CHAPTER II
WORKING AND ORGANISATION OF GUJARAT STATE ROAD TRANSPORT CORPORATION

2.1 INTRODUCTION

At present GSRTC have 16 Divisions and 128 Depots in its overall organization system. Main central office is situated at Ahmedabad. The top management (Board of Directors) looking after various activities are Government appointee (mostly IAS officers). It has three tiers system consisting of Central Office (01 at Ahmedabad), Divisions (16 – all over Gujarat) and Depots (126 as on 2008-09). If we talk of Divisional Level, it has two segments -

1) Traffic Side 2) Mechanical Side

Each Division has number of Depots functioning under it. All the depots are accountable to Divisional Head. GSRTC is operating in 3–tier system. In 3-tier system, depot is the operating unit equipped with a small maintenance workshop. A group of depots operating in the neighboring areas are working under the Divisional Management having Divisional workshop for major overhauls and repairs. The divisions come under the General Manager at the head office. This type of organization is expected to have the step by step delegation from head office, to Divisional office and to depot.

In 3-tier management system, Divisional Management is recognized as a responsibility centre. Therefore depot becomes an operating organ of the Division. Complete delegation is concentrated at the Divisional level so far as operational plan, revenue-maximization and cost-minimization are concerned. Complete documentation and accounting system are based on divisional unit as a whole by poled performance of the depots working under a Division. Division as a whole becomes a profit centre.

Top management is responsible for the strategic planning, policy drafting and making investment decisions. It also decided on procurement and distribution of resources to the Divisions. Therefore the responsibility of ‘return on the investment’ lies with the top management. Hence the organization as a whole becomes an investment centre.
2.2 OPERATIONS MANAGEMENT

- **Central Workshop**
  The Corporation has 3-tiered system of maintenance & repairs in vogue to meet with its entire Maintenance and Repairs requirements viz. Depot Workshop, Divisional Workshop and Central Workshop. The Corporation has at present 126 Depot Workshop, 16 Divisional Workshop and 1 Central Workshop which look after all major/minor mechanical works. Central workshop of GSRTC has very large area and workshop equipped with adequate machineries and very good facilities for bus body fabrication. Engine recondition tyre retreading, printing of ticket and stationeries. There are many shops/ sections/ departments for various functions.

- **Coach Shop**
  In coach shop bodybuilding on new chassis as well as on overage buses is done. As per the requirement the conditioning of bus bodies (old and accident buses) is also done.

- **Engine shop**
  Reconditioned of engine is done at Central Workshop Ahmedabad. The complete reconditioning of the engines, fuel-injection pump and injectors received from divisions i.e. operational units is done and then it is returned to the divisions for the use.

- **Machine shop**
  All kind of machine repairing work of the engines received from the divisions and other central workshop is done.

- **Tyre re-treading shop**
  Apart from the main central unit - tyre retreading workshop at Ahmedabad, corporation has another five (5) tyre retreading situated at different location like Rajkot, Bharuch, Palanpur, Godhra, Valsad, Amreli etc. Recondition is done on the worn out tires received from all the divisions and then after it is returned back to the respective destination.

- **Disposal section**
  Disposal section is responsible for declaring the buses and other machinery as scraped. The scrapped buses are sold off by way of an auction sale.
• **Inspection**

Inspection is done on final as well as at various stages of manufacturing process. Inspection is done for controlling the quality of new chassis and rework parts.

• **Planning & Engineering**

Planning & Engineering department is responsible for daily feeding in coach shop. It also undertakes evaluation and testing. Testing is done at reputed laboratories. Before placing bulk purchasing orders, the samples are tested.

• **Production**

Production department has a direct control on the production of the aluminum extrusion plant operated by contractors. It also collects new chassis from dealer and vehicle from divisions. After registration of bus is done, it is delivered to the divisions.

• **Printing press**

Corporation has installed ultra machineries for printing of bus ticket and other stationeries for as per requirement. Main printing press is situated at Central Unit-Ahmedabad.

• **Other departments**

Apart from the above departments, corporation also has other departments like administration, accounts, statistical, security branch, labor welfare section, civil engineering, EDP, etc.

**Figure 2.1: Major Routes and Divisions of GSRTC**

2.3 ORGANIZATION PROFILE

ORGANIZATION : Gujarat State Road Transport Corporation
REGD. OFFICE & CORPORATE OFFICE : Gujarat State Road Transport Corporation
Central office, Vahan Vyavahar Bhavan,
Ahmedabad – 380 022.
PRODUCTION OFFICE : Central Work-Shop
Naroda Road,
Ahemadabad.
TELEPHONE NO. : 91-79-25454163, 25454392
FAX NO. : 91-79-25453280
PROJECT LOCATION : Gujarat State Road Transport Corporation
Central office, Vahan Vyavahar Bhavan,
Ahmedabad – 380 022.

