CHAPTER- I

INTRODUCTION

1.1 Introduction

Mobility is an important behavioural trait of modern man. Provision for a continuous and uninterrupted mobility of man and materials is a basic necessity of the society. Thus transport\(^1\) service provides both time and place utilities. Transportation and communication accelerate the economic and commercial growth of a country, and reduce the global radius to bring the countries closer to achieve the concept of a global village. It links up villages, towns, countries and continents and broadens the market, fosters greater factor utilization, promote greater methods of outsourcing, recreations, civilization etc. The transport sector bears a close and complex relationship with all the other sectors of a country’s economy. Thus an efficient transport system is the yardstick of an economy\(^2\).

In India, growth of population, advent of large manufacturing industries, imbalanced regional developments have all contributed to the development of

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\(^1\) The word ‘transport’ is derived from the Latin word ‘transportare’. ‘Trans’ means across and ‘portare’ means to carry. The word therefore refers to the carrying of goods and persons from one place to another. *The New Survey of Universal Knowledge, Encyclopedia Britannica* Vol. 22, William Benton, p. 409

different modes of transport. Of all the various modes of transport, road transport is the most popular because of its ready availability, flexibility of operations, adaptability to individual needs, door-to-door service and reliability. Road transport generally acts as a feeder service to rail, marine and air traffic. The Government of India recognised in its planned development programmes that roads are an inevitable infrastructure for the socio-economic development of the country. Road transport plays a pivotal role in India with an area of 3.29 million sq. kms stretched over a distance of about 3000 Kms and with about 5,92,000 villages.3

1.2 Significance of the Study

In India, high growth of population and fast urbanisation4 led to the sudden growth of passenger service in the country. Since 1950, the road length in the country increased from 4 lakhs to 33 lakhs.5 India is the third largest country in terms of road network.6 During this period the total number of vehicles on road has increased from 3 lakh to 409 lakh (136 times).

The passenger mobility in India heavily relies on the rail and road network. But since the 1950s there has been a drastic shift from rail transport to road transport. The Table 1.1 shows the trend in change of traffic from rail to road in the country.
Table 1.1
Trend in Passenger Traffic in Rail and Road in India 1951-2002

<table>
<thead>
<tr>
<th>Year</th>
<th>Passenger (in percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rail</td>
</tr>
<tr>
<td>1951</td>
<td>62.2</td>
</tr>
<tr>
<td>1961</td>
<td>42.8</td>
</tr>
<tr>
<td>1971</td>
<td>31.0</td>
</tr>
<tr>
<td>1981</td>
<td>27.3</td>
</tr>
<tr>
<td>1991</td>
<td>15.5</td>
</tr>
<tr>
<td>1995</td>
<td>12.0</td>
</tr>
<tr>
<td>2000</td>
<td>11.2</td>
</tr>
<tr>
<td>2002</td>
<td>10.1</td>
</tr>
</tbody>
</table>

Source: Indian Journal of Transport Management. (Compiled from various issues)

The Table 1.1 shows the emerging significance of road transport in the passenger sector. It shows that in the 1950s the railways had the major share (62.2 percent) in the passenger transport sector. But by 1995 it was relegated to the second position with a share of only 12 percent. Now the road transport sector handles about 90 percent of the inland passenger service. The number of passenger buses has gone up from 34,000 to 5,12,000 (15 times) during the last 50 years.7

On an average, an Indian citizen travelled 287 Km in 1950-51, out of which 187 Km (65 percent) were by rail and 100 Km by road.8 Over a span of 45 years the picture got changed considerably. The annual travel distance jumped to 2987 Kms out of which 2615 Kms were by road and only 372 Kms (12 percent) by rail9. Though the road transport can handle all types of traffic, it is ideally suited for short and medium distance movement of passengers. Road

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8 Sanjay K Singh, Estimating the Level of Rail and Road based Passenger Mobility in India, Indian Journal of Transport Management, CIRT, Pune, pp. 773-775
9 Sanjay K Singh, Estimating the Level of Rail and Road based Passenger Mobility in India, Indian Journal of Transport Management, CIRT, Pune, pp. 773-775
transport is the main mechanical mode of transport for hilly and rural areas in India, which are not served by the railways.\textsuperscript{10}

The Government has a predominant role in passenger-road transport operations, it being an essential public utility service that satisfies the traveling needs of millions both in urban and rural areas\textsuperscript{11}. In India, the Government performs this function in two ways- by the providing passenger service and allowing the private sector to render the same service; and by evolving and implementing regulatory framework to ensure comfortable, economic and safe passenger service.

On realising the significance of passenger service as a public utility service and considering its provision as part of social obligation, the Government has started providing passenger service through the formation of State Transport Undertakings (STUs). Accordingly, the first STU was formed in Andhra Pradesh in 1932 with 27 buses. In 1938, the erstwhile princely state of Travancore started the State Transport Department, with a fleet-strength of 60 buses.

