

## CHAPTER - I

### INTRODUCTION

#### INTRODUCTION :

Transport the defacto barometer of economic, social and commercial progress has transformed the entire world into one organized unit. It carries ideas and inventions to the people of different countries and has considerably contributed to the evolution of civilization.<sup>1</sup> It means that the effective transport is indispensable for the economic progress of the country.

#### BUS TRANSPORT : A HISTORICAL PERSPECTIVE :

"The collective demand for transport of an organised society with a high standard of living may be exceedingly strong"<sup>2</sup> as the demand for primary and essential commodities depend upon efficient system of transport. It must be noted that if transport service is not adequate, people would suffer.

From the surface point of view transport has been divided into the following three kinds.

[a] Land transport; [b] Water transport; [c] Air transport. Land transport is again be divided into [i] Human porter [ii] Animal transport [iii] Road transport [iv] Railway transport. Amongst these, road transport has a unique role to play in the

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1. Ogburu W.F. : The Social Effects of Aviation, 1946, P.11.

2. Bonavia M.R.: The Economics of Transport, 1954, P.3.

movement of people and goods in the economy, as it accounts for 80 percent of passenger traffic and 60 percent of goods. The economic significance of road is very great because they lead to industrial and agricultural development and help in solution of certain economic problems.

Modern life depends heavily on transport services - from production of raw materials to the distribution of finished goods. It occupies an important place in the field of Economics because it is related to production, exchange, distribution and consumption of wealth. The road transport plays an important role in underdeveloped countries where different parts of country are not well connected by rail transport and due to lack of resources, services are not provided to the needs of local movements of goods and passengers. In this context, road transport offers a cheaper and more viable means of transport which can adequately meet the needs for local movement of goods and passengers. The need for such travel has increased due to agricultural and industrial development, social and cultural development and increase in the size of the population. Amongst various kinds of carriages used in road transport e.g. bus, bullock cart, trucks, auto-rickshaws, cycle rickshaws, tramways, bus transport has played a pivotal role in changing the economy of a state as well as of a country.

In the absence of adequate sophisticated modes of transport, such as railways and airways, catering through out the country bus transport becomes the primary mode of transport not only in rural areas but also in urban areas.

Although tracks of travel traversed by man and beast existed from time immemorial, mechanised road transport has a comparatively short history in India. The first motor vehicle came to India in the year 1898. For several years it remained a novelty and a luxury indulged in by princes and by the rich. As the strength of these vehicles slowly increased, there were several provincial enactments to control and regulate their movement with a view to safeguard the lives of pedestrians, and for the purpose of registration. The first all-India enactment dealing with operational control of motor vehicles, the Indian Motor Vehicles Act, came into force in 1914. It is obvious that the law makers and the users of motor vehicles in the early years of the twentieth century could not foresee the revolution motor vehicle was later to bring and the unalterable manner in which it changed the life styles of people once it took over.

Soon after the First World War military vehicles which were rendered surplus were diverted to civilian market. By the early 1920's there was a large number of vehicles operating in several parts of the country. The growth was unprecedented. This led to unhealthy competition among the operators who were plying these vehicles for hire and reward. Once the novelty turned into convenience, there was a sudden spurt in demand which caught the existing legislation unaware. The Indian Motor Vehicles Act [1914] could not cope with the new pressures and had to be supplemented by enactments made in the various provinces in order to introduce some degree of regulation and control. "In the late 1920's the problems of unhealthy competition became more

acute and the shrinkage of traffic accentuated by the world wide depression [which involved this country also] had brought to the fore the need for regulation of the industry, both internally and in relation to the railways".<sup>3</sup>

There was fierce competition among the private operators. The services rendered were concentrated only on profitable routes. Moreover, only large cities and towns attracted the attention of private bus operation and rural areas and tribal belts were largely ignored whose only motive was to make profit. The condition and maintenance of vehicles were poor and the standard of services provided was very low. The passengers were exploited by the private operators. The rates varied from one operator to another, one period to another. The conditions of the bus-staff were miserable. The growth of the fleet did not match the growth in the demand. The dispersal of bus services was uneven among the plains, hilly areas and deserts. An important argument in favour of nationalisation was that the size of the fleet of the private bus operators was far from optimum there by leading to wastage of economic resources and mismatch between demand and supply of road transport which restrained the growth process in the country.

