



2025:KER:87949

W.P(C) No.13262/2025

1

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE MOHAMMED NIAS C.P.

TUESDAY, THE 18TH DAY OF NOVEMBER 2025 / 27TH KARTHIKA, 1947

WP(C) NO. 13262 OF 2025

PETITIONER/S:

JIBIN SHAJI,
AGED 28 YEARS
S/O. SHAJI, PALARAYIL, MANKUVA P.O., KONNATHADY
VILLAGE, VATHIKUDY, IDUKKI, KERALA, PIN - 685604

BY ADVS.
SRI.V.VISAL AJAYAN
SHRI.FRANCIS THENAMPARAMBIL

RESPONDENT/S:

- 1 KERALA FOREST DEPARTMENT,
REPRESENTED BY ITS DIVISIONAL FOREST OFFICER, FOREST
HEADQUARTERS, NANDAVANAM, VAZHUTHACAUD,
THIRUVANANTHAPURAM, KERALA, PIN - 695014
- 2 FOREST RANGE OFFICER,
OFFICE OF THE FOREST RANGE OFFICE, PARUTHIPPALLY RANGE
KUTTICAL P.O., THIRUVANANTHAPURAM, PIN - 695574
- 3 METAL SCRAP TRADE CORPORATION LTD.,
REPRESENTED BY ITS CHAIRMAN, MSTC KERALA BRANCH
OFFICE, 1ST FLOOR, BSNL CTO BUILDING, OPP KERALA STATE
SECRETARIAT, MG ROAD, STATUE, THIRUVANANTHAPURAM, PIN
- 695001
- 4 REGIONAL TRANSPORT OFFICER,
RTO OFFICE CIVIL STATION, KUYILIMALA, PINAVU POST,
IDUKKI, PIN - 685603



2025:KER:87949

W.P(C) No.13262/2025

2

5 ADDL.R5: UNION OF INDIA,
 MINISTRY OF ROAD TRANSPORT AND HIGHWAYS THROUGH THE
 SECRETARY, TRANSPORT BHAVAN-1, PARLIAMENT STREET, NEW
 DELHI-110 001. (ADDL.R5 IS IMPEADED AS PER ORDER
 DATED 07.07.2025 IN IA NO.2/2025 IN WP(C)
 NO.13262/2025.)

BY ADVS.
SMT.O.M.SHALINA, DEPUTY SOLICITOR GENERAL OF INDIA
SRI.SANGEETH C.U., SPECIAL GOVT.PLEADER (FOREST)
SRI.T.V.VINU

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON
13.11.2025, THE COURT ON 18.11.2025 DELIVERED THE FOLLOWING:



MOHAMMED NIAS C.P., J

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W.P(C) No.13262 of 2025

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Dated this the 18th day of November, 2025

JUDGMENT

The petitioner is the auction purchaser and present custodian of a Mahindra LMV Motor Car bearing registration No. KL-01-AT-239. The said vehicle originally belonged to the Kerala Forest Department and was brought for e-auction through the third respondent, MSTC Ltd., a public-sector undertaking under the Ministry of Steel, Government of India, primarily engaged in e-commerce services, including e-auction, and procurement. Ext. P1 e-auction notice dated 03.01.2024 was issued by the 1st respondent, and the auction was conducted on 17.01.2024, and the petitioner purchased the vehicle for an amount of Rs.3,36,301/- along with GST.

2. The vehicle was originally registered with the 1st respondent vide Ext. P1(A) with Registration No. KL01-AT-239, and used by the 2nd respondent. Pursuant to payment, the Divisional Forest Officer, Thiruvananthapuram, issued an order directing the release of the vehicle, and the Range Forest Officer, Paruthippally, released the same to the



petitioner on 26.02.2024 along with the original registration certificate.

2.1. After taking delivery, the petitioner approached the 4th respondent, the Regional Transport Officer, Idukki, for endorsement of the transfer of ownership in his name. The registering authority declined to effect transfer, stating that under Rule 52-A of the Central Motor Vehicles Rules, 1989, the certificate of registration of a Government vehicle expires after fifteen years from the date of its initial registration and cannot be renewed thereafter. The vehicle in question had been registered on 21.05.2008, and fifteen years had expired on 20.05.2023.