2.4 CORPORATE INFORMATION

The Corporation is headed by a Board consisting of five members. The Board is assisted by the Vice-Chairman and Managing Directors (VC & MD) for day-to-day management of the Corporation. VC & MD is assisted by Chief Mechanical Engineer (CME), General Manager (Administration), General Manager (General), Chief Traffic & Commercial Manager (CT & CM), Works Manager, Controller of Purchase and Chief Civil Engineer. The Corporation is functionally divided into 16 Divisions each headed by a Divisional Controller and Depots headed by Depot Manager.

Table 2.1: List of Various Committees Appointed by the Corporation

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of Committee</th>
<th>Chairman of the Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>General committee</td>
<td>Chairman of the corp.</td>
</tr>
<tr>
<td>2</td>
<td>Standing committee</td>
<td>V.C &amp; M.D</td>
</tr>
<tr>
<td>3</td>
<td>Scrap committee</td>
<td>General manager (Gen)</td>
</tr>
<tr>
<td>4</td>
<td>P.F committee</td>
<td>Chairman of the corp.</td>
</tr>
<tr>
<td>5</td>
<td>Special committee</td>
<td>V.C &amp; M.D</td>
</tr>
<tr>
<td>6</td>
<td>Gratuity committee class 1 &amp; 2</td>
<td>V.C &amp; M.D</td>
</tr>
<tr>
<td>7</td>
<td>Gratuity committee class 3 &amp; 4</td>
<td>V.C &amp; M.D</td>
</tr>
<tr>
<td>8</td>
<td>Central welfare board</td>
<td>V.C &amp; M.D</td>
</tr>
<tr>
<td>9</td>
<td>Purchase committee</td>
<td>Chairman of the corp.</td>
</tr>
</tbody>
</table>

Source: GSRTC Website.
2.5 ORGANIZATION STRUCTURE

Diagram 2.1: Organization Structure of GSRTC

2.6 SERVICES PROVIDED

- INTER STATE ROUTES

Corporation provides inter-state route services to passenger. As per the data of 2006-07 year, routes exclusively operated by GSRTC in Rajasthan are 49, Maharashtra 60, Madhya Pradesh 08, so in totality 117 routes are in operation. Same
way Corporation also run routes along with other states like with state of Rajasthan 14, Maharashtra 15, Madhya Pradesh 10 so in totality 39 routes.

- **MOFUSSIL SERVICES**

Corporation connects major cities, smaller towns and villages within Gujarat. Various types of services are provided like, ordinary services with low fare. Express bus services charged the fare as per ordinary bus services plus extra charge - Gurjar Nagri Bus Services, Semi-Luxury Bus services, Luxury Bus Services, Air-conditioned Services, Sleeper coaches and City Services etc. In all kind of services, the fare for a child passenger shall be charged the half of an adult passenger. No ticket for a child up to 5 years of age and 25 kg of luggage per passenger is free.

- **SCHEMES FOR PASSENGERS**

  - On November 10, 2005 new schemes for daily commuter was introduced, where by passengers are suppose to pay only 50% of the total fare. Under the schemes 3.70 lacs of daily concession pass was issued which has generated Rs. 60 crores.
  - Passenger oriented schemes like “Returned Advance Ticket”, “Group Booking Ticket”, “Weekend Tour Ticket” etc. is offered at concessional rate.
  - To door- step delivery of ticket, agents are nominated by Corporation in each city.
  - For half ticket the age limit is raised to 5 years.
  - Free luggage per passenger limit raise to 25 kg.
  - Mobile/Cell phone facilities for passenger traveling in long route bus.
  - For the first time the fare charged in Luxury bus (upto 30 kms) is same that of Local bus.

- **MODERNIZATION/ NEW INTRODUCTION**

In the year 2008-2009, the corporation had provided following traveling & accommodation facilities in its super express, semi-luxury and luxury buses:

**A) Super express – 51 seats (2*3)**

- Comfortable seat with bottle / magazine holder provided with each seat.
- Tag for placing luggage.
• PVC handles for hand holding and foot-rest.
• Audio system / FM radio facility in passenger saloon.
• Latest tube light for sufficient light during night travel.
• Attractive button type anti-skid mating on aluminum floor.
• Jack & knife type sliding door for boarding and alighting the bus.
• Fiber front show, single- piece glass and high gloss color for attractive look of the bus.

B) Semi-luxury (Gurjar Nagari) – 46 seats (2*3)

• High back seat of superior quality.
• Anti-heat attractive PVC coating to the ceiling.
• High gloss polyurethane based colors.

C) Luxury – 39 seats (2*2)

• Push back seat of superior quality.
• DVD player, TV, mobile and mobile charger facility.
• Arrangement of night lamp for sufficient light during traveling.
• Latest tube light, reading light and fen per each seat.
• Auditorium type sunken gangway.
• Attractive wooden type anti-skid mating on aluminum floor.
• High gloss polyurethane based color.

• PARCEL TRANSPORT SCHEME

The Corporation was providing parcel serviced to the trader and general public but recently the Corporation has handed it to the private party through tendering system and now parcel services is being provided by private party. The needed infrastructure like booking office will be provided by Corporation. As on date i.e. year 2006-07, corporation has 251 number of booking and delivery offices.