The operation of bus transport by private agencies and individual proprietor generally operate on profit motive

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3. Sudarsanam Padam: "Nationalisation of Passanger Road Transport - Looking Back and Looking Forward," Journal of Transport Management, November 1990, CIRT, Pune, also published in Nationalization of Passenger Transport : A Book of Reading by CIRT, Pune, 1994, Pp. 3 to 12.

objectives of providing services to all the parts of the country. Before nationalization, buses were plied on those routes only where their owners could pick up large number of passengers. The need for nationalisation of bus transport was felt as the private operators could neither provide increased services to a growing extent as required by the people nor could they improve their services to satisfy the demand of the people.

Under these circumstances stringent measures were required to be adopted for both inter modal as well as intra-modal coordination. A study of rail road coordination was initiated by the Michell Kirkness Committee in 1932.

The Mitchell-Kirkness Committee recommended that the number of licences for buses on any route should be restricted and that conditions such as issue of time-tables, publication of schedules of fare and compulsory insurance of motor vehicles should also be prescribed. It felt that these measures would raise the business to better and more economic levels and that fuller regulation and control would eliminate unhealthy competition and make it possible for the operators to offer better service to the public.

With these objectives in view, the Government enacted a new legislation in 1939 entitled the Motor Vehicle Act of 1939. The stated purpose of the legislation was to regulate road transport on the basis of healthy competition in the industry

itself and with the Railways. This Act is an endorsement of the potential of motor transport in carrying people and goods for hire or reward.

This recommendation was reiterated in 1945 by the Transport Advisory council and also by the Post-War Policy Committee on Transport. In pursurance of these recommendations, several State Governments used compulsions as well as persuasion to reorganise individual operators into bigger units. The scheme was known as tripartite scheme under which the joint stock companies were to be organised in the States, whose share holders will be, [1] Indian Railway, [2] State Governments, and [3] Motor bus operators. Thirtyfive per cent of the share capital was to be subscribed by the Railways, thirtyfive per cent by the State Governments and thirty per cent by the bus operators of the state. If individual operators could not pay their share in cash, their buses might be accepted in good condition in lieu thereof. Such cooperatives were to be organised in all the States in India and profits were to be divided among the three parties according to their share of capital. In the beginning the scheme was welcomed, but after some time it was abounded.

The political independence achieved in 1947 was inevitably extended the horizons of national ambitions and expectations. Among the immediate post-independence priorities, road transport did not, however find a place. The industrial Policy Resolution of 1948 made no mention of this sector. In the Industrial Policy Resolution of 1956, road transport was

mentioned as the eleventh of twelve items in the Schedule B, which listed industries to be "progressively state owned and in which the State will, therefore, generally take the initiative in establishing new undertaking but in which private enterprise will also be expected to supplement the efforts of the State"

#### NATIONALIZATION AS A MOVEMENT

With the adoption of welfare state concept requiring the State to strive to achieve the national goals of economic reconstruction and social equality, soon after independence and in the early 1950's there was a spirit of nationalization in the air. It was almost unanimously accepted by the post-independence leadership that the means of production should be closely controlled, if not owned, by the State Road transport, which had been listed in the Schedule-B of the Industrial Policy Resolution, meant for progressive nationalization, was also buffeted by the winds of change.