Another important step taken by the Government was the nationalisation of passenger service. The Motor Vehicles Act of 1950 was amended in 1956 to incorporate special provisions for State Transport Undertakings (STUs) for the nationalisation of passenger service. The share of public sector bus service was 45.4 in 1976.\textsuperscript{12} To fulfill the social obligation, these STUs conduct passenger service in uneconomic routes also. The national statistics shows that out of the total 55885 routes operated by STUs in 1996-97, 11427 (20.4 percent) are not

\textsuperscript{11} The Road Transport Corporation Act specifies that it shall be the general duty of the corporation to exercise its powers progressively to provide or secure or promote the provisions of an efficient, adequate, economical and properly co-ordinated system of road transport service in the state or part of the state in which it is established. Quoted in “Public sector Bus Transport in India in the New Millennium” M.K.Thomas, Ebenezer Publishers, Pune, 2000, p.71
\textsuperscript{12} M.K.Thomas, Public sector Bus Transport in India in the New Millennium, Ebenezer Publishers, Pune, 2000, p. 72
covering even the variable cost of operation. The percentage-share of public sector in passenger service declined to 22.4 by 1998. And now, private operators who are set with the prime motive of profit dominate the passenger transport sector.

Enactment of laws and the constitution of supplementary institutions like Motor Accident Claim Tribunal (MACT) and Consumer Dispute Redressal Forum (CDRF) were the next steps initiated by the Government. The Motor Vehicles Act of 1914 was the first All India enactment dealing with the control over the operations of passenger vehicles. Motor Vehicles Act of 1988 regulates passenger services in the state. Kerala Motor Vehicle Department formed under the Motor Vehicles Act performs the following functions in this regard.

a) Collection of vehicle tax  
b) Issuance of licenses or permits for the use of various types of motor vehicles.  
c) Registration of vehicles  
d) Enforcement of Motor Vehicles Acts and Rules  
e) Licensing to drivers of motor vehicles  
f) Licensing to conductors of stage carriages  
g) Ensuring road safety etc.

The MACT formed under the Motor Vehicles Act compensate the passenger for the accident damages. The CDRF constituted as per the Consumer Protection Act, compensate the passengers in their status as a consumer, for the deficiencies in travel.

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1.3 Statement of the Problem

The relevance of road transport passenger service in Kerala is very high due to its unique topographical features. Its hilly nature stood in the way of development of other mode of transport, especially railways. Kerala lying in the extreme south of India, with an area of 38863 sq. kms and having a population of 3,18,38,619 (as per 2001 census) is distinct from her neighbouring states on account of many features. The density of population in the state is not only high (819 per sq. km) but unlike other Indian states, there is no much of disparity in the density of population between rural and urban areas in Kerala.\(^{15}\) In terms of Human Development Index (0.50) Kerala stands foremost among her neighbouring states\(^{16}\). Similarly, the per capita consumption expenditure in the state does not show much difference between rural and urban areas.\(^{17}\)

Kerala depends on road, rail and inland water transport for the movement of passengers and goods. The transport system in the state consists of 1,37,678 Kms of roads, 1148 Kms of railways and 1687 Kms of inland waterways.\(^{18}\) The passenger population in Kerala is estimated to be 75.94 lakhs per day.\(^{19}\)

The transport system recorded a substantial growth over the years both in the spread of network and in the output of the system. The pressure on road

\(^{15}\) On the basis of data on 2001 Census, Government of India and Panchayat Level Statistics (Kottayam District), 1996


\(^{19}\) Estimated on the basis of number of passengers used KSRTC services. Total passengers travelled in KSRTC in the year 2002 were 11087.16lakhs. Hence the number of passengers travelled in a day was 3037578 (dividing the total by 365). Assuming that a passenger travel twice in a day to complete the to and fro journey, the actual number of passengers travel in a day is estimated to be 1518789. (3037578/2). Since KSRTC handle 20 percent of the total passenger traffic in stage carriages, the total passenger population per day in Kerala would be 7593945.
system in Kerala is extremely heavy. The total road length in Kerala increased from 125835 km in 1999-2000 to 137678 km in 2000-01, registering an increase of 9.41 percent over the previous year. The availability of road length in Kerala per sq.km area is 3.54 km, is far above the national average, which is 0.91 km. It is the reflection of the unique settlement pattern in which people live everywhere in individual homesteads making the state a vast “urban” area. So the travelling need of people in Kerala is almost the same in villages and cities. For every one lakh in the population of Kerala, there are 432 km of road as against the national average of 299 Kms.

Cent percent rural connectivity is another significant feature of Kerala. All villages (1268) are connected with motorable roads. This feature of Kerala increases the scope of development of passenger service.

In order to cater to the demand of the moving population, quite a large number of vehicles are plying on the roads of Kerala. The motor vehicle population in Kerala is growing at the rate of 10 percent per annum. The number of motor vehicles having valid registration as on March 2002 was 2315372 as against 2111885 during the previous year. The vehicle density in the state is very high compared to many other states in India. Kerala has 5958 vehicles per 100 sq. k.ms of area and 7272 vehicles per lakh population; whereas the corresponding national figures were 1673 and 5489 respectively. The proportion of different types of passenger vehicles in the total passenger vehicle population is presented in Table 1.2

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Table 1.2

Passenger Vehicles and Non-Passenger Vehicles in Kerala 2001

<table>
<thead>
<tr>
<th>Type of vehicles</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage carriages</td>
<td>29090</td>
<td>6.89</td>
</tr>
<tr>
<td>Contract carriages</td>
<td>45067</td>
<td>10.68</td>
</tr>
<tr>
<td>Taxi car / Jeep</td>
<td>82236</td>
<td>19.48</td>
</tr>
<tr>
<td>Auto rickshaw</td>
<td>265767</td>
<td>62.95</td>
</tr>
<tr>
<td>Total</td>
<td>422160</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Compiled from National Road Safety Seminar, 2002, All India Federation of Motor Vehicles Department Technical Executive Officers Association and Economic Review 2002

