

CHAPTER - I I

MAHARASHTRA STATE ROAD TRANSPORT CORPORATION AND ITS NATURE.

- 2.1 Introduction
- 2.2 State Transport Undertakings in India
- 2.3 Beginning and Formation of MSRTC
- 2.4 Objects of MSRTC
- 2.5 Services that are offered and operated by MSRTC
- 2.6 Formation and Working of MSRTC
- 2.7 Administration and Organization of MSRTC.
- 2.8 Organization Structure of Finance Department
 - SCHEDULE - A
 - SCHEDULE - B
 - SCHEDULE - C
 - SCHEDULE - D
 - SCHEDULE - E.

CHAPTER - II / MAHARASHTRA STATE ROAD TRANSPORT
CORPORATION AND ITS NATURE.

2.1 Introduction:

In this Chapter on Passenger Road Transport, we shall first deal with the origin of the Undertakings which are mainly classified under two heads, i.e. private and government sectors.

Out of these two, we are concerned with the Government undertakings, which are further divided in four parts as:

- a) Government Undertakings (State Transport),
- b) Government Companies,
- c) Government Departments,
- d) Municipal Undertakings.

Accordingly, M.S.R.T.C. came into being with its main objects that are to be performed in respect of services to the passengers.

In view of this, the formation of MSRTC is made. In such type or organization, administration plays a vital role for the accomplishment of its objects.

2.2 State Transport Undertakings in India:

In our country, passenger route transport is governed under two sectors, i.e. Private and Government Sectors. The nationalized Road Transport is working under four heads of the Government:

- a) Government Undertakings (State Road Transport Corporation),
- b) Government Companies,

- c) Government Departments,
- d) Municipal Undertakings.

In the process of studying the financial aspect of MSRTC, it is necessary to know the different types of Corporations, Companies, Government Departments and Municipal Undertakings that exist in our country.

A) Government Undertakings.

- | | |
|--|-------------------------|
| 1. Andhra Pradesh SRTC | 2. Bihar SRTC |
| 3. Calcutta STC | 4. Delhi TC |
| 5. Durgapur STC | 6. Gujarat SRTC |
| 7. India Tourism Development Corporation | |
| 8. Karanataka SRTC | 9. Kerala SRTC |
| 10. Madhya Pradesh SRTC | 11. Maharashtra SRTC |
| 12. North Bengal SRTC | 13. Pepsu RTC |
| 14. Orissa SRTC | 15. Rajasthan SRTC |
| 16. Uttar Pradesh SRTC | 17. Assam SRTC |
| 18. Himachal RTC | 19. Jammu & Kashmir RTC |
| 20. Meghalaya TC | 21. Manipur SRTC |
| 21. Manipur SRTC | 22. Tripura RTC |

B) Government Companies.

- | | |
|--|--|
| 1. Anna TCL | 2. Cheran TCL |
| 3. Cholan R/WCL | 4. Pallavan TCL |
| 5. Pandian R/WCL | i) Metropolitan, |
| 6. Thanathal Periyar TCL | ii) District |
| 7. Thiruvalluvar TCL | 8. Kattabomman TCL |
| 9. Orissa R.T.Co.Ltd. | 10. Bombay Metro TCL |
| 11. Maharashtra Tourism Development Corporation Limited. | |
| 12. Kadamba T.C.Ltd. | 13. Tamilnadu Tourism Development Corporation. |

C) Government Departments.

1. Haryana ST
2. ST Punjab
3. Chandigarh T.U.
4. Nagaland ST
5. Sikkim NT
6. Government of Mizoram T.S.
7. Bhutan Government Transport Service.

D) Municipal Undertakings.

1. Ahmedabad MTS
2. B.E.S.& T. Undertaking,
3. Pune Municipal Transport,
4. Kolhapur M.T.U.
5. Solapur M.T.U.
6. Pimpri-Chinchawad MT
7. Amritsar Nigam Transport
8. Jamnagar MT.
9. Municipal Corporation Transport, Ludhiana.

The Maharashtra State Road Transport Corporation is the largest public sector undertaking in passenger road transport in India, in the Asian Continent and in the whole world.

In this Chapter, we shall deal with detailed working of the MSRTC since its formation.

2.3 Beginning and Formation of MSRTC:

Indian Government came into power after having the independence in the year 1947 from the British Government. This Government felt the necessity of Nationalized Road Transport in the interest of uplift of masses and steps were taken in this connection.

