

# ANALYTICAL STUDY ON PROBLEMS OF MAHARASHTRA STATE ROAD TRANSPORT CORPORATION.

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## **Abstract:**

MSRTC face various problems of different types such as accident, fares, timings etc. by these reason it goes in predicament. MSRTC is suffering for declining growth of the corporation .It providing the passenger good services and safety environment all around the Maharashtra. MSRTC has to compensate the passenger for accident like died person, permanent disability, permanent partially disability and temporary disability. Due to some other important reasons MSRTC facing problems such as poor capacity utilization, poor accountability, political interference, private transport vehicles, fare policy, women conductors are facing a number of problems. Increased rate of diesel & less travel fare, different types of passes, concession, the politicians involved in various issues goes in strikes etc .During that period problems like through the stones on buses, and damage the buses. Drivers & conductors, passengers also get injured. These are some problems of MSRTC in predicament. This research paper is focused on various problems of MSRTC and their financial parameters like profit/loss, total Cost and Total revenue from last four years i.e. 2012-2013 to 2015-16.

## **KEY WORDS:**

**MSRTC, CAPACITY UTILIZATION,COMPENSATION,FARE POLICY,PREDICAMENT**

## **INTRODUCTION :**

MSRTC provides buses all around the Maharashtra.MSRTC provides various bus facilities to students ,Senior citizens, servants etc. Private transportation services create problems towards MSRTC bus services. It provides various concessions in fare to passenger. MSRTC principal slogan is "Where there is a road there is a bus service". It provides network to all route in the entire state of Maharashtra .Maharashtra is nationalized and its transportation is state Government of Maharashtra.

It provides good services & safety to the passengers. MSRTC faces number of problem and its effect on huge losses .Road transport of Maharashtra plays very important role to provide good services to passenger for growth of economy. It is very important for development and growth. MSRTC face various problems of different types such as accident, fares, timings etc. by these reason it goes in

predicament. MSRTC is suffering for declining growth of the corporation .It providing the passenger good services and safety environment all around the Maharashtra. MSRTC has to compensate the passenger for accident like died person, permanent disability, permanent partially disability and temporary disability.Due to some other important reasons MSRTC facing problems such as poor capacity utilization, poor accountability, political interference, private transport vehicles, fare policy, women conductors are facing a number of problems. Increased rate of diesel & less travel fare, different types of passes, concession, the politicians involved in various issues goes in strikes or Bandhs, etc .During that period problems like through the stones on buses, and damage the buses. Drivers & conductors, passengers also get injured. These are some problems of MSRTC in predicament. This research paper is focused on various problems of MSRTC and their financial parameters like profit/loss, total Cost and Total revenue from last four years i.e. 2012-2013 to 2015-16.

### **OBJECTIVES OF THE STUDY:-**

- 1) To study the various problems of MSRTC.
- 2) To put some suggestions for improvement of MSRTC.

### **RESEARCH METHODOLOGY:**

The research paper is an attempt of research, based on the secondary data sourced from journals, Internet, articles, previous research paper which focused on the various aspects of goods and service tax.

### **LIMITATION OF THE STUDY:-**

The study is concerned only for understanding the problems of Maharashtra State Road Transport Corporation.

### **Structure of MSRTC:**

MSRTC has one central office at Mumbai,six regional office at various places of Maharashtra likeMumbai,Pune,Nashik,Aurangabad,Amravati,Nagpur,3 central workshops at Dapodi, Pune, Chikalhana, Aurangabad, Hingna, Nagpur. ,1 Central training institute at bhosari ,1printing press, 30 Vibhagiya Karyalaya ,248 Agare,570 Bus stands and 4000 Margastha Nivare

MSRTC runs bus services all over the Maharashtra .It provides satisfaction for passengers through its different buses like Air conditioned ,Asiad, The types of services run by MSRTC are Ordinary, Parivartan, Asiad, Shivneri, Ashwamedh, shivshahi , City bus.MSRTC runs bus services starting from the essential bus service for the masses to the Air conditioned bus service to meet high standards class and create satisfaction among passenger .

MSRTC provide transportation service throughout Maharashtra and neighboring states with the help of

17667 buses as on 31<sup>st</sup> march 2016. and it conduct 85000 trips a day and near about 105679 employees are working in MSRTC in all over Maharashtra includes 36864 Drivers, 35318 Conductors and others includes Mechanics and administrative staff.

### PROBLEMS OF MSRTC:-

MSRTC faces number of problem and its effect on huge losses .Maharashtra state Road transport plays very important role in our country. It is very important for development and growth. Increased competition from private sector. They not focus on passenger security and services .There was exploitation of passengers. Government established “Maharashtra State Road Transport Corporation” as per the provision in section 3 of RTC act 1950.MSRTC has total number 15500 buses runs across Maharashtra. MSRTC provides total 14022 simple buses with reasonable fare for people. It also provides 651 city buses. Semi comfortable and mini buses are about 743 buses for passenger. As per requirement of passenger MSRTC provided Deluxe buses, Air conditioned buses 74.MSRTC face various problems of different types such as accident, fares, timings etc. by these reason it goes in predicament. MSRTC is suffering for declining growth of the corporation .It providing the passenger good services and safety environment all around the Maharashtra .Due to some other important reasons MSRTC facing problems such as poor capacity utilization, poor accountability ,political interference, private transport vehicles ,fare policy ,women conductors are facing a number of problems. Increased rate of diesel & less travel fare, different types of passes, concession, the politicians involved in various issues goes in strikes or bandhs, etc. During that period problems like through the stones on buses, and damage the buses. Drivers & conductors, passengers also get injured. These are some problems of MSRTC in predicament.

MSRTC has poor manpower planning, number of employees are working on temporary basis ,required healthy management, inefficiency of managerial towards work and lack of scientific management, improper utilization of staff , percentage of bus accident and their compensation .Theses are various financial problems brings MSRTC in loss condition.

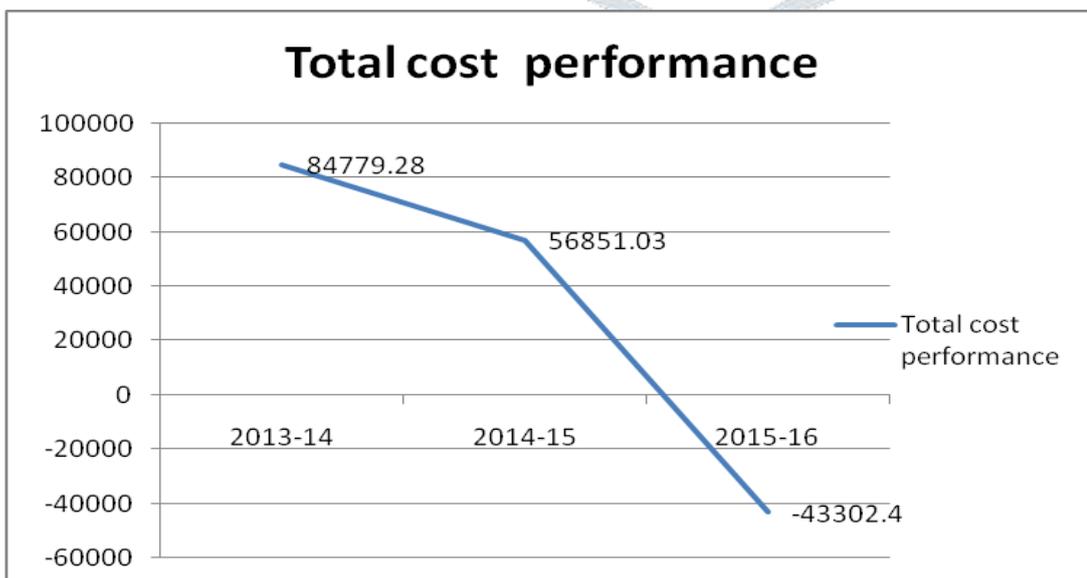