• SERVICES TO VILLAGES

Corporation provides direct services to all villages which are connected with motorable roads. The number of villages served directly increased to 17659 in year 2006-07.
• **BUS STATIONS**

Total number of permanent bus station, at the end of the year 2005-06 was 112 and 125 temporary bus station. Corporation has received financial grant from MLA/MP for renovation of bus station.

• **REFRESHMENT ROOMS, CLOAK ROOMS, WATER ARRANGEMENTS ETC.**

To facilitate the passengers during the journey, Corporation has number of refreshment rooms at each major bus station and depots. These all refreshment rooms are privately managed but under the control of Corporation. Along with the refreshment room it also has facility of stall for drinks, eatables etc. Hygienic Drinking water arrangement is made at all the bus stations, pick up stand through out the years. Facilities also includes, book stalls, cloak rooms, telephone booth (by tender) as well as at a token charge to blind person.

• **SPECIAL SERVICES:**

- Services to accommodate some major schedules of railway
- Festival services
- Services connecting to industrial zones
- Services connecting to schools and colleges
- Services connecting to pilgrim places

• **ENVIRONMENT FRIENDLY CNG BUSES**

Giving due priority and weightage to the drive taken by the Central Government as well as State Government in the direction of Pollution control, Corporation put into operation 100 new CNG buses in consultation with the State Government in the year 2005-06. Thus, in all, 200 CNG buses are in operation by GSRTC (as per 2005 data). The Corporation has put more 100 CNG vehicles and 1000 Diesel Euro-II Vehicles in operation with the financial help of State Government. Cost of operating CNG route is 0.75 paisa Per Kilometer less than that of operating Diesel route.
2.7 COMPUTERIZATION

In order to come out with modernization, the computerization in different fields has been introduced in G.S.R.T.C. To highlight a few, details of hardware; software and training etc. are enumerated as under:

- Successful implementation of “Conductor Way Bill Accounting System” at 125 Depots. (Implemented in 2006).
- Central Office, Central Stores, all 16 Divisional Offices and 125 Depots are connected with GSWAN (Gujarat State Wide Area Networking).
- Computerized Pass Issue System has been introduced for Daily & Student passes.
- 7700 Electronic Ticketing Machines have been introduced in all 7000 Schedules.
- First in country to introduce GPS/GIS based Bus Tracking & Monitoring System in luxury buses.
- Central Stores and all Divisional Stores have been computerized. Inventory Management System has been implemented successfully.
- Laboratory testing analysis at Central Store has been computerized.
- Pay Bill and Provident Fund System of all employees have been computerized.
- Statistical analysis has been carried out through computerized system.
- E tendering process has been established.
- Bio Matrix attendance system has been established at all divisional offices and central offices.
- Online ticket reservation system in 10 depots (pilot – in February 2009).

GSRTC have launched its own website www.gujaratsrtc.com. Online time table for express services has been uploaded on website and also through SMS. GSRTC wishes to introduce computerization at all level viz. depot, division, CWA and central level. The system requirement specification study has been completed and we have drawn an IS/IT plan for the future activities of computerization and phase wise implementation of the same has been started 50 depots would be computerized for “conductor way bill accounting system”.

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2.8 INTERNAL – STRUCTURAL FACILITIES

- 22 new bus terminals are being built up by spending Rs 15.35 crores.
- 26 City and 13 Village pick-up stand are being built up from MLA-MP funds.
- Under the scheme of “NIRMAL GUJARAT” all the bus station at district as well as taluka levels are decorated/white washed and all the primary requirements are added to it.
- For making International Bus Terminal, under the scheme of “Public-Private-Partnership” tenders are invited for seven bus terminals (7) Ahmedabad, Surat, Vadodara and Mehsana.
- Gandhinagar bus station has being up-graded by spending Rs 2.85 crores and Naroda (Ahmedabad) by Rs 3.00 crores. The amount for up gradation was sponsored by IOC.
- Satellite Bus Station is build up at Subhash Bridge (Ahmedabad), Nizampura (Vadodara) and Udhna (Surat).
- CNG filling station has being added up at Gandhinagar, Ahmedabad, Vadodara and Surat. Corporation is also planning to establish such filling station at other places.

