given notice to the Standing Counsel for APSRTC and provided an opportunity of being heard. The APSRTC also filed representation before the second respondent objecting that the variation of route would overlap on the approved scheme. The objections raised by the APSRTC were considered and rejected. That itself would be sufficient to confer locus standi of APSRTC to invoke Section 90 of the Act. Therefore, the submission that APSRTC cannot maintain the revision petition before the Tribunal is misconceived.

8. In *Jasbhai Motibhai Desai Vs. Roshan Kumar, Haji Bashir Ahmed and Others*, , the Supreme Court considered in detail the term "aggrieved person". After referring to the case-law in other jurisdictions as well, the Apex Court visualized a central zone, a grey zone of certainty, a grey zone of outer circle of lessening certainty in a sliding centrifugal scale and as well as outermost nebulous fringe of uncertainty to fit into, when the person approaches for redressal of a grievance. The persons in a central zone are certainly "persons aggrieved" and they are not busybodies of meddlesome interlopers. The persons in the grey circle are not directly affected by the impugned decision or impugned action but certainly have a say in the matter without whose presence, the resolution of the lis may be incomplete. Those in the "outer most nebulous circle" are "busybodies and meddlesome interlopers" not at all connected with the executive action under scrutiny by the Court. The observations of the Supreme Court, wherein broad

tests to determine "aggrieved person" were laid down as under:

Whether the applicant is a person whose legal right has been infringed? Has he suffered a legal wrong or injury, in the sense, that his interest, recognised by law, has been prejudicially and directly affected by the act or omission of the authority, complained of? Is he a person who has suffered a legal grievance, a person "against whom a decision has been pronounced which has wrongfully deprived him of something or wrongfully refused him something, or wrongfully affected his tide to something? Has he a special and substantial grievance or inconvenience suffered by him in common with the rest of the public? Was he entitled to object and be heard by the authority before it took the impugned action? If so, was he prejudicially affected in the exercise of that right by the act of usurpation of jurisdiction on the part of the authority? Is the statute, in the context of which the scope of the words "person aggrieved" is being considered, a social welfare measure designed to lay down ethical or professional standards of conduct for the community? Or is it a statute dealing with private rights of particular individuals?

9. Applying the above tests when APSRTC is also running buses on the route or other routes overlapping on the route in question. Even though it is a town service, they cannot be said to be busybody without grievance. Admittedly, when the petitioners and APSRTC, being rival bus operators, when former come in their way of APSRTC either changing its decisions with regard to the present operation of buses or contemplating to approach the Government for appropriate notification of a scheme, they are certainly aggrieved persons falling in middle grey circle. The point is therefore answered against the petitioners.

10. The submission of the learned Counsel for the petitioners that Sub-section (3) of Section 80 of the Act insofar as it mandates to treat an application for variation also as a new application for a fresh grant has no application when the existing operator applies for variation of the existing stage carriage permit cannot be accepted. As rightly pointed out by the learned Counsel for the respondent, this issue is no more *res integra* in view of the decision of the Full Bench in *L. Raghuraman v. State Transport Appellate Tribunal, A.P., Hyderabad* (supra) to which I was a member. Before considering the ratio of the Full Bench decision, be it noted that by reading Sections 2(38) and 2(31) (these define the terms "route" and "permit" respectively) with Sections 71, 72 and 80 of the Act, it must be held that the authorities under the Act are entitled to grant stage carriage permit only when the law so permits to grant such permit. For instance, if there is an approved scheme in operation as published u/s 100 of the Act, no authority can grant permit. Similarly, a permit for running a stage carriage is always with reference to route, which only means a route approved by the State Government and therefore in the absence of any approved route existing, a permit on a route cannot be granted. This has to be strictly complied with even in relation to an application for variation under Sub-section (3) of Section 80 of the Act which in so many terms mandates that any application for variation of

the conditions in permit shall be treated as an application for grant of new permit. It is not at all possible to read into Sub-section (3) of Section 80 of the Act any other thing so as to make it inapplicable to an application for variation by extension of an approved route.