2.2. The petitioner contends that the embargo in Rule 52-A applies only to the renewal of the registration certificate of vehicles **owned** by the Central Government, State Government, or their instrumentalities, and not to the transfer of ownership to a private person after such vehicle is disposed of by public auction. Once ownership stands transferred through a valid auction sale, the vehicle ceases to be Government property and the bar on renewal or continued registration under Rule 52-A no longer survives.

2.3. It is further submitted that the petitioner purchased the vehicle in bona fide belief, based on representations and conduct of the auctioning authorities, that there was no statutory bar to transfer. On a previous occasion, an e-auction of a condemned Excise Department



vehicle had been cancelled, citing expiry of registration beyond fifteen years, but in the present auction, no such restriction was notified, and the vehicle was sold as fit for transfer. The petitioner has since expended considerable sums in repairing and restoring the vehicle, which is now in a roadworthy condition. Denial of transfer, after having accepted the bid amount and completed delivery, is asserted to be arbitrary, unreasonable and violative of Article 14 of the Constitution.

2.4. The petitioner accordingly seeks a declaration that Rule 52-A of the Central Motor Vehicles Rules, 1989, does not bar transfer of ownership of a Government vehicle sold by auction for private use even after fifteen years from its initial registration; a direction to the fourth respondent to endorse transfer of ownership of vehicle KL-01-AT-239 in his name; and, in the alternative, refund of the sale consideration of Rs.3,36,301/- together with appropriate compensation for the loss sustained due to the illegal action of the respondents.

3. The Deputy Solicitor General of India filed a statement and set out the relevant statutory provisions governing transfer and registration of vehicles under the Motor Vehicles Act, 1988, and the Central Motor Vehicles Rules, 1989. Reference is made to Section 50 of the Act, which prescribes the manner in which transfer of ownership of a registered motor vehicle shall be reported both by the transferor and the transferee.



The provision also contains a specific sub-section dealing with cases where a vehicle is acquired at a public auction conducted by or on behalf of the Government. It mandates that such a purchaser must apply to the registering authority within the prescribed time for transfer of ownership in his name, furnishing the required documents and payment of fees.

3.1. The statement further places on record Rule 52 of the Central Motor Vehicles Rules, 1989, relating to renewal of certificate of registration, and Rule 52-A of the Central Motor Vehicles Rules, 1989, which specifically governs the renewal of certificates of registration of Government vehicles. Under the said rule, the registration of any motor vehicle owned by the Central Government, State Government, Union Territory administration, municipal body, panchayat, State transport undertaking, public sector undertaking, or autonomous body controlled by the Government shall expire on completion of fifteen years from the date of initial registration. Such registration, if earlier renewed, shall stand cancelled upon expiry of fifteen years. It is also provided that disposal of such vehicles after expiry of fifteen years must be ensured through a Registered Vehicle Scrapping Facility as per the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021.

3.2. Rule 57 of the Central Motor Vehicles Rules is then referred to, which governs the transfer of ownership of vehicles purchased in



public auction. It requires that the purchaser make an application in Form 32 within thirty days of taking possession, accompanied by the registration certificate, insurance, and the order confirming the sale issued by the authority conducting the auction. Where the auctioned vehicle does not bear a valid registration mark or its mark is found to be false, the registering authority is empowered to assign a new registration number in the name of the department conducting the auction and thereafter enter the transfer of ownership in favour of the purchaser.

3.3. The statement clarifies that the role of the Central Government is limited to framing and notification of rules and regulations under the Central Motor Vehicles Rules, 1989 in terms of provisions contained in the Motor Vehicles Act, 1988. The implementation and enforcement of these provisions fall within the purview of the respective State or Union Territory authorities. The statement, therefore, confines itself to placing the statutory position before this Court for its consideration, while emphasising that the practical application of these provisions and decisions regarding registration or transfer lies within the jurisdiction of the State Transport Department.

4. Pursuant to the direction issued by this Court on 14.08.2025, the 1st respondent, Kerala Forest Department, has filed a statement. The



Department does not dispute the petitioner's participation in the e-auction or the payment of the full bid amount.

4.1. It is specifically stated that MSTC, Kerala, being the authorised agency for floating e-auctions, conducted the process strictly in accordance with the Government's guidelines and the terms of the sale notification. The Department had only directed MSTC to conduct the auction of the condemned vehicle as scrap in compliance with existing rules. All procedural requirements were duly followed, and the release of the vehicle was effected only after the entire consideration had been paid by the successful bidder.