2.9 FARE STRUCTURE AND RATE OF PASSENGER TAX

Table 2.2: Details of Fare charged by GSRTC

<table>
<thead>
<tr>
<th>Services</th>
<th>Minimum Fare up to 6 stage</th>
<th>Additional</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ordinary</strong></td>
<td>Rs. 3.00 for adult and Rs. 2.00 for child</td>
<td>Rs. 1 Up to 5 stages. Rs. 2 for a journey from 6 to 10 stages. Rs. 3 for a journey from 11 to 15 stages. Rs. 4 for a journey exceeding 15 stages.</td>
</tr>
<tr>
<td><strong>Express</strong></td>
<td>Rs 5.00 for adult and Rs 3.00 for child</td>
<td>Rs 1.80 per stage of 6 kms from 16 to 35 stages. Rs 1.30 per stage of 6 kms thereafter shall be chargeable. Rs. 2 per passenger</td>
</tr>
<tr>
<td>Class</td>
<td>Adult Fare</td>
<td>Child Fare</td>
</tr>
<tr>
<td>----------------------</td>
<td>------------</td>
<td>------------</td>
</tr>
<tr>
<td>Gurjar Nagri</td>
<td>Rs. 8.00</td>
<td>Rs. 4.00</td>
</tr>
<tr>
<td>Semi-Luxury</td>
<td>Rs.10.00</td>
<td>Rs. 5.00</td>
</tr>
<tr>
<td>Luxury</td>
<td>Rs.10.00</td>
<td>Rs. 5.00</td>
</tr>
<tr>
<td>Deluxe</td>
<td>Rs.20.00</td>
<td>Rs. 10.00</td>
</tr>
<tr>
<td>Air-Conditioned</td>
<td>Rs.25.00</td>
<td>Rs. 13.00</td>
</tr>
<tr>
<td>City Services</td>
<td>Rs. 2.00</td>
<td>Rs. 1.00</td>
</tr>
</tbody>
</table>

**Note:** The fares mentioned above are inclusive of passenger tax @ 17.50 for mofussil services and @ 1 % for city services.
2.10 GOVERNMENT GRANTS

Table 2.3: Showing Financial Grant from State Government

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Capital</td>
<td>17.86</td>
<td>17.69</td>
<td>17.69</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>2.</td>
<td>Loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>For New Buses</td>
<td>1.78</td>
<td>184</td>
<td>100</td>
<td>194.03</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>For I.T</td>
<td></td>
<td>1.95</td>
<td></td>
<td></td>
<td>5.97</td>
</tr>
<tr>
<td>4.</td>
<td>For Nirmal Gujarat</td>
<td></td>
<td></td>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>For Passenger Tax</td>
<td>184</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>203.47</td>
<td>203.64</td>
<td>133</td>
<td>215</td>
<td></td>
</tr>
</tbody>
</table>

Source: Operational Result Statements.

GSRTC is established for the benefit of general public. It is commonly known as S.T among the public GSRTC carry on an average 23 lacs of passenger daily all over the State. Standing with the turnover of 1500 crores per annum, covering 26 lacs kilometer daily and giving a tough fight to the private road transport operators, Corporation has provided safe and economical journey to the people of Gujarat and Other States. To facilitate GSRTC in fulfilling its social obligation and to adhere to the Road Corporation Act, State Government from time to time, is contributing in the form of financial grant.

Every year contribution in form of Equity Capital is given by the government. Considering the direction of Central Government towards eco-friendly buses, to reduce pollution, Corporation purchase CNG buses. GSRTC was the only Corporation to come out with CNG bus for rural as well as inter-state route. As per the data given in the above table in year 2005-06 Rs. 184 crores was released by government for purchase of 200 new CNG buses and 1000 Diesel buses. Same in the consecutive years the amount was released by the government as a drive to include new bus (more CNG) in the total fleet size.

A turnkey IT project has been initiated to leverage IT solutions for the improvement of different functions being carried out in the Corporation. It is considering the possibility of making each of the system on-line. Government has given grant to make the corporation computerization. Corporation has tried its level best to implement modern information technology into the system. Computerization is also think off as a
strategy toward reduction in the operating cost. For example, lot of cost was involved in re-issue of ticket, printing duplicate ticket, etc. During the year 2007-08, Corporation has started making use of electronic ticket machine at all 7000 schedule. Computerization of record keeping at all the depots was also done.

The financial burden in the form of Passenger Tax is huge on the Corporation. Just to relive the financial burden government also release some financial help in terms of grant to pay off the tax amount.

2.11 COMPOSITION OF FLEET HELD

1. Diesel – Leyland and TATA
2. CNG- Leyland and TATA

The Fleet of the Corporation mainly comprises of Leyland and Tata makes of Vehicles. The stipulated life of the various vehicles is kept at 7.00 lacs kms. The percentage of traffic & workshop spare vehicles is kept at 10% so that as many vehicles as possible could be available.

2.12 DIESEL KMPL INCENTIVE SCHEMES

The high diesel KMPL achieved every year by the Corporation is largely due to the incentives scheme for Diesel KMPL introduced & Implemented in the Corporation since 1974-75. The incentives schemes was revised and modified schemed is implemented from 2004-05. Due to the revised scheme, along with saving in Diesel there has been substantial reduction in the amount of incentives paid.

The entire requirement of oil for air cleaners in the Corporation is met with from the burnt oil after refining of the burnt oil at the centrifugal plant installed at the Divisional Workshop, Ahmedabad. The corporation has since 2002-03 started using Solvent Liquid in place of Diesel for the purpose of spare Parts washing at every depot/divisional workshop. The solvent being quite economical compared to diesel, the corporation has realized not only good saving in diesel but gained substantial monetary benefits as well.

