



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24<sup>TH</sup> DAY OF APRIL, 2024

BEFORE

THE HON'BLE MR JUSTICE HEMANT CHANDANGOUDAR

WRIT PETITION NO. 45252 OF 2017 (MV)  
C/W

WRIT PETITION NO. 46504 OF 2017 (MV)

WRIT PETITION NO. 47188 OF 2017 (MV)

WRIT PETITION NO. 47751 OF 2017 (MV)

WRIT PETITION NO. 50168 OF 2017 (MV)

WRIT PETITION NO. 41224 OF 2018 (MV)

IN WRIT PETITION NO. 45252 OF 2017:

BETWEEN:

1. SRI. S.K. VENKATA REDDY  
S/O KEMPANNA,  
AGED ABOUT 52 YEARS  
RESIDING AT SHAM RAO HOSPET,  
KAIWARA POST,  
CHINTAMANI TALUK,  
CHIKKABALLAPURA DISTRICT-563125.
2. S. REDDAPPA  
S/O SONNAPPA,  
AGED ABOUT 46 YEARS  
R/O SINGA SANDRA VILLAGE,  
N. KOTHUR POST,  
CHINTAMANI TALUK,  
CHIKKABALLAPURA DISTRICT-563125.
3. B.R. SETHU MADAVA  
S/O B.S. RAMASASTRY,  
AGED ABOUT 61 YEARS  
BRAHMIN STREET,  
CHINTHAMANI,  
CHIKKABALLAPURA DISTRICT-563125.
4. VENKATARAMANACHARI  
S/O NARAYANACHARI,





AGED ABOUT 46 YEARS  
KEERTHANA TAILORS  
BRAHMIN STREET,  
CHINTHAMANI,  
CHIKKABALLAPURA DISTRICT-563125.

5. V.L. NARASIMMA MURTHY  
S/O V.N. LAKSHMAIAH,  
AGED ABOUT 63 YEARS  
NEAR SRI GEETHA MANDIRA,  
N.R. EXTENSION, CHINTHAMANI,  
CHIKKABALLAPURA DISTRICT-563125.
6. L. RAJAGOPAL  
S/O A. LAKSHMAIAH,  
AGED ABOUT 70 YEARS  
NEKUNDIPET,  
CHINTHAMANI,  
CHIKKABALLAPUR DISTRICT-563125.
7. T.S. NAGARAJ  
S/O T. SUBBARAYAPPA,  
AGED ABOUT 40 YEARS  
BRAHMIN STREET,  
CHINTHAMANI,  
CHIKKABALLAPURA DISTRICT-563125.
8. D.V. GOPALA KRISHNA  
S/O D.K. VERANNA,  
DODDAHALLI VILLAGE,  
CHINNASANDRA POST,  
CHINTHAMANI TALUK,  
CHIKKABALLAPURA DISTRICT-563125.
9. B.G. NARAYANA SWAMY  
S/O CHIKKAJEEYANNA,  
AGED ABOUT 61 YEARS  
ASHVINI EXTENSION, OPP TO KISHOR VIDYABHAVAN,  
CHINTHAMANI  
CHIKKABALLAPURA DISTRICT-563125.
10. P.M. CHANDRASHEKAR  
S/O P.R. MUNISWAMY REDDY,



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

AGED ABOUT 35 YEARS  
CHOWDAREDDY PALYA,  
CHINTHAMANI,  
CHIKKABALLAPUR DISTRICT-563125.

11. K.C. RAGHUPATHI  
S/O K.N. CHINNAPPA,  
AGED ABOUT 66 YEARS  
O.P.O ROAD, CHIKKABALLAPURA-562101.
12. B V RAMAKRISHANA  
S/O S VENKATESH SHASTRY,  
AGED ABOUT 65 YEARS  
TANKBUND ROAD, CHINTHAMANI,  
CHIKKABALLAPURA DISTRICT-563125.
13. LAKSHMINARAYAN  
S/O GOPALAPPA,  
AGED ABOUT 35 YEARS  
SRI VENKATESHWARA AUTO MOBILES,  
OLD BUS STAND ROAD, CHINTHAMANI,  
CHIKKABALLAPURA DISTRICT-563125.
14. C K SRINIVAS  
S/O KRISHNAMURTHY,  
AGED ABOUT 50 YEARS  
BRAHMIN STREET, CHINTHAMANI,  
CHIKKABALLAPURA DISTRICT-563125.
15. D.C. BALARAM  
S/O D.S. CHANDRIASHETTY,  
AGED ABOUT 55 YEARS  
SRI KANYAKAPARAMESHWARI TEMPLE STREET,  
CHINTHAMANI, CHIKKABALLAPURA DISTRICT-563125.
16. A. ANSAR  
S/O AMANULLA KHAN,  
GANJUGUNTE VILLAGE AND POST,  
SIDDLAGATTA TALUK,  
CHIKKABALLAPURA DISTRICT-562105.

...PETITIONERS

(BY SRI. DODDAIAH D.S., ADVOCATE)



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

**AND:**

1. THE STATE OF KARNATAKA  
REPRESENTED BY ITS PRINCIPAL SECRETARY,  
TRANSPORT DEPARTMENT,  
ROOM NO.153, GATE NO.3,  
M.S. BUILDING, DR. AMBEDKAR VEEDI,  
BENGALURU-560 001.
2. THE KARNATAKA STATE ROAD TRANSPORT CORPORATION  
CENTRAL OFFICE, K.H. ROAD,  
SHANTHINAGAR, BENGALURU-560027  
REPRESENTED BY ITS  
CHIEF LAW OFFICER (ROUTE)
3. MOHAMMED TIPPU QUARESHI  
S/O LATE T. MOHAMMED ISQ QUARESHI  
PROPR. SHAHEEN EXPRESS  
OLD POST OFFICE ROAD, KOLAR.
4. J. SHIVA GANESH  
S/O VENKATACHALAMAIAH  
AGED ABOUT 50 YEARS  
BOMBOO BAZA, CHINTAMANI  
CHIKKABALLAPURA DISTRICT.
5. TAYALUR VITTALMURTHY  
S/O CHANNABASAPPA  
AGED ABOUT 65 YEARS  
BUS OPERATOR AND PRESIDENT OF MYSORE  
DISTRICT BUS OWNERS ASSOCIATION  
MYSORE.
6. ASHWATHNARAYAN  
S/O RAJIAH SETTY  
AGED ABOUT 64 YEARS  
BUS OPERATOR  
GENERAL MOTOR SERVICE  
AND PRESIDENT CHAMARAJANAGAR  
BUS OWNERS ASSOCIATION  
CHAMARAJANAGAR.
7. SAMIULLA  
S/O M. ABDUL KADHAR  
AGED ABOUT 70 YEARS



M.B.S. EXPRESS,  
PADMAGHATTA POST  
MUOLBAGAL TALUK, KOLAR-563 101.

8. M.V. SUBRAMANYA  
S/O LATE M.V. VENKATAPPA  
AGED ABOUT 65 YEARS  
PROPRIETOR SRI UDAYARANGA  
MOTOR SERVICE, PETE MALAVALLI  
MANDYA DISTRICT-573 430.
9. SMT. USHA SUBRAMANYA  
W/O M.V. SUBRAMANYA  
AGED ABOUT 57 YEARS  
PROPRIETOR SRI UDAYARANGA  
MOTOR SERVICE,  
PETE MALAVALLI  
MANDYA DISTRICT-573 430.
10. S. ABHISHEK  
S/O M.V. SUBRAMANYA  
AGED ABOUT 35 YEARS  
PROPRIETOR SRI UDAYARANGA  
MOTOR SERVICE, PETE MALAVALLI  
MANDYA DISTRICT-573 430.
11. K. VAJREGOWDA  
S/O LATE M. KARIGOWDA  
AGED ABOUT 55 YEARS  
KAGGALIPURA, T.NARASIPURA TALUK  
MYSORE DISTRICT.
12. D.M. SHIVAPRASAD  
S/O D.S. MALLIKARJUNAPPA  
AGED ABOUT 50 YEARS  
KALPAVRUKSHA TRAVELS  
CHELURU ROAD, CHINTAMANI  
CHIKBALLAPURA DISTRICT.
13. M/S DURGAMBA MOTORS  
REP. BY ITS PARTNER  
MR. S.S. CHATRA  
S/O LATE GOVINDA CHATRA



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

VADERAHOBLI, KUNDAPURA  
UDUPI DISTRICT.

...RESPONDENTS

(BY SRI. V.G. BHANUPRAKAS, ADDL. A.G. A/W  
SRI. B. RAVINDRANATH, AGA FOR R1;  
SRI ASHOK HARANAHALLI, SENIOR COUNSEL FOR  
SRI HAREESH BHANDRAY T., ADVOCATE FOR R2;  
SRI M.E. NAGESH, ADVOCATE FOR R3, R5 TO R7;  
SRI B.R.S. GUPTA, ADVOCATE FOR R4, R8 TO R12;  
SRI A. ANAND SHETTY, ADVOCATE FOR R13)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND  
227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE  
MODIFIED FINAL NOTIFICATION DATED 28.9.2017 ANNEXURE-A OF  
WRIT PETITION.

**IN WRIT PETITION NO. 46504 OF 2017:**

**BETWEEN:**

THE KARNATAKA STATE  
ROAD TRANSPORT CORPORATION,  
CENTRAL OFFICE, K.H. ROAD,  
SHANTHINAGAR, BENGALURU-560 027.  
REPRESENTED BY ITS CHIEF LAW OFFICER (ROUTE).

...PETITIONER

(BY SRI. ASHOK HARANAHALLI, SENIOR COUNSEL FOR  
SRI. HAREESH BHANDRAY T., ADVOCATE)

**AND:**

1. THE STATE OF KARNATAKA  
REPRESENTED BY ITS PRINCIPAL SECRETARY  
TRANSPORT DEPARTMENT  
ROOM NO.153, GATE NO.3  
M.S.BUILDING, DR. AMBEDKAR VEEDI  
BENGALURU-560 001.
2. TRANSPORT COMMISSIONER  
GOVERNMENT OF KARNATAKA  
TRANSPORT DEPARTMENT  
TTMC BUILDING, FIRST FLOOR  
SHANTHINAGAR BUS STAND



SHANTHINAGAR  
BENGALURU-560 027.

3. KARNATAKA STATE TRANSPORT AUTHORITY  
REPRESENTED BY ITS SECRETARY  
TRANSPORT DEPARTMENT  
TTMC BUILDING, FIRST FLOOR  
SHANTHINAGAR BUS STAND  
SHANTHINAGAR, BENGALURU-560 027.
4. SMT. REHANA BEGUM  
W/O SHEIKH SHAFIULLA  
AGED ABOUT 43 YEARS  
NO.8, OLD NO. 33, 11<sup>TH</sup> CROSS  
SHAMPUR MAIN ROAD  
NEXT TO ASHRAFIA MOSQUE  
NEAR AMBEDKAR MEDICAL COLLEGE  
R.T. NAGAR, BENGALURU-560 032.
5. SHIEKH SHAFIULLA  
S/O LATE SHEIKH DAWOOD SAB  
AGED ABOUT 54 YEARS  
NO. 8, OLD NO 33  
11<sup>TH</sup> CROSS, SHAMPUR MAIN ROAD  
NEXT TO ASHRAFIA MOSQUE  
NEAR AMBEDKAR MEDICAL COLLEGE  
R.T. NAGAR, BENGALURU-560 032.
6. R RAGHUPATHI GOWDA  
S/O LATE RAMEGOWDA  
AGED ABOUT 46 YEARS  
DOMMASANDRA VILLAGE  
MALAKANAHALLI, MULBAGAL TALUK  
KOLAR DISTRICT-563 101.
7. SARADAR PASHA  
S/O LATE MOHAMMED AMEER JAN  
AGED ABOUT 49 YEARS, OPP TO DARGAH  
HAZARATH BABA HYDERALI  
K.G.F. ROAD, MULBAGAL  
KOLAR DISTRICT-563 101.