4.2. It further contends that the e-auction was conducted as per the terms and conditions in Annexure R1(a) notification, and therefore, the writ petition is devoid of merit and unsustainable in law, and is liable to be dismissed.

5. Heard Sri. V. Visal Ajayan, the learned counsel for the petitioner, Sri. Sangeeth C.U., learned Special Government Pleader, and Smt.O.M. Shalina, learned DSGI.

6. It is relevant to extract Rule 52-A of the Central Motor Vehicles Rules, 1989, which reads as follows:

“52A. Renewal of the certificate of registration of Government vehicles. –

(1) Notwithstanding anything contained in rule 52, the



certificate of registration in respect of a motor vehicle owned by -

- (i) the Central Government; or
- (ii) the State Government or Union Territory administrations; or
- (iii) any Municipal Corporation or Municipality or Panchayat; or
- (iv) a State transport undertaking established under the Road Transport Corporation Act, 1950 (64 of 1950) and the Companies Act, 2013 (18 of 2013); or
- (v) a Public sector undertaking; or
- (vi) an autonomous body owned or controlled by the Central Government or the State Government, shall expire after the lapse of fifteen years, as provided in sub-section (7) of section 41, from the date of initial registration of the vehicle:

Provided that the certificate of registration of government vehicle if already renewed before lapse of fifteen years from the date of initial registration, such certificate shall be treated as cancelled on completion of fifteen years from the date of initial registration of the vehicle: Provided further that, this rule shall not apply to the special purpose vehicles (armoured and other specialised vehicles) used for operational purposes for defense of the country and for the maintenance of law and order and internal security.

(2) Disposal of such vehicles shall, after the expiry of the fifteen years from the date of initial registration of the vehicle, be ensured through the Registered Vehicle Scrapping Facility set up in accordance with the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021, as amended from time to time.”

7. In the present case, the auction itself was conducted after the vehicle had already completed fifteen years from its initial registration on 21.05.2008, and upon such expiry, Rule 52A of the Central Motor Vehicles



Rules, 1989 imposes an absolute statutory prohibition on renewal or continuation of the registration of any Government vehicle. By virtue of sub-rule (2), such vehicles, after the fifteenth year, can only be disposed of through a Registered Vehicle Scrapping Facility and cannot, under any circumstance, be registered for road use by a private purchaser. The Government Pleader contends that MSTC, the auction agency, conducted the sale strictly in accordance with the terms of the auction notification, that the vehicle was described as condemned, and that all procedural requirements were complied with before releasing the vehicle and its original registration certificate to the petitioner. However, the fact remains that the auction was conducted after the statutory expiry of registration, at a time when the law expressly prohibited re-registration or road use of such a Government vehicle, and therefore, the petitioner was never legally capable of obtaining transfer of ownership, notwithstanding the auction.

8. The vehicle was government-owned during the entire period of the validity of its registration. Given the above, the prayers sought for a direction to re-register and refund cannot be granted. As regards the claim for compensation, the petitioner is at liberty to pursue the same before a competent civil court.

9. However, it is pertinent to note that the obligation of the



Government and its instrumentalities to disclose all material facts, including statutory bars, restrictions, or limitations on re-registration of vehicles auctioned by them, flows directly from the constitutional mandate of fairness, transparency, and non-arbitrariness embedded in Articles 14 and 298 of the Constitution of India. When the State enters into commercial transactions, it is not absolved of its public law obligations; rather, it is held to a higher standard of conduct than a private seller.

10. As repeatedly held by the Hon'ble Supreme Court, the state action, even in contractual or commercial spheres, must conform to the standards of fair play, reasonableness, and non-arbitrariness. Therefore, when auctioning vehicles, whether confiscated, abandoned or condemned, or otherwise, the Government is under a positive duty to ensure full and honest disclosure of every impediment that may affect the purchaser's ability to re-register, use, or lawfully enjoy the property. The same is necessary as auctions conducted by the State carry an implicit assurance that the sale is lawful, valid, and free from undisclosed defects.