11. In the Full Bench judgment, strong reliance was placed on the decision of the Supreme Court in *Karnataka State Road Transport Corporation, Bangalore Vs. B.A. Jayaram and Others*, , in support of the contention that what is contemplated u/s 57(8) of A.P. Motor Vehicles Act, 1939 (which is now re-enacted as Section 80(3) in the New Act) is only procedural aspect of the matter. After referring to *Adarsh Travels Bus Service and Another Vs. State of U.P. and Others*, and *Pandiyan Roadways Corporation Ltd. Vs. M.A. Egappan*, , the Full Bench laid down as under:

The Apex Court referred to *Adarsh Travels* (supra) and held that the respondent is not entitled to operate his stage carriage on the notified route or a portion thereof even though he may have been granted variation of his permit to operate on a section of the notified route. ... When there exists an approved scheme an exception laid down therein must be strictly construed. When, having regard to the object and purport of Chapter IV-A of the Act, only the existing permit holders have been permitted to operate in their route, they, in our opinion, by reason of filing of an application u/s 57(8) of the Act cannot be permitted to add new buses and operate more singles. To that extent, the legal fiction created in Section 57(8) must be held to be a bar. In *Jayaram* (supra), as indicated hereinbefore, the effect of Section 57(8) has not been considered in the context of the provisions contained in Chapter IV-A of the Act.

12. The learned Counsel for the petitioners, however, placed strong reliance on *Shiv Chand Amolak Chand v. R.T. Authority* (supra) in support of the contention that the variation of the stage carriage permit by extending a route to a short distance does not amount to grant of new permit and therefore Section 80(3) of the Act has no application. After perusing the decision, this Court is of considered opinion that as a general rule, the submission cannot be accepted. Indeed, the following observations made by the Supreme Court extracted infra go contra to what is urged.

It is not an application for a new permit and if it is granted, the permit for the extended route does not become a new permit in the hands of the applicant. It is the same permit which now, after the granting of the application, covers the extended route. It may be possible to say that where a totally new route is sought to be included by an application to vary the conditions of a permit or the alteration of the route sought by such an application is of such a drastic character that it becomes substantially a new route, the application, though in form an application to vary the conditions of the permit, would in effect and substance, be an application for grant of a new permit and in such a case, a view may conceivably be taken with some degree of plausibility that the number of stage carriages for which permits may be granted on such new route should first

be determined u/s 47 Sub-section (3) before the application to vary the conditions of the permit can be entertained.... But where an application merely seeks a short extension of the route specified in the permit as in the present case, it would not be appropriate to say that it is an application for grant of a new permit, though technically the extended route may not be regarded as the same as the original route and where such is the case, it would not be necessary to comply with the procedure set out in Sub-section (3) of Section 47.

13. Therefore, as per the decision rendered with reference to provisions of "1939 Act"; when an application is made for variation for extension of the route covered by stage carriage permit and such route on which extension is sought is altogether a new route, the application has to be treated as a new application for a new grant. The same, however, as an exception when an application seeks a short extension. What is the short distance is a matter of factual matrix. Even in such an event, the authorities cannot ignore the embargo imposed by the second proviso to Sub-section (3) of Section 80 of the Act, which only permits the authorities to grant extension not exceeding 24 kilometers from the termini.

14. In this case, existing approved route on which stage carriage permit is issued from Kalyandurg (different places in Kalyandurg) to Bairasamudram is 20.4 kilometers. The distance between Bairasamudram to Vepulaparthi is admittedly 6.8 kilometers. By reason of the permit granted by the second respondent the route distance is now 27.2 kilometers (in W.P. No. 9385 of 2004). The question is whether it violates the second proviso to Section 80(3) of the Act. The learned Counsel for the petitioners, Sri Noushad Ali, would urge that for the purpose of Clause (ii) of second proviso to Section 80(3) of the Act, Bairasamudram should be treated as terminus in which case it does not exceed 24 kilometers. This is strongly refuted by the learned Standing Counsel for APSRTC contending that having regard to the language of Clause (ii) of second proviso to Section 80(3) of the Act, the distance has to be reckoned from starting terminus. After considering the relevant provisions of the Act, for ensuing reasons this Court finds force in the submission of the learned Standing Counsel for APSRTC.

15. The term "route" is defined u/s 2(38) as a line of travel which specifies the highway, which may be traversed by a motor vehicle between one terminus and another terminus. Therefore, under second proviso to Section 80(3) of the Act, in the case of variation the distance of 24 kilometers has to be reckoned from the starting point. This is made clear by Clause (i) of the second proviso when it stipulates that in the case of variation the termini shall not be altered and the distance covered by the variation shall not exceed 24 kilometers. Further Clause (ii) of second proviso used the plural term "termini". If only Legislature intended that 24 kilometers in respect of which variation can be granted by extending the route, the choice would have been for using a singular term but both Clauses (i) and (ii) of second proviso use the word "termini" which indicate that the distance of 24 kilometers has to be reckoned from the starting point because the line of travel traversed by the motor vehicle between Kalyandurg and Bairasamudram is

the route. Kalyandurg, therefore, cannot be ignored and the variation cannot be treated as a separate route from Bairasamudram to Vepulaparthi. If the submission of the learned Counsel for the petitioner is accepted, the route between Bairasamudram and Vepulaparthi itself would become a new route (assuming that it is an approved route) in which event a variation could not have been granted. Therefore, this Court holds that the variation granted by the second respondent even violates the second proviso to Section 80(3) of the Act.