In the first instance, the Provincial Government approved the scheme of re-organizing the State Road Transport and established the Department of State Road Transport on 1st April, 1948. In the course of time, the State Transport Department had to face many difficulties in respect of its procedure, expenditure, recruitment and sanction in this regard.

So, the then Government of Bombay set up a High Power Committee to take decisions in the matter. Although the working of High Power Committee was efficient and smooth, the Government felt that the Nationalization of any industry would not serve its purpose unless the administration is entrusted to a statutory public board with autonomous powers vesting in it. Accordingly, the Government of Bombay passed Road Transport Corporation Act of 1948 and established the Bombay State Road Transport Corporation with effect from 17th November 1949.

At the same time, it was further decided that the capital contribution required for the scheme of nationalization of road transport was to be financed by the Central and State Government in the ratio of 1:3 and this ratio was further modified as 1:2 with effect from 1.4.1952.

The Parliament passed another Road Transport Corporations Act in the year 1950, which enabled the State Governments to constitute under Section 3 of the Corporations Act 1950, a Corporation for the various districts in the then Bombay Province.

In the beginning, there were only 36 vehicles in Poona Division in June, 1948, but in 1952, there were 1,946 vehicles in 11 divisions at disposal.¹

Bifurcation of Road Transport Divisions
of the then Bombay State, 1956:

Due to the formation of States on linguistic basis, the three divisions, namely, Belgaum, Bijapur and Hubli, were handed over to the then Mysore State on 18th November, 1956, and Abu-Pocket was handed over to Rajasthan on 1.1.1957. The Government of Bombay took the possession of Saurashtra State Road Transport Corporation, Kutchcha State Road Transport Corporation, Provincial Transport Services, Nagpur, and the State Transport of Marathwada.

For the sake of controlling and proper co-ordination of all the three various operating Undertakings, they were placed under the control of the Transferred Road Transport Undertakings Department, i.e. T.R.T.U.D.

During the life time of T.R.T.U.D., efforts were made to bring uniformity in the following cases:

1. Passenger fares,
2. Rates of contract buses,
3. Construction of bus bodies,

4. Parcel Traffic Scheme as per the scheme of Bombay State Road Transport Corporation.

On 1st May 1960, the then Bombay State was bifurcated into two States, i.e. Maharashtra State and Gujarat State, and accordingly, the Bombay State Road Transport Corporation was also divided into two States on 1st July, 1961. The jurisdiction of Maharashtra State Road Transport Corporation covered the entire State of Maharashtra merging the State Transport Marathwada and Provincial State Road Transport Services, Nagpur, in the Corporation.

2.4 Objects of MSRTC:

In this manner, the area to be covered under the jurisdiction of the MSRTC has been fixed (latest map attached).

This has led the Corporation to fix its objects for the uplift of the masses and development of the national economy.

The geographical existence of Maharashtra State constitutes mountains, hills, plateaus and uneven land throughout the State. As such, whole population resides in the interior part of the State, which is known as undeveloped and backward area. So, naturally, the State Government has to think for the progress of masses residing in these parts by bringing them into contact with the cities. The transport is one of the most important industries for developing the national economy by reaching in every nook and corner of the State.

In the past, there were very uneasy and old methods in carrying the passengers as regards the number of passengers, fare