The various types of circumstances discussed above gave rise to a demand for State run road transport services either exclusively or in competition with the existing private operators. The nationalisation of road transport in India started in Assam, Bihar, Bombay, Orissa, Punjab, West Bengal, Mysore, Delhi in May 1947 and in Saurashtra in 1948, Himachal Pradesh in 1949 and Rajasthan in 1960. States of Andhra Pradesh, Himachal Pradesh, Gujarat, Maharashtra, Haryana and Tamil Nadu have nationalised their bus services in full. Moreover, in some states independent municipal undertakings have also been

providing bus services e.g. BEST, Pune Municipal Corporation, Kolhapur Municipal Transport, Solapur Municipal Transport, Ahmedabad Municipal Transport.

Thus the nationalisation of road transport is justified on grounds of economies of scale, cross-subsidisation of lean traffic lines internalizing external economies and safety and other passenger welfare considerations that usually go with public utilities. It is to be noted that there are several public utility services like the provision of water supply, post and telegraph, electricity etc. but the transport is the great public utility service.

#### DEVELOPMENT OF ROAD AND ROAD TRANSPORT IN GUJARAT :

The development of road and road transport is reflected in length of road kms. types of road and number of motor vehicles and changes their in over a period of time. In case of Gujarat the length of road has increased with the passage of time. It was only 29575 kms. in 1960-61 and has increased to 83476 kms. in 1994-95. This shows that length of road is almost thrice in 1994-95 as compared to the year 1960-61. Not only that but road length per one lakh population has increased from 143.3 Kms. in 1960-61 to 184.4 kms. in 1994-95. However if we compare road length per one lakh population in 1994-95 and in 1970-71, we observe a decline in it. Moreover the proportion of Kachcha road has declined from nearly 54% in 1960-61 to 41% in 1993-94, implying there by that the proportion of Pacca road has increased



from 46% to 59%. Though the proportion of Pacca road has increased, it does not show the rosy picture. It still requires on the part of the Government to convert Kuchcha road into Pacca road to improve the infrastructural facilities which are required for the growth of the economy.

TABLE-I.1  
ROAD LENGTH UNDER OPERATION OF GSRTC

Year	Road Length Under Operation of GSRTC [in Kms.]	Population of Gujarat [in lakhs]	Road Length Per Lakh Population in Gujarat [in Kms.]
1	2	3	4
1960-61	29575	206.33	143.3
1965-66	41940	206.33	203.3
1970-71	56663	206.33	274.6
1975-76	68895	301.66	228.4
1976-77	62553	309.12	202.4
1977-78	64161	316.76	202.5
1978-79	68307	324.60	210.4
1979-80	69524	332.63	209.0
1980-81	70994	340.86	208.3
1981-82	72634	347.04	209.3
1982-83	72472	353.22	205.2
1983-84	73552	360.43	204.1
1984-85	76522	366.61	208.7
1985-86	77545	372.78	208.0
1986-87	78375	380.00	206.3
1987-88	79377	386.92	205.2
1988-89	80045	392.86	203.7
1989-90	80155	399.77	200.5
1990-91	80954	413.10	196.0
1991-92	81758	422.60	193.5
1992-93	82506	432.22	190.9
1993-94	83546	442.30	188.9
1994-95	83476	452.68	184.4

Source : Administration Reports of GSRTC.

TABLE - I.2  
ROAD SURFACE UNDER THE OPERATION OF GSRTC

[in Kms.]

