APHC010429382024

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI **[3332]**
(Special Original Jurisdiction)

THURSDAY,THE EIGHTEENTH DAY OF JUNE
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE RAVI CHEEMALAPATI

WRIT PETITION NO: 21863/2024

Between:

1. TRANS EXPRESS LOGISTICS, REP.BY ITS PROPRIETOR, S MADDILETI REDDY S/O MADDILETI REDDY, AGED ABOUT 35 YEARS, OCC-BUSINESS, R/O D.NO.2-8-1-1, MAIN ROAD ARLAGADDA VILLAGE, ARLAGADDA MANDAL, KURNOOL DISTRICT.
2. GHAETRE TRANSPORT, REP. BY ITS PROPRIETOR, K NARASIMHA REDDY, S/O KODANDA RAMI REDDY, AGE- 41 YEARS, OCC-BUSINESS, R/O. 3-706-23, TAILORS COLONY, MAIN ROAD, TADIPATRI, ANANTAPUR DISTRICT

...PETITIONER(S)

AND

1. THE STATE OF AP, REP., BY ITS PRINCIPAL SECRETARY, TRANSPORT, ROAD, AND BUILDINGS, DEPARTMENT, SECRETARIAT, VELAGAPUDI, AMARAVATI CAPITAL CITY, GUNTUR DISTRICT.
2. THE COMMISSIONER OF TRANSPORT, GOVERNMENT OF ANDHRA PRADESH, VIJAYAWADA, NTR DISTRICT.
3. THE DEPUTY TRANSPORT COMMISSIONER, AND REGISTERING AUTHORIYT, ANANTAPURAMU, ANANTAPUR DISTRICT.

4. THE MOTOR VEHICLES INSPECTOR1, TADIPATRI, ANANTAPURAMU DISTRICT

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue an appropriate Writ, Order or Direction more particularly in the nature of Writ of Mandamus declaring the action of the 3rd respondent in issuing proceedings vide Memo. R.No.919/A1/2024 dated 13.08.2024 directing the petitioners to pay quarterly tax of Rs.6,40,000 and difference of tax amount of Rs.87,50,930/- without conducting enquiry and without providing an opportunity of hearing to the petitioner, basing on the report submitted by the 4rt Respondent, is arbitrary, illegal, in violation of Article 14 of the Constitution of India and also in violation of Principles of Natural and in violation of Vehicle check report No. AP402/JUN2024 /045336/0455049 and 045600 dated 11.06.2024 by the 3rd respondent and set aside the same and consequently direct the respondents 3 and 4 to release the petitioners' private service vehicles bearing Nos. AP39TB2139, AP39TB3139 and AP39TB4139 seized under Vehicle check report No. AP402/JUN2024/045336, AP402/ JUN2024/ 0455049 and AP402/ JUN2024/045600 dated 11.06.2024 forthwith and to pass

IA NO: 1 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the respondents 3 and 4 to release the petitioners Vehicles bearing Nos. AP39TB 2139, AP31TB 3139 and AP39TB4139 by suspending the proceedings vide Memo R.NO.919/A1/2024 dated 13.08.2024 of the 3rd Respondent pending disposal of the above writ petition and to pass

IA NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to vacate the interim order dt 18.08.2025 in WP.No.21863 of 2024 and pass

Counsel for the Petitioner(S):

1. SUBBA RAO KORRAPATI

Counsel for the Respondent(S):

1. GP FOR TRANSPORT

The Court made the following:

ORDER:

The case of the petitioners herein is that the 1st petitioner is the owner of vehicles bearing Nos.AP39 TB 2139 & AP39 TB 3139 and the same were registered under the name of Trans Express as Private Service vehicle and the 2nd petitioner is the owner of the vehicle bearing No.AP39 TB 4139 and the same was registered under the name of Ghaetre Transport as Private Transport Service vehicle before the 3rd respondent i.e., Deputy Transport Commissioner by paying necessary fee for registration and quarterly taxes without any default. The petitioners' entered into agreement with ARJAS Steel Plant for pick up and dropping of the employees from Tadipatri town to ARJAS Steel Plant (hereinafter referred to as Steel Plant) within 5 KMs, on monthly basis. The 1st petitioner's vehicles are plying from 2019 and the 2nd petitioner's vehicle is plying from 2021 onwards within the home district and without any complaint from any quarter.

