

**IN THE HIGH COURT OF UTTARAKHAND**  
**AT NAINITAL**

THE HON'BLE THE CHIEF JUSTICE SRI RAGHVENDRA SINGH  
CHAUHAN  
AND  
THE HON'BLE SRI JUSTICE ALOK KUMAR VERMA

**Writ Petition (PIL) No. 82 of 2019**  
**Writ Petition (S/S) No. 3735 of 2018**

**29<sup>TH</sup> JUNE, 2021**

Mr. M.C. Pant, the learned counsel for the petitioner in WPPIL No. 82 of 2019.

Mr. Shobhit Saharia, the learned counsel for the petitioner in WPSS No. 3735 of 2018.

Mr. S.N. Babulkar, the learned Advocate General assisted by Mr. C.S. Rawat, the learned Chief Standing Counsel for the State of Uttarakhand.

Mr. Ashish Joshi, the learned counsel for the Uttarakhand Transport Corporation.

Mr. Gopal Kumar Verma, the learned Additional Chief Standing Counsel for the State of Uttar Pradesh.

**COMMON ORDER:** (per Hon'ble The Chief Justice Sri Raghvendra Singh Chauhan)

In compliance of the order dated 26.06.2021, Mr. Om Prakash, the learned Chief Secretary, Mr. Amit Negi, the learned Secretary, Finance, Dr. Ranjeet Kumar Sinha, the learned Secretary, Transport, and Mr. Abhishek Rohila, the learned Managing Director, Uttarakhand Transport Corporation, are present in the Virtual Court through Video Conferencing.

2. By order dated 26.06.2021, this Court had requested the Hon'ble the Chief Minister to immediately call an emergent meeting of the Cabinet, preferably on or before 28.06.2021, in order to discuss and resolve the financial crisis being faced by the Uttarakhand Transport Corporation (for short "the Corporation"). For due to the financial crisis the employees of the Corporation have not been paid the arrears of their salary from February, 2021 till June, 2021. The learned Chief Secretary was directed to inform this Court about any decision taken by the Cabinet.

3. Mr. Om Prakash informs this Court that although a request was made to the Hon'ble the Chief Minister for convening a Cabinet Meeting on an urgent basis, the Hon'ble the Chief Minister has declined to do so. Instead, the Hon'ble the Chief Minister has directed that the proposal for revival and resurrection of the Corporation should be placed in the next Cabinet Meeting.

4. This Court has asked Mr. Om Prakash as to the tentative date for the next Cabinet Meeting. He

informs this Court that the Cabinet Meeting will hopefully take place by 16.07.2021.

5. Dr. Ranjeet Kumar Sinha, the learned Secretary, Transport, has submitted an affidavit before this Court. The same shall be taken on record. The said affidavit contains a detailed working plan submitted by the Corporation. According to Dr. Ranjeet Kumar Sinha, the same shall be placed before the Cabinet for its approval.

6. A bare perusal of the proposal clearly reveals that according to the Corporation, from April, 2019 till June, 2021, the Corporation has suffered a loss of Rs. 49.08 crores. This loss has been suffered due to no fault of the Corporation, but due to the pandemic, which struck the nation from March, 2020 onwards. Moreover, due to the steep rise in the price of diesel, the Corporation has suffered a loss of about Rs. 50 crores.

7. According to the proposal, it would require Rs. 68 crores for the payment of salaries from March, 2021 to June, 2021; it will require Rs. 19 crores for the

payment of P.F. and E.S.I. to the employees for the month of June, 2021; and it will require Rs. 37 crores for the payment of Gratuity to its retired employees. Thus, immediately, it requires Rs. 124 crores in order to meet out its financial liabilities towards its employees. The proposal further suggests that there are 75 properties belonging to the Corporation. Some of these properties, for example, the Office of the Divisional Manager (Operations) located on Gandhi Road, Dehradun, and the Old Bus Stand near the Drona Hotel also located on Gandhi Road, Dehradun, can be disposed of immediately. According to Mr. Abhishek Rohila, the sale of these two properties would fetch a minimum of Rs. 39 crores for the Corporation.

8. Mr. Abhishek Rohila further informs this Court that after the creation of the Uttarakhand State, the State is entitled to receive 13.33% of the market value of three properties, which are lying in the two districts of Kanpur and Lucknow in the State of Uttar Pradesh. Despite the fact that the Government of Uttarakhand has repeatedly been requesting the

Government of Uttar Pradesh to pay the said amount, no progress has been made in this regard.

9. Mr. Om Prakash informs this Court that the ticklish issue of bifurcation of properties, and payment of amount between the two States has been challenged by the State of Uttar Pradesh before the Hon'ble Supreme Court. The Hon'ble Supreme Court has granted a stay with regard to some of these financial issues. Therefore, the case is presently subjudice before the Hon'ble Supreme Court. This Court has asked Mr. Om Prakash if any application for vacation of the stay order has been filed? Or if any request has been made to the Hon'ble Supreme Court for taking up the case on a priority basis? To these twin questions, Mr. Om Prakash informs this Court that he is not in a position to make a statement at the Bar. He seeks time to inform this Court on the next date about the progress of the case pending before the Hon'ble Supreme Court.

10. A critical analysis of the proposal placed by the Corporation clearly reveals that it is an incomplete proposal. For, the Corporation claims that it requires

Rs. 124 crores to be able to meet out its liability of paying the salary till the month of June, 2021, for paying the P.F. and E.S.I, and for paying the Gratuity till June, 2021. However, there is no proposal for the expenditure that the Corporation would incur from July, 2021 till December, 2021. For the period of July, 2021 to December, 2021, the salary bill itself will be approximately Rs. 102 crores. However, the proposal does not request the Government to ensure that the said amount would be released, in future, so as to enable the Corporation to be able to pay the salaries to its employees.

11. Moreover, Mr. Abhishek Rohila informs this Court that although the Government has promised to release Rs. 23 crores for "the hill loss" suffered by the Corporation, the said amount is yet to be received by the Corporation. Since the said amount has not been released by the Corporation, the Corporation is unable to pay the arrears of salary to its employees for the months of February and March, 2021. In case the said amount were to be released to the Corporation, Mr. Abhishek Rohila claims that he would be in a

comfortable position to pay the salaries for the months of February and March, 2021 to its employees.

12. This Court has asked Mr. Om Prakash to look into the issue as to why the said amount has not been released to the Corporation so far? Mr. Om Prakash submits that he shall certainly look into the issue, and shall resolve the issue at the earliest.

13. Considering that there are some of the lacunae that exist in the proposal submitted by Mr. Abhishek Rohila, he is directed to submit a complete proposal to the State Government so that the said proposal can be placed before the Cabinet in its next meeting.

14. Meanwhile, this Court directs that the amount of Rs. 23 crores, against "the hill loss" suffered by the Corporation, should be transferred immediately to the Corporation, so that the Corporation can pay the arrears of salary for the months of February and March, 2021 to its employees.

15. Since there is a possibility that the Cabinet Meeting will be convened on or before 16.07.2021, this

Court directs Mr. Om Prakash, the learned Chief Secretary, Mr. Amit Negi, the learned Secretary, Finance, Dr. Ranjeet Kumar Sinha, the learned Secretary, Transport, and Mr. Abhishek Rohila, the learned Managing Director of the Corporation, to be present before this Court on the next date.

16. List this case on 19.07.2021.

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**RAGHVENDRA SINGH CHAUHAN, C.J.**

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**ALOK KUMAR VERMA, J.**

Dt: 29<sup>th</sup> June, 2021  
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