Year	Asphlt/ Tar	W.B. Madadam	Kuchcha	Total
1	2	3	4	5
1960-61	7226 [24.4]	05036 [17.1]	17313 [53.5]	29575
1965-66	10368 [24.7]	6537 [15.6]	25035 [59.7]	41940
1970-71	15158 [26.9]	7180 [12.6]	34325 [60.7]	56663
1975-76	20261 [29.4]	7815 [11.4]	40819 [19.2]	68895
1976-77	20117 [32.2]	7449 [11.9]	34987 [53.9]	62553
1977-78	20702 [31.2]	7318 [11.4]	36141 [56.3]	64161
1978-79	22706 [33.2]	7958 [11.7]	37643 [55.1]	68307
1979-80	22759 [32.8]	8089 [11.6]	38676 [55.6]	69524
1980-81	25101 [35.6]	7809 [10.9]	38084 [53.5]	70994
1981-82	26332 [36.4]	8369 [11.6]	37663 [52.0]	72634
1982-83	27246 [37.6]	8901 [12.3]	36325 [50.1]	72472
1983-84	29355 [39.9]	9128 [12.4]	35069 [47.7]	73552
1984-85	30623 [40.1]	10246 [13.4]	35643 [46.6]	76522
1985-86	31398 [40.5]	10320 [13.3]	35827 [46.2]	77545
1986-87	31680 [40.5]	10778 [13.3]	35917 [46.2]	78375
1987-88	32274 [40.6]	11746 [14.8]	35357 [44.6]	79377
1988-89	32620 [40.8]	11946 [14.9]	35479 [44.3]	80045
1989-90	32558 [40.6]	11496 [14.3]	36101 [45.1]	80155
1990-91	33848 [41.8]	11919 [14.7]	35187 [43.5]	80954
1991-92	35292 [43.2]	11985 [14.7]	34481 [42.1]	81758
1992-93	36527 [44.3]	11785 [14.3]	34194 [41.4]	82506
1993-94	37776 [45.2]	11823 [14.2]	33947 [40.6]	83546
1994-95	38131 [45.7]	12158 [14.6]	33187 [39.7]	83476

\* Figures in brackets represent percentage share.

TABLE - I.3

## STATEWISE MOBILITY PARAMETERS

[As on March 1993]

Sr. No.	Name of the State	Area in Sq. Km.	Population in lakhs [1993]	Road Length [in Kms.]	Auto Vehicles [Nos.]	Passenger Buses [Nos.]	Road length per lakh population	Auto Vehicles per lakh of population	Buses Per lakh of Population
1	2	3	4	5	6	7	8	9	10
01.	Andhra Pradesh	276814	692.49	138911	1611582	37931	200.60	2327	55
02.	Assam	78523	226.98	64664	325264	8690	285.14	1434	38
03.	Bihar	173876	898.60	84915	1167625	16289	94.50	1299	18
04.	Gujarat	195984	420.47	76819	2475104	26608	182.70	5887	63
05.	Haryana	44222	169.66	25831	7478720	8996	152.25	4413	53
06.	Himachal Pradesh	55673	52.38	14031	82684	2817	458.78	1579	54
07.	Jammu & Kashmir	222236	80.96	13903	149882	10195	161.72	1851	126
08.	Karnataka	191773	458.42	153102	1718494	25099	333.98	3749	55
09.	Kerala	38864	293.78	212858	781398	25307	724.55	2660	86
10.	Madhya Pradesh	442841	694.98	128010	1762352	23194	184.19	2536	33
11.	Manipur	22356	19.00	6573	54388	1418	345.95	2863	75
12.	Maharashtra	307762	824.14	216733	2963765	29847	266.98	3596	36
13.	Meghalaya	22489	18.57	6226	37883	1599	335.27	2040	86
14.	Nagaland	16527	13.38	8031	75917	1997	600.22	5674	149
15.	Orissa	155782	325.82	173636	501848	8126	532.92	1540	25
16.	Punjab	50362	207.56	54096	1537220	12912	260.63	7406	62
17.	Rajasthan	342214	455.57	111786	1320021	26944	245.38	2898	59
18.	Sikkim	7299	4.06	1544	33559	--	380.30	6266	--
19.	Tamil Nadu	130069	568.18	193618	1921440	30148	340.77	3382	53
20.	Tripura	1077	29.18	14078	25251	1056	482.45	865	36
21.	Uttar Pradesh	294413	1448.77	188076	2289019	26906	129.62	1580	19
22.	West Bengal	87853	711.94	61494	1010823	25436	86.38	1420	36
23.	Andaman & Nikobar	8293	2.91	772	11090	237	265.29	3811	81
24.	Arunchal Pradesh	83578	8.60	7128	9359	325	828.84	1088	38
25.	Chandigarh	114	6.44	1472	298756	1309	228.57	46391	203
26.	Dadara & Nagar Haveli	491	1.43	315	6694	148	220.28	4681	103
27.	Delhi	1485	100.94	18835	2097155	23321	186.60	20776	230
28.	Goa, Daman & Diu	3813	12.73	5878	159360	2425	461.74	12518	190
29.	Mizoram	21087	7.15	3417	14047	1038	477.90	1965	145
30.	Pondichery	480	8.36	2492	96464	878	298.09	11539	105

Source : Performance Statistics of STUs 1993-94/1994-95, CIRT, Pune.

