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INTRODUCTION

1.1 Road Transport in India:

India is a vast country. There are about 6,00,000 villages in India. About 30% population lives in towns and the rest in villages. The Indian villages look like scattered human concentrations unconnected with one another. They are like the split pearls of the necklace.

With achievement of independence in 1947 and introduction of economic planning in India, high hopes were raised in the minds of the people of a higher standard of living and necessary ingredient of this was naturally an efficient, economic and adequate means of transport from and to the remotest of the villages. The provision of a transport system, so large in size and resource needs, could not have been handled if the Government had not stepped in. This brought in a large scale expansion of public sector road transport undertakings already existing and starting of new undertaking in those areas where none existed earlier.

In India road transport holds out the most promising and potent for rapid industrial and agricultural advancement, general economic growth and a better life for all. India has certainly made impressive achievements in the industrial field, but progress has been so far in the large urban industrial centres and metropolitan cities, while the rural population do not enjoy a
proportionate share of whatever material benefits have been conferred on the urban population in general due to economic progress achieved by systematic planning. India is still beset with the village problems where the scale of agricultural and other economic operations are inadequate and inefficient. On account of this, majority of the population living in about 6 lakhs villages live below the poverty line.

The salvation of our village population lies in changing their agricultural practices from subsistence farming to commercial agriculture and from old outdated methods of farming to modern scientific method. To bring about this change in Indian villages, what we should have is an extensive national system of roads and road transport that will penetrate the remotest villages, connecting them with the small market towns and urban centres, where the villagers can sell their products to advantage and buy the necessary inputs for their agricultural activities and take them, where they want at the minimum cost and at the right time. To attain this result, active development of roads and expansion of road transport for revolutionizing the entire socio-economic fabric of our country is to be fully understood and adequately exploited.

Transport has been described by experts as the veins and arteries through which the life blood of the economy flows. It is only through an efficient and economic road transport system, a vast and developing country like India can achieve the goals of Industrialization, as well as the social,
cultural, and political institutions can be built up and the life of the people in
general can be enriched. Some people have gone even to the length of
saying that transportation is civilization.

1.2 Road Transport in Maharashtra:

As per the States Reorganization scheme of Government of India, the
linguistic State of Maharashtra was politically evolved on the 1st May 1960.
The area of Maharashtra State is 3,07,713 Sq.kms. As per the area, it is the
third largest state of India after Rajasthan and Madhya Pradesh. The state is
about 800 kms from East to West and 700 kms from North to South. As per
the census of 2001 the population of Maharashtra was 9.68 crores.

The framework of the physical setting of Maharashtra is simple. The
Sahyadri or the Western Ghats, with an average height of 1200 meters runs
southwards along the western edge of the Deccan Plateau from near the Tapi
mouth and extends much further beyond the southern limits of the state(1).

To have a clear understanding about the system of transport, it is
essential to study its origin and evolution and the factors that have
contributed to its development from older to present time. The roads in the
ancient and medieval times were used both for transport and
communication. The roads were mostly narrow and unmetalled and

Ref.: (1) Prof. B. Arunachalam, Maharashtra, Sheth publishers, First Edn, 1967. PP.3
rough. Bullock carts were the main modes of transport. There was a
general lack of interest in road development. Mumbai-Agra road is being
the oldest route.

The famous Nagpur Plan of roads was evolved in December 1943 for
the first time in the history of India. This plan gave a systematic
classification of roads into the i) National highways   ii) State highways   iii)
major district roads   iv) village roads and   v) other district roads. The
objective of this plan was that no village in a well developed agricultural
area should remain at a distance of 5 miles from the main road. While in
other agricultural area no village should remain more than 20 miles from the
main road.

The independence of India set in motion a process of changes which
have far reaching effects on the transportation also. In the olden days, a
villager never moved more than 10 km. from his village. If he went on
pilgrimage, he often performed his own ‘sraddha’ before leaving the home.
Today, thousands of villagers go on ‘Bharat Darshan’ and travel from one
end of India to another, not only to the places of pilgrimage but also to see
the tourism centres, developed now a days in India.

A 20 years road development plan (1961 to 1981) was formulated.
The object was to give proper attention to the development of roads in rural
areas, the semi-developed and under developed areas, places of pilgrimage,
industrial and commercial centres and the improvement of the existing roads to meet the growing intensity of the traffic.