8. R.V. SUBHASH CHANDRA BOSE  
S/O LATE VENKATESHAM CHETTY  
AGED ABOUT 60 YEARS  
S.V.S MOTORS, GANDHINAGAR  
KOLAR-563 101.
9. R.V. BALAJI  
S/O LATE VENKATESHAM CHETTY  
AGED ABOUT 62 YEARS, S.V.S MOTORS  
GANDHINAGAR, KOLAR-563 101.
10. J. SHIVA GANESH  
S/O VENKATACHALAMAIAH  
AGED ABOUT 50 YEARS  
BAMOO BAZAR, CHINTAMANI  
CHIKKBALLAPURA DISTRICT.
11. B.G. VENAKATESH  
S/O M.P. GANAGAPPA  
AGED ABOUT 67 YEARS  
SRI. VENKATESHWARA  
MOTOR SERVICE, NO. 9A  
RACE COURSE ROAD  
MADHAVANAGAR, BENGALURU-560 001.
12. B.V. VIKRAM  
S/O B.G. VENKATESH  
AGED ABOUT 39 YEARS  
SRI. VENKATESHWARA  
MOTOR SERVICE, NO. 9A  
RACE COURSE ROAD  
MADHAVANAGAR, BENGALURU-560 001.
13. B.G. MURALIDHAR  
S/O M.P. GANAGAPPA  
AGED ABOUT 54 YEARS  
SRI. VENKATESHWARA  
MOTOR SERVICE, NO. 9A  
RACE COURSE ROAD  
MADHAVANAGAR, BENGALURU-560 001.
14. M. VENKATESH  
S/O B.P. GANGHADAR





AGED ABOUT 54 YEARS  
SRI. VENKATESHWARA  
MOTOR SERVICE, NO. 9A  
RACE COURSE ROAD  
MADHAVANAGAR, BENGALURU-560 001.

15. M/S DURGAMBA MOTORS  
REP. BY ITS PARTNER  
MR. S.K. CHATRA  
S/O LATE GOVINDA CHATRA  
VADERAHOBLI, KUNDAPURA  
UDUPI DISTRICT.
16. SRI. MOHAMMED YOUNIS SALEEM  
S/O LATE MASOOD AHMED  
AGED ABOUT 48 YEARS  
BUS OPERATOR, GARGESHWARI  
T.N.PURA, MYSORE DISTRICT-570 010.
17. SRI. A.M. KUMAR  
S/O SRI MUTHUSWAMY GOUNDAR  
AGED ABOUT 58 YEARS  
PROP: R.P.N. MOTORS  
NO. 31/10, ROOM NO. 6  
SWATHI COMPLEX, T.N.PURA ROAD  
NAZARA BAD, MYSORE-570 010.
18. SRI. S.A. SAMIULLA,  
S/O SRI. S.M.HAZI AHMED SHERIEF,  
AGED ABOUT 43 YEARS,  
VYASARAJAPURA, T.N.PURA TALUK,  
MYSORE-570 010  
  
REPRESENTED BY ITS GPA HOLDER,  
SRI. HAZI S.M. AHAMED SHERIEF,  
S/O SRI. S. MOHAMMED SADIQ,  
AGED ABOUT 71 YEARS,  
R/AT. VYASARAJAPURA, T.N.PURA,  
TALUK, MYSORE-570 010.
19. SRI. M.K. PONNUSWAMY,  
S/O KOLANDAIAH SWAMY,  
AGED ABOUT 68 YEARS,



PROP: N.K.P. SERVICE,  
PALANIKUTTI GARDEN, DOLLIPURA,  
ATHIGULIPURA POST,  
CHAMARJANAGAR - 571313.

20. SRI. N. MANI, S/O SRI. NATUMUTTU,  
PROP: S.S.M. BUS SERVICE,  
AGED ABOUT 45 YEARS,  
R/AT. KUVEMPU BADAVANE,  
CHAMARAJANAGAR.
21. SRI. S.K. PONNUSWAMY,  
PROP: S.P.S. BUS SERVICE,  
AGED ABOUT 75 YEARS,  
CAR STREET, THERU BEEDHI,  
CHAMARAJANAGAR
22. SRI. R. PARIMALA,  
W/O SRI. N.K.K.P RAJA,  
AGED ABOUT 48 YEARS,  
BUS OPERATOR, NO. 40,  
CHIKKAHOLE DAM, (SRIRANGAPURA)  
ATHIGULIPURA POST, ANDHRALLI HOBLI,  
CHAMARAJANAGAR DISTRICT.
23. SRI. KUMARASWAMY MUDALIYAR,  
S/O SRI. KUPPUSWAMY MUDALIYAR,  
AGED ABOUT 54 YEARS,  
PROP. VINAYAKA MOTOR SERVICE,  
THYAMAGONDLU,  
NELAMANGALA TALUK,  
BANGALORE RURAL DISTRICT.
24. SRI. UDAY KUMAR,  
S/O SRI. KUPPUSWAMY MUDALIYAR,  
AGED ABOUT 47 YEARS,  
PROP. VINAYAKA MOTOR SERVICE,  
THYAMAGONDLU, NELAMANGALA TALUK,  
BANGALORE RURAL DISTRICT.
25. K.P.RAMACHANDRAN,  
S/O LATE PUTTARANGAIAH,  
AGED ABOUT 57 YEARS,



BUS OPERATOR, KOLALA,  
KORTAGERE, TUMKUR DISTRICT.

26. SRI. R. PARI,  
S/O M. RAMASWAMY,  
AGED ABOUT 51 YEARS,  
PROP: VIJAYALAKSHMI MOTORS,  
CHOWDESHWARI TEMPLE STREET,  
TUMKUR-572 101.
27. SRI. S. GNANENDRA,  
S/O SRI. SRIRAMULU,  
AGED ABOUT 45 YEARS,  
NO. 192, TANK BUND ROAD,  
INDIRANAGAR, ITTIGEGUD,  
MYSORE-570 010.
28. SRI. PUTTARUDRAIAH,  
S/O CHANNASETTAPPA,  
AGED ABOUT 58 YEARS,  
BUS OPERATOR, HUSKURU,  
DASANAPURA HOBLI,  
BANGALORE NORTH TALUK.
29. SRI. K. HEMACHANDRA MUDALIYAR,  
S/O LATE KUPPUSWAMY MUDALIYAR,  
AGED ABOUT 47 YEARS,  
PROP: VINAYAKA MOTOR SERVICE,  
THYAMGONDLU, NELAMANGALA TALUK  
BANGALORE RURAL DISTRICT.
30. SRI. RAFI,  
S/O SRI. ABDUL RAWOOF,  
AGED ABOUT 45 YEARS,  
BUS OPERATOR, NO. 33,  
6<sup>th</sup> MAIN, 6<sup>TH</sup> CROSS,  
NEW GURAPPANAPALYA,  
BANNEGhatta ROAD,  
BANGALORE-560 029.
31. SRI. B.M. MUNEER KHAN,  
S/O BABASAB,  
AGED ABOUT 63 YEARS,



R/AT. NO. 31/B, 4<sup>TH</sup> CROSS,  
LALJI NAGAR, LAKKASANDRA,  
BANGALORE-560 029.

32. SMT. AZEEMUNISA,  
W/O LATE B. AHMED KHAN,  
AGED ABOUT 72 YEARS,  
R/AT. NO. 261, 2<sup>ND</sup> CROSS,  
BAK COMFORT MANNER,  
7<sup>TH</sup> BLOCK, KORAMANGALA,  
BANGALORE-560 095.
33. SRI. C.S. SATHISH KUMAR,  
S/O SRI. SESHACHALA SHETTY,  
AGED ABOUT 45 YEARS,  
BUS OPERATOR, CHORNUR,  
SANDUR TALUK BELLARY DISTRICT  
REPRESENTED BY IT GPA HOLDER,  
SRI. M.C. BASAVARAJAPPA,  
AGED ABOUT 45 YEARS,  
SURADAHALLI GRAMA, JAGALUR POST  
DAVANAGERE DISTRICT.
34. SMT. P. DHANALAKSHMI  
W/O SRI. M.K. PONNUSWAMY,  
AGED ABOUT 52 YEARS,  
BUS OPERATOR, ATHIGULIPURA,  
CHAMARAJANAGAR DISTRICT-571 313.
35. SRI. M.B. MEHABOOB SHERIEF,  
AGED ABOUT 45 YEARS,  
PROP: S.R.M.S, VARDHI MOHALLA,  
MOLAKALMUR, CHITRADURGA DISTRICT.
36. SRI. CHOKKAREDDY,  
S/O LATE CHIKKABYRAPPA,  
PROP: VEERANJANEYA ENTERPRISES,  
CHINTHAMANI,  
CHIKKABALLAPURA DISTRICT.
37. SRI. K.R. SHIVAPRAKASH,  
S/O SRI. RANGAPPA,  
AGED ABOUT 72 YEARS,



**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

BUS OPERATOR,  
NAVEEN NILAYA, V.B. EXTENSION,  
CHITRADURGA - 577 501.