The Table - I.3 reveals statewise road length, passenger buses, auto vehicles and these indicators per lakh of population. The wide variations are observed with respect to road length, number of autovehicles and number of passenger buses. It is due to variations in the size of the population and geographical size of the state. Looking at these indicators per lakh of population, the high variations are observed. e.g. the road length per lakh of population has fluctuated between 86.38 in case of West Bengal to 600.22 in case of Nagaland. The auto vehicle per lakh of population was 865 in case of Tripura where as highest is observed in case of Chandigarh i.e. 46391. Similar picture arises in case of buses per lakh of population. The minimum is observed for Bihar where as maximum buses per lakh of population was 230 in case of Delhi.

This shows that position of various states differ with respect to different indicators. As far as Gujarat is concerned road length per lakh population i.e. 182.70 km., where as number of buses and number of auto vehicles were per lakh of population were 25 and 968 respectively.

#### **DIFFERENT FORMS OF MANAGEMENT OF** **STATE ROAD TRANSPORT UNDERTAKINGS** :

In 1950, the Central Government enacted an Act, known as the Road Transport Corporation Act to nationalise passenger transport services. This act created a fillip among state Governments to convert the departmental form of management of

their bus transport services into corporate form. There are mainly four forms of management of State Road Transport Undertakings. [i] Department form of management [ii] Statutory Corporate form of management [iii] Government Company Form of Management [iv] Municipal Undertakings.

TABLE - I.4  
PATTERN OF MANAGEMENT OF SRTUS IN INDIA

Pattern of Management	No. of SRTUs	%
01. Corporations	21	29.57
02. Municipal Undertaking	11	15.49
03. Government Department	08	11.26
04. Companies	31	43.66

[For detail See Appendix I]

The corporate form of management makes a SRTU a statutory body capable to take its own decisions and to sue and be sued in its name. The statutory corporate form of management of SRTUs is considered better than that of departmental form. The SRTCs are managed by the board of management constituted by the State Government. Under the departmental form of management, SRTUs are controlled and administered by the State Transport Departments and the respective transport commissioners/controllers are held responsible for the operation and development of bus service as per requirements of the passenger traffic in the state concerned.

Under section 617 of the Indian companies Act 1956 "A Government company means any company in which not less than 51 percent of paid up capital is held by the central government and partly by one or more state government and includes a company which is a subsidiary of the Government Company as defined". In India this form is confined to manage some small SRTCs specially city bus undertakings.

It is observed that the corporate form of management of bus transport is more popular as 21 states are managing their bus services under this form while the other 8 undertaking are being managed under the departmental form.

The importance of public sector undertakings has undergone a change over a period of time. The scope of state enterprise was limited before independence. It gained importance with the implementation of second five year plan but with the new policy of the government in July 1991, emphasis have been shifted towards private sector rather than the public sector.

#### GUJARAT STATE ROAD TRANSPORT CORPORATION :

The Gujarat State came into existence as a separate state on 1st May 1960. At the same time Gujarat State Road Transport Corporation came into existence, under Road Transport Corporation Act 1950 Gujarat State Road Transport Corporation is a statutory body constituted under provisions of Road Transport Corporation Act. The Board of Directors is consisting of official and non-official members appointed by the State Government. The Chairman is mostly a non-official person but

sometimes some senior IAS officer is also appointed as a Chairman. The Vice-Chairman and Managing Director appointed by the State Government are also senior IAS officers. Various Committees are constituted such as Tender and Store Committee, Standing Committee, General Committee, Services Board and Appellate Board.