Modern land, water and air transport have been developed in Maharashtra, especially during the 20th Century. The Indian railway system is presently the largest in Asia and Second largest in the world. In case of railway transportation preference has been given to the freight transport and hence the expansion of passenger trains has been much less than the growth of the freight traffic.

In Maharashtra for the transportation of passengers and goods, railways and road transport are complementary to each other. Road transport is having certain advantage over railway transport, such as, door to door service, lower operational and maintenance cost, flexibility in timetable according to the need of passengers etc.

History : MSRTC :

Early bus services in Maharashtra (then the part of the states of Bombay, Madhya Pradesh and Hyderabad) were started early in 1920s largely due to the local entrepreneurs. With no regulatory laws governing the public transportation services, these services run in ad-hoc manner. The Motor Vehicle Act of 1939 brought in amongst many other things, such as, regulation of fares, standard routes and rules for governance and monitoring of public transport providers. As a result of the act individual operators
were asked to form a union on defined routes in a particular area. Bus schedules were set in, pickup points, conductors and fixed ticket prices were mandated. The implementation of the act rectified matters to an extent. The individual operators were asked to form union on defined routes in a particular area. This also proved to be beneficial for travellers as one sort of scheme set in for above matters. The driver and conductor used to wear khaki uniforms and peak caps. There were about 10 types of buses such as Chevrolet, Ford, Bedford, Seddon, Studbaker, Morris commercial, Albion, Leyland and Fiat.

Then in 1948 Bombay State Government commenced its own state sponsored road transport service called ‘State Transport of Bombay’. A statutory corporation was formed in December 1949 under the Road Transport Corporation Act 1948. The first blue and silver topped bus took off from Pune to Ahmednagar in 1948. In the meantime, in 1950 the Central Government under the initiative of Morarji Desai, the then Home Minister passed the Road Transport Corporation Act 1950. This Act delegated powers to the states to form their individual road transport corporations. The Bombay State Road Transport Corporation (BSRTC) was formed following this, later on whose name was changed to Maharashtra State Road Transport Corporation after the re-organisation of the states. The corporation was reconstituted subsequently in 1950 to fall in line with the provisions of the Road Transport Corporation Act 1950.
As a consequence of the Re-organization of states the three southern divisions viz, Bijapur, Hubli, Belgaum were transferred to Mysore state and Abu in the North was transferred to Rajasthan State from January 1957. Further, as a result of bifurcation of the bi-lingual Bombay state with effect from May 1960, five divisions viz, Palampur, Ahmedabad, Nadiad, Baroda and Surat were transferred to Gujarat State.

With effect from 1st July 1961, the Provincial Transport Services, Nagpur and the State Transport, Marathwada (Part of the old Hyderabad State Transport) were merged with the corporation and the new corporation was named as Maharashtra State Road Transport Corporation.

The MSRTC is established by State Government of Maharashtra with the provision in section 3 of RTC Act 1950. The MSRTC is operating its services by the approved scheme of Road Transport published in the notification MVA/3173/30303-XII A dt. 29.11.1973 in official gazette. The area covered by the scheme is the entire area of the State of Maharashtra. The undertaking is operating and contract carriage service in the entire area of the State of Maharashtra except S.T. undertaking defined in section 68A (b) of MV Act and other exception published in the scheme.

The present MSRTC represents the confluence of the streams for providing passenger road transport in the public sector. This is related to the Pre-1956 re-organization of State of Bombay, Madhya Pradesh and Hyderabad, However, in the chronological (as per the order of time)
sequence and the place of priority providing public road transport services goes to the Hyderabad State.

In the early 1950s two luxury coaches were also introduced with Morris Commercial chasis. These were Neelkamal and Giriyarohini and used to ply on the Pune-Mahabaleshwar route. They had two by two seats, curtains, interior decoration, a clock and green tinted glasses. Having seen the S.T. undergone number of Changes lists them off as increasing seating capacity from the original 30 to 45 to the present 54, introduction of all steel bodies to replace wooden bodies to make stronger and cushion seats for more comfort. Later in 1960 aluminum bodies were introduced especially in coastal areas, and colour code also changed to red from the blue and silver. A partial night service was launched in 1956, the overnight service about the decade later and the semi luxury class came into being during the Asian Games.