16. That takes this Court to the other submission of the learned Standing Counsel for APSRTC that the route between Bairasamudram to Vepulaparthi not being an approved route, and that it is not competent for the second respondent to grant the variation as applied for. In this regard, the submission of the learned Counsel for the petitioners that the prohibition applies only when the route is notified and in the event of non-notified route, Section 68(3)(ca) of the Act cannot be applied, has no force at all. Section 68 of the Act deals with transport authorities. Sub-section (3) thereof casts a duty on State Transport Authority and every Regional Transport Authority to give effect to any directions issued by the State Government u/s 67 of the Act and exercise and discharge the powers and functions mentioned in Clauses (a) to (d) of Sub-section (3) of Section 68 of the Act. While conferring the powers on the STA/RTAs, Clause (ca) of Sub-section (3) of Section 68 of the Act makes it clear that STA/RTAs have no power to formulate routes and such power inheres only in the Government. There is no dispute that so far the Government of Andhra Pradesh has not formulated the route between Bairasamudram to Vepulaparthi. In such an event, the second respondent could not have granted variation of permit by extending the route, which is not formulated.

17. In *N. Swarnalatha v. Managing Director, APSRTC, Hyderabad* (supra), a Division Bench of this Court uphold the validity of Clause (ca) of Sub-section (3) of Section 68 of the Act. It was observed therein:

... But this contention holds no water for the reason that the State Government is the appropriate Government to formulate the routes and in case the town service route is formulated beyond eight kilometers, the permission of the Transport Commissioner is necessary. Of course, the rule empowers the Road Transport Authority to determine the town service route and reading of Clause (ca) would make one to understand that the Road Transport Authority is empowered to declare the town service route which goes against the provisions of Clause (ca) of Sub-section (3) of Section 68 of the M.V. Act. The rule making power is only a subordinate legislation and it gives way to the principal provision which only empowers the Government to formulate the route in that regard it has to be considered that Road Transport Authority is empowered to determine the town service route subject to formation of route by the State Government. If we read so harmoniously there would not be any inconsistency between the main section and the Rule 258. It is also brought to the notice of this Court that after the amendment in 1998 the State Government has not formulated any route nor

issued any guidelines prescribing the procedure for formulating the route. But that should not be construed as nullifying the provision itself.

18. The Division Bench also held that either existing operator or the person applying for grant of permit to operate a stage carriage vehicle has no right for such permit or variation de hors the provisions of the Act unless and until a route is duly formulated by the State Government. In *T. Panchala Naidu v. State Transport Appellate Tribunal* (supra), a question arose as to whether the Regional Transport Authority can grant permission under Rule 258(2)(i) of A.P. Motor Vehicles Rules by drawing inference as to existing route when there was a bus in operation. This Court rejected the contention and placing reliance on *N. Swarnalatha v. Managing Director, APSRTC, Hyderabad* (supra), it was held as under:

Further, as seen from the language of Rule 258 of the Rules, it refers to an existing bus route. It only means a bus route formulated by the Government in accordance with Section 68(3)(ca) of the Act. The RTA can fix stages of bus routes except town service routes insofar as the town service is concerned. As per Clause (i) of Sub-rule (2) of Rule 258 of the Rules, the RTA shall determine a town service route subject to the conditions laid down thereunder. Reading Section 68(3)(ca) and Rule 258 together, it is not possible to hold that RTA can determine the town service route in the absence of a bus route formulated by the Government. u/s 68(3)(ca) of the Act, specific permission of the Transport Commissioner is required to be obtained only when the RTA formulates a town service route which extends more than 8 km beyond the municipal limits. Again, to repeat, RTA can only determine the town service route only when there is a bus route between the two specific termini and not otherwise.

19. Therefore, in the absence of any approved route between Bairasamudram to Vepulaparthi, it was not competent to the second respondent to grant variation by extending the route from Kalyandurg to Vepulaparthi. In that view of the matter, the finding recorded by the learned Tribunal does not suffer from any vice or illegality.

20. The writ petitions are devoid of merits and are accordingly dismissed with costs.