#### **ORGANISATIONAL SET UP :**

GSRTC has three-tier system of management. Depots, Divisions and Central Office. The top most or the first tier is headed by the Chairman. The Chairman is assisted by Vice-chairman and Managing Director, Five Official Directors and ten Non-official Directors. The Divisional offices represent the second tier of management system of GSRTC. It is headed by Divisional Manager/Controller. The Depots form the third tier of the management system. Each depot is under the charge of depot manager. The Chart-I mirrors the administrative set up of GSRTC.

#### **SIZE OF THE CORPORATION :**

Since its inception, the size of the corporation has increased many fold. At the time of the establishment of the corporation on 1st May 1960. GSRTC had 7 divisions, 76 depots and 7 divisional workshop. At present as on 31-3-1995, the corporation has 15 division, 136 depots, 15 divisional workshops, 7 tyre retarding plants.

# CHART - I

ADMINISTRATIVE SET UP OF G.S.R.T.C. AS ON 31-3-1995

Chairman
Vice-Chairman
7 Official Directors
10 Non-Official Director

Standing Committee	General Committee	S.T. Services Board
Tender & Stores Committee	Second Appellate Authorities	Various Appellate Authorities

Vice Chairman & Managing Director
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Joint Managing Director	General Manager [Admn.]
General Manager [Technical]	Executive Director [Vigilance]



-----   Joint Managing Director   -----	
Department	Department Heads
01. Administrative Department	- Chief Personnel Officer
02. Services Board Section	- Account Officer & Safety Officer
03. Stores Department	- Controller of Stores
04. Purchase Department	- Controller of Purchase
05. Accounts Department	- Chief Accounts Officer & Financial Advisor
06. Legal Department	- Legal Advisor
07. Public Liaison Branch	- Public Liasion Officer
08. Secretarial Branch	- Secretary to Corporation
09. Publication Branch	- Publication Officer
10. Chairman's Branch	- Secretary to Chairman
11. Statistical Department	- Chief Statistician
12. Labour Department	- Chief Labour Officer
13. E.D.P. Unit	- E.D.P. Manager
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-----   General Manager [Administration]   -----	
Department	Department Heads
01. Traffic Department	- Chief Traffic & Commercial Manager
02. Commerce Department P.T.S.	- Deputy Chief Traffic & Commercial Manager
03. Civil Engg. Department	- Chief Civil Engineer
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General Manager [Technical]	
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Department	Department Heads
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01. Mechanical Engineering Department	- Chief Mechanical Engineer
02. Central Workshop	- Works Manager
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Executive Director [Vigilance]	
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Department	Department Heads
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01. Security Department	- Executive Director
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Table-I.5

## NAME OF THE DIVISIONS AND DEPOTS OF GSRTC

Sr. No.	Name of the Division	Date of Starting	Total No. of Depots in Divisions
1	2	3	4
01.	Palanpur	27-11-1975	07
02.	Mehsana	01-08-1954	11
03.	Himmatnagar	01-04-1967	10
04.	Ahmedabad	01-03-1949	11
05.	Nadiad	15-03-1949	13
06.	Baroda	01-10-1953	10
07.	Godhra	01-11-1973	06
08.	Bharuch	26-02-1989	05
09.	Surat	01-02-1953	09
10.	Bulsar	01-10-1973	08
11.	Rajkot	01-04-1956	14
12.	Bhavnagar	01-11-1964	07
13.	Amreli	10-10-1976	07
14.	Junagadh	01-07-1962	10
15.	Kachchh	01-02-1954	08

Source : Administration Report of GSRTC.

