CHAPTER V
FINDINGS AND SUGGESTIONS

1 SUMMARY OF FINDINGS

2 SUGGESTIONS
In this chapter the findings of the study are summarised and also suggestions are offered to improve the performance of CTC.

1 SUMMARY OF FINDINGS

i The productivity of the Corporation in terms of fleet utilisation, vehicle utilisation, average daily kilometers operated have increased during the study period.

ii The Corporation operates with the lowest bus-staff ratio of 6.9 per bus from the year 1983-84 onwards as against the norm of 7.2 per bus fixed by the Central Institute of Road Transport.

iii Breakdowns per 10,000 kms have declined considerably to 0.16 which reveals the effective maintenance policy of the Corporation. Similar is the case with regard to accidents per 1,00,000 kms.

iv There is wide fluctuation in the profit earned by the Corporation. There is no stability in the earnings.

v Cost of operations have increased during the period of study.

vi The Corporation has a very negligible net profit of 2% after interest and tax on an average and it was around 4% in the year 1972-73.

vii 95% of the revenue earned is spent by way of cost of operations itself.

viii The return on assets earned by the corporation is poor.
The Corporation is unable to earn the expected return on capital employed (ROCE) of 6% except for the two years 1972-73 and 1977-78.

SUGGESTIONS

In order to improve productivity and profitability of the Cheran Transport Corporation Limited, the following suggestions are made.

i Terminal planning and route selection should be done so as to keep the dead kms to the minimum.

ii In order to minimise unhealthy competition among sister corporations in overlapping sectors, periodical meetings of traffic managers of the concerned Corporation may be arranged to enable them to arrive at mutually agreed timings of the overlapping routes and services so as to have the highest fleet utilisation and vehicle utilisation percentages.

iii Productivity norms must be fixed relating to various indicators and parameters of productivity.

iv Norms on optimum number of buses for town and mofussil branches, so as to give maximum productivity must be evolved.

v Unit replacement methods and procedures should be developed so that down times can be kept at the minimum.

vi Well planned infrastructure facilities must be provided in order to improve labour productivity.

vii Proximity and reconditioning area and efficiency of handling repairs should be further improved.
viii Productivity targets of reconditioning various components of the bus, in respect of their life and cost of reconditioning should be fixed and arrived at.

ix Improved productivity can be achieved by better inventory control and consumption control.

x Fool proof methods to plug malpractices and leakages of revenue in ticket printing, stocking and issuing system should be evolved.

xi By properly adhering to the maintenance schedule considerable economy in the actual propulsion cost is possible. Fuel occupies a major portion of the cost of operation which should be reduced by conserving the use of it.

Substantial economy can be achieved in fuel consumption by improving the maintenance practices, controlling driving habits, introducing modifications in the fuel injection system, improving system for refueling and proper maintenance schedule, in particular, such as proper timing of engine, changing of injector nozzles whenever performance is not satisfactory, elimination of brake drag, periodical cleaning of air cleaners and maintenance of correct tyre pressure can bring about significant improvement in fuel consumption. Fuel injection pump is often advocated as a method of reducing full consumption. In fleet operation, driving habits should be controlled through proper training and refresher courses for drivers, bad driving habits like frequent braking, riding on the clutch, excessive changes in speed and very high speed should be controlled.
Service life of tyres should be improved by proper tyre maintenance programme and retreading at the prescribed level of wear and tear.