Madhya Pradesh

Andhra Pradesh

Gujarat State

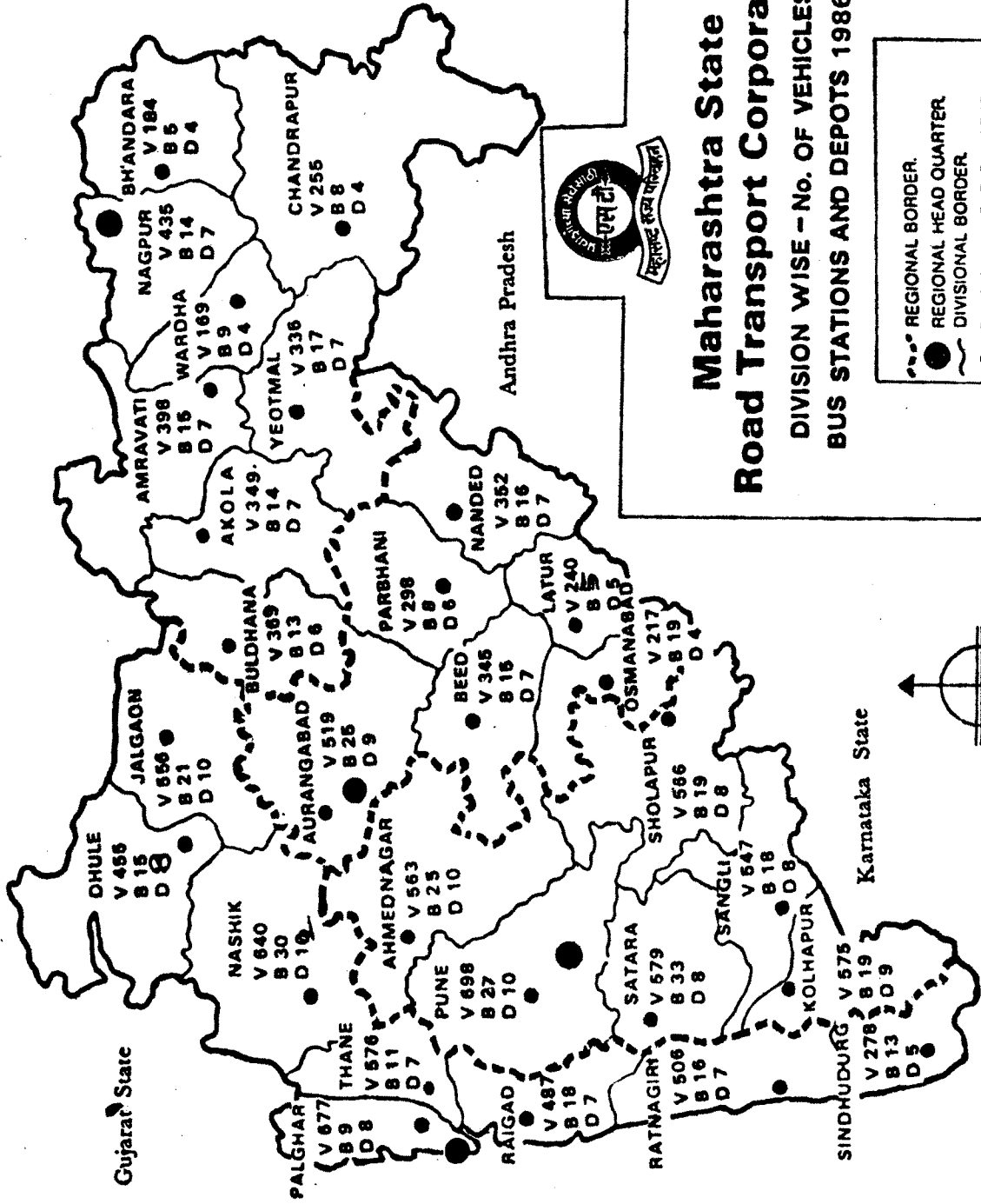
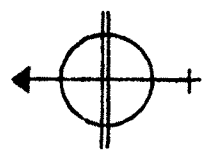
Karnataka State



Maharashtra State Road Transport Corporation

DIVISION WISE - No. OF VEHICLES,
BUS STATIONS AND DEPOTS 1986-87

- REGIONAL BORDER.
- REGIONAL HEAD QUARTER.
- DIVISIONAL BORDER.
- DIVISIONAL HEAD QUARTER.
- V No. OF VEHICLES 31-3-87
- B No. OF BUS STATIONS
- D No. OF DEPOTS



and comfort.

It was, therefore, decided that the Government can itself set up into the business of road transport and make it public-owned business, in order to ensure that the services are run in the public interest and that profits accruing from the operations were utilized back into road transport services in the following manner:

1. To provide better and cheaper services in view of the poor earnings of the masses;
2. To eliminate harmful and uneconomical competition and overlapping of services;
3. To reach in remote places for uplift of masses by providing maximum number of stands and pick-up sheds in the interests of the people;
4. To increase the size of the operation units;
5. Unified control over the administration;
6. Punctuality of services;
7. Cleanliness of buses and healthy accommodation and amenities to the passengers.

2.5 Services that are Offered and Operated by MSRTC:

The slogan is "Wherever there is road, there is a State Transport Bus Service". With this basic slogan, the various types of services that are offered and operated by the MSRTC are shown below:

1) Night Services:

Since the introduction of night services, there was a great demand from travelling public and particularly, business communities to

start such services. There was much saving of time and money as people use to work full day and return to their home by catching night buses. These services are now very much popular in Maharashtra, and public is also willing to pay extra charge of about 10% of the normal fare for night services.