Table 1.2 makes it clear that stage carriages constitute 6.89 percent of the total passenger vehicles. However, the data regarding proportion of passengers handled by different passenger vehicles shows that stage carriages alone accounts for 76 percent of the passenger population in the State.²⁴

The passenger service operations in the state are carried out by both public and private operators. Kerala State Road Transport Corporation (KSRTC), the seventh biggest public transport undertaking in India, has a fleet strength of 4421 buses as on March 2002.²⁵ It constitutes about 20 percent of the total stage carriage population in the State. In 2001-02, the number of passengers who availed the services of KSRTC buses was 11087.16 lakh²⁶. The total number of stage carriages population in Kerala during the year 2000 was 29090 buses.²⁷ The ratio of stage carriages to the total population in the State is

²⁶ Statistical Department, KSRTC, Thiruvananthapuram, Kerala
estimated to be 1:1031 where as the same is 1:1953 at the national level which is almost double of the state average.

Being a public utility service, with a dominant participation of the private sector, the road passenger transport system cannot be said to be foolproof unless it is supported with a strong regulatory framework.

The (Indian) Motor Vehicles Act 1914 was the first All India enactment for controlling the operations of vehicles. The main objective of this Act was to formalise the movement of vehicles in the public place in the country, for which registration of vehicles was made compulsory. The Motor Vehicles Act of 1939 was promulgated in order to ensure the role of road transport on the basis of healthy competition and as such, provisions were laid down for the involvement of the private sector involvement in the passenger service sector. This act laid down provision for the creation of Regional and State Transport Authorities to grant permits for the passenger carriages. Recognition of the identity of passengers makes this Act distinct from the former. It laid down conditions in respect of permits, bus routes, schedule timing, specification of vehicles, standard of maintenance, fare, insurance etc.

With a view to increasing the involvement of the private sector as recommended by the planning commission \(^{28}\) and on the recommendation of the working group appointed in 1984, The Motor Vehicles Act of 1939 was replaced by Motor Vehicles Act of 1988. The new Act gave thrust for simplification and liberalisation of procedure for the entry of private operators into the road transport passenger service. Liberal issue of permits to the private

\(^{28}\) The Planning Commission brought out a mid term appraisal of the seventh plan in August 1987. The document stated "As it is well known that demand for passenger service is not likely to be met in full and satisfactorily through state owned system, over the next twelve years road passenger traffic, both inter-city and intra-city is projected to treble. In this context the issue of inducting the private sector to augment passenger service assumed importance. The seventh plan visualizes this position and envisages a more stable regime regarding the role of private transport." Ray Amit, *Major Issues on Private Participation in Passenger Transport and Infrastructure*, IJTM, Vol. 24 No.5, May 2000, CIRT, Pune, p. 348.
bus operators, who are not willing to operate in uneconomic routes, is a new phenomenon in passenger service. Section 71 and 80 of the Motor Vehicles Act of 1988 states that an application for permit of any kind made at any time to the Regional Transport Authority, State Transport Authority or any prescribed authority, shall not ordinarily be refused to grant permit of any kind made at any time under this Act." This Act provides for a well co-ordinated, safe, economical and an efficient passenger service in the state.

Promulgation of an infallible regulation is not an end in itself. Rather, its implementation is equally important. For instance, with regard to the safety aspects in the passenger service, it is observed that Kerala ranks fourth among the Indian states in the occurrence of accidents. Kerala has nearly three percent of the country’s population, but it has recorded nearly 12 percent of the country’s road traffic accidents. The state has recorded the highest accident rate of 17 accidents per 1000 vehicles as against the national average of 7.27. On an average 105 road accidents take place in a day resulting in the death of seven persons and injuring 136 people per day in the state. Moreover the rate of accidents is increasing year after year. The road accidents registered an increase of three percent during 2001-2002 over the previous year.

Accidents in passenger vehicles are also very high compared to the other vehicles. The total number of accidents increased by eight percent during the past five years (1995-2000), but accidents involving passenger buses have increased by 37 percent. In 2002, stage carriages, which constitute only two percent of the total vehicles, account for 17 percent of the total accidents.

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30 Ibid.
31 Economic review 2002, State planning Board, Government of Kerala, Thiruvananthapuram, p. 214
32 Ibid
33 Ibid
The trend in number and accidents in buses in public and private sector in Kerala during the last eight years is presented in Table 1.3

**Table 1.3**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total No. of Accidents</th>
<th>KSRTC Buses</th>
<th>Private Buses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No. of Buses</td>
<td>No. of Accidents</td>
</tr>
<tr>
<td>1995</td>
<td>34933</td>
<td>3005</td>
<td>1374</td>
</tr>
<tr>
<td>1996</td>
<td>38426</td>
<td>3505</td>
<td>1332</td>
</tr>
<tr>
<td>1997</td>
<td>33536</td>
<td>3750</td>
<td>1415</td>
</tr>
<tr>
<td>1998</td>
<td>32837</td>
<td>3783</td>
<td>1732</td>
</tr>
<tr>
<td>1999</td>
<td>33979</td>
<td>3928</td>
<td>1356</td>
</tr>
<tr>
<td>2000</td>
<td>37072</td>
<td>4093</td>
<td>1416</td>
</tr>
<tr>
<td>2001</td>
<td>37256</td>
<td>4295</td>
<td>1428</td>
</tr>
<tr>
<td>2002</td>
<td>38353</td>
<td>4421</td>
<td>1351</td>
</tr>
</tbody>
</table>

Source: Economic Review, State planning Board, Government of Kerala (Compiled from various issues)

Table 1.3 shows that during the year 2002, out of 4421 KSRTC buses 1351 (30.56 percent) buses were involved in accidents. Similarly, out of 22478 private buses only 4987 (22.18) buses were involved in accidents. It indicates that KSRTC buses are more prone to accidents than private buses in Kerala.