ii. While so, the 4th respondent-Motor Vehicles Inspector-I checked and seized the petitioners' vehicles and raised 3 vehicle check reports dated 11.06.2024 and found certain irregularities and raised vehicle check report as a) without payment of tax; b) without permit/violation along with compounding fee of Rs.10750/- for vehicle bearing No.AP39 TB 2139, Rs.10750/- for vehicle bearing No.AP39 TB 3139 and Rs.11250/- for vehicle bearing No.AP39 TB 4139 and thereby mentioned that the said vehicles were misused other than the purpose used for, accordingly, they were seized and kept in the RTC depot, Tadipatri.

iii. It is the further case of the petitioners that a representation dated 13.06.2024 was made requesting the authorities to release the vehicles and informing that they are ready to pay the amount mentioned in the VCRs, however, the authorities did not accept the payment of the said amount as mentioned in the Vehicle Check Reports. While so, the 3rd respondent issued show cause notice *vide* R.No.919/A1/2024-1 dated 03.07.2024 asking the petitioners to submit explanation as to why action should not be initiated for not paying quarterly tax and for violating the Additional Conditions related to Private Service Vehicles under Rule 185(C) ii of the Andhra Pradesh Motor Vehicle Rules, 1989 (hereinafter referred to as Rules, 1989). In the said show cause notice, it was mentioned that the 3rd respondent requested the 4th respondent through memo R.No.919/A1/2024 dated 25.06.2024 to verify the addresses of the said vehicles and confirm the genuineness of the addresses and furnish the firm registration certificates and confirm genuineness of the firms and also route course of the vehicles whether they are plying in single district or two districts. The 4th respondent submitted his report on 27.06.2024 and basing on the said report, the show cause notice has been issued for which the petitioners submitted their explanation on 30.07.2024. Accordingly, the 3rd respondent issued proceedings *vide* Memo R.No.919/A1/2024 dated 13.08.2024 and thereby imposed quarterly tax of Rs.6,40,000/- and difference tax of Rs.87,50,930/-, totaling to an amount of Rs.93,90,930/-. Assailing the same, the present writ petition is filed.

2. Heard Sri K.Narsi Reddy, learned counsel representing Sri Subba Rao Korrapati, learned counsel for the petitioner and learned Assistant Government Pleader for Transport.

3. Learned counsel for the petitioner while reiterating the contents of the affidavit filed in support of the writ petition submitted that on the alleged ground that the petitioners are plying vehicles contrary to the Rules, 1989, a show cause notice has been issued asking the petitioners to explain as to why action should not be initiated against them for violating rules. He further submitted that before issuing show cause notice, the 3rd respondent directed the 4th respondent Motor Vehicle Inspector-I to conduct enquiry and to file a report. Accordingly, a report has been submitted by the 4th respondent to the 3rd respondent and basing on the said report, the show cause notice has been issued and the petitioners had submitted their explanation to the same raising

several grounds. Pursuantly, the impugned order has been passed by relying on the report of the 4th respondent which in fact, the authorities did not serve on the petitioner along with show cause notice.

He further submitted that in the order it was mentioned that the 4th respondent has recorded certain statements however the said documents were also not served to the petitioner. Further, the said documents cannot be a base for arriving to a conclusion and for fixing difference tax amount and quarterly tax amount which are exorbitant. The order impugned has been passed behind the back of the petitioner and in clear violation of principles of natural justice, as such, prayed to set aside the impugned order.

4. In support of his contention, learned counsel for the petitioner relied on the judgment of the High Court of Judicature Andhra Pradesh at Hyderabad in ***M.Kalyani v. District Collector, Prakasam District*** [1]**,** accordingly, prayed to pass appropriate orders.

5. On the other hand, learned Assistant Government Pleader for Transport while reiterating the contents of the counter contended that there is neither illegality nor procedural irregularity in passing the orders impugned. The petitioners had violated the rules and the subject vehicles found misusing other than for the purpose used for, as such, after conducting a detailed enquiry, the impugned orders have been passed. No valid grounds raised or urged warranting interference of this Court

[1] 2006 (3) L.S. 191 (D.B.)

and the writ petition is devoid of merits and liable to be dismissed, accordingly, prayed to dismiss the writ petition.

