Andhra Pradesh Scrapped Buses Scam

Why in news?

The Andhra Pradesh Transport Department has initiated an inquiry into a scrapped buses scam.

What happened?

- Transport officials contacted Ashok Leyland about its sale of scrap buses to two companies based at Tadipatri in Anantapur district.
- Ashok Leyland confirmed that in 2018, it sold 40 scrap buses to C Gopal Reddy and 26 scrap buses to Jatadhara Industries Private Ltd.
- Both these companies are illegally using them in private travels business.

Why is it illegal to use scrapped vehicles?

- In 2017, the Supreme Court had ordered that all vehicles that are not compliant to BS IV emission norms shall not be sold in India by any manufacturer or dealer from April 1, 2017.
- It also said that the registering authorities are prohibited from registering such vehicles from April 1, 2017.
- Plying the scrap and unfit vehicles was in violation of the Supreme Court orders and also put the lives of people at risk.

Who are involved in the scam?

- **Jatadhara Industries** is owned by J C Uma Reddy, wife of former TDP MLA J C Prabhakar Reddy, and their son J S Asmith Reddy.
- **C Gopal Reddy** is a close associate of Prabhakar Reddy.
- Prabhakar Reddy and Gopal Reddy were arrested.

What did the investigation find?

- It found that all the condemned vehicles were first registered with transport registration authority in Nagaland.
- They were brought to Anantapur district with an NOC from Nagaland.
- A team comprising officials of transport department and Anantapur Police went to Nagaland.
- They found that forged documents including Ashok Leyland invoices were

used to get the vehicles registered there.
- The buses were shown as latest models and BS IV compliant.
- Though they purchased the vehicles as scrap, they tried to make them fit and road worthy on record for their unlawful gain.

What action was taken by the AP Transport Department?

- It lodged 24 police complaints against Jatadhara Industries and C Gopal Reddy in Anantapur and three FIRs in Kurnool.
- Apart from cases for cheating the government, cases were registered for producing fake insurance policies before RTAs, and endangering the safety of people on the road, and disregarding road safety.

Where are these buses now?

- Some of these vehicles have since been sold on to various others in AP.
- They purchased 154 vehicles (Jatadhara Industries got 50 and C Gopal Reddy 104) of BS III emission standards sold as scrap.
- All these were registered as BS IV vehicles in various parts of the country, including at RTA Ananthapur.
- The AP transport department has blocked and seized these buses.
- About 28 vehicles are in other states and transport authorities there have been informed to block and seize the vehicles.

Source: The Indian Express

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