The Corporation has installed in all 16 KRE Brand Automatic Vehicle Washing Machines at Head Quarters depots of all the 16 divisions. With this washing machine, it is possible to wash one \vehicle within 3 minutes.
Table 2.4: Showing on Road/Off-Road Buses

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Year</th>
<th>Vehicles held</th>
<th>On-Road</th>
<th>Off-Road</th>
<th>Vehicles Utilisation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2003-04</td>
<td>9042</td>
<td>7729</td>
<td>1162</td>
<td>85.87</td>
</tr>
<tr>
<td>2</td>
<td>2004-05</td>
<td>8473</td>
<td>7113</td>
<td>1309</td>
<td>85.50</td>
</tr>
<tr>
<td>3</td>
<td>2005-06</td>
<td>8118</td>
<td>6767</td>
<td>1112</td>
<td>83.00</td>
</tr>
<tr>
<td>4</td>
<td>2006-07</td>
<td>7987</td>
<td>6854</td>
<td>667</td>
<td>85.79</td>
</tr>
<tr>
<td>5</td>
<td>2007-08</td>
<td>8076</td>
<td>6918</td>
<td>707</td>
<td>86.00</td>
</tr>
<tr>
<td>6</td>
<td>2008-09</td>
<td>7628</td>
<td>6697</td>
<td>-----</td>
<td>87.79</td>
</tr>
</tbody>
</table>

Source: Annual Reports.

According to the data shown above, the Vehicle Utilization was less than 90%. In year 2005-06, the number of vehicles held was 8118 and on-road is 6767, where as the number of vehicles off –road was 1112 (Off- road means the Vehicle was not of that condition which can be sent on road). Due to lack of proper maintenance staff and materials the number of off-road vehicles increased. From the financial point of view, the number of off Road vehicles held by GSRTC add to the operational cost i.e. maintenance cost plus the value of the vehicles gets depreciated. So if more number of vehicles is off-road, it naturally adds to the cost.

Figure No 2.2 : Types of Buses


2.13 STAFF/EMPLOYEES RATIO

Employee holds a key place in any business enterprise. The success of business enterprise depends to a large extent on the quality of its personnel. The plan of business may be logically sound and structure of organization may be perfect, but if the recruitment and training of personnel are unscientific business cannot grow. The growth of business depends mainly on the willingness and ability of its employees. Thus we can say “management is the development of people and not the direction of
things” hence human resource has assumed an independent status as a fund of management.

Table 2.5: Showing the Number of Staff

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No. of Staff</td>
<td>58324</td>
<td>54523</td>
<td>52043</td>
<td>49956</td>
<td>47759</td>
<td>44557</td>
<td>41667</td>
</tr>
</tbody>
</table>

Source: Annual Reports.

Over the period of time, the over all staff position has declined. Corporation has also reduced few officer level positions. Keeping the pace with reduction in the number of vehicles, the number of staff has also reduced. Same was being observed in the case of the route being scheduled and effective kilometers. During the year 2005-06 number of depots has come down to 132 i.e. 6 depots in totality has been closed down. The functioning of the minor depot was clubbed with the major depot at that region was a proper step to reduce cost. At present (year 2007) there are in all 126 depots functioning. Trend of route operated show the reverse picture. One can observed the number of route operated in year 2005-06 was 6564 route which was increased to 6679 during 2006-07.

As the number of route has increased, in spite of the fact that the number of Vehicles has not increased and at the same time the total number of staff position has also gone down, the earning from traffic during the year 2006-07 has improved by 8.74% as compare to the previous year.

Table 2.6: Showing Bus Staff Ratio

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Year</th>
<th>Staff Ratio</th>
<th>Overall Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2002-03</td>
<td>7.22</td>
<td>5.03</td>
</tr>
<tr>
<td>2</td>
<td>2003-04</td>
<td>7.46</td>
<td>5.22</td>
</tr>
<tr>
<td>3</td>
<td>2004-05</td>
<td>7.11</td>
<td>5.01</td>
</tr>
<tr>
<td>4</td>
<td>2005-06</td>
<td>6.80</td>
<td>4.83</td>
</tr>
<tr>
<td>5</td>
<td>2006-07</td>
<td>6.47</td>
<td>4.50</td>
</tr>
<tr>
<td>6</td>
<td>2007-08</td>
<td>6.32</td>
<td></td>
</tr>
</tbody>
</table>

Source: Annual Reports.
If we look at the cumulative total staff cost (Staff cost + Staff welfare) then,

Staff Cost = Crews + Other traffic Staff + Repair & Maintenance Staff + Admin Staff + Central Unit Staff.

Staff Welfare Cost = P.F on the all the above staff + Pension + Gratuity + Welfare & Superannuation.

Bus Staff Ratio means number of staff involved with one bus.