MACT is the chief redressal mechanism with respect to the safety aspects of passenger service. Kerala stands foremost in the number of cases reported in various MACTs in the country. Reports show that out of about 10 lakhs MACT cases in the country, one and a half lakhs (15 percent) cases are from Kerala. With regard to the quality of service in the passenger transport sector, the main redressal agency is CDRF. In Kerala it functions in all districts.

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According to section 2(1) (o) of the Consumer Protection Act, passengers are consumers. Nevertheless the power of CDRF in recognising the passenger as a consumer was often questioned by judiciary and the fourth estate.\textsuperscript{36}

In spite of the fact that in terms of density of roads, vehicles, and rural connectivity, the road transport passenger service in Kerala stands in a better position, Kerala is behind other Indian states with regard to the quality and safety in passenger service.

1.4 Objectives of the Study

The main objective of the study is to evaluate the effectiveness of consumer protection laws relating to the road transport passenger service in Kerala with the following specific objectives.

i) To examine the phases of development in Passenger Service in Kerala

ii) To study the effectiveness of Regulatory Mechanism and machineries relating to road transport passenger service in Kerala.

iii) To evaluate the Redressal mechanism and machineries relating to passenger service in Kerala.

iv) To examine the perception of providers of passenger service and the passengers with regard to the laws in the road transport passenger service sector.

v) To analyse the quality of road transport passenger service provided by private and public sector in Kerala.

vi) To make recommendations for the upgrading of passenger transport system in Kerala.

\textsuperscript{36} (a). Hon'ble High Court, Kerala Law Times, 898 (2), 1999.
(b) "A passenger who travels in a vehicle regardless of the fact that it is aeroplane, train or bus, by payment of fare is a consumer ------------------- despite the attitude of print media towards the passengers is anti-consumer." 'Upaphoktha Sabdham' October 1999, Centre for Consumer Vigilance, Thiruvananthapuram, p. 26.
1.5 Hypotheses of the Study

The following hypotheses have been formulated for the present study.

i) Motor Vehicle Rules and its implementation is not conducive to an effective passenger service.

ii) CDRF is not effective in contributing to a better passenger-road-transport system.

iii) There is no significant variation in the adherence to Motor Vehicle Rules by private stage carriages and KSRTC carriages.

iv) There is no significant difference in the quality of passenger service between private and public sector in Kerala.

v) Passengers are not aware of their rights as consumer in availing of the benefits provided by existing laws.

vi) The passenger service environment in the state is not conducive to providing a satisfactory service to the passengers.

1.6 Methodology

The study is both descriptive as well as analytical. It is based on both primary and secondary data.

1.6.1 Primary data

Primary data were collected from passengers who have lodged complaints with the various Consumer Dispute Redressal Forum (CDRF), from passengers, from providers of passenger services (owners and crews) and from employees in the Motor Accident Claim Tribunals (MAC'Ts). Besides, data were required on the following of Motor Vehicle Rules concerning the construction and maintenance of stage carriages, and also on the actual distance between two adjacent fare stages.
From the passengers who have lodged complaints with CDRF, data such as mode of travel; source of information about redressal mechanism; success related aspects in redressal action; help, time and expenses involved in litigation; opinion about the procedure and execution of order of CDRF etc were collected.

Data required from the passengers includes general perception, awareness as to their right as a consumer and obeying of Motor Vehicle Rules by the crews of the passenger vehicles. Data on general perception of passengers are mode of travel, type of bus service availed of, length of journey in a week, place of complaint, reason, if any, for not complaining, opinion regarding the cleanliness and sanitation facilities in bus and bus stations, opinion about the amount of bus fare etc. Data on their awareness as to their right as consumers were obtained by getting answers to 16 questions pertaining to the important aspects of passenger service and Consumer Protection Act. Data on obeying of Motor Vehicle Rules by the crews of passenger vehicles were also required.

Data regarding the owners of passenger buses includes, their awareness about Consumer Protection Act, number of passenger complaints received, receipt of notice from CDRF, problems related to passengers, crews, road and Government etc. Data relating to crews includes type of vehicle in which they are employed, nature of employment, their awareness about Consumer Protection Act, adherence of Motor Vehicle Rules by the passengers etc. Data on obeying of Motor Vehicle Rules by the passengers were also used.

Data relating to the pending cases with MACTs include average number of cases filed and disposed, tendency to pend cases, adequacy of judges and staff, over time work in the court, number of ‘Neethi Melas’ conducted, submission of the various documents in time, infrastructural support, providing
of information by police and motor vehicle authorities, services of advocates etc.

Data on the following of MVRs with respect to the construction and maintenance in private and KSRTC buses were also required for the study.

Data on the distance between two adjacent fare stages were also considered to check its adherence.

1.6.1 (a) Methods used for collecting Primary Data.

Census Survey

A complete enumeration was conducted among the passengers who have complained to various CDRF in the last six years, to evaluate the functioning of redressal agencies in Kerala.