2) Long Distance Services:

Long distance services are very convenient, because there is no transshipment in between and people travel from their village to the district places and even to Bombay without change of service enroute. These services operate for 250 kms. or more. The income of these services are not so satisfactory but are operated in the public interest.

3) Luxury Services:

Luxury services are operated between important business centres and places of tourist attractions. Income from these services are not satisfactory but they are run as prestige services. Buses, which were built for ASIAD GAMES in 1982 are now running as Luxury and Semi-Luxury buses, which have become attraction of travelling public in all over Maharashtra.

4) Express Services:

Express Services are started on routes where there is demand for direct journey between important destinations. There is also demand for 'Non-Stop' service which is also fulfilled in certain cases.

5) Fairs, Festivals and Excursion Tours:

Extra buses are operated for the benefit of travelling public especially for the tourist, pilgrimage traffic, the students visiting public spots and places of tourist attractions.



6) Emergency Services:

Wherever any emergency or national calamities arise, Maharashtra State Road Transport Corporation runs the services in the interest of the nation.

7) Casual Contract:

Buses are provided to the parties on casual contract and on drop-contract basis, as per rate schedule fixed by the Corporation.

8) Inter-State Services:

Agreements are made with neighbouring States operating services in the territories of the other States on reciprocal basis.

9) Parcel Services:

It was observed that space provided on the roof of the buses for the carriage of personal luggage of the passengers was not fully utilized and, therefore, parcel transport scheme was introduced in order to get additional revenue by transporting parcels on the roof of the buses without incurring any additional cost of operation.

10) City Services:

Maharashtra State Road Transport Corporation has taken responsibility to run the city-services in some of the cities like Nagpur, Sangli-Miraj, Satara, Nasik-Nasik Road, Ichalkaranji and Ratnagiri.²

11) Amenities to Passengers:

Maharashtra State Road Transport Corporation is providing various types of amenities to the passengers, such as bus-stations, pick-up sheds, retiring rooms, cloak rooms, refreshment rooms, tea stalls and book stalls.

2.6 Formation and Working of MSRTC:

Now we shall deal with the formation and functions of Board and administration, organizational structure of the MSRTC.

In the initial stages, the road transport operations in the then Bombay Province were operated and controlled as a Government Department. In 1950, the Bombay State Road Transport Corporation came into existence. An autonomous Corporation Board was created and Chairman as a Head, was appointed by the Government of Bombay. Secondly, a Corporation Board was appointed consisting the members from public life and Government officials to work as members of the Corporation. The Board was appointed to help the Chairman in taking decisions on all policy matters.

The Road Transport Corporations Act of 1950 was passed to provide for State monopoly in bus operations and for enabling the State Government to form a Road Transport Corporation in order to operate an efficient, adequate, economical and properly co-ordinated transport service. The Act further provides that the operations should be carried out on "Business Principles". The Chairman and the Corporation Board were authorised to fulfil the aims and objects laid down in the Road Transport Corporations Act, 1950. This Board, therefore, can be rightly described as the legislative body of the Corporation, who can take decision on the policy matters and guide and control the administration of the Corporation.

Corporation Board:

The Corporation Board consists of the following 6 (six) members:

1. Chairman,
2. Vice-Chairman/Managing Director,
3. and four (4) Directors.

They are fully authorised to frame policies and take decisions on all matters.

The Vice-Chairman/Managing Director is appointed by the Government from IAS cadre. He is assisted by the following heads of important Departments and Sections of the MSRTC as shown below:

Important Departments and Sections of MSRTC:

- 1) Traffic Department under Dy.General Manager (TR),
- 2) Mechanical Engineering Department under General Manager (ME),
- 3) Stores and Purchase Department under Dy.General Manager (ME),
- 4) Inspection and Operation Methods under Dy.General Manager (I&O&M),
- 5) Personnel Department under Dy.General Manager (Dy.G.M.I.&R.)
- 6) Chief Labour Officer.
- 7) Security Department under Chief Security Officer (C.S.O.),
- 8) Civil Engineering Department under Dy.General Manager (Civil),
- 9) Public Relation Section under Public Relations Officer (P.R.O.),
- 10) Statistical Section under Chief Statistician.
- 11) Legal Adviser - Legal Section.
- 12) Development, Production and Planning Section under Dy.General Manager (Development, Production and Planning),
- 13) Central Training Institute, Bhosari.