Amongst these divisions Rajkot division is having highest number of depots i.e. 14 which is followed by Nadiad, Bharuch division is the smallest one having only 5 depots. It

should be noted here that the number of divisions and depots have increased over a period of time to meet the increasing demand for bus transport. After coming into existence, the corporation continuously strived hard to take routes operated by private operators with the aim of achieving 100% nationalization which was achieved by November 1969. GSRTC was first to achieve 100% nationalisation in stage carriage service in the country. The increase in the demand for bus transport is attributed to number of factors e.g. increase in population, increase in income industrialization etc.. The population of Gujarat has increased from 206.39 lacks in 1960-61 to 442.23 lacks in 1994. Moreover the state income, at constant price [1980-81 prices] have increased from Rs. 6525 crores in 1980-81 to Rs. 11555 crores in 1992-93. To satisfy the demand for bus transport GSRTC is expanded also in terms of number of buses and the employee. The total number of buses has increased from 1710 in 1960-61 to 7977 in 1994-95 i.e. to say that it has increased at the rate of 10.47 per cent per year. Moreover the number of employees have increased from 11512 in 1960-61 to 58636 in 1994-95 which has increased at the rate of 11.70 per cent per year.

#### **OBJECTIVES OF THE STUDY :**

Public enterprises in India have been assigned a crucial role in achieving growth with social justice and there by establish a "Socialistic Pattern of Society".

Public enterprises in India constitute a major national capability in terms of their scale of operations, coverage of national economy, technological capabilities and stock of human capital. There are over a thousand public enterprises. About 700 of which are owned by the States. Among state owned enterprises, the State Road Transport undertakings are important in their contribution.

The functioning of public sector undertakings attracted attention of many researchers and opined that the public enterprises in India have lagged far behind in achieving satisfactory profit consequently declining profitability and productivity. They have not justified the huge investment made from the public exchequer by their inefficient below capacity functioning. They are not performing well in terms of quality of services, poor returns to current and fixed assets etc.

It is the most talked about and polemic question as to how efficiency of an enterprise is to be judged.

Various studies are available on the performance of state road transport corporations. e.g. Pepsu Road Transport Corporation, Bihar Road Transport Corporation, Uttar Pradesh Road Transport Corporation. These studies examine performance of Road Transport Corporations considering alternative test of appraising performance separately and therefore these studies do not provide the true picture of the overall performance of SRTC. Moreover the study at the micro level i.e. study of the relative

performance of various divisions of a corporation is lacking. Not only that but the relative position of a given STRC is not examined with respect to other STRCs in India. A combined study of all these aspects with respect to GSRTC is a desideratum. To remove the long felt need, the present study provides a multitude of different parameters to appraise the performance of GSRTC over a period of time. They have been classified under two broad parameters, viz. Physical Performance and Financial Performance.

In the light of this, the study attempts to examine the physical performance of GSRTC through various indicators such as bus staff ratio, percentage of fleet utilization, vehicle utilization per bus per day, number of breakdowns, number of accidents, passenger carried per bus per day, Kms. per litre of oil and effective kms. per staff. The objective of the study is to examine whether the physical performance of GSRTC has improved with the passage of time or not through estimating the composite index. Not only that but quality of services provided by the GSRTC mainly in terms of punctuality, regularity and numbers of complaints also throw a light on the performance of SRTC. The structural change in the employment mainly in terms of administrative staff, traffic staff and workshop staff also reflects the functioning of GSRTC, which is examined in the present study.

The financial performance of GSRTC is examined in terms of earnings and expenditure of GSRTC from 1960-61 to 1994-95 at current price as well as at constant price. It

examines profit/loss of the GSRTC before and after passenger tax. On the earnings side, traffic revenue and other revenue form two important parts and the share of traffic revenue in total revenue has been examined over a period of time.

Moreover the expenditure of GSRTC is examined in terms of personnel expenditure, fuel and lubricants, stores, taxes, depreciation, interest on capital, motor vehicle tax, and passenger tax etc.