Sample Survey

Sample surveys were conducted among passengers, passenger service providers (owners and crews), and employees of MACTs.

A spot verification was done among private and KSRTC buses to evaluate the extend of adherence to Motor Vehicle Rules with regard to the construction and maintenance of state carriages and to analyse the distance of fare stages.

1.6.1.(b) Sample design

Passengers

Size of the sample is fixed to be 500, considering the time and cost element involved in the study. Passengers who travel at least two days in a week or ten days in a month were taken as the sampling unit.

Stratified random sampling method was used for selecting the samples. A multi-stage stratification was done in the selection of sample units. In the
first stage three zones were selected from Kerala viz. north, central and south zone, so as to give proportional representation to both private and KSRTC buses. In the second stage three districts (Kozhikkode, Ernakulam and Thiruvananthapuram) were selected giving representation to three regions in the state. In the third stage one panchayat and one municipality were selected from each of these districts by simple random sampling, to give due representation for urban and rural population. In the fourth stage one ward each was selected from these panchayats and municipalities by simple random method. Sample units were collected by simple random sampling method from these selected wards.

**Service providers (Owners and Crews)**

To collect data from the owners of passenger service, size of the sample was fixed to be 150. Purposive sampling method was used for selecting the samples. The number of KSRTC and private buses in the sample were fixed on the basis of the vehicle population in the state. Owners of 120 private bus and 30 DTOs/ ATOs were selected from three districts (Kozhikkode, Ernakulam and Thiruvananthapuram).

In the case of selection of crews of passenger vehicles, size of the sample was fixed to be 150. Here purposive sampling method was used for selecting the samples. On the basis of the population of stage carriages in the state, 30 crews from KSRTC buses, 120 from private buses were selected.

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38 The total number of KSRTC and private buses in the state during 2000 were 4093 and 19444 respectively. Administrative Report of Motor Vehicles Department, Thiruvananthapuram, p. 73.
Employees in MACTs

Out of the total 34 MACTs in Kerala, 17 MACTs were selected by lottery method and the data was collected from the employee in charge of the respective MACT.

Others

In addition to the primary data mentioned above, an investigation was also conducted among private and KSRTC stage carriages to evaluate the extend of MVRs with regard to the construction and maintenance of stage carriages. Here buses were selected as sampling unit. The size of the sample was fixed to be 250. Purposive sampling method was used for selecting the samples. The number of KSRTC and private buses were selected on the basis of the respective vehicle population in the state. Sampling units were selected by purposive sampling method.

In order to ascertain the adherence to the Motor Vehicle Rule with regard to the distance between two adjacent fare stages, 200 fare stages were selected by convenient sampling method.

1.6.1 (c) Tools of Data Collection

The following tools were used for the purpose of collecting primary data.

For collecting primary data from the passengers who had given complaints to the CDRF, pre-tested questionnaire had been sent to all (396) complainants by post. 150 duly filled questionnaires were taken for the analysis out of the total 161 questionnaires received back, after rejecting the incomplete ones. (Appendix 1).
Pre-tested questionnaires were used for collecting primary data from passengers and passenger service providers such as owners and crews of passenger buses (Appendix II, III and IV)

A structured interview was conducted to collect data from the officials of MACT (Appendix V)

A spot verification was done to evaluate the adherence of Motor Vehicle Rules by stage carriages, through personnel observation. (Appendix VI)

Another spot investigation was conducted to measure the distance between two adjacent fare stages, by personal observation method. (Appendix VII)

1.6.2 Secondary data

The secondary data used for the study were related to growth and development of roads, vehicles and passenger service, role of KSRTC and private sector, violations of Motor Vehicle Rules, road accidents, fare and factors affecting fare, complaints registered with MACT and CDRF etc.

The following were the main sources from which the secondary data were collected.

Further, newspapers such as The Hindu, The New Indian Express, Malayala Manorama, Mathrubhumi, Deshabhimani, Deepika and Journals like Indian Journal of Transport Management, Economic and Political Weekly, Southern Economist were the other sources of secondary data collected for the present study.

Apart from these published documents, data were directly collected from Ministry of Transport, Government of Kerala, Regional Transport offices, State Crime Record Beareu, CDRF, MACTs, KSRTC etc. and web sites of various agencies related to passenger service and its regulations.

Informal discussions with the officials of Kerala State MotorVehicle Department and KSRTC, State Police Department, Regional Transport Authorities, MACT, CDRF etc. were also conducted to collect relevant data for the study.

1.6.3 Analysis of Data

Documentary as well as empirical analysis was employed. For the analysis of data, tables and diagrams were used extensively, which facilitate the calculations of averages, weighted averages, percentages, standard deviations etc. Besides, scaling techniques, t-test, correlation and Chi-square analysis, were used wherever they are necessary.

The various elements that affect the hypothesis that ‘Motor Vehicle Rules and its implementation are not conducive to an effective passenger service’ were tested with statistical tools such as t-test, $\chi^2$ test etc. The hypothesis that, “there is no significant variation in the adherence of Motor Vehicle Rules among stage carriages in private and Government sector” was tested with $\chi^2$ analysis. The hypothesis that, ‘the passengers are not aware of
their right as consumers in availing the existing laws,’ was tested with t-test. All other hypotheses were tested descriptively.

1.7 Limitations

Though the general area of the study was passenger transport sector in Kerala, this study focused on passenger services in stage carriages as they contribute 80 percent of the public passenger transport in the state.