38. SRI. K.J. MANJUNATH  
S/O LATE K.R. JAMBUKESHWAR,  
AGED ABOUT 40 YEARS,  
PROP: JAIPADMA MOTOR SERVICE,  
2ND CROSS, CHITRADURGA - 577 501.
39. SMT. K.J. NIRMALA  
W/O LATE K.G. DAYANADA,  
AGED ABOUT 55 YEARS,  
PROP: S.N. MOTOR SERVICE,  
LIONS BHAVAN ROAD, DODDABALLAPUR,  
BENGALURU RURAL DISTRICT - 561 203.
40. THE SRIRAM TRANSPORTS,  
REPRESENTED BY ITS PARTNER,  
SMT. JAYALAKSHMI R. KATHIRESAN,  
NO. 19/20, MANASARA ROAD,  
ITTIGEGUD, INDIRANAGAR,  
MYSORE - 570 010.
41. THE SHIVARAJ TRANSPORTS,  
REPRESENTED BY ITS PARTNER,  
SMT. JAYALAKSHMI R. KATHIRESAN,  
NO. 19/20, MANASARA ROAD,  
ITTIGEGUD, INDIRANAGAR,  
MYSORE-570 010.
42. SRI. G.V. CHANDRASHEKAR,  
S/O G.T. VENKATASWAMY REDDY,  
AGED ABOUT 50 YEARS,  
PROP. VINAYAKA MOTOR SERVICE,  
ALBERT VICTOR ROAD,  
KALASIALYAM, BANGALORE.
43. SMT. SUDHA,  
W/O LATE G.V.NAGARAJA REDDY,  
AGED ABOUT 50 YEARS,  
PROPRIETRIX VINAYAKA MOTOR SERVICE,  
ALBERT VICTOR ROAD,  
KALASIALYAM, BANGALORE



44. G.V. PALAKSHA,  
S/O G.T. VENKATASWAMY REDDY,  
AGED ABOUT 50 YEARS,  
PROP. VINAYAKA MOTOR SERVICE,  
ALBERT VICTOR ROAD,  
KALASIPALYAM, BANGALORE.
45. SRI. G.V. SATHISH REDDY,  
S/O G.T. VENKATASWAMY REDDY,  
AGED ABOUT 45 YEARS,  
PROP. VINAYAKA MOTOR SERVICE,  
ALBERT VICTOR ROAD,  
KALASIPALYAM, BANGALORE.
46. SMT. T.N. SHAKUNTHALA. J. REDDY,  
W/O LATE T.N. JAYANARAYANA REDDY,  
AGED ABOUT 60 YEARS,  
PROP. J.N.R. MOTOR SERVICE,  
MADANAPALLI, CHITTOOR DISTRICT,  
REPRESENTED BY ITS GPA HOLDER,  
SRI. D.L. SADASHIVAREDDY.
47. SRI. D.L. SADASHIVAREDDY,  
S/O SRI. LAKSHMAIAH REDDY,  
AGED ABOUT 72 YEARS,  
PROP. SWARNAMUKHI EXPRESS,  
NO. 607, 10TH CROSS, 7TH BLOCK,  
WEST OF JAYANAGAR, BANGALORE-560 082.
48. SRI. N. MUDDAPPA,  
S/O SRI. NARASIMAIAHA (LATE),  
AGED ABOUT 82 YEARS,  
NO. 1649, NAGAPPA BLOCK,  
SRIRAMPURAM, BANGALORE -560 021.
49. T.S.VENKATA SUBBARAO,  
S/O SREENIVASA RAO,  
AGED ABOUT 83 YEARS,  
R/AT. S.L.B. TRANSPORT,  
NO. 79, NAL LAYOUT, 4TH BLOCK,  
JAYANAGARA, BANGALORE 560 041.



50. MRS. KHAMARUNISSA,  
W/O LATE P. LALASHARIEFF,  
PROP: SHARIEFF EXPRESS,  
RAJAI ROAD, SRINIVASAPURA TOWN,  
KOLAR DISTRICT-563 135.
51. MRS. SARTAJ GOWHAR,  
W/O RAHIM SHARIEFF,  
AGED ABOUT 54 YEARS,  
RAJAI ROAD, SRINIVASAPURA TOWN,  
KOLAR DISTRICT-563 135.
52. MR. RAHIM SHARIEFF,  
S/O LATE P. LALASHARIEFF,  
NO. 3114, RAJAI ROAD,  
SRINIVASAPURA TOWN,  
KOLAR DISTRICT-563 135.
53. MR. MEHABOOB SHARIEFF,  
S/O LATE LALASHARIEFF,  
NO. 3114, RAJAI ROAD,  
SRINIVASAPURA TOWN,  
KOLAR DISTRICT-563 135.
54. MOHAMMED TIPPU QUARESHI,  
S/O LATE MOHAMMED ISSAC QUARESHI,  
AGED ABOUT 90 YEARS, PROPRIETOR SHAHEN  
EXPRESS, OLD POST OFFICE ROAD,  
KOLAR-563 101.
55. AGHA KHAN,  
S/O LATE KAREEM KHAN,  
AGED ABOUT 58 YEARS,  
NO. 98/101, R.V. COMPLEX,  
KALASIPALYAM MAIN ROAD,  
BENGALURU-560 002.
56. HAFEEZ KHAN,  
S/O LATE KAREEM KHAN  
AGED ABOUT 54 YEARS,  
NO. 98/101, R.V. COMPLEX,  
KALASIPALYAM MAIN ROAD,  
BENGALURU-560 002.



57. KHAYUM KHAN,  
S/O LATE KAREEM KHAN  
AGED ABOUT 62 YEARS,  
NO. 98/101, R.V. COMPLEX,  
KALASIPALYAM MAIN ROAD,  
BENGALURU-560 002.
58. SALEEN KHAN,  
S/O LATE KAREEM KHAN  
AGED ABOUT 56 YEARS,  
NO. 98/101, R.V. COMPLEX,  
KALASIPALYAM MAIN ROAD,  
BENGALURU-560 002.
59. G.V. VASANTH KUMAR  
S/O LATE APPANNA,  
AGED ABOUT 69 YEARS,  
NO. 48, 4<sup>TH</sup> MAIN, NEHRU NAGAR,  
BANGALORE 560 020.
60. SRI. ABDUL KALEEM  
S/O SRI. MOHAMMED HAYATH,  
AGED ABOUT 50 YEARS,  
NO. 68, 'D' CROSS MAIN,  
BCC COLONY, JAYANAGAR,  
'C' BLOCK, BENGALURU-560 002.
61. SRI. ABDUL SALEEM,  
S/O SRI. MOHAMMED HAYATH,  
AGED ABOUT 45 YEARS,  
NO. 20, 4<sup>TH</sup> SREET, TSP ROAD,  
KALASIPALYAM,  
BENGALURU-560 002.
62. SRI. T.R NAGAPRASAD  
S/O LATE N.R REVANNA,  
S.R.S TOURIST SERVICES,  
PRIVATE BUS STAND,  
BASAVESHWARANAGAR ROAD,  
TUMKUR-572 101.





NC: 2024:KHC:16534

**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

63. A. GOPI KRISHNA  
S/O A.M. POONNURANGA MUDALIAR  
AGED ABOUT 51 YEARS  
R/AT NO.47, MOHAN MANSION  
KASTURBA ROAD  
BENGALURU-560 001.

64. MAHESHWARI  
W/O LATE R. RAJENDRAN  
AGED ABOUT 70 YEARS  
CHITTOOR PUBLIC TRANSPORT,  
CHITTOOR, A.P.

...RESPONDENTS

(R-63 AND R-64 AMENDED VIDE COURT ORDER DATED 25.10.2017)

(BY SRI. V G BHANUPRAKASH, ADDL. A.G A/W  
SRI. B RAVINDRANATH, AGA FOR R1 TO R3;  
SRI. PUTTIGE R RAMESH, SENIOR COUNSEL FOR  
SRI. A.S. PARASARA KUMAR, ADVOCATE FOR R16 TO R41;  
SRI. M.E. NAGESH, ADVOCATE FOR R4 TO R9, R11 TO R14;  
SRI. B.R.S GUPTA, ADVOCATE FOR R10 TO R59;  
SRI. A. ANAND SHETTY, ADVOCATE FOR R15;  
SRI. S.V. KRISHNASWAMY, ADVOCATE FOR R42 TO 49;  
SRI. V. SUBASH REDDY, ADVOCATE FOR R50-53, R60 & R61;  
SRI. C.M.S. SHARIFF, ADVOCATE FOR R62 TO R64  
SRI. S.V. KRISHNA SWAMY, ADVOCATE FOR IMPEADING  
APPLICANTS ON IA 1/18 AND 2/18)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF  
CONSTITUTION OF INDIA PRAYING TO QUASH THE MODIFIED  
FINAL NOTIFICATION DATED 28.9.2017 AT ANNEX-A OF W.P AND  
ETC.

**IN WRIT PETITION NO. 47188 OF 2017:**

**BETWEEN:**

KSRTC STAFF & WORKERS FEDERATION  
(A REGISTERED TRADE UNION)  
REGD. OFFICE AT NO.6, SIRUR PARK ROAD,



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

SESHADRIPURAM, BENGALURU-560020.  
REPRESENTED BY ITS GENERAL SECRETARY.

...PETITIONER

(BY SRI. V R DATAR., ADVOCATE)

**AND:**

1. STATE OF KARNATAKA  
TRANSPORT DEPARTMENT,  
M.S.BUILDING, DR.AMBEDKAR VEEDHI,  
BENGALURU-560 001.  
REPRESENTED BY ITS PRINCIPAL SECRETARY.
2. THE TRANSPORT COMMISSIONER  
GOVERNMENT OF KARNATAKA  
TRANSPORT DEPARTMENT,  
FIRST FLOOR, TTMC BUILDING,  
SHANTHINAGAR BUS STAND,  
SHANTHINAGAR, BENGALURU-560 027.
3. KARNATAKA STATE TRANSPORT AUTHORITY  
TRANSPORT DEPARTMENT,  
FIRST FLOOR, TTMC BUILDING,  
SHANTHINAGAR BUS STAND,  
SHANTHINAGAR, BENGALURU-560 027.
4. KARNATAKA STATE ROAD TRANSPORT CORPORATION  
HAVING THEIR CENTRAL OFFICE AT KENGAL,  
HANUMANTHAIAH ROAD, SHANTINAGAR,  
BENGALURU-560027, REPRESENTED BY  
ITS CHAIRMAN AND MANAGING DIRECTOR.
5. SHRI. R V SUBHASHCHANDRA BOSE,  
S/O LATE VENKATESHAM CHETTY,  
AGED ABOUT 60 YEARS,  
S V S MOTORS, GANDHINAGAR,  
KOLAR-563 101.
6. SHRI. R V BALAJI,  
S/O LATE VENKATESHAM CHETTY,  
AGED ABOUT 60 YEARS,  
S V S MOTORS, GANDHINAGAR,  
KOLAR-563 101.

...RESPONDENTS



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

(BY SRI. V G BHANUPRAKASH, ADDL. A.G A/W  
SRI. B RAVINDRANATH, AGA FOR R1 TO R3;  
SRI. B PHALAKSHAIAH, ADVOCATE FOR R4;  
SRI. M E NAGESH, ADVOCATE FOR R5 AND R6)

THIS W.P IS FILED UNDER ARTICLES 226 AND 227 OF THE  
CONSTITUTION OF INDIA PRAYING TO CALL FOR RECORDS FROM  
THE R-1 AND ON PERUSAL OF THE SAME THIS HON'BLE COURT  
BEPLEASED TO QUASH IT'S OR FINAL NOTIFICATION DATED  
28.9.2017 VIDE ANNEXURE-A PASSED BY THE R-1 BY ISSUING  
WRIT OF CERTIORARI OR WRIT OR DIRECTION UNDER ARTICLE  
226 AND/OR 227 OF CONSTITUTION OF INDIA AND ETC.

**IN WRIT PETITION NO. 47751 OF 2017:**

**BETWEEN:**

THE BENGALURU MAHANAGARA TRANSPORT CORPORATION  
(BMTc), CENTRAL OFFICE,  
K.H.ROAD, SHANTHINAGAR,  
BENGALURU-560 027.  
REPRESENTED BY ITS CHIEF LAW OFFICER.