The GSRTC being the public enterprise has some social obligations viz. concessions to students, freedom fighter, physically handicap persons etc. The concession provided by GSRTC under different heads represents loss of revenue of GSRTC. It is attempted to examine whether share of these concessions in total earnings of the GSRTC has been increasing with the passage of time and their implications. The financial performance of GSRTC is also examined in terms of social surplus created by GSRTC, value added by GSRTC and elasticity of earnings.

Moreover the fare structure of GSRTC is also attempted to examine.

The financial and physical performance at disaggregate level i.e. divisionwise is important as it explains inter divisional variations in terms of various indicators.

The study also evaluates the physical and financial performance of various State Road Transport Corporations to throw some light on the relative position of various state road transport corporations in terms of physical and financial performance.

#### **SOURCES OF DATA :**

The study is based on data published by GSRTC in its Administration Reports for various years. The researcher had a series of discussions with officials of GSRTC at the Central Office and Divisional Offices and had an access to some data compiled by them. In order to have a comparative study, "Performance statistics of STUS" for different years compiled by Central Institute of Road Transport, Pune is utilized.

#### **PLAN OF THE STUDY :**

The study is divided into six Chapters as follows :

- Chapter - I : Introduction
- Chapter - II : Physical Performance of GSRTC
- Chapter - III : Financial Performance of GSRTC
- Chapter - IV : Physical and Financial Performance -  
Divisionwise Analysis
- Chapter - V : Physical and Financial Performance -  
A Comparative Analysis Among SRTCS
- Chapter - VI : Conclusion



## APPENDIX - I

### DIFFERENT FORMS OF MANAGEMENT OF STATE ROAD TRANSPORT UNDERTAKINGS

#### I. CORPORATION :

01. Andhra Pradesh SRTC
02. Assam STC
03. Bihar SRTC
04. Calcutta STC
05. Delhi TC
06. Gujarat SRTC
07. Himachal RTC
08. Jammu & Kashmir SRTC
09. Karnataka SRTC
10. Kerala SRTC
11. Madhya Pradesh SRTC
12. Maharashtra SRTC
13. Manipur SRTC
14. Meghalaya TC
15. North Bengal STC
16. Orissa SRTC
17. Pepsu RTC
18. Rajasthan SRTC
19. South Bengal STC
20. Tripura RTC
21. Uttar Pradesh SRTC

#### II. MUNICIPAL UNDERTAKINGS :

01. Ahmedabad MTS
02. Amritsar Nigam Tpt
03. BEST Undertaking
04. Bhavnagar Municipal Transport Corporationn
05. Jamnagar MTS
06. Kolhapur MTU
07. Ludhiana MTC
08. Pimpri Chinchwad MT
09. Pune MT
10. Solapur MTU
11. Thane MT

III. GOVERNMENT DEPARTMENTS :

01. Andaman & Nicobar ST
02. Arunachal Pradesh ST
03. Chanigarh TU
04. ST Haryana
05. Mizoram ST
06. Nagaland ST
07. ST Punjab
08. Sikkim ST

IV. COMPANIES

01. Annal Sathya TCL
02. Anna TCL
03. Calcutta Tram. Co. Ltd.
04. Cheran TCL
05. Cholan Roadways CL
06. Dr. Ambedkar TCL
07. Dheeran Chinnamalai TCL
08. Dr. Ambedkar TCL
09. Jeeva TCL
10. Kadamba TCL
11. Kattabomman TCL
12. Mahakavi Bhar. TCL
13. Marudhu Pandiyar TCL
14. Nesamony TCL
15. Puratchi Thalaivi MGR TCL
16. Puratchi Thalaivi Dr. J.J. TCL
17. Pandiyan Roadways CL
18. Pattukkottai Azhagiri TCL
19. Pallavan TCL
20. RaniManagammai TCL
21. Thanthai Periyar TCL
22. Thiruvalluvar TCL
23. Delhi TDC
24. Himachal Pradesh TDCL
25. India TDC
26. Maharashtra TDCL
27. Tamil Nadu TDCL
28. Pondicherry TDCL
29. Meghalaya TDCL
30. West Bengal Surface TCL
31. Bihar State TDCL