

## **Devan Ramachandran, J.**

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W.P(C)No.15353 of 2022  
W.P(C)No.18462 of 2022  
W.P(C)No.23949 of 2022  
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**Dated this the 2<sup>nd</sup> day of August, 2022.**

### **ORDER**

The KSRTC even today maintains that the salary for the month of July, 2022 will be paid by the 10<sup>th</sup> of August, 2022, as ordered by this Court if the Government supports them. This is recorded.

2. Sri.Santhosh Kumar - learned Special Government Pleader, has filed a counter affidavit on behalf of the 3<sup>rd</sup> respondent. Among the various averments in the said affidavit, the Government have detailed the manner in which they have been "assisting" and "helping" the KSRTC over the years.

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3. This Court will certainly go through the averments in the counter affidavit in detail later, but, as of today, the component of the liability of the KSRTC which worries me is that which they owe to a consortium of Banks and Financial Institutions, including the KTDFC. More than Rs.30 crores is being paid as repayment and virtually the assistance given by the Government - which is approximately between Rs.30-50 crores - is eaten up by this component.

4. However, the affidavit does not say how the Government plans to control this, or to wipe off the liability, so that, as this Court has been saying earlier, the KSRTC can at least become a no - profit - no - loss entity. Of course, Sri.Santhosh Kumar informed me that the Government is still in the process of evaluating this and that they will take a decision within a month's time.

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5. That said, in addition to the tickets sales of the KSRTC, non-ticket revenue also have to be increased, if it has to find survival in future. Going by the details of the assets available before this Court, a furnished by the KSRTC, they have large areas under them, on which several buildings, offices, shopping centres and such other have been constructed. However, none of the pleadings on record indicate why these assets are not being put to full use, or why profits are not being generated in the manner it should have been.

6. At the Bar, the various learned counsel appearing for the petitioners, argued that many of the buildings were constructed by the KTDFC on a Build - Operate - Transfer (BOT) arrangement, but that unfortunately, many of them are substandard and incapable of attracting commercial interest. This issue

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certainly must engage the mind of the Government because a substantial share of the liability of the KSRTC appear to have been created on account of such constructions.

7. Therefore, it is now necessary that the Government conduct a proper audit of all the assets of the KSRTC, as also the constructions made by the KTDFC; and to verify where the problem is now heading.

8. Before I close, I must record the submissions of Sri.P.Nandakumar, learned counsel for the petitioner in W.P.(C).No.15353 of 2022, that the Government owes large amounts of money to the KSRTC towards ticket concessions. This is not been mentioned in the counter affidavit and I am certain that they should answer this also in due course.

9. Pertinently, one of the issues raised by the

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Government in their counter affidavit is that the employees are not co-operating with the management, as regards certain reforms that are necessary. They have even gone to the extent of saying that unless "productivity" is improved and it becomes "visible through the cooperation of employees to reduce the losses", it is not in a position to give any further assistance to the KSRTC. They also blame the Unions of employees in carrying on strikes even now, in spite of the assurances made to this Court.

10. Therefore, it is now clear that unless the profitability of the KSRTC is increased, its future is bleak. Every stake holder has to recognize and accept this, including the Management, the employees and the Government. The definitive role each has to play are vital and a synergy has to be obtained between the three.

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Unless all the said stake holders act in Unison, it will be impossible to find resources to pay off the recurring liabilities of the KSRTC.

11. That said, I reiterate that the resolve of this Court is that various categories of the employees, mentioned in the earlier orders, must be paid by their salary without delay and not later than at least the 10<sup>th</sup> of every month, as of now.

12. I, therefore, order the KSRTC to ensure that the salaries for the month of July 2022 to all the employees, as mentioned in the earlier orders, are paid by 10<sup>th</sup> of this month; recording that the salary for the month of June has been paid substantially and will be completed by the 5<sup>th</sup> of this month.

13. In the meanwhile, the Government is granted time to reflect upon the various issues mentioned above,

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including Audit of the assets of the KSRTC, as also the constructions made by the KTDFC; and the paying off the accumulated liabilities towards the consortium banks, so that, at least in the future, the KSRTC will be able to operate without loss.

14. Before closing, it is pertinent that the Government says that, as per the report of the KSRTC, more than 700 buses are kept idle because of certain issues raised by the employees. I do not think that the KSRTC can afford to keep any bus idle, particularly when employees are available and there is a yet uncorroborated input, that the employee - bus ratio in it is higher than many others in the country.

I, therefore, adscititiously direct the KSRTC to ensure that every bus which is capable of being put to operation, is deployed and that schedules as far as possible is

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increased, so as to reach the target ticket collection of at least Rs.8 Crores per day, which alone appears to be the method of keeping the KSRTC afloat at this point of time.

List for further consideration on 17.08.2022.

**Sd/-  
DEVAN RAMACHANDRAN  
JUDGE**

H/o  
Raj/02.08.2022.