11. A citizen purchasing from the government is entitled to presume that the State will not act in a manner that misleads or disadvantages him. Failure to disclose statutory bars, for instance, where the Motor Vehicles Act, the Central Motor Vehicles Rules, the



Environmental Statutes, or Departmental Circulars prohibit the re-registration of certain categories of vehicles, amounts to suppression of material facts, which is impermissible for a public authority. Similarly, a purchaser from the government acts on the legitimate expectation that the property auctioned is capable of being lawfully used or registered, unless expressly stated otherwise. If the statutory restrictions exist but are concealed, the doctrine of legitimate expectation is breached, exposing the State to judicial scrutiny.

12. While private parties may, in certain contexts, invoke the doctrine of caveat emptor, the State cannot rely on this defence. The decision in **Union of India v. Hindustan Development Corporation [(1993) 3 SCC 499]** held that the State is bound by standards of public trust and transparency. The State cannot act like an ordinary market participant who may sell goods “as is where” without further responsibility. Non-disclosure of statutory bars or defects affecting re-registration is not a mere contractual lapse. It can amount to arbitrariness under Article 14, abuse of public power, violation of consumer rights, where applicable, as well as violation of the auction process itself. Courts have the authority under said circumstances to set aside such options, direct refunds, award compensation, or impose exemplary costs.



13. The Government also has a duty to act as a model litigant and model seller. Government entities are to be reminded that they must conduct themselves as model litigants and, by extension, as model sellers. A model seller must disclose all defects known or reasonably discoverable, refrain from suppressing legal or factual impediments and ensure that no citizen is placed at a disadvantage due to its superior knowledge of statutory prohibitions.

14. Therefore, all Departments, Public Sector Undertakings, autonomous bodies, and auctioning agencies, including MSTC and any other Government-authorized platforms, shall ensure that every auction notice for disposal of condemned Government vehicles mandatorily specifies: (i) the year of purchase/initial registration, (ii) a clear statement that the vehicle has completed or is nearing completion of fifteen years, (iii) the statutory bar under Rule 52A of the Central Motor Vehicles Rules, 1989 prohibiting renewal or fresh registration after the fifteenth year, and (iv) that such vehicles are fit only for scrapping and cannot be registered for road use. Since these auctions are conducted by Government authorities, their notifications and decisions must not mislead the public and must be fair, transparent, and citizen-friendly.

Accordingly, the respondents are directed to expressly include all details/statutory restrictions mentioned above in every notice of



2025:KER:87949

W.P(C) No.13262/2025

14

auction/tender, etc, to be conducted in future, without exception. Failure to do so will expose them to the legal actions stated above.

The writ petition is disposed of as above.

MOHAMMED NIAS C.P.
JUDGE

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APPENDIX OF WP(C) 13262/2025

PETITIONER EXHIBITS

Exhibit P1	A TRUE COPY OF THE E AUCTION NOTIFICATION ISSUED BY THE 1ST RESPONDENT DATED 03.1.2024
Exhibit P1(A)	A TRUE COPY OF THE REGISTRATION CERTIFICATE OF THE BEARING REGISTRATION NO. KL-01-AT-239 DATED 21.05.2008
Exhibit P2	A TRUE COPY OF THE DELIVERY ORDER ISSUED BY THE 3RD RESPONDENT DATED 19.02.2024
Exhibit P3	A TRUE COPY OF THE SALE COMMUNICATION LETTER ISSUED BY THE 2ND RESPONDENT TO THE 1ST RESPONDENT DATED 26.02.2024
Exhibit P4	A TRUE COPY OF THE RELEASING ORDER ISSUED BY THE 2ND RESPONDENT TO THE PETITIONER DATED 26.2.2024
Exhibit P5	A TRUE COPY OF THE LETTER ISSUED BY THE 1ST RESPONDENT TO THE PETITIONER DATED 26.02.2024
Exhibit P6	A TRUE COPY OF THE NOTIFICATION ISSUED BY THE MINISTRY OF THE ROAD TRANSPORT AND HIGHWAYS DATED 16.1.2023
Exhibit P7	A TRUE COPY OF THE MAIL COMMUNICATION REGARDING THE CANCELATION OF THE SALE DATED 31.10.2023

RESPONDENT ANNEXURES

Annexure R1(a)	A true copy of government notification dated 02/01/2024
Annexure R1(b)	A true copy of letter No.R-4774/2022 dated 03.01.2024
Annexure R1(c)	A copy of the bid sheet
Annexure R1(d)	True copy of order No.R-4774/2022 dated 21.02.2024
Annexure R1(e)	True copy of order No.R-4774/2022 dated 26.02.2024