2.7 Administration and Organization Structure of MSRTC:

The administration of the Maharashtra State Road Transport Corporation is governed by the following offices:

- 1) Central Office at Bombay,
- 2) Regional Offices at Bombay, Pune, Aurangabad and Nagpur,
- 3) Central Workshops at Dapodi (Pune), Nagpur and Aurangabad,
- 4) Divisions - 28.
- 5) Depots - 202.

The main function of the Central Office is to formulate the various policies of the MSRTC and to take final decision on the matters referred by the various sub-ordinate offices.

The organization structure of the MSRTC is shown in the following schedule.

A) First Stage:

Organization Structure at the Central Office:

The Minister-in-Charge is the head of the Maharashtra State Road Transport Corporation and he is assisted by his Deputy Minister.

All policies are framed by the Chairman, Vice-Chairman and Board of Directors.

The day-to-day working and implementing of all policies framed by the Corporation are controlled by the Vice-Chairman/Managing Director.

The Vice-Chairman/Managing Director is assisted by the heads of the various Departments and sections for implementing the policies framed by the Corporation and in controlling the day-to-day working of the MSRTC as shown in Schedule-A.

The Central Office is the main authority which controls all the achievements of regional offices and divisional offices and depots in respect of the following:

1. Administration,
2. Traffic Operation,
3. Auto Engineering and Stores,
4. Civil Works,
5. Finance,
6. Industrial Relations and Labour Welfare,
7. Plan and Prospects,
8. Dealings with Central and State Governments.

In addition to the above, Central Office tries to make co-ordination between the regional offices, divisional offices and depots, working and guides them at every stage with a view to acquire better earnings for improving of financial ideal developments in this field.

B) Second Stage:

Organization Structure at the Regional Offices:

The Maharashtra State Road Transport Corporation is divided into four (4) regions for its smooth working, viz. Bombay, Pune, Nagpur and Aurangabad.

The regional offices are working as per the directions issued by the Central Office and guides the Divisions under the Regional Office.

The Regional Manager is in-charge of his region and he is assisted by various officers, as shown in Schedule-B.

The Regional Manager is also the controlling officer of all divisions placed under his control.

Each Region is controlled by a Regional Manager, who is assisted by the following officers:

1. Regional Engineer (ME),
2. Regional Statistician,
3. Regional Divisional Controller,
4. Regional Personnel Officer,
5. Regional Labour Officer,
6. Finance and Accounts Officer,
7. Senior Security Officer,
8. Executive Engineer (Civil).

With a view to avoid delay in the day-to-day working, the powers vested in the Central Office have been decentralized and delegated to the above officers in the regional office.

There are 4 (four) Regions and their respective Divisions under them are as:

1. Bombay Region Thana, Palgnar, Ratnagiri, Sindhudurg, Raigad, Nasik, Dhule and Jalgaon.
2. Poona Region Kolhapur, Sangli, Satara, Pune, Ahmednagar, Solapur.
3. Aurangabad Region Aurangabad, Nanded, Beed, Parbhani, Osmanabad, Latur.
4. Nagpur Region Nagpur, Chandrapur, Akola, Amravati, Yeotmal, Wardha, Buldhana, Bhandara.

C) Third Stage

At Divisional Level:

In the third stage, the job of the Divisional Office is to control and co-ordinate various depots working under it.

The Divisional Controller is assisted by several officers as shown in Schedule-C.

In the third stage system, the Divisional Controllers have been empowered to control the whole Division under his control and is made responsible for carrying out the following work:

1. R.T.O. Passing,
2. Major Docking Work,
3. Running and Heavy Repairs,
4. Reconditioning of Vehicles.

The Divisional Controller is assisted by the following officers in the above work:

1. Mechanical Engineer,
2. Divisional Mechanical Engineer,
3. Assistant Mechanical Engineer,
4. Divisional Traffic Officer,
5. Divisional Traffic Superintendent (Default),
6. Divisional Accounts Officer,
7. Divisional Engineer,
8. Divisional Stores Officer,
9. Assistant Personnel Officer,
10. Security Officer,
11. Labour Officer,
12. Divisional Statistician.