The present study is based both on primary and secondary data. In the survey conducted among complainants in CDRF through mailed questionnaire, only 40 percent of them properly responded. Some of the respondents in the surveys were reluctant to state the true and fair account of the details regarding their field of activity.

Though the study covers the entire state of Kerala, data relating to KSRTC buses were collected only from southern districts as it was presumed that specifications and standards of KSRTC are uniform throughout Kerala.

1.8 Chapter Scheme

The report of the study consists of seven chapters. The first chapter gives an introduction to the study, significance of the study, statement of the problem, objectives, hypothesis, methodology, limitations of the study and review of literature.

The second chapter depicts the phases of development of road transport passenger service.

The third chapter explains in detail the regulatory mechanisms for road transport passenger service.

The fourth chapter explains the adherence to regulations under Motor Vehicles Act and the remedial measures that are envisaged in the Motor Vehicles Act for the passenger-related problems.
The fifth chapter reveals the role of redressal mechanism and its effectiveness, established under the Consumer Protection Act, in the passenger service.

Perception of passengers regarding the passenger service sector and analysis of the awareness of passengers of their rights, as consumers are included in the sixth chapter. Besides this chapter highlights the role of providers of passenger service in the creation of an efficient passenger service ambiance.

The seventh chapter contains findings, recommendations and conclusion.

1.9 Review of the Literature

In the present study "Effectiveness of Consumer Protection Laws Relating to Road Transport Passenger Service in Kerala," an attempt is made to study how far the consumer protection laws are effective in solving the problems cropping up in the road transport passenger service. Efficiency of the road transport passenger service is measured with the yardstick of passenger laws.

So far, no attempt has been made to evaluate the effectiveness of Consumer protection Laws with regard to road transport passenger service. The existing studies on this subject has mainly given emphasis on two mutually exclusive areas viz. Consumer Protection Laws and Road Transport Passenger Service including passenger safety.

Thus the review of literature in this study is divided into two sections. The first section deals with the studies regarding Consumer Protection Laws and other allied matters and the second section is devoted to review the studies concerning passenger service and passenger service organisations.
A. Studies relating to Consumer Protection Laws

Mittal S. (1983) in his study, Indian Consumerism and Indian business, examines the various aspects of consumerism in India and its implication in Indian business and the role of the Government. His report traces the development of Indian consumerism up to the foundation of Consumer Association of India by the Government. He concluded is study stating that the Government should be the machinery to promote the consumerism movement in the country.

Academy of Administration India (1984) conducted a study on consumer protection and gave thrust on strengthening the rights and responsibility of consumers. According to the report, formation of Voluntary Consumer Organisation is the need of the hour and it gives guidelines for its formation. The report presents the idea of starting Consumer Grievances Tribunal. The role of the Government in the formation of Consumer Voluntary Organisations and Consumer Grievances Tribunals is emphasised in its report.

Singh (1987) critically analysed the Consumer Protection Legislations in India. He included MRTP Act 1969 and sale of goods Act 1930 in his study. He furnishes details about various Acts, their scope, enforcement, procedures and provisions. He is of the opinion that there is overlapping in the provision of these three Acts, which stands in the way of settlement of disputes by Redressal Fora. In his study he explained in detail, the procedure to be followed for the settlement of disputes by redressal fora.

Chandra (1990) in his study on consumer rights observes that the Indian consumers are not satisfied and that they are frustrated. According to him, the Government should provide a legal backing to the consumers and should be responsible for banning unfair trade practices. He states that consumer awareness efforts are to be undertaken by the voluntary consumer organisations
and the media should have an effective role in propagating consumer movements in the society. Further, he suggested the opening of Consumer Affairs Centre exclusively for dealing with consumer related matters.

Gurjeet Singh (1993) in his case study critically examines the provisions of the Consumer Protection Act and the rationale for its enactment. The controversial and emerging trends in Indian consumer protection jurisprudence in the post 1986 period is highlighted in his study. He suggests appropriate modifications in the statutes and his study also considers the scope for the application of the various non-legislative measures for consumer Protection.

Jayadevan (1993) in his dissertation highlighted the relevance of Consumer Protection Laws in the Banking service sector. The functions of Banks are examined in detail from the point of view of its customers. The complaints of the customers are collected and he evaluated its solution by the application of Consumer Protection Laws. He concluded that the clientele of the banks are not well aware of the protection Laws given through Consumer protection Act.

Lalitha (1993), in her study critically evaluated the functioning of Motor Accident Claim Tribunal in settling the cases of motor accident compensation claims. The aim of her study was to test the effectiveness of MACT in settling the claims. The constitution of the tribunal, nature of claims, type of disposal, sex and age of accident victims, cost of litigation, procedural formalities, disposal time of claims, type of losses, type of award of compensation, mode of award of claims etc were brought under the scope of the study. She concluded her study stating that due to procedural problems and delay in settlement of claims, the claimants are not satisfied.

Sree Vidya (1993) in her study linked consumer protection with service sector. She made a detailed study of different types of insurance policies as a service sector. Here she made a study about the service aspect of the consumer
protection laws and the link between consumer protection and public utility services. She concluded that consumer protection laws are very much helpful in redressing the grievances of unsatisfied insurance customers.

Lizzy (1996) in her PhD thesis on ‘Women and Consumer Protection’ pinpoints the role of women in promoting consumerism in Kerala. According to her, even though Kerala is leading other states in terms of literacy, the awareness of consumer protection laws are very poor. The functions of different Consumer Disputes Redressal Agencies are also made as the part of her study and she suggested various measures for speeding up the functions of these redressal agencies in Kerala. She also suggested that, since women are the most exploited group of the society, they should take an active role in propagating the idea of consumer protection movement.