...PETITIONER

(BY SRI ASHOK HARANAHALLI, SENIOR COUNSEL FOR  
SRI HAREESH BHANDARY T, ADVOCATE)

**AND:**

1. THE STATE OF KARNATAKA  
REPRESENTED BY ITS PRINCIPAL SECRETARY,  
TRANSPORT DEPARTMENT  
ROOM NO.153, GATE NO.3,  
M.S.BUILDING, DR.AMBEDKAR VEEDI,  
BENGALURU-560 027.
2. TRANSPORT COMMISSIONER  
GOVERNMENT OF KARNATAKA,  
TRANSPORT DEPARTMENT,  
TTMC BUILDING, FIRST FLOOR,  
SHANTHINAGAR BUS STAND,  
SHANTHINAGAR, BENGALURU-560 027.
3. KARNATAKA STATE TRANSPORT AUTHORITY  
REPRESENTED BY ITS SECRETARY,



TRANSPORT DEPARTMENT,  
TTMC BUILDING, FIRST FLOOR,  
SHANTHINAGAR BUS STAND,  
SHANTHINAGAR, BENGALURU-560 027.

4. AGHA KHAN  
S/O LATE KAREEM KHAN  
AGED ABOUT 58 YEARS  
NO.98/101, R.V. COMPLEX,  
KALSIPALYAM MAIN ROAD,  
BENGALURU-560 002.
5. HAFEEZ KHAN  
S/O LATE KAREEM KHAN  
AGED ABOUT 54 YEARS  
NO.98/101  
R.V. COMPLEX, KALASIPALYAM MAIN ROAD  
BENGALURU-560 002.
6. KHAYUM KHAN  
S/O LATE KAREEM KHAN  
AGED ABOUT 62 YEARS  
NO.98/101, R.V. COMPLEX,  
KALASIPALYAM MAIN ROAD  
BENGALURU-560 002.
7. SALEEM KHAN  
S/O LATE KAREEM KHAN  
AGED ABOUT 56 YEARS  
NO.98/101, R.V. COMPLEX,  
KALASIPALYAM MAIN ROAD  
BENGALURU-560 002.
8. R.V. SUBHASH CHANDRA BOSE,  
S/O LATE VENKATESHAM CHETTY,  
AGED ABOUT 60 YEARS,  
S.V.S MOTORS, GANDHINAGAR,  
KOLAR-563 101.
9. R.V. BALAJI  
S/O LATE VENKATESHAM CHETTY,  
AGED ABOUT 62 YEARS,



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

S.V.S. MOTORS, GANDHINAGAR,  
KOLAR-563 101.

(R-4 TO R-9 AMENDED VIDE COURT ORDER DATED 5.12.2017  
...RESPONDENTS

(BY SRI. V G BHANUPRAKASH, ADDL. A.G A/W  
SRI. B RAVINDRANATH, AGA FOR R1 TO R3;  
SRI. M.E. NAGESH, ADVOCATE FOR R4 AND R9)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF  
CONSTITUTION OF INDIA PRAYING TO QUASH THE PROCEEDINGS  
DATED 31.8.2017 VIDE ANNEXURE-A OF W.P AND ETC.

**IN WRIT PETITION NO. 50168 OF 2017:**

**BETWEEN:**

NORTH EAST KARNATAKA STATE  
ROAD TRANSPORT CORPORATION  
CENTRAL OFFICE, SARIGE SADAN  
GULBARGA-585 102, REPRESENTED BY ITS  
CHIEF LAW OFFICER (ROUTE)

...PETITIONER

(BY SRI. ASHOK HARANAHALLI, SENIOR COUNSEL FOR  
SRI. HAREESH BHANDARY T, ADVOCATE)

**AND:**

1. THE STATE OF KARNATAKA  
REPRESENTED BY ITS PRINCIPAL SECRETARY,  
TRANSPORT DEPARTMENT,  
ROOM NO.153, GATE NO.3  
M.S.BUILDING, DR AMBEDKAR VEEDI,  
BENGALURU-560 001.
2. TRANSPORT COMMISSIONER  
GOVERNMENT OF KARNTAKA,  
TRANSPORT DEPARTMENT,  
TTMC BUILDING, FIRST FLOOR,  
SHANTHINAGAR BUS STAND,  
SHANTHINAGAR, BENGALURU-560 027.
3. KARNATAKA STATE TRANSPORT AUTHORITY  
REPRESENTED BY ITS SECRETARY,  
TRANSPORT DEPARTMENT,



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

TTMC BUILDING, FIRST FLOOR,  
SHANTHINAGAR SUB STAND,  
SHANTHINAGAR, BENGALURU-560 027.

...RESPONDENTS

(BY SRI. V G BHANUPRAKASH, AGA A/W  
SRI. B RAVINDRANATH, AGA FOR R1 AND R2)

THIS W.P IS FILED UNDER ARTICLES 226 AND 227 OF  
CONSTITUTION OF INDIA PRAYING TO QUASH THE MODIFIED  
FINAL NOTIFICATION DATED 28.9.2017 ANNEXURE-A OF W.P AND  
ETC.

**IN WRIT PETITION NO. 41224 OF 2018:**

**BETWEEN:**

SRI. B S SURESH BABU  
S/O B S SRINIVASASHASTRI,  
R/AT RAILWAY STATION ROAD,  
CHINTHAMANI TOWN,  
CHIKKABALLAPURA DISTRICT-563 125.

...PETITIONER

(BY SRI. H M MANAJUNATHA ., ADVOCATE)

**AND:**

THE STATE OF KARNATAKA  
REPRESENTED BY ITS PRINCIPAL SECRETARY,  
TRANSPORT DEPARTMENT,  
ROOM NO.153, GATE NO.3,  
M S BUILDING, DR AMBEDKAR VEEDI,  
BENGALURU-560 001.

...RESPONDENT

(BY SRI. V G BHANUPRAKASH, AGA A/W  
SRI. B RAVINDRANATH, AGA)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF  
CONSTITUTION OF INDIA PRAYING TO QUASH THE MODIFIED  
FINAL NOTIFICATION DATED 28.09.2017 ANNEXURE-A OF WRIT  
PETITION AND ETC.

THESE PETITIONS, COMING ON FOR PRELIMINARY  
HEARING IN 'B' GROUP, THIS DAY, THE COURT MADE THE  
FOLLOWING:



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

**ORDER**

The petitioners, including the State Transport undertakings “STU”, KSRTC Staff, and Workers Federation have called into question the notification dated 28.9.2017 issued by respondent No.1—the State Government, by which the following schemes are modified:

i) The Bellary Scheme approved under Sub-section (3) of Section 68(D) of the Motor Vehicles Act, 1939 (“**the Act, 1939**”) via notification dated 10.01.1968 and subsequently modified in the notification dated 10.01.1980;

ii) The Kolar Scheme approved under Sub-section (3) of Section 68(D) of the Act, 1939 via notification dated 10.01.1968 and subsequently modified in the notification dated 10.01.1980;

iii) The Mysore Scheme approved under Sub-section (2) of Section 68(D) of the Act, 1939 via notification dated 17.11.1960 and subsequently modified in the notification dated 28.11.1987;

iv) The BTS Scheme approved under Sub-section (2) of Section 68(D) of the Act, 1939 via notification dated 16.01.1960 and subsequently modified in the notification dated 30.09.2014;

v) The Bangalore Scheme approved under Sub-section (2) of Section 68(D) of the Act, 1939 via notification dated 07.06.1960 and subsequently modified in the notifications dated 17.01.1996 and 28.05.2007; and

vi) The Kanakapura Scheme approved under Sub-section (2) of Section 68(D) of the Act, 1939 via notification dated 30.12.1965.



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

2. By virtue of the above-referred notification, permit holders to whom permits were granted and issued by the Transport Authority and in operation as of 14.01.2002 are exempted to operate their services on interstate, intrastate, inter-district, and intra-district routes, notwithstanding anything contained in said schemes, with the condition that they shall not be entitled to pick up or set down passengers in such portions of the notified routes. The aforementioned schemes were originally approved by the State Government in exercise of the power conferred under Section 68(D) of the Act, 1939. Under said schemes, a monopoly was created in favour of State Transport undertakings in respect of the routes/areas enumerated in the schemes.

3. The BTS scheme was the subject matter of WA No.403/1988 (**Ashrafulla Khan v. Karnataka State Transport Appellate Tribunal & Ors.**), and the same was referred to a full bench of this Court to give an opinion on the question concerning: ***whether small portion(s) falling within the limits of a town or village on a nationalized route are to be treated as a route that is overlapping or one that is intersecting.***

4. The Full Bench answered the question referred for opinion stating that: ***small portions falling within the limits of a town or a village on a nationalized route (notified routes) are to be treated as only an intersection of the nationalized route and not as overlapping.***

5. In light of the ratio enunciated by the Full Bench of this Court in the case of ***Ashrafulla Khan*** (*supra*), the Transport Authorities granted stage carriage permits in favour of the private operators. The





NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

decision of the Full Bench was subjected to challenge before the Hon'ble Supreme Court wherein it was ruled as follows:

"**25.** The expression "intersection" has been employed by this Court only to provide facility to a private operator operating on a non-notified route to continue an onward journey if it cuts across a notified route. It appears that this exception was carried out only to avoid hardships to the travelling public, otherwise a Scheme which is for total exclusion of private operation was held to be untouchable.

**26.** In our opinion there is a clear and obvious distinction between an "overlapping" and an "intersection" for purposes of Chapter IV-A of the Repealed Act. In the case of an overlapping a stage carriage is to ply on the same line of travel on a portion of a notified route and it is immaterial whether it is a small distance of four or five kilometres falling within the limits of a village or town. Whereas in the case of an intersection a non-notified route only cuts across a notified route for onward journey. It is only to enable a private operator plying on a non-notified route to a non-notified route to cut across a notified route. The exceptions sought to be made by the Full Bench in the form of municipal limit or village limit is totally erroneous and that the same defeats the very object behind the Scheme which is for total exclusion of private operation. The consistent view of this Court has throughout been that the Scheme is a law and the same has to be preserved and protected in public interest. Any other view taken contrary to the said view would amount to violating the integrity of an approved Scheme under Section 68-D of the Repealed Act. Any slight deviation in the Scheme may frustrate the entire Scheme.

**27.** An example posed by the Full Bench in its judgment as to what happens when an operator on a non-notified route has to cut across a notified route by taking a 'U' turn on a notified route and then taking left turn to enter on a non-notified route, was not appropriate. In such a case, it may not amount to overlapping. It would be only intersection. There may be a crossing where there is an island in the centre and a private operator in order to go from a non-notified route to another non-notified route has to make a semicircle of a notified route. In that case also, it would not be overlapping, but it would be an intersection because it only cuts across the notified route because of the size of the crossing or traffic regulations.



28. Merely because a private operator has to traverse on the line of a notified route for 5 km or for 1.5 km only is no ground to dispense with the mandate of law. Such an overlapping also cannot be sustained on the ground that it relates to a small town. If such a view of law as propounded by the Full Bench is to be accepted, it is difficult to be applied where a notified route passes through bigger towns where involvement is of 10 to 20 km within that town.

29. The view taken by the Full Bench that where traversing on a notified route is necessary to continue journey on a non-notified route could be regarded as an intersection is an erroneous view of law. The High Court under Article 226 of the Constitution is required to enforce rule of law and not pass an order or direction which is contrary to what has been enjoined by law.

30. For the aforesaid reasons, we are of the view that the view taken by the High Court was contrary to the law which stood settled by this Court in *Adarsh Travels case* [(1985) 4 SCC 557] and still holds the field and, therefore, it deserves to be set aside."

