

THE HON'BLE SRI JUSTICE M.S.RAMACHANDRA RAO

WRIT PETITION No.30474 of 2016

ORDER:

Heard the learned counsel for petitioner, learned Government Pleader for Transport appearing for respondent Nos.1 to 3 and learned Government Pleader for Home appearing for 4th respondent.

2. The petitioner has purchased two vehicles bearing Nos.TS-06UA 0698 and TS-06UA-0699 from the 5th respondent. Petitioner has approached the 3rd respondent for effecting change of ownership in the Registration Certificate of the said vehicles, but the 3rd respondent has refused to do so on the ground that the vehicles in question have been included in the list sent to him by the 4th respondent and 4th respondent has instructed him not to allow any transactions in regard to them on the ground that one Yellapragada Prabhakar @ Prabhakar Sharma and Veda Gayathri Agraharam, who are alleged to be their owners, have committed default in certain transactions with their customers with regard to sale of certain plots.

3. Learned counsel for petitioner contends that the said action of the 2nd respondent as well as 4th respondent cannot be sustained, since vehicles in question were procured by the above two persons under a loan-cum-hypothecation agreement from the 5th respondent and on default in payment of E.M.Is., they were repossessed by the 5th respondent, and in the auction conducted by the 5th respondent, the

petitioner became the highest bidder for those two vehicles. Learned counsel for petitioner contends that when the vehicles in question are the property of 5th respondent and would have been transferred to the defaulters only on payment of complete installments, *prima facie*, the vehicles in question cannot be treated as the properties of the defaulters, particularly when the vehicles were repossessed by the 5th respondent on commission of default by the borrowers.

4. Though learned Government Pleader for Transport as well as the learned Government Pleader for Home seek to contend that they are prohibited from registering the vehicles in view of registration of F.I.R.No.45 of 2015 under Sections 420 and 406 IPC and Section 5 of A.P.Protection of Depositors of Financial Establishments Act, 1999 (for short “the Act”) and issuance of G.O.Ms.No.28 Home (Services.IV) Department dt.03-03-2016 by the 1st respondent under Section 3 of the Act for attachment of the properties, since *prima facie*, these vehicles were not the properties of the defaulters mentioned above, any such order passed by the 1st respondent cannot be made applicable to the vehicles in question.

5. Therefore, the 3rd respondent is directed to consider the request of petitioner for effecting change of ownership in the Registration Certificate of the said vehicles without reference to the Memo No.3792/TS/IT/2015 dt.02-07-2016 issued by the 2nd respondent and the letter dt.16-08-2015 of the 4th respondent apart from G.O.Ms.No. 28 Home (Services.IV) Department dt.03-03-2016.

6. The Writ Petition is allowed as above. No costs.
7. As a sequel, the miscellaneous petitions, if any pending, shall stand closed.

JUSTICE M.S.RAMACHANDRA RAO

Date: 22-09-2016

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