

SUPREME COURT OF INDIA

Vikram Shitole

Vs.

M. P. State Road Transport Corporation

C.A.No.811 of 1986

(K. Ramaswamy and G. T. Nanavati JJ.)

11.12.1996

ORDER

1. This appeal by special leave arises from the judgment of the Madhya Pradesh High Court, Gwalior Bench in Miscellaneous Petition No. 572 of 1985 dated January 13, 1986.

2. The admitted position is that the route in question. i.e., Gwalior to Indore, was notified under Chapter IV-A of Motor Vehicles Act ("Act 4 of 1939", for short) which has been repealed and re-enacted by Motor Vehicles Act, 1988. After the approved route was published under Section 68-D(3) scheme was framed under which unemployed graduates were permitted under "self-employment scheme" to operate the stage carriages on the notified route subject to certain terms and conditions. It would appear that the appellants did not comply with the said terms and conditions as a result of which their permits were cancelled by the authorities. Calling the action in question the appellants filed a writ petition. The High Court has dismissed the said writ petition. Thus. this appeal by special leave.

3. The controversy is no longer res integra. It is settled legal position that once notification under

sub-section (3) of Section 68-D of the Act is published in the Gazette, all the pre-existing operators shall cease to operate on the frozen routes except in accordance with the terms and conditions mentioned in the scheme itself which is law by itself. If the State Road Transport Corporation fails to obtain permit power has been granted to STA/RTA to grant temporary permit until the S.R.T.C. obtains regular permits. In this case, admittedly, the State Road Transport Corporation had the permits obtained and that, therefore, under the notified scheme no one except the State Road Transport Corporation shall exclusively ply the stage carriages on the notified route in terms of the scheme itself. The self-employment scheme, therefore, is obviously illegal. This Court in the case of *Brij Mohan Parihar v. M. P. State Road Transport Corpn.*, (1987) 1 SCC 13 : (AIR 1987 SC 29), considered this aspect of the matter and in paragraph 3 of the judgment it was held that it is not, however, permissible under the Act for the Corporation to obtain a permit under Chapter IV-A of the Act and to allow a private operator as its nominee to operate under that permit his motor vehicle as a stage carriage on the notified route. It cannot be granted permission to collect any money either as nomination fees, or as royalty or supervision charges. Thus, it would be seen that in a notified frozen route no private operator is entitled to ply the stage carriage. Accordingly, we hold that dismissal of the appellants, writ petition by the High Court is not vitiated by any error of law warranting interference.

4. The appeal is accordingly, dismissed. No costs.

Appeal dismissed.