6. In the case of an 'overlap', a stage carriage is to ply on the same line of travel on a portion of a notified route, and it is immaterial whether it is a small distance of four or five kilometres falling within the limits of a village or town. Whereas, in the case of an 'intersection', a non-notified route only cuts across a notified route for onward journey, enabling private operators plying on a non-notified route to cut across a notified route. Therefore, the view taken by the Full Bench that traversing on a notified route is necessary to continue the journey on a known notified route could be regarded as an intersection, is an erroneous view of law. Liberty was granted to the state government to modify the scheme in the interest of travelling public.

7. The Motor Vehicles Act, 1988 (referred to as "**the Act, 1988**") came into force w.e.f. 01.07.1989, and the Act, 1939, was



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

repealed. In light of the liberty granted by the Apex Court and Section 102 of the Act, 1988, the State Government modified various schemes, and the modification of the schemes was questioned by the, contending that an opportunity was not provided and that the order approving the modification of the schemes was not supported by reasons. This Court, *vide* order dated 21.4.2011, quashed the modification of the schemes, *inter alia* stating that the order passed was without the application of mind to the various objections raised by the STU, and directed the Government to pass orders afresh after notifying all the stakeholders.

8. The order passed by this Court was challenged before the Apex Court. The Apex Court, *vide* order dated 18.12.2014 (**B. A. Lingareddy v. Karnataka State Transport Authority, (2015) 4 SCC 515**), ruled that the modification of schemes by the State Government under Section 102 of the Act, 1988 was a quasi-judicial function and was duty bound to consider the objections and give reasons either to accept or reject them. Thereafter, the hearing Authority, after hearing all the stakeholders, recommended to the State Government that there was no necessity for modification of the approved schemes, and the State Government accepted the recommendation and issued a notification dated 05.08.2015 dropping the notifications dated 25.10.2002, 27.05.2003, and 09.03.2007 by which the various schemes were modified.

9. The notification dated 05.08.2015 was challenged before this Court in W.P. No.49713/2015 and connected writ petitions by the private operators. A learned judge of this Court *vide* order dated 03.05.2007 set aside the notification and remitted the matter to the State Government for being heard afresh and passed appropriate orders after



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

notifying all the stakeholders. Thereafter, the hearing Authority i.e., the Hon'ble Minister for Transport, Government of Karnataka conducted the proceedings. The objections/arguments of all the stakeholders were considered and the hearing Authority was of the opinion that it was necessary to make amendments to all the proposed schemes for the purpose of providing efficient, economical, and coordinated transport services, and necessary notifications shall be issued by making suitable modifications in all the schemes, which culminated in issuing the impugned notification.

10. The submissions of Mr. Ashok Haranahalli - learned senior counsel representing the counsel for STUs, are as follows:

i) The State Government cannot invoke the power of modification under Section 102 of the Act, 1988 to legalize an illegal permit taken in defiance of Section 99 of the Act, 1988, when the very source of power to grant or renew such permit was illegal or unauthorized.

ii) Although the permits saved under the impugned notifications were granted based on the decision of the Full Bench of this Court in the case of **Ashrafulla Khan**, and the decision of the Full Bench having been held to be bad in law by the Apex Court, the permits granted in violation of the scheme are patently illegal since the law declared by the Apex Court operates retrospectively from the date of approval of the schemes under Section 68(D) of the Act, 1939.

iii) The State Government, without carrying out any survey and without any materials, has come to a conclusion that the STUs cannot operate the vehicles on the interior parts of villages and towns, and that the STUs may not operate the services as efficiently and economically as



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

private operators would because of overhead charges. If the STUs are forced to operate the services on these routes, they may be put to heavy loss, and the burden on the exchequer is unimaginable and arbitrary.

iv) By modification of the schemes, the rights of the STUs to ply their vehicles have been adversely affected, and the STUs are the aggrieved persons having *locus standi* to maintain these petitions.

11. In support of his submissions, reliance is placed on the following decisions:

- **AIR 1960 SC 1073:** H.C. Narayanappa v. State of Mysore & Ors.
- **AIR 1986 SC 319:** Adarsha Travel Bus Service & Anr. v. State of UP & Ors.
- **AIR 2002 SC 629:** KSRTC v. Ashrafulla Khan & Ors.
- **2011 (3) AIR KAR R 425:** KSRTC v. State of Karnataka (W.P. 4030/2004)
- **AIR 2015 SC 767:** B.A. Linga Reddy v. Karnataka State Transport Authority.
- **2017 (3) AKR 595 –** B. Athaullakhan & Ors. v. State of Karnataka & Ors.
- **AIR 1992 SC 1888:** Ram Krishna Verma & Ors v. State of U.P & Ors.
- **(2014) ILR 1 P & H 202:** M/S Vijayant Travels & Anr v. State of Punjab & Ors.
- **Review Application - CW- 263/2016:** M/s Gurumit Singh Sardar Singh & Ali Shah v. State of Punjab & Ors.
- **AIR 1992 SC 888:** APSRTC v. P.V. Rammohan Chowdary.
- **AIR 1961 SC 82:** J Y Kondala Rao v. APSRTC.



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

- **AIR 2010 SC 3823:** Ritesh Tewari & Anr v. State of U.P & Ors.
- **AIR 1983 SC 239:** Sanjeev Coke Manufacturing Company v. M/s. Bharat Coking Coal Limited & Anr.
- **AIR 1964 SC 72:** S Prathap Singh v. State of Punjab.
- **AIR 1980 SC 319:** State of Punjab & Ano. v. Gurdial Singh & Ors.
- **AIR 2010 SC 2275:** Rasid Javed & Ors. v. State of U P & Anr.
- **AIR 2023 SC 4854:** CBI v. R. R. Kishore.

12. The submissions of Mr. V. R. Datar, learned counsel representing the KSRTC Staff and Workers Federation in WP No.47188/2017 are as follows:

i) The petitioners—Trade Union is incorporated under the Trade Union Act and is a separate independent legal entity. By virtue of the impugned notification, the monopoly created in favour of the STUs, of which the members of the petitioners—Trade Unions are workers, is altered to save illegal permits, and directly affects their interest as it would cause financial loss with the STUs.

13. In support, reliance is placed on the following decisions:

- **(2006) 10 SCC 66:** All India ITDC Workers' Union & Ors v. ITDC & Ors.
- **AIR 2005 KARNATAKA 205:** Karnataka State Road Transport Corporation, Bangalore and etc. v. Karnataka State Transport Authority & Ors.
- **AIR 1983 SC 1:** S P Mittal v. Union of India & Ors.



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

14. The impugned notification is contrary to the object and purpose of Section 102 of the Act, 1988 since, under Section 103, only those operators could be compensated if their permits were illegal. Therefore, there is no scope for the private operators to ply on the approved notified routes which consists of the overlapping portions in the route.

15. The law declared by the Apex Court is binding under Article 141 of the Constitution of India, and, therefore, the modification under Section 102 is impermissible and the permits cannot be validated by overriding the decision of the Apex Court in the case of **Ashrafulla Khan** (*supra*) and could only be done through process known to law.

16. That the petitioner in this context places reliance on:

(i) **S.R. Bhagwat and Ors. v. State of Mysore**, AIR 1996 SC 188, para 11 and 12;

(ii) **Union of India v. K.M. Shankarappa**, (2001) 1 SCC 582 para 7;

(iii) **Shri Prithvi Cotton Mills Ltd. v. Broach Borough Municipality and Ors.**, AIR 1970 SC 192 para 4;

(iv) **State of Tamil Nadu v. Thirumagal Mills Ltd.**, (1972) 1 SCC 176 para 5;

(v) **Rai Ramakrishna & Ors v. State of Bihar**, AIR 1973 SC 1667 para 10, 11 wherein the Apex Court has ruled that without enacting an appropriate legislation, the executive or legislature cannot set at naught a judicial order.



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

17. The Hon'ble Minister who had heard the matter was a quasi-judicial authority and the scheme which was modified under Section 102 of the Act, 1988 *vide* Annexure-A was to save the permits of the private operators who were operating on the overlapped notified routes, which is impermissible in law as the Scheme though regarded as law is issued by the State Government which is not the Legislature, but is a delegated power to legislate the Scheme (a delegated legislation) which cannot be equated with the law enacted by the State Legislature or the Parliament.

18. In support, reliance is placed on the following decisions:

- The Income Tax Officer v. M.G. Ponnaoose & Ors., (1969) 2 SCC 352 Para 5.
- India Sugars and Refineries, Hospet v. State, AIR 1960 Mysore 326 (DB) para 15, 16 & 18.

19. Once the scheme is issued under Section 100 of Chapter VI of the Act, 1988 and published it in the Official Gazette, it becomes an approved scheme in favour of the STUs and it excludes completely the operation of private operators on the routes or areas mentioned in the approved schemes.

20. The submissions of Mr. S. Vijayashankar—learned senior counsel representing the counsel for respondent Nos. 4 to 9 and 11 to 14, are as follows:

i) The Bengaluru and BTS schemes are route schemes and are not area schemes. Therefore, these schemes do not totally exclude private operators from obtaining permission to operate. They are partially exclusive schemes.





NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

ii) The decision of the Full Bench was not stayed by the Apex Court in the case of **Ashrafulla Khan** (*supra*), and from the date of the decision until it was set aside, the permits granted by the Transport Authorities following the decision of the Full Bench are valid, and the valid permits are saved under the impugned notification. Therefore, the contention of the STUs that illegal permits are saved under the impugned notification is without any substance.

iii) In light of the observations of the Apex Court in the case of **Ashrafulla Khan** at Para 20, the State Government was of the opinion that the STUs lack vehicles or other infrastructure to provide efficient and coordinated transport services to the traveling public. In any case, it is always permissible for the legislature to amend the law by providing private operators to run an efficient and coordinated transport service on such routes.

21. The submissions of Mr. P.R. Ramesh—learned senior counsel representing the counsel for the respondent, are as follows:

i) The petitioners—STUs, being an instrumentality of the State, cannot challenge the notification issued by the State Government. The STUs were incorporated by the State Government under the State Transport Corporation Act for the purpose of running transport facilities. Therefore, the STUs have no *locus standi* to maintain these writ petitions challenging the impugned notification.

22. In support, reliance is placed on the following decisions:

(i) Kalyan Singh v. State of UP, AIR 1962 SC 1183;



**NC: 2024:KHC:16534**  
**WP No. 45252 of 2017 C/W WP No. 46504 of**  
**2017, WP No. 47188 of 2017, WP No. 47751**  
**of 2017, WP No. 50168 of 2017,**  
**WP No. 41224 of 2018**

- (ii) ONGC v. Collector of Central Excise, 1995 Supp (4) SCC 541; and
- (iii) Mahanagar Telephone v. Chairman, (2004) 6 SCC 431; 4 Taluk Panchayat v. State—W.P. No.200264/2017 (DD 27.03.2018).

23. The validity of the grants that were unsuccessful cannot be termed as illegal grants. The permits granted on the basis of an earlier judgment, which was subsequently overruled, cannot be reopened or reviewed on the basis of subsequent judgment. In support, reliance is placed on the following decisions: (i) KSRTC v. KSTAR, *ILR 1978 Kar 475*; (ii) KSRTC v. R Maheshwari, *ILR 2003 Kar 3562*; (iii) Shanti Devi v. State of Haryana, (1999) 5 SCC 703; and (iv) Commissioner of CGST v. Saraswati, 2023 SCC OnLine 1426.