Significantly, the S.T. does not only carry people but also takes care of the postal mail, distribution of newspapers and even tiffins to children studying in the bigger towns., In rural areas it helps farmers to transfer their goods to the cities. All this in the face of bad roads, recurring losses, hiked taxes and yet retains it identification of a transport service for everybody. No matter what the S.T. reaches every village, that is connected by road, however, bad it may be, truly living to its motto of 'Jithe rasta tithe S.T.' (where there is a road, there’s a S.T.bus).
The corporation has achieved its target of 100% nationalization and is the biggest nationalized transport undertaking in India as on 31st March 1975. The corporation was operating some city services and the percentage of city services to the total operation is very small and as such the corporation is not maintaining separate statistics for the same.

Since the objective is one of offering nationalized services in the entire state on a monopoly basis, it operates services on many katcha roads, hence there is heavy curtailment of schedules during the monsoon season.

Having seen the history of the MSRTC in brief, there are some features relevant to the study which are described as follows: -

MSRTC runs bus services starting from the basic bus service for the masses to the Air conditioned bus service meeting the world class standards. The types of services run by MSRTC are –

Ordinary:

A basic bus service is provided by MSRTC. The buses are in red uniform. The service is meant to connect entire Maharashtra together. This includes smallest of towns irrespective of the road or revenue conditions. The main motto of this service is not profit making but the service of people from the masses. The buses are fairly comfortable, extremely economical and offer various concessional services for Senior citizens, students, war widows, freedom fighters and so on. This is one of the trend setting
example in the public sector and has been serving Maharashtra for number of years. The major fleet of MSRTC consists of these buses.

**Parivartan:**

Parivartan is a marathi word, which means ‘Change’. This is nothing but a changed face of the ordinary red bus service. This is a successful attempt made by MSRTC to offer comfortable services to masses. This consists of a $2 \times 2$ seating arrangement and offer better comfort. These are slowly replacing the ordinary buses from the fleet and also responsible for ‘Change’ (Parivartan) in urban people’s mindsets about the ordinary ST bus services. The fare structure of parivartan buses is same as that of the ordinary buses and all the concessions can also be availed.

**Asiad:**

The first ever comfortable bus service in the country meant to ferry the sports persons of the Asiad games which took place in 1982 is now become an inevitable part of Maharashtra’s intercity transport. The Asiad is a non-air conditioned, semi luxury bus service with $2 \times 2$ seating arrangement. The Asiad bus service was recognized by Mrs. Indira Gandhi, the Prime Minister during 1982, as, this was the first Government built, owned and operated bus service offering world class comfort at that time. Lateron, MSRTC used these beautiful white and green buses with a blue band on their lucrative Dadar-Pune sector and got an overwhelming response from the commuters. MSRTC decided to keep the service in
operation on this route and started producing more Asiad buses at their workshops. Slowly the Asiad services were introduced on other sectors. Today Asiad buses run between all the cities in Maharashtra.

Shivneri:

This is the another example of the corporation in keeping with the time. Shivneri is an Air-conditioned bus service of MSRTC between important cities. Most of the services are operated by world class Volvo-B7R buses in a light blue livery. The services were started on Dadar-Pune sector and now MSRTC operates Shivneri bus services on many selected routes. Currently MSRTC operates Shivneri Buses on Dadar-Pune, Boriwali Pune, Nashik-Pune, Aurangabad-Pune etc. Plans for starting long haul routes like Mumbai-Banglore, Nagpur-Pune, Nagpur-Aurangabad etc. are in process.

City Bus Service:

As an intercity and semi urban service arm, MSRTC is providing services that cater to the transportation needs of mid size and smaller towns which do not have their own transportation services.

Daily Tours:

MSRTC operate daily conducted tours by Asiad buses to the tourist destinations around Aurangabad like Ellora, Ajanta and Daulatabad where in they also take a note of the destinations in the city. MSRTC is also
providing Yatra, Parcel Courier and Tourism package services to selected groups of people.

MSRTC is one of the largest fleet owners in India, operating a fleet of approximately 16,510 buses that ferry 70 lacs passengers daily on 18,868 routes. The ordinary, Parivartan, Asiad and City buses are built at MSRTC's in house workshops at Pune, Aurangabad and Nagpur on Ashok Leyland and Tata chassis. These workshops produce as high as 2000 buses per annum on an average. The real secret of the buses built at MSRTC workshops lies in their safe and lightweight body structures with low maintenance and cost effective design. The corporation has (9) Nine Tyre Retreading Plants along with 30 divisional offices and has evolved as one of the best State transport service providers to the nation.

1.4 Main Objects of MSRTC:

1) To provide adequate transport services to the masses in the Maharashtra State.

2) To provide transport services to the population who lives in villages in Maharashtra State.