- During the year 2003-04, Total Staff cost was Rs. 61756.14 against the Earning Per Kilometers (EPKM) (in Ps) of Rs. 1229.01. The cumulative Cost Per Kilometer (CPKM) was 609.87 contributing 40.82% of Total Earnings.

- During the year 2004-05, Total Staff cost was Rs. 55316.39 against the EPKM (in Ps) of Rs. 1301.95. The cumulative CPKM was 597.96 contributing 37.9% of Total Earnings.

- During the year 2005-06, Total Staff cost was Rs. 59986.35 against the EPKM (in Ps) of Rs. 1285.25. The cumulative CPKM was 674.08 contributing 38.24% of Total Earnings.

- During the year 2006-07, Total Staff cost was Rs. 56427.85 against the EPKM (in Ps) of Rs. 1459.1. The cumulative CPKM was 603.13 contributing 41.34% of Total Earnings.

In spite of the fact that the number of staff has reduce, the percent of cost in total earning was increased. Taking inflation into consideration from time to time government has increased the percent of dearness allowances and rate of house rent allowances given to the employees. The amount of P.F and gratuity given has also added up the cost of staff per bus. Huge amount of arrears has also been settled during the year. The earning per kilometers had increased due to route rationalization and increasing the use of CNG buses.

2.14 RECRUITMENT AND SELECTION PROCESS

The corporation continued the policy of issuing the advertisement in newspapers and inviting application for filling the vacant positions to be filled in by direct sector, including the officers in class I & II cadres. However, the names from concerned district employment exchange were called for at the rate of names per each vacancy.
About 75% vacancies are filled in by departmental promotion and 25% vacancies are filled in by direct sector. For the lower categories like clerk, helper, driver, conductor, peon and watchmen 100% recruitment is done from direct source.

In the lines with the State Government, the Corporation has prescribed the percentage of posts reserved for members of Scheduled Caste (SC), Scheduled Tribes (ST) and socially and educationally backward classes for employment in the services. About 75% vacancies are filled by departmental promotion and 25% vacancies are filled in by direct sector in which the candidates of SC/ST are given benefits as per the roster system on the government lines. For the lower categories like Clerk, Helper, Driver, Conductor, Peon and Watchman 100% recruitment is done from direct sector. At the time of recruitment in few categories of staff the relaxation in height, experience, age, and education is given to SC/ST candidates. Normally applications of such candidates are not rejected due to small errors and one way free traveling pass is issued to SC/ST. The percentage of SC/ST in the employment of the Corporation remains steady at 21.30% while the percentage of socially & educationally backward class decreased from 30.41% as on 31.03.2005 to 28.03.2006.

2.15 STRATEGIC MOVE

New recruitment and selection is not taking place at the same percent age as was previously done by the Corporation. To meet the requirement of staff, it has adopted a strategy of using the existing staff on the basis of over time rate rather than recruiting new staff. Recruitment of new people involved lot of cost, starting from training and up to giving them future benefits in terms of P.F/Gratuity etc. The Table No.2.7 reveals the clear picture of the smart move of the Corporation.

**Table 2.7: Rate of Over Time**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rate of O.T</td>
<td>1287</td>
<td>1407</td>
<td>1229</td>
<td>1097</td>
<td>1427</td>
<td>2597</td>
<td>3095</td>
</tr>
<tr>
<td>2</td>
<td>No. of Route Operated</td>
<td>18507</td>
<td>17275</td>
<td>16217</td>
<td>15750</td>
<td>15352</td>
<td>15513</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>EPKM Traffics (in paisa)</td>
<td>943.11</td>
<td>997.57</td>
<td>1057.87</td>
<td>1134.16</td>
<td>1233.34</td>
<td>1259</td>
<td>1332</td>
</tr>
<tr>
<td>4</td>
<td>Vehicles Utilization (kms)</td>
<td>361.44</td>
<td>360.75</td>
<td>359.03</td>
<td>363.04</td>
<td>376.55</td>
<td>398</td>
<td>417.24</td>
</tr>
</tbody>
</table>

Source: Operation Result Statements.

**Note:** OT is amount of Rs spend on giving over time per annum.
The rate of over time was showing increasing trend. This may be due to reduction in the number of staff. As the number of staff reduces, corporation is trying to utilize the existing employees for getting the work done. By utilizing the existing staff, it can reduce the cost of giving P.F, Pension and Gratuity etc in a near future. The policy of recruiting new staff has just reduced due to reduction in number of vehicles and depots. One can call it a smart move of the corporation of bringing down the total cost of staff. In year 2006-07, the amount spend on giving over time has increased. Daily traffic revenue has increased may be due to increase in daily operated kms.

2.16 LABOR SETTLEMENT

Under Industrial Dispute Act, 1947 the settlement takes place at a pre-decided duration. At GSRTC it is taking place after every 5 years.

Unions Involved

- Gujarat State Transport Workers Federation
- Gujarat State S.T. Employee Mahamandal
- Bhartiya Majdur Sangh
- Members of the Union - only Class III & Class IV Employees.