24. The need and convenience of the traveling public are of paramount consideration under the Act, 1988. The State Government, taking into account the public interest in exercise of the power under Section 102 of the Act, 1988, has rightly modified the schemes saving the permits granted in favour of the private operators. Therefore, the impugned notification issued by the State Government is in conformity with the provisions of the Act, 1988. In support, reliance is placed on the following decisions: (i) Mithilesh Garg & Ors. v. Union of India & Ors., (1992) 1 SCC 168; (ii) M/s. Adarsh Travels Bus Service v. State of UP & Ors., *AIR 1986 SC 319 (5J)*; 3) KSRTC v. Ashrafulla Khan, (2002) 2 SCC 560 (2J).

25. The submissions of Mr. M. E. Nagesh—learned counsel for the respondents, are as follows:



**NC: 2024:KHC:16534**  
**WP No. 45252 of 2017 C/W WP No. 46504 of**  
**2017, WP No. 47188 of 2017, WP No. 47751**  
**of 2017, WP No. 50168 of 2017,**  
**WP No. 41224 of 2018**

i) The power to prepare schemes under the Act, 1939, was vested with the STU, and under the provisions of the Act, 1988, the power to formulate and approve the schemes is vested with the respective State Governments as stated under Sections 99 and 100 of the Act, 1988. Therefore, the argument of the petitioners that the State Government cannot legalize/regularize the permits of private operators granted in violation of scheme or scheme routes cannot be accepted when the permits are legalized in the interest of the traveling public.

ii) In relation to the Bengaluru and BTS schemes, there was no specific exclusion of private operators, and the STU was permitted to operate the complete exclusion of other persons within the notified areas operating mofussil services from Bengaluru to places situated beyond the limits of the notified area (BTS scheme). Under the Bengaluru scheme, STU was permitted to operate services on the remaining routes between the two specified terminals only to the complete exclusion of all other operators excluding the intermediate routes.

26. The decisions rendered with reference to the provisions of the Act 1939 are not applicable to the present circumstances. The State Government has got unfettered power under the Act, 1988, to modify the schemes in the interest of the traveling public. Therefore, the interest of STU is not the primary consideration to modify the schemes.

27. The submissions of Mr. B.R.S. Gupta—learned counsel representing the respondents:

i) The modification to the original schemes is effected by the notification dated 20.08.2017 by way of substitution. The modification for granting exemption to the existing private operators will relate back to the



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

date on which the original schemes were approved. Therefore, the permits which are granted in favour of the private operators and saved under the impugned notification are in conformity with Section 102 of the Act, 1988. In support, reliance is placed on the decision of the Division Bench of this court in W.A. No.1/2010 and connected appeals (DD 18.02.2010).

ii) In the case of **Ashrafulla**, the Apex Court explicitly did not bar the State Government from making modifications to the scheme. On the contrary, it granted the liberty to the state government to modify the scheme as necessary for the benefit of the traveling public. Therefore, the argument that the modification of the scheme serves as a means to validate illegal permits lacks any substantive basis.

28. Mr. V. Bhanuprakash—learned Additional Advocate General would argue that the Authorities granted permits treating the overlapping as intersection till the decision passed by the Apex Court in the case of **Ashrafulla**. The permits granted during this period cannot be treated as illegal permits since on the date of grant the position of law does not make it illegal. However, those permits put the shape of uncertainty under law after the decision of the Apex Court. The Apex Court in the cases of **Ashrafulla** and **B. A. Lingareddy** (both cited *supra*) remanded the matter to the State Government holding that it is for the State Government to decide the validity of the permits and to save them in the scheme. Further, it was completely within the domain of the State Government because of a change of legal position compared to Sections 66-C and E of the Act, 1939, with Sections 99 and 102 of the Act, 1988. In those circumstances, the Government deemed it appropriate that the permits granted till the decision in the case of **Ashrafulla** should be saved in the interest of the public since



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

cancellation of the permits would adversely affect the public at large who are availing the services of the private operators.

29. Upon considering the rival submissions of the parties, the primary points that arise for consideration are as follows:

*i) Whether the petitioners have locus standi to maintain these petitions;*

*ii) Whether the modification of the schemes under the impugned notification is in conformity with the provisions contained in Chapter-VI of the Act, 1988, which deals with special provisions relating to State Transport Undertakings;*

**ON POINT No.(I):**

30. The *locus standi* of the petitioners—comprising the STUs and the KSRTC Staff and Workers Federation has to be considered with reference to the provisions contained in Chapter-VI.

31. Section 99 of the Act, 1988, empowers the State Government to formulate proposals to approve schemes allowing the STUs to operate within certain areas or routes, either completely or partially excluding other entities. Section 100 of the Act, 1988 outlines the process for filing objections by any concerned party to such proposals. Sub-section (2) of this section states that the Government, after considering objections may approve or modify the proposal accordingly.

32. Section 102 of the Act, 1988 empowers the State Government to cancel or modify the schemes approved under Section 100 after providing a hearing opportunity to the STUs and other affected parties.



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

33. In the case of **Kalyan Singh v. State of UP, AIR 1962 SC 1183**, the Apex Court determined that an STU refers to an operation managed by a State. It emphasised that regardless of whether the transport service is conducted by a specific officer or department, it ultimately remains under the purview of the State Government. Similarly, in **Mahanagar Telephone Nigam Ltd. v. Chairman, Central Board Direct Taxes, 2004 (267) I.T.R. 647 (SC)** the Apex Court stressed the importance of adhering to decisions, even if they are disagreeable to departments or Public Sector Undertakings, to maintain discipline and preserve the integrity of the decision-making process. Moreover, in the Division Bench ruling in **W.A. No.200264/2017 (DD 27.03.2018)**, it was established that subordinate bodies, such as panchayats, are bound by the directives issued by the State Government. Furthermore, the Hon'ble Supreme Court in the case of **A.P. State Road Transport Corporation vs The Income Tax Officer, 1964 AIR 1486** underscored the distinct legal personality of State Transport Corporations. It emphasized that these corporations operate independently from the State or other shareholders, and, therefore, the income generated by such corporations cannot be claimed by the State or its shareholders.

34. Section 102 of the Act, 1988 specifically stipulates the provision of an opportunity for a hearing before modifying the scheme. Undoubtedly, STUs are established by the Government in the interest of the public for providing transport facilities, and the Directors to the Board, including the Chairman and Managing Director, are appointed by the Government. However, the STUs are a separate legal entity, and if they believe that their trading activity is adversely affected by any action of the State Government that violates the law, they can always challenge such



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

action. Therefore, the STUs have the *locus standi* to challenge the impugned notification.

35. The Coordinate Bench of this Court, in the case of **Karnataka State Road Transport Corporation vs. Karnataka State Transport Authorities, AIR 2005 KAR 205**, held that the Federation is an aggrieved party and can maintain the writ petition to challenge the repeal of the Karnataka Contract Carriages (Acquisition) Act, 1976 (“**the KCCA Act, 1976**”). The KCCA Act, 1976 was enacted for the nationalisation of contract carriages operating in Karnataka, resulting in the acquisition of such carriages and the absorption of the employees working in them. The repeal of the KCCA Act, 1976 led to the revival of contract carriage services without safeguarding the vested fundamental and statutory rights of the Corporation and its employees, as required by law. In this context, it was held that the Federation has *locus standi*, as the vested rights of its members employed by the KSRTC would be adversely affected.

36. In the case of **All India ITDC Workers’ Union and Ors. v. ITDC and Ors., (2006) 10 SCC 66**, the Hon’ble Supreme Court ruled that the petitioners therein are not Government servants but merely employees of a public sector undertaking. Additionally, the service conditions of the petitioners therein are protected under the new management upon the divestment of the hotel. Therefore, the apprehension of the petitioners therein regarding deterioration in service conditions under the transferee employees is baseless and is thus liable to be rejected.



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

37. The Federation has not provided any evidence to substantiate that the service conditions of its members are affected or altered in any way by the modification of the scheme(s) under the impugned notification, apart from stating that the Corporation will incur financial losses. The permits saved under the impugned notification have been operational since 1988, and, if these permits are preserved, it will not impact their service conditions. Conversely, the employees of private operators whose permits have been saved and are operational for more than thirty-five years as of today, will be adversely affected.

**ON POINT NO.(II):**

38. Before addressing this point, it is essential to cite the relevant provisions contained in the Act of 1939 and the Act of 1988, along with the ratio enunciated by both the Apex Court and this Court concerning these provisions.

39. Chapter-VA of the Act, 1939 deals with special provisions relating to the STU. Section 68-C of the Act, 1939 provides for the preparation and publication of the scheme of road transport service of the STU. It states that if the STU is of the opinion to run and operate a service in relation to an area or route or portion thereof, either exclusively or partially, private operators may prepare a scheme and publish it in the Official Gazette as directed by the State Government. Section 68-D deals with objections to the scheme. Sub-clause (1) allows any person, association, or local authority to file objections to the scheme published in the official gazette. Sub-clause (2) states that the Government, after considering and hearing the objections as well as the representative of the STU, if they so desire, may approve or modify the scheme.





NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

40. Section 68-E deals with the cancellation or modification of the scheme and states that the STU may cancel or modify the scheme by following the procedure prescribed in Sections 68-C and 68-D of the abovesaid Act. Sub-clause (2) of Section 68-E empowers the State Government to modify or cancel the scheme in the public interest after providing an opportunity of hearing to the STU or to any other person who, in the opinion of the State Government, is likely to be affected by the proposed modification.

41. The Act of 1988 was enacted with effect from 14.10.1988, and the Act of 1939 was repealed as stated under Section 217 of the Act of 1988. Chapter VI of the Act of 1988 deals with special provisions relating to the STU. Section 98 states that the provisions of this Chapter, Rules, and Orders have an overriding effect with respect to the provisions contained in Chapter-V or any other law for the time being in force. Section 99 deals with the preparation and publication of proposals regarding road transport service of an STU. It states that if the State Government is of the opinion that, for the purpose of providing efficient, adequate, economical, and properly coordinated road transport services, it is necessary in the public interest to formulate a scheme for operating any route or area, either partially or completely excluding private operators, it shall publish the same in the Official Gazette and at least one newspaper in the regional language circulating in the proposed area or route.

42. Section 101 provides for filing objections to the proposal by any person. The State Government, after considering the objections, provide an opportunity for a hearing to the objector or their representative if desired, to approve or modify such a scheme. Section 102 of the Act of



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

1988 deals with the cancellation or modification of a scheme. It empowers the State Government, at any time, if it considers it in the public interest, to modify any approved scheme after giving the STU and any other person, who is likely to be affected by the proposed modification, an opportunity for a hearing.

43. The provisions contained in Sections 68-C, D and E of the Act of 1939 specifically empowered the STU to prepare the scheme and modify the approved scheme subject to approval by the State Government. The exclusive power given to the STU under the Act of 1939 to prepare or modify the scheme subject to the approval by the State Government was revoked under the provisions contained in Chapter-VI of the Act of 1988, especially Sections 99 to 102 of the Act of 1988. Therefore, the State Government, in the interest of the public, can modify any approved scheme.