Sheivadas (1998), in his PhD thesis, studied the historical development of Consumer Protection Movement not only in India and Kerala but also in the entire world. The growth and functioning of Voluntary Consumer Organisations in Kerala is well explained. The working of different consumer redressal machineries is analysed in his study. He also examined the perception of consumers regarding the Consumer Protection Movement in Kerala, and the change in the attitude of business community since the enactment of Consumer Protection Act of 1986. He concluded his study with the suggestion that mass educational programmes be introduced for making the common people to be aware of the right of consumers to avail of the protection under Consumer Protection Act.

B. Studies Relating to Passenger Transport and other allied topics

Ramanadhan (1948) had made the first attempt to study the overall performance of Andhra Pradesh Road Transport undertakings. The study was
focussed on its origin, growth and organisational setup. He suggested the formation of a corporation in order to have greater autonomy.

Stopher (1969) in his study identified the factors that influence the mode of choice decision. He concluded that abstract attributes like comfort, convenience, reliability, safety, and behavior of crews plays an important role in the choice of mode of travel.

Jayadeva Das (1971) in his study examined only the Administrative part of KSRTC and not its performance. The problems of the management in the financial and personal administration was the subject matter of his study. He had given emphasis on the fact that a diplomatic management is necessary to lift the KSRTC up from the bog of loss.

Keshava's (1972) study was about Bihar Road Transport Corporation from 1960 to 1966. The profitability of the corporation was analysed based on the contributions of the management. The study revealed that there was no change in the ratio of urban and rural services in the study period, but cost per unit of service and fleet utilisation were varying according to managerial pressure.

Alwin Prakash (1977) centred his study on the economic analysis of the performance of the Kerala State Road Transport Corporation for a period 1959-71. He studied the financial performance of the corporation in the light of its social objectives. Service on uneconomic routes, city service operations, providing concession to students and subsidising newspaper transportation were taken as variables for measuring social objectives. He found that the quality of service remained unsatisfactory in spite of the conversion from departmental undertaking to a Corporation. The factors found to be responsible were lack of control over cost of labour and materials, operation of uneconomic
routes and concession allowed to students and the transporting of newspaper bundles.

Ibrahim (1978) in his study tries to establish a relationship between transport facility and economic growth. He divides Kerala into three regions namely Malabar, Cochin and Travancore. The study reveals that there is a wide difference in the rate and structure of growth of passenger transportation among different regions. Travancore and Cochin regions give more importance to road transport while Malabar region gives emphasis to railways.

Kulkarni (1978) had studied the working and problems of passenger road transport in Maharashtra. The importance of road and road transport in general are explained in his study. The study focuses attention on the organisation and functioning of Maharashtra State Road Transport Corporation. A brief review of the history and development of passenger road transport, nationalisation and present position are also included in his study. The study of productivity in passenger transport was the main theme of his work. According to him the productivity level is not satisfactory. To prove his conclusion, he made a comparative study of different corporations.

Mangla (1982) in her study on the problems of city passenger transport observed that there is a lot of resentment in the public about the city passenger transport as an inadequate, ill equipped, poorly administrated, or poorly operated service. The aim of the study was to go deep into the complexity of present passenger problems of urban areas. He found that the problem had been aggravated largely due to haphazard growth and unplanned development in this sector. He suggested a suitable framework within which the working of the city passenger motor transport undertaking could be improved.

Vijaya kumar (1984) had made a detailed study on the performance of passenger transport in the co-operative sector in Kerala. He noticed that, in spite of all the additional advantages like tax concession at 30 percent and route
preference given to co-operative sector, they were incurring losses and even winding up. He found that private bus operators were running in profit even without concessions. Thus he made a detailed investigation into the working of the passenger service in the co-operative sector. He began his study right from the formation of the same and he observed that managerial inefficiency and organisational and related problems were responsible for the weakness in this sector. In order to prove his observation, a deep study had been made. Cost and revenue analysis of co-operatives and private operators were done. On the basis of the financial and organisational investigation he came to the conclusion that the poor performance of the co-operative transport sector was due to the organisational and administrative defects.

Arora (1987) analyzed the financial performance of Punjab Passenger Transport Industry. He observed that the industry was running in loss year after year mainly due to the increased managerial and administrative cost. He recommended that nationalisation of passenger transport was not advisable for Punjab. The inter-firm study conducted by him emphasised the need to improve managerial and technical skill of the people of public sector units.

Mishra et-al (1991) evaluated the Tamil Nadu passenger Transport system and they found that there was an inter-relationship between the organisational innovativeness and efficiency and between competition and efficiency. The competition was due to the existence of several state owned passenger Road Transport Corporations. They raised the issue of privatisation and a restructuring of the ownership and management.

Mariamma Sanu George (1993) had made a critical appraisal of the performance of the public passenger service system in Kerala. The aim of the study was to evaluate the performance of KSRTC in terms of productivity and financial indicators. The study started with a brief historical review of motor transport development in India and Kerala. The reasons for the accumulated
losses in KSRTC were studied in depth. Low fleet utilisation was the main reason for low productivity in KSRTC. The reasons she found for the low productivity were lack of labour productivity, dearth of facility in workshops, non-modernisation, increased staff-bus ratio etc. She concluded her study saying that the performance of KSRTC was unsatisfactory during the period of study and suggested that financial as well as physical performance of KSRTC had to be greatly improved.