Table 2.8: Number of Strike Notices

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Year</th>
<th>Pending at the end of the P.Y</th>
<th>Received during the Year</th>
<th>Disposed during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2003-04</td>
<td>06</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td>2</td>
<td>2004-05</td>
<td>05</td>
<td>12</td>
<td>02</td>
</tr>
<tr>
<td>3</td>
<td>2005-06</td>
<td>15</td>
<td>09</td>
<td>19</td>
</tr>
</tbody>
</table>


The trade union is very active in GSRTC. Many unsolved cases are solved due to pressure from the union. Even the long pending arrears and various monitory settlements are taken very actively by the union.
**Step-wise flow of dispute settlement in the Decision Makers**

Diagram 2.2: Settlement in the Decision Makers

1. Chief of the Department
2. Study & Decision by Divisional Controller / Study & Decision by Works Manager / Study & Decision by Chief of the Head Office
3. Vice-Chairman and CAO of the Committee
4. State law court

The settlement includes the detailed agreement on issues like welfare, wages, compensation for duties, Allowances, Special Pay Allowances, Policies regarding job, incentive schemes.

The all aspects of class III & class IV employees are covered and policy for that is pre-decided. Under the Labor Settlement all the issues regarding the Class III & Class IV employees is included to be settled for 5 Years.

All the environment factors that are changing like Inflation are also taken into the consideration.

**Table 2.9: Number of Cases Settled and Amount involved**

(As on 31st March’2008)

<table>
<thead>
<tr>
<th>Sr.No</th>
<th>Description</th>
<th>No. of Cases Settled</th>
<th>Amount involved (in Lacs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Provided Fund</td>
<td>3616</td>
<td>6503.43</td>
</tr>
<tr>
<td>2</td>
<td>Service Gratuity</td>
<td>3021</td>
<td>5007.06</td>
</tr>
<tr>
<td>3</td>
<td>Group Gratuity</td>
<td>89</td>
<td>32.24</td>
</tr>
<tr>
<td>4</td>
<td>Group Insurance</td>
<td>257</td>
<td>167.05</td>
</tr>
<tr>
<td>5</td>
<td>Gratuity Cases (Suppl.+ Settlement Suppt)</td>
<td>628</td>
<td>41.01</td>
</tr>
</tbody>
</table>


**SPECIAL ALLOWANCES AND INCENTIVE SCHEMES**

Various allowances and incentives like Telephone, washing, over time, physically disabled, watchman allowances, Backward and rural area special allowance, Night duty allowances etc are given.
Incentive system

GSRTC has introduced various incentive schemes viz,

- For motivating children for higher education;
- Monetary incentives for depots achieving high EPKM;
- Incentives for maintaining bus (maintenance and in/out condition of bus);
- Incentives to crew for exceeding certain limit of ticket issuing based on past data avg. and L.F. of route.

2.17 WELFARE ACTIVITIES

As a part of welfare activities, GSRTC has formed Welfare Committee as under:

- For HO- 1 member of each Union
- For Divisional Office – 1 member from the all unions

Many welfare activities are undertaken by the corporation like:

- Staying provisions for women employee;
- Facility for driver conductor;
- Better working environment and safety at all the places;
- Better tools in the work-shop;
- Sports, welfare and social center;
- Insurance, medical treatment, maternity leave, revolving fund for advance, loan;
- First aid, legal aid and other type of help;
- Help in accident during duty hours etc.

Table 2.10: Number of Welfare activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No. of Welfare Center</td>
<td>14</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>2</td>
<td>No. of Dispensary</td>
<td>141</td>
<td>129</td>
<td>129</td>
</tr>
<tr>
<td>3</td>
<td>Family Planning for the workers</td>
<td>05</td>
<td>050</td>
<td>------</td>
</tr>
<tr>
<td>4</td>
<td>Incentive to Employees (Rs.)</td>
<td>250</td>
<td>200</td>
<td>------</td>
</tr>
<tr>
<td>5</td>
<td>No. of Canteens</td>
<td>11</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>6</td>
<td>No. of consumer Stores</td>
<td>02</td>
<td>03</td>
<td>03</td>
</tr>
</tbody>
</table>

2.18 RATIONALISATION OF ROUTES

Corporation is into the strong rationalization of the routes. 6448 loss making trips has been cancelled and 7419 trips had been added up in the route where the traffics are more. By doing so on an average the route (in kms) has increased by 24211 kms and 971 trips.

By rationalization of route, Corporation is able to increased Vehicle Utilization by 20 kms and Total Fleet Utilization by 10 kms. As compared to the previous year 2007, 32 more scheduled have been increased resulting into revenue earning of Rs. 80.80 crores.