The duties of the above officers are at par with those of the officers in the Central Office and the Regional Office in respect of their Departments and Section.

D) Fourth Stage:

At Depot Level:

The most important and last part of this organization is Depot, which is functioning under the direct control of the Divisional Controller. The organization structure is shown in Schedule-D.

In the Depot Workshop, daily and weekly maintenance and periodical checking are carried out and minor repairs are also attended.

The Depot Manager is assisted by -

1. Assistant Traffic Superintendent,
2. Assistant Workshop Superintendent,
3. Depot Accountants,
4. All Drivers and Conductors work under Depot Manager.

This is the main arm of the Corporation from revenue point of view. Hence, the maximum amount of revenue is collected with all the possible care without losing any proper opportunity of earnings.

Simultaneously, due care has to be taken to avoid all unreasonable expenditure with watchful eye, because the entire span of development of Corporation and prospects are dependent on the fair functioning of the Depot.

All the collection made by various Depots in the State of Maharashtra are deposited in the finance department of the Maharashtra State Road Transport Corporation.

All development projects and items of major expenditure are submitted to the finance department for approval and sanction. Finance department approves the same taking into consideration its own financial resources.

2.8 Organization Structure of Finance Department:

The Organization Structure of the Finance Department is divided into 3 classes (Schedule-C).

A) Class First:

The entire working of the Finance Department is operated by the Financial Advisor/Chief Accounts Officer, who is assisted by the Deputy General Manager (Accounts).

The Deputy General Manager (Accounts) is assisted by the Manager (Finance), Chief Internal Auditor and Finance Accounts Officers at the regional level.

B) Class Second:

In this class, there are two cadres: (1) Senior, (2) Junior.

- 1) All Accounts Officers and Audit Officers from the Central Office and Cost Accounts Officers from regional workshops are categorised in the senior cadre.
- 2) All Assistant Accounts Officers from the Central Office, Regional Offices and Divisional Accounts Officers are falling under this cadre.

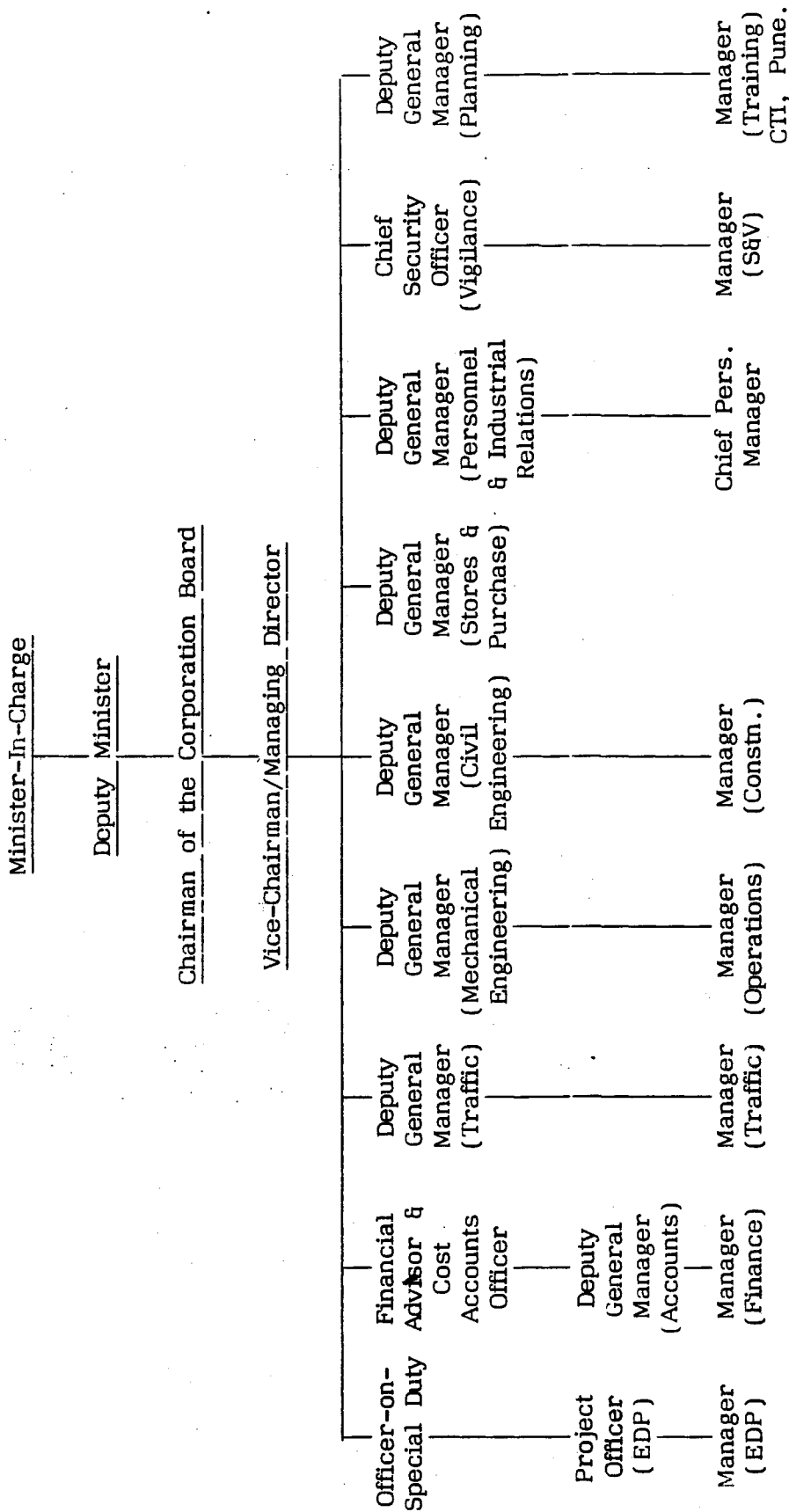
C) Class Third:

Supervisors and Divisional Accountants are falling under this class.

SCHEDULE - A

ORGANIZATION CHART

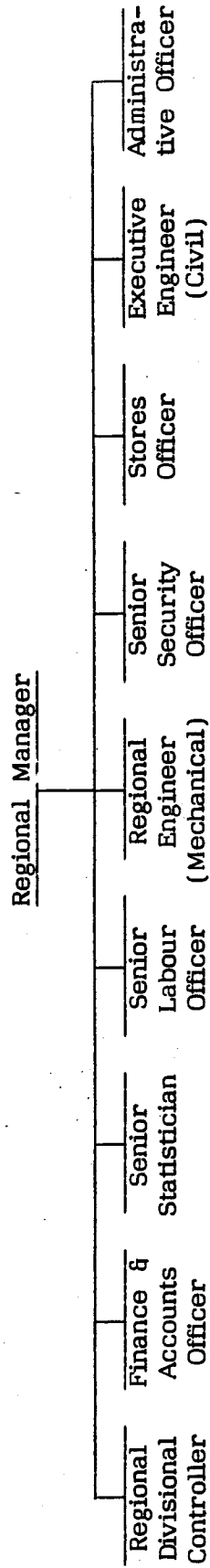
MAHARASHTRA STATE ROAD TRANSPORT CORPORATION
(Central Office, Bombay)



SCHEDULE - B

ORGANIZATION CHART

MAHARASHTRA STATE ROAD TRANSPORT CORPORATION
(Regional Offices)

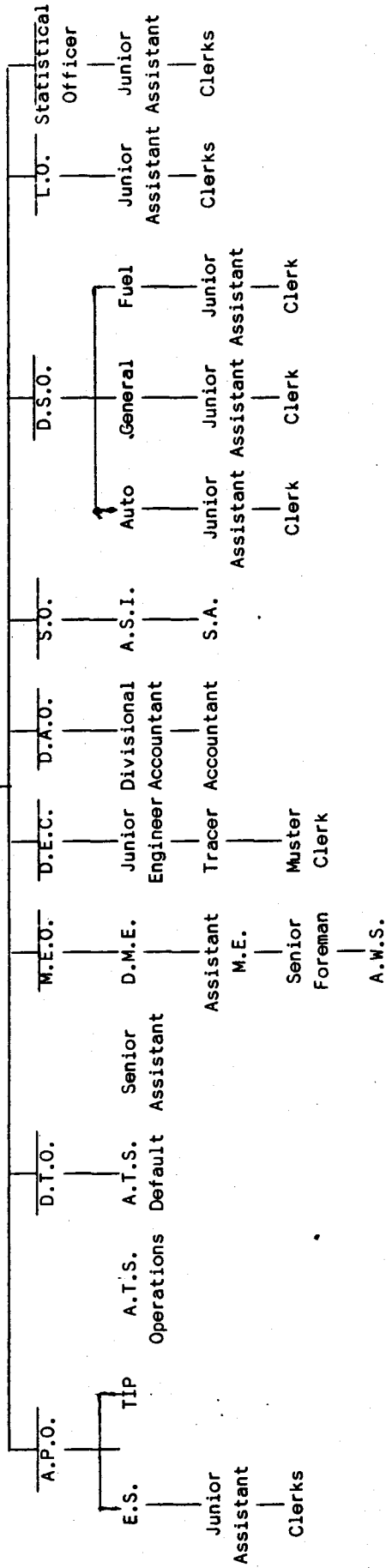


SCHEDULE - C

ORGANIZATION CHART

MAHARASHTRA STATE ROAD TRANSPORT CORPORATION
(Divisional Offices)

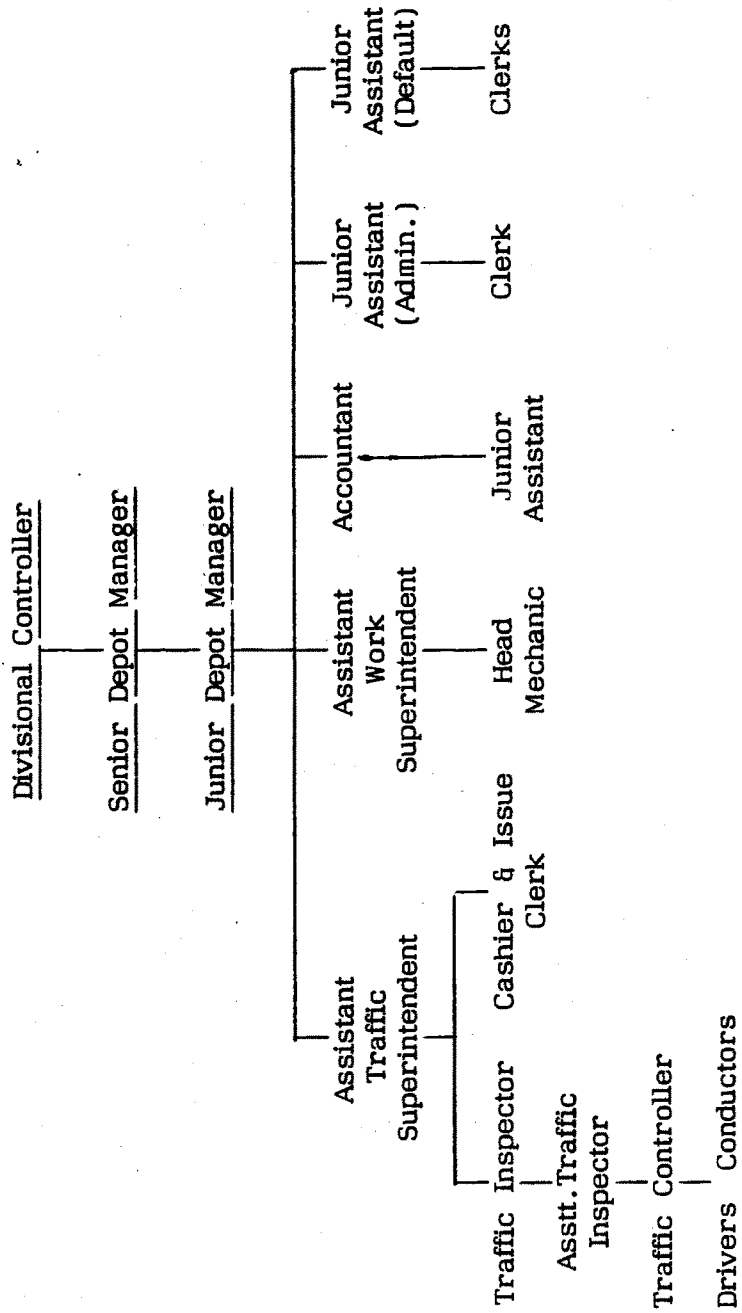
Divisional Controller



SCHEDULE - D

ORGANIZATION CHART

**MAHARASHTRA STATE ROAD TRANSPORT CORPORATION
(Depots)**



REFERENCES

1. Shelke, Kamalakar, "Growth and Development of Passenger Bus Transport in Maharashtra", unpublished Ph.D.Thesis submitted to Shivaji University, Kolhapur, 1983, p.11.
2. Ibid. p.49.

† † †