Sunil Ashra (1995) studied the economic importance of the transport sector in India. An attempt was made to evaluate the performance of the railways and the road transport. He examined the trends in the distribution of freight and passenger traffic on rail and road, and also the implication of road and rail transport on the long-term growth of the economy. The role of transport on the economic development of certain foreign countries also formed the part of his study. He concluded that the Indian economy did not experience any acceleration as an effect of the transport operations.

Sriraman (1997) in his study observed that the road transport industry in India was finding it difficult to meet the emerging requirements. On examining the major issues, he found that inadequacies of the road network and inability of service organisation were the two main problems in the road transport industry. He recognised the involvement of the state in this problem and suggested that the private sector should be involved in the development of the infrastructure of road transport in India. According to his opinion, Build Operate and Transfer (BOT) scheme had to be promoted to cater to the needs of passenger-transport.

Koteeswaran (1999) in his study urged the need for upgrading the technologies in the urban buses. He is of the opinion that the present buses in the metro are not user-friendly to drivers, mechanics, operators, passengers and even to the environment. He suggested that low floor buses with power
steering, air suspension, central lubricating system, eco-friendly engines, and better interior furnishing were to be provided.

Reddy (1999) in his study explained the role of social objectives of passenger service organisations. His study was based on APSRTC. Running buses in the uneconomic routes was taken as an example of social obligation. He suggested that the Government should subsidise the cost of social obligations of the State Transport Corporations.

Mohinder Singh (1999) analysed the scope of privatisation of passenger service in India. He observed that private bus operators were earning profit but STUs were running in loss. He studied the ownership pattern of bus operation in almost all the states and arrived at a new strategy, like that of the National Express Ltd in U.K. He suggested that bus-travel in a state should be through a single agency, even that may be a quasi Government company. This agency should hire buses from STUs and other private parties and operate under a tightly controlled schedule observing the norms for passenger safety, convenience and comfort.

Nadaf (1999) explained the major consequence of the auto-boom in India- Accidents. In his study he found that 75 percent of the accidents were caused by driver's fault. According to him the quality of the drivers had to be improved by better training and proper licensing and that they should practice defensive driving. He suggested that the insurance companies should come forward to form driving simulators and training programmes for reducing road accidents. He also reminded of the welfare measures to be given to the driver-community.

Made Gowda (1999) studied the implication of cost of concessional travel on the working of State Road Transport Corporations (SRTCs) in India. He examined 36 SRTCs and found that the cost of concessional travel had a
remarkable bearing on the profit of the SRTCs and that the Government should subsidise the same.

Mahesh Chand (1999) studied the role of passenger buses in the accident scenario in India. In his study, he made an attempt to examine the accident frequency and the trends of bus-related accidents with special reference to public road transport undertakings. In the conclusion, he stated a few accident-abatement measures relating to drivers, vehicles and management.

Vohra (1999) made an analytical study about the growing role of private sector in passenger road transport service. He revealed through his study that the private bus operators control the lion's share (around 77 percent) in the bus transport operations and this share is on the increase. He hoped that, in future the private and public sector could be expected to effectively compete with each other, and this would be beneficial to the society. He also recommended certain entry-qualification for the private operators in this service sector. According to him, to provide an efficient passenger service, the public sector should hire buses from private operators. Finally he concluded that, both public and private sector should join together and play a complimentary role in the larger interest of the passengers.

Arun Kumar Sharma et-al (2000) in their study, revealed that National Highways were not designed scientifically and properly in order to avoid frequent accidents. According to them, traffic conditions in our country were different from those prevailing in the developed countries. Therefore solutions would have to be designed keeping in view the nature of traffic and climatic conditions. Many suggestions were given to reduce accident rates on National Highways.

Maunder et-al (2000) highlights the extent and causes of public transport road accidents in India and Nepal within the context of deregulation and privatisation in the sector. They gave recommendations to reduce both the
severity and number of public transport accidents. They comment in their study that, the improvements in road safety measures cannot be achieved by one individual or discipline, but that it is the collective responsibility of those concerned in the motor vehicle sector.

Gawhane et-al (2000) made a study of illicit passenger service in general and Maharashtra in particular. He noticed that the practice of providing loans to the unemployed youth under self employment scheme, with which they purchased light motor vehicles, and the unrestricted sanctioning of permits to tourists- vehicles are the major reasons for the development of illicit passenger service in Maharashtra. He suggested that in order to reduce loss suffered by STUs and to reduce accident rates, this parallel system of passenger service should be regulated.

Vijayalekshmi (2001) did a study on the quality of passenger service provided by Maharashtra State Transport Corporation. The aim of the study was to find, whether the passengers in and around Pune, perceive the quality of service rendered by MSRTC as matching to their expectation. The variables selected for assessing the quality of service were reliability, responsiveness, assurance and empathy. The passengers gave prime importance to the reliability dimensions followed by responsiveness. The least importance was given to assurance.

Bindhu et-al (2001) have made a study about the choosing of the mode of travel especially between KSRTC and private buses in Thiruvanamthapuram in Kerala. They remarked that the decision making process was influenced by many factors like speed, journey-length, comfort, convenience, safety, reliability etc. They ranked the attributes to get the decision. Their study found that KSRTC service was more comfortable, convenient and safer than private bus service.