Table 2.11: Details of Earning and Cost Per Kilometer

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Year</th>
<th>Revenue (per km in Rs.)</th>
<th>Cost (per km in Rs.)</th>
<th>Profit/Loss (per km in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2003-04</td>
<td>13.97</td>
<td>14.89</td>
<td>(.90)</td>
</tr>
<tr>
<td>2</td>
<td>2004-05</td>
<td>14.82</td>
<td>16.43</td>
<td>(1.61)</td>
</tr>
<tr>
<td>3</td>
<td>2005-06</td>
<td>16.06</td>
<td>17.32</td>
<td>(1.26)</td>
</tr>
<tr>
<td>4</td>
<td>2006-07</td>
<td>16.23</td>
<td>17.94</td>
<td>(.71)</td>
</tr>
<tr>
<td>5</td>
<td>2007-08</td>
<td>14.41</td>
<td>16.76</td>
<td>(.23)</td>
</tr>
</tbody>
</table>

Source: Annual Reports.

Route rationalization is look as a strategy towards cost reduction. By rationalizing the route, Corporation was reducing the number of loss making routes, i.e. to say the route where the seat was not properly utilizes are cancelled and the vehicles and crew members are utilized for the route where traffic was more. More number of routes was added up against the number of routes cancelled. By doing this, the cost of operation remains same but the Corporation can increased the revenue from traffic and there by vehicle and crew utilization can be increased

Table 2.12: Consumption of Diesel per Kilometer

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Year</th>
<th>Diesel (per km in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2002-03</td>
<td>5.30</td>
</tr>
<tr>
<td>2</td>
<td>2003-04</td>
<td>5.24</td>
</tr>
<tr>
<td>3</td>
<td>2004-05</td>
<td>5.19</td>
</tr>
<tr>
<td>4</td>
<td>2005-06</td>
<td>5.20</td>
</tr>
<tr>
<td>5</td>
<td>2006-07</td>
<td>5.25</td>
</tr>
<tr>
<td>6</td>
<td>2007-08</td>
<td>5.53</td>
</tr>
<tr>
<td>7</td>
<td>2008-09</td>
<td>5.35</td>
</tr>
</tbody>
</table>

Source: Annual Reports.
GSRTC has come out with various incentives schemes for achieving highest EPKM. Since many years together it has achieved the highest EPKM among all the State Transport Undertakings. The Diesel consumption per kms of GSRTC was around 5 to 5.50 (Rs.) but against this the consumption of CNG bus was 0.75 paisa per kms less than that of diesel, and as a tool to control cost in form of diesel, Corporation is moving toward more number of CNG buses.

2.19 SUPPLY CHAIN MANAGEMENT

The supply chain management (purchase department) works with the central stores department, divisional Purchase departments. They prepare annual requirement for each division for whole year based on the previous data by forecasting technique. Calendar for the material requirement was prepared for whole next year and month-wise. These were prepared with interaction of store quantity all over Gujarat, checking existing stock. The net requirement was prepared for approval of General Manager. After approval Tenders are floated and contract is selected. The rates are for the whole year is fixed. Though the party is selected for giving the whole quantity yearly, it is retrieved at each department from the channel of that supplier in Gujarat to the divisional stores as per monthly calendar and the actual quantity of the requirement that is different from the forecasted quality is also demanded as surplus or deficit quantity from the vendor as the actual is always different from forecasted.

Software used – INMANS (inventory management system)
Connectivity - GSWAN (All division and CWA)
**Process of SCM**

Forecasting

Divisional level requirement

Available store quantity

Divisional level requirement

Checking and validate

Total (net) requirement

GM Approval

Float Tender

Divisional monthly calendar

Diagram 2.3: Supply Chain Management

**Process of Tender Selection**

E – Tender

Bid opening

Technical specification match

Financial specification match

Negotiation

With 3rd lowest bid to lower than 1st lowest

With 2nd lowest bid to lower than 3rd or 1st lowest

With 1st lowest bid to lower than other lowest

Give Contract

Diagram 2.4: Process of E-tender
2.20 MECHANICAL ENGINEERING DEPARTMENT

Figure 2.3: Mechanical Engineering Department

Mechanical Engineering Department oversees the vehicle maintenance and shop maintenance activity. It also looks after the cost and consumption in all maintenance related activities. There are sections given for all kinds of engineering related activities for easiness and close look at all operations.

1) **Chassis** – new requirement planning and replacement of chassis.
2) **Tyre re-treading** – focus on whole tyre maintenance.
3) **Chassis maintenance** – based on the GSO (general statutory order) made by experienced staff, suggestions of Tata and Leyland officers and inspection of bus in house.
4) **Body maintenance** – maintenance of body on chassis.
5) **Analysis**: Regular overall (oil, fuel, engine), tyre, Chassis Body.
6) **Tyre re-treading plant maintenance**.
7) **Shop machine maintenance**.
REFERENCES:
3. Operational Result of GSRTC from 2001-02 to 2008-09.
5. Statement for target and achievements of GSRTC from 2001-02 to 2008-09.
11. Gujarat Samachar-29th October, 2009-GSRTC to Go For Modernization By Adding 21 Hi- Fi Terminals.