3) To provide economical transport services at the reasonable cost to all class of passengers.

4) To provide regular transport services as per schedule in each and every corner of Maharashtra State.
5) To provide safe transport services for the passengers all over the Maharashtra State.

6) To provide reliable transport services and to create confidence among the passengers regarding the service provided by MSRTC.

7) To provide the transport services in the other states of the country.

8) To provide transport services for fair and festivals, weekly bazaar etc.

9) To provide well equipped bus stations and pickup sheds for the passengers.

10) To provide various facilities to the passengers like refreshment rooms, books and other stalls.

11) To provide various types of bus services to suit the needs of different category of passengers.

12) To provide efficient and effective parcels transportation facility to the entire State of Maharashtra.

13) To provide passenger transport service as a part of ‘Social responsibility’ of MSRTC.
Henri Fayal listed the different functions of management in a systematic manner and identified planning, organizing, staffing, leadership, co-ordination, motivation and control as the most important functions in the management. A number of research studies were carried out in various functional areas of management and in their applications budgeting, budgetary control and cost control etc.

Robert N. Anthony in his famous thesis ‘Planning and control systems: A framework for Analysis’, considered planning and control as possible main topics for a framework, but rejected them on the grounds that although they are distinguishable mental process, they do not relate to a separate major categories of activities actually carried on in any organization like State Transport Units, either at different times or by different people or for different situations. After discussing the other possibilities Anthony suggests as the most useful framework i.e. strategic planning, organizational and management control and operational control. Amongst the different concepts developed in the area of planning and control, it was felt that Anthony’s framework was the best suited for study of planning and control systems in any organization.

In the Indian context the recent study by Prof. S.K. Bhattacharyya \(^{(3)}\) indicates that the objectives of the study carried out by him was to analyse the implementation problems of management and organizational control systems in Indian companies and to determine the relationship between the problems of implementation and the characteristics of the companies and the design of management and organizational control systems.

Another major study that was conducted in India in the area was by Dave \(^{(4)}\) and Murthy. The study was made in 36 organizations but the focus was more on financial/cost accounting mechanics rather than management and organizational control.

Another study entitled ‘Management Control in Road Transport Undertakings’ carried out by Mr. A.W. Lammond \(^{(5)}\) was a memo graph published the Central Institute of Road Transport (Training & Research) Pune. The study was made basically with the objective to prepare a monthly performance appraisal format for evaluating the performance of a depot in a typical State Transport undertaking.

\[\text{Ref. (3) Bhattacharyya S.K. – Op.Cit. P.} 1\]
\[\text{(4) Dave Mahendra – Control Practices in Indian Industry, 1972.}\]
\[\text{(5) Lammond A.W. Management Control in Road Transport undertaking, Pune CIRT Research Paper.}\]
The study carried out by Mr. G.P. Keshava (6) in Bihar State Road Transport Corporation is mostly to evaluate the performance of the Corporation. Similarly, the reports by ‘Road Transport Taxation Enquiry Committee’ and the study group on ‘Road Transport Financing’ are short studies in the area of performance studies.

A study carried out by Mr. Satyanaraya (7) was basically the study related to ‘Management Planning and Control systems in State Transport Underkings’. This was the comparative study of MSRTC, GSRTC, KSRTC, APRTC & UPRTC regarding management, organizational structure, performance, budgeting and budgetary control and cost control etc.

Another major study conducted by Mr. M.C. Dixit (8) on the thesis entitled ‘A study of the Poona Municipal Transport Administration with reference to its service efficiency’. The study is related only with the city passenger transportation, in a metropolitan city like Pune. He had studied the problems of Mass Transportation in Pune, the progress of PMT, Cost, Revenues & operational efficiency of PMT, pricing, policy, rate structure, route planning and scheduling of PMT only. The study was limited to Poona city only.

(8) Dixit M.C. A Study of P.M.T. Corporation with reference to its service efficiency – a thesis submitted to Pune University.
One of the important study conducted by Shri. Dilipkumar Halder on the thesis entitled ‘Public undertaking in Motor Bus Transportation in the city Calcutta’. The purpose of the study was to explore the basic problems faced by public undertakings in Calcutta and to suggest a general way in which the problems looked into so that its performance can be satisfactorily assessed. In the thesis short sketches of organizational setup of the agencies under public and private ownership, that meet the passenger transport demand has been developed. He also tried to make suggestions for the improvement of management and performance of the CSTC.