6. Perused the record and considered the submissions made by the learned counsel for the parties.

7. The petitioners are the owners of the subject vehicles. They have entered into an agreement with the Steel Plant and plying vehicles for their employees. While so, the 4th respondent-Motor Vehicle Inspector-I checked the petitioners vehicles and seized them as he found certain irregularities and accordingly raised Vehicle Check Report duly mentioning that the vehicles are plying without payment of tax.

8. As could be culled out from the facts and circumstances of the case and the material available on record, the 3rd respondent directed the 4th respondent to enquire into the issue and directed him to file a report. Upon the said instructions, the 4th respondent conducted his enquiry and filed a report dated 27.06.2024 before the 3rd respondent and upon receiving the said report, a show cause notice dated 03.07.2024 came to be issued to the petitioners asking them to explain as to why action should not initiated against them for violating Rules. The petitioners submitted their explanation on 30.07.2024. Thereafter, the 3rd respondent passed orders impugned on 13.08.2024 directing them to pay quarterly tax of Rs.6,40,000/- and difference tax of Rs.87,50,930/- totaling to an amount of Rs.93,90,930/- by fixing 7 days time.

9. A close perusal of the orders impugned would indicate that the authority has based its decision solely by relying on report dated 27.06.2024 of the 4^{th} respondent-Motor Vehicles Inspector-I. However, in the entire order, nowhere it was mentioned about service of the said report on the petitioners before passing the orders impugned while relying on the same. Further, the explanation so made by the petitioners was not at all considered except stating that ‘the explanation of the registered owners was examined with reference to the material available on record and the said explanation was not sufficient’, and no reasons were given.

10. The law is well settled that failure to give reasons amounts to denial of justice. Reasons are live links between the mind of the decision-taker to the controversy in question and the decision or conclusion arrived at". Reasons substitute subjectivity by objectivity. The emphasis on recording reasons is that if the decision reveals the "inscrutable face of the sphinx", it can, by its silence, render it virtually impossible for the Courts to perform their appellate function or exercise the power of judicial review in adjudging the validity of the decision. Right to reason is an indispensable part of a sound judicial system; reasons at least sufficient to indicate an application of mind to the matter before Court. Another rationale is that the affected party can know why the decision has gone against him. One of the salutary requirements of natural justice is spelling out reasons for

the order made; in other words, a speaking out. The above position was highlighted in ***State of Punjab v. Bhag Singh***[2].

11. The Hon'ble Apex Court in ***Raj Kishore Jha v. State of Bihar & Ors***[3] has categorically held that the reason is the heartbeat of every conclusion and without the same, it becomes lifeless. As stated supra, the order impugned is bereft of reasons.

12. One more flaw while passing the orders impugned is that the adjudicatory authority based its decision by relying on the report of the 4th respondent dated 27.06.2024. It is well settled that if the adjudicatory body is going to rely any material, evidence or document for its decision against a party, then the same must be brought to his notice and he be given an opportunity to rebut it or comment thereon. It is regarded as a fundamental principle of natural justice that no material ought to be relied on against a party without giving him an opportunity to respond to the same. The right of being heard may be of little value if the individual is kept in the dark as to the evidence against him and is not given an opportunity to deal with it. The right to know the material on which the authority is going to base its decision is an element of the right to defend oneself.

13. On the said two grounds, this Court is of the firm opinion that the order impugned dated 13.08.2024 has been passed in clear violation of

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[2] 2004 (1) SCC 547
[3] 2003 (7) Supreme 152

principles of natural justice and the same is liable to be set aside. As such, this Court is inclined to dispose of the writ petition by passing the following order:

"The order impugned dated 13.08.2024 is hereby set aside. The matter is remitted back to the 3rd respondent. The 3rd respondent is directed to pass fresh orders by duly supplying the report of the 4th respondent dated 27.06.2024 and also any statements that have been recorded by the 4th respondent. On supplying the said material, the petitioners shall submit their explanation within a period of four (04) weeks thereafter. On submission of explanation, the authority concerned shall pass fresh orders by providing an opportunity of being heard to the petitioners.

Insofar as release of vehicles are concerned, the petitioners are not precluded to approach the authority concerned and the same shall be considered in accordance with law."

14. Accordingly, the Writ Petition is ***disposed of***. There shall be no order as to costs.

As a sequel, miscellaneous applications, pending if any, shall stand closed.

JUSTICE RAVI CHEEMALAPATI

Date: 18th June, 2026
RKS