44. The Regional Transport Authority in Kolar granted a stage carriage permit to **Ashrafulla Khan** in violation of Section 68-FF of the Act, 1939, which was analogous to Section 104 of the Act, 1988. The permit issued to **Ashrafulla Khan** was questioned by the petitioner, STU, in WP No.18150/1987. This Court through its order dated 22.02.1988 annulled the permit, leading the permit holder to file W.A. No.403/1988. The matter was referred to the Full Bench for opinion. On 21.07.1988, the Full Bench opined that a small portion of overlap within the limits of a city, town, or village could be deemed an intersection rather than overlap.

45. The order passed in W.A. No.403/1988 was appealed by the petitioner, KSRTC, to the Hon'ble Supreme Court in Civil Appeal No.1341/1990. The Apex Court did not stay the Division Bench's order,



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

which considered small portions of overlap as intersections, thus upholding the Full Bench's ruling until 14.02.2002 when the Apex Court reversed the Full Bench's opinion, stating that even small portions of overlap were impermissible. During this interim period, thousands of private operators were granted stage carriage permits to operate on small portions of notified areas or routes treating them as intersections and not overlapping. These permits are exempted from operating services, regardless of the schemes approved under Section 68 of the Act, 1939 as per the impugned notification.

46. In any case, the Apex Court in the case of **Ashrafulla Khan** after having ruled that the view taken by the Full Bench that traversing on a notified route is necessary to continue journey on non-notified route could be regarded as an intersection is an erroneous view of law, observed in Para 28 as follows:

*“28. Before we part with the case, we would like to observe that the need and convenience of the traveling public is of paramount consideration under the Act. A situation may arise when the Transport Undertaking may be found not catering to the needs of the traveling public. In such a situation, on representation of the traveling public, the State Undertaking or the Government, as the case may be, may consider the matter and provide adequate transport services if it is required. In case the Government finds that the Undertaking lacks a vehicle or other infrastructure to provide an efficient and well coordinated transport service to the traveling public. It may modify the scheme to permit private operators to run efficient and well coordinated transport services on such areas or routes on payment of adequate royalty to the State Government.”*

47. The Apex Court in the case of **M/s. Adarsh Travels Bus Services & Anr.** (*supra*) ruled that once the scheme is published under



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

Section 68-D in relation to any area, route, or portion thereof, whether to the exclusion, complete or partial, of other persons or otherwise, no person other than the State Government undertaking to operate on the notified area or notified route except as provided in the scheme itself. And after ruling that permits of plying stage carriages from a point a short distance beyond one terminal to a point a short distance beyond another terminal of a notified route have been applied for and granted subject to the so-called corridor restrictions, which are but mere ruses or traps to obtain permits and to frustrate the scheme. If there is any need for protecting the traveling public from inconvenience, the STU and the Government will make sufficient provisions in the scheme itself to avoid inconvenience being caused to the traveling public.

48. The Apex Court in the case of **Mithilesh Garg & Ors.** (*supra*) ruled that a comparative reading of the provisions of the Acts of 1939 and 1988 makes it clear that the procedure for the grant of a permit under the Act, 1988 has been liberalized to such an extent that an intending operator can get a permit for the asking, irrespective of the number of operators already in the scheme. It was further ruled that Sections 47(3) and 57 of the Act, 1939 were some of the restrictions imposed by the State on the enjoyment of the right under Article 19(1)(g) so far as the motor transport business was concerned.

49. The validity of the notification dated 26.07.2003 modifying the Bellary scheme, notification dated 7.11.2003 modifying the Kolar scheme, notification dated 11.11.2003 modifying the Bengaluru and Kanakapura plan, and notification dated 31.05.2007 modifying Mysuru and BTS scheme was examined by the Apex Court in the case of **B.A. Lingareddy**. The Apex Court upheld the order passed by this Court quashing the notification impugned therein, stating that the modification



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

of the scheme was a quasi-judicial function and the State Government was duty-bound to consider the objections and to give reasons either to accept or reject them. The State Government was reserved liberty to hear the objections, and consider and decide the same in accordance with law by reasoned order. Thereafter, the appropriate Government of Karnataka after hearing all the stakeholders issued a notification dated 05.08.2015, by which the modification of the schemes proposed under the notifications dated 25.10.2002, 27.05.2003, 09.03.2007, which were the subject matters in the case of **B.A. Lingareddy**, were dropped, prompting the private operators who were granted permits to approach this Court in W.P. No.49713/2015 and connected petitions.

50. This Court *vide* order dated 03.05.2017, with reference to the ratio enunciated in the cases of **Adarsha Bus Travel Service** and **Ashrafulla Khan**, held that private operators are not vested with their rights to compel the State Government to modify the existing schemes. It is completely within the domain of the State Government to exercise its power under Section 102 in the interest of the traveling public. Thus, any permit which came to be granted by the Authority competent to do so and which is in accordance with the provisions of the Act can only be treated as a valid permit, and concessions given by the State Government or interim orders granted by the Court cannot be treated as a grant of permit or validation of the permit so granted. Thus, what was required to be examined and considered by the Tribunal was: *whether the permit granted to the operators was saved under the relevant schemes which they also claimed or not, or whether the permits issued to the petitioners were saved under the relevant scheme or not, and if so saved, if they would they be entitled to renewal of such permits by keeping in mind the principles enunciated in the Gajraj Singh case.* It is needless to state



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

that the STU would also be at liberty to lodge their objections and contest the claims of the operators and, in such an event, the Tribunal shall consider all the contentions in accordance with the law. Accordingly, the notification dated 05.08.2015 was quashed and the matter was remitted to the State Government to reconsider and pass appropriate orders in accordance with the law, and in light of the observations made therein after affording an opportunity of hearing to all the concerned.

51. Thereafter, the Hon'ble Transport Minister conducted the proceedings. In these proceedings, the private operators, STU, and the petitioners in W.P.No.34515/2017 filed their written submissions/objections and were personally heard through their respective counsels. The Hon'ble Transport Minister, after considering the submissions of the parties the provisions of the Act as well as the ratio enunciated by the Courts of law with reference to the relevant provisions of law, was of the opinion that it is necessary to make amendments to all the proposed schemes for the purpose of providing efficient, economical, and coordinated transport services. The relevant observations made by the Hon'ble Transport Minister for forming an opinion are as follows:

"37) The main contentions of the private operators are that the schemes involved in this case are **route schemes and not area schemes**. Exclusion of private operators should be as per the wordings of the scheme itself. This has been observed in the Constitution Bench Judgment of the Hon'ble Supreme Court reported in AIR 1986 SC page 319 that is M/s Adarsha Travels Bus Services v/s State of U.P. and others at para 6, it is observed as follows:-

"Para-6: A careful and diligent perusal of Section 68C, and Section 68FF in the light of the definition of the expression 'route' in Sec.2(28-A) appears to make it manifestly clear that once a scheme is published under Section 68(D) in relation to any area or route or portion



**NC: 2024:KHC:16534**  
**WP No. 45252 of 2017 C/W WP No. 46504 of**  
**2017, WP No. 47188 of 2017, WP No. 47751**  
**of 2017, WP No. 50168 of 2017,**  
**WP No. 41224 of 2018**

thereof, whether to the exclusion, complete or partial of other persons or otherwise, no person other than the State Transport Undertaking may operate on the notified area or notified route **except as provided in the scheme itself**".

In the original approved schemes in question, there was no total exclusion of Private Operators. Hence, the submissions of the private operators are reasonable and need to be considered because the schemes have been promulgated, the private operators cannot be thrown out of the field unless, the schemes themselves excludes. The extent of exclusion in present schemes depends on the wordings of the schemes. The Bangalore scheme which was originally published on 07-06-1960, there is no complete exclusion of private operators on the routes specified in the schemes. Because, the routes mentioned in Part-B, provides as to the complete exclusion of all other operators excluding the intermediate routes. Again, in BTS scheme dated 16-01-1961 in the exclusion clause, the word mentioned in the scheme is "city services". There is no specific exclusion of moffussil services. This goes to show that a definite conclusion is not made with regard to exclusion of private operators.

38) Again, in Bellary scheme published on 07-05-1964 the exclusion was made applicable only to the routes lying within the district. Bangalore scheme routes overlap Mysore, Kolar, Kanakapura and BTS scheme routes. The conclusion to be reached in Bangalore scheme matter would apply to other schemes involved in this case. Hence, the contention of the STUs that the permits granted to private operators after the promulgation of original schemes have become illegal permits cannot be accepted. The four scheme namely, Bangalore Scheme, BTS Scheme, Bellary Scheme, Bangalore-Kanakapura-Mysore Scheme exclusion clause insertion to save the existing operators. However, the exclusion clauses in the above mention schemes were at contrary position in different scheme viz in the BTS scheme where city services were exempted, where as in the Bellary scheme all services within the district were exempted. These divergent exclusive clauses need to be clarified in totality."

Para-39: Out of 20 schemes in the State, 11 schemes provided for complete exclusion of private operators as area schemes and most of the areas in Bellary scheme are completely nationalized routes. In the area of these proposed





NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

amendments, the STUs are operating the services, they have developed their infrastructure, issuing passes on concessional routes and they are having the capacity to run the vehicles. Further the objections of STU that once the scheme is promulgated, the Transport Authorities should not have granted permits and even if the permits are granted, they have become illegal permit and they cannot be regulated by means of amendment cannot be accepted because of the reasons mentioned above in view of the different wordings of the schemes and the verdict of the Hon'ble High Court which was in force till it was reversed by the Hon'ble Supreme Court on 14.1.2006.

Para-41: No stay was granted by the Hon'ble Supreme Court in the Ashrafulla's case during the pendency and it was law prevailing till the reversal of the same on 14.1.2002. The permits which were granted prior to 14.1.2002 and operating as on that date are required to be exempted to cater the needs of the traveling public subject to the corridor restrictions. The same is also necessary to avoid the unnecessary litigation between the Authority and private operators.

Para-42: It is the settled principle of law that the interest of the traveling public is the paramount consideration for carrying out the modification of the scheme and not in the interest of the private operators or STU. Section 99 and 100 and 102 of the Act, 1988 provide absolute power to the State Government to promulgate and modify the scheme in the interest of the traveling public, therefore the decisions relied





NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

upon by the STUs are not applicable to the facts of the case. Earlier the powers were vested with the STU under the Act, 1939 and now the said power is vested with the State Government, and this statutory change is also to be taken into note of. If the private operators were to be stopped all of a sudden, the traveling public will definite put to great inconvenience apart from the same due to increase of population dependency of transport system, and for healthy competition, the modification of the approved scheme are required in the interest of the traveling public as observed by the Hon'ble Supreme Court.

Para-43: STUs cannot operate their vehicles on the interior route of the villages which are partially served and deprived of transport facilities and STUs may not operate the services as efficiently and economically as private operation because of the overhead charges. If the STUs are forced to operate their service on these routes, they may be put to heavy losses which will again be a huge financial burden on the exchequer of the State Government. Apart from this, if the crew of the STU indulge in a sudden strike by stopping operation of their vehicles throughout the State to meet the demand, it will paralyze the entire transport system in the State.

*(emphasis supplied)*

52. The primary issue involved in these petitions is whether the permits granted in favour of private operators in light of the decision of the Full Bench of this Court in the case of **Ashrafulla** until it was overruled on by the Apex Court 14.01.2002, can be deemed valid



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

permits, and were thus saved under the impugned notification by modifying the approved schemes.

53. The High Court of Punjab and Haryana, in the case of ***Vijayanth Travels and Anr.*** (*supra*), ruled that the power of modification under Section 102 cannot be invoked to legalize an illegal act taken in defiance of Section 99 of the Act, 1988.

54. In the case of ***M.C. Narayanappa and Ors.***, the Apex Court held that Chapter-VIA of the Act, 1939 is not merely regulatory of the procedure for carrying on the business of road transport by the State; it enables the STU, subject to the provisions of the scheme, to exclude the private operators and acquire a monopoly, partial or complete, in carrying on transport businesses in a notified area or notified route. The expression of law, as defined in Article 13(3)(a), includes any ordinance, order, bye-law, etc., and the scheme framed under Section 68(3) may properly be regarded as law within the meaning of Article 19(6) made by the State, excluding the private operators.

55. In ***B.A. Lingareddy's*** case, the Apex Court at Para 37 referred to the decision in ***Ravi S. Nayak v. Union of India, (1994) Suppl. 2 SCC 641***, wherein it has been laid down that there is retrospective operation of the decision of this Court, the interpretation of this provision becomes effective from the date of enactment of this provision. It was held that the law declared by the Supreme Court is normally assumed to be the law from inception. Prospective operation is the only exception to this normal rule.

56. The Apex Court, in the case of ***Union of India v. K.N. Shankarappa, (2000) 1 SCC 582*** held that the legislature may in certain



NC: 2024:KHC:16534  
**WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018**

cases overrule or nullify the judicial or executive decision by enacting appropriate legislation. However, without enacting appropriate legislature, it cannot set at naught a judicial order.

57. The Division Bench of this Court, in the case of **KSRTC v. KSTAT, ILR 1978 KAR 475** ruled that for deciding whether there are intersections or overlapping, the common sense approach should be adopted and not a pedantic one based purely on geometric concepts. In a village like Dasarahalli, nobody would think of boarding a stage carriage at one end of that village to get down at another end of the same village. Hence, any two points on the road within the limits of that village cannot responsibly be regarded as two termini and two places on a route running through that village. Hence, the stretch of the road lying within these two points cannot reasonably be regarded as a route or a part thereof. Since the intersection of the notified route, as distinct from overlapping, is permissible according to the ruling of the Apex Court in the case of **Mysore State Road Transport Corporation v. Mysore State Transport Appellate Tribunal, AIR (1974) SC 1940** the grant of the impugned permit did not contravene Section 68-F(2) of the Act. Mr. Puttige Ramesh—learned Senior Counsel submits that this decision of the Division Bench has attained finality and is binding on the STU.

58. The Apex Court in the case of **Shanti Devi v. State of Haryana & Ors. ((1999) 5 SCC 703)** ruled that a judgment sought to be reviewed was overruled in another case subsequently is no ground for reviewing said judgment.

59. In the case of **Commissioner of CGST and Central Excise J&K v. Saraswathi Agro Chemicals Ltd., (2023) SCC OnLine SC 1426**, the Apex Court held that if a judgment is overruled by this



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

Court by subsequent judgment then the overruled judgment will have to be reopened and on reopening, the said judgment will have to be brought in line with the subsequent judgment which had overruled it is not permissible in law for two reasons: *firstly*, there has to be finality in litigation and that is in the interest of State; *secondly*, a person cannot be vexed twice. This is epitomized by the following maxims.

(i) ***Nemo debet bis vexari pro una et eadem causa***: No man should be vexed twice for the same cause;

(ii) ***Interest reipublicae ut sit finis litium***: It is in the interest of the State that there should be an end to a litigation; and

(iii) ***Res judicata pro veritate occipitur***: A juridical decision must be accepted as correct.

60. The Apex Court in the case of **U.P. Roadways Transport Corporation v. Anwar Ahmad & Ors., (1997) 3 SCC 195** ruled that where the scheme has been published under Sub-section (3) of Section 100, the Authority shall not grant any permit except in accordance with the provisions of the Act, and the Corporation has exclusive right or monopoly to ply their stage carriages and obtain the required permit as per the scheme.

61. The understanding derived from the careful reading of the provisions contained in the Act, 1939, and the Act, 1988, and the legal principles established by the Courts of law with reference to the said provisions of the law are as follows:

i) The STUs under the provisions of the Act, 1939, were empowered to formulate the scheme to operate in relation to any area or route or portion thereof to the exclusion of others completely or partially



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

in the interest of the public subject to approval by the State Government;  
and similarly, modify the scheme in the interest of the public subject to  
approval by the State Government;

ii) The formulation of the scheme by the STUs was taken away  
under the Act, 1988, and the said power to frame the scheme or modify  
the approved scheme was vested with the State Government after  
providing an opportunity of hearing to the STUs;

iii) The State Government, in the interest of the public, can modify  
the approved scheme after providing an opportunity of hearing to the  
STUs and the persons who are likely to be affected by the proposed  
modification; and

iv) The decision of the Division Bench of this Court dated  
09.08.1978 in the case of **KSRTC v. KSTAT**, holding that permits  
granted to private operators to run stage carriages covering the  
intersection of notified routes, has attained finality and binding on the  
STUs, and the decision not being overruled as of today, the same cannot  
be reopened and brought in line with the subsequent decision of the  
Apex Court in the case of **Ashrafulla Khan**.

62. In the case of **Golak Nath v. State of Punjab, AIR 1967  
SC 1943** (a bench of eleven hon'ble judges), the Apex Court ruled as  
follows:

*“i) There are two doctrines familiar to American Jurisprudence,  
one is described as Blackstonian theory and the other as “prospective  
over-ruling” which may have some relevance to the present enquiry.  
Blackstone in his Commentaries, 69 (15th Edn., 1809) stated the  
common law rule that the duty of the Court was “not to pronounce a new*



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

*rule but to maintain and expound the old one". It means the Judge does not make law but only discovers or finds the true law. The law has always been the same. If a subsequent decision changes the earlier one, the latter decision does not make law but only discovers the correct principle of law. The result of this view is that it is necessarily retrospective in operation.*

*ii) As this Court for the first time has been called upon to apply the doctrine evolved in a different country under different circumstances, we would like to move warily in the beginning. We would lay down the following propositions: (1) The doctrine of prospective overruling can be invoked only in matters arising under our Constitution; (2) it can be applied only by the highest court of the country i.e. the Supreme Court as it has the constitutional jurisdiction to declare law binding on all the courts in India; (3) the scope of the retroactive operation of the law declared by the Supreme Court superseding its 'earlier decisions' is left to its discretion to be moulded in accordance with the justice of the cause or matter before it."*

63. It is implicit that the decision in the case of **Ashraullah** operates retrospectively, as the Hon'ble Supreme Court did not explicitly declare it prospective.

64. After reversing the ruling of the Full Bench of this court, the Hon'ble Supreme Court in the case of **Ashrafullah** allowed for the modification of the scheme if deemed necessary in the interest of the traveling public to prevent inconvenience.

65. In the case of **B.A. Lingareddy**, as well as in W.P. No. 49713/2015 and connected petitions, the KSRTC specifically argued that



NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

permits issued based on this court's full bench decision were deemed illegal by the Hon'ble Supreme Court. Hence, the permits given to private operators cannot be legalized under the pretext of modifying these schemes. Despite the contention of STUs, the State Government was reserved with the liberty to modify the scheme in the interest of the traveling public if the need arises. Therefore, both the Hon'ble Supreme Court and this Court did not implicitly bar the State Government from modifying the scheme in the interest of the traveling public, taking into account the specific provisions contained in Section 102, which empowers the State Government to modify an approved scheme in the interest of the traveling public.

66. The authorities had granted thousands of permits in favour of private operators to ply over portions of routes/areas enumerated in the approved schemes, by which the monopoly to operate was given to the STUs in light of the decision of the full bench of this court until it was overruled by the Apex Court. Section 102 gives power to the state government to modify an approved scheme in the interest of the traveling public. The hearing authority exempted the private operators from operating their services on interstate, intrastate, inter-district, and intra-district routes, notwithstanding anything contained in the said schemes, with the condition that they shall not be entitled to pick up or set down passengers in such portions of the notified routes for the reasons assigned in Paras 37 to 39, 41 to 43. The hearing authority in para 42 has rightly pointed out , ***"If the private operators were to be stopped all of a sudden, the traveling public will definitely be put to great inconvenience apart from the same due to the increase of population dependency on the transport system, and for healthy competition, the modification of the approved scheme is required in***



**NC: 2024:KHC:16534**  
**WP No. 45252 of 2017 C/W WP No. 46504 of**  
**2017, WP No. 47188 of 2017, WP No. 47751**  
**of 2017, WP No. 50168 of 2017,**  
**WP No. 41224 of 2018**

*the interest of the traveling public,"* as observed by the Hon'ble Supreme Court. This rationale falls squarely within the State Government's prerogative to modify the scheme in the interest of the traveling public, despite any speculative reasoning in paragraph 43. It is also worth noting that unsettling the private operators after a long period of time would cause more inconvenience to the traveling public than it would affect the interests of the STUs.

67. The State Government saved the permits which were granted in light of the decision of the Full Bench of this court to the private operators who were operating as of 14.01.2002. The saving of the said permits cannot be construed as legitimising said permits when Section 102 empowers the modification of the scheme in the interest of the traveling public. After modification of the schemes, if the permits are not saved, the traveling public alone will be put to inconvenience, and the modification of the scheme relates back to the date on which the schemes were approved. Not saving the permits would result in the issuance of fresh permits, leading to unnecessary litigations, and ultimately causing inconvenience to the traveling public once again. Therefore, it cannot be said that illegal permits have been legitimised under the pretext of modifying the approved schemes.

68. The need for passenger transportation arises from various factors and plays a pivotal role in ensuring connectivity, mobility and quality of life, and when the State Government deems it appropriate to save the permits in the interest of the traveling public by modifying the schemes, the same cannot be interfered with, unless it is arbitrary and discriminatory.





NC: 2024:KHC:16534  
WP No. 45252 of 2017 C/W WP No. 46504 of  
2017, WP No. 47188 of 2017, WP No. 47751  
of 2017, WP No. 50168 of 2017,  
WP No. 41224 of 2018

69. The apprehension of the STUs is that private operators, contrary to the modified scheme, are likely to pick up or set down passengers on the portion of the routes, making it difficult for law enforcement agencies to detect and prevent such violations, thus adversely affecting the interests of the STUs. However, this apprehension is unfounded. Since the State Government is obligated to take measures permissible by law to prevent such violations, and any violation would be strictly dealt with in accordance with the law. Therefore, the STUs cannot be considered to be aggrieved by the modification of the scheme.

70. In terms of the aforementioned discussion, I am of the view that the modification of the approved schemes and, consequently, saving the permits, are within the domain of the State Government in exercise of power under Section 102, and the same cannot be said to be in disregard to the decision of the Apex Court in the case of **Ashrafulla** (*supra*).

Accordingly, the present writ petitions are **dismissed**.

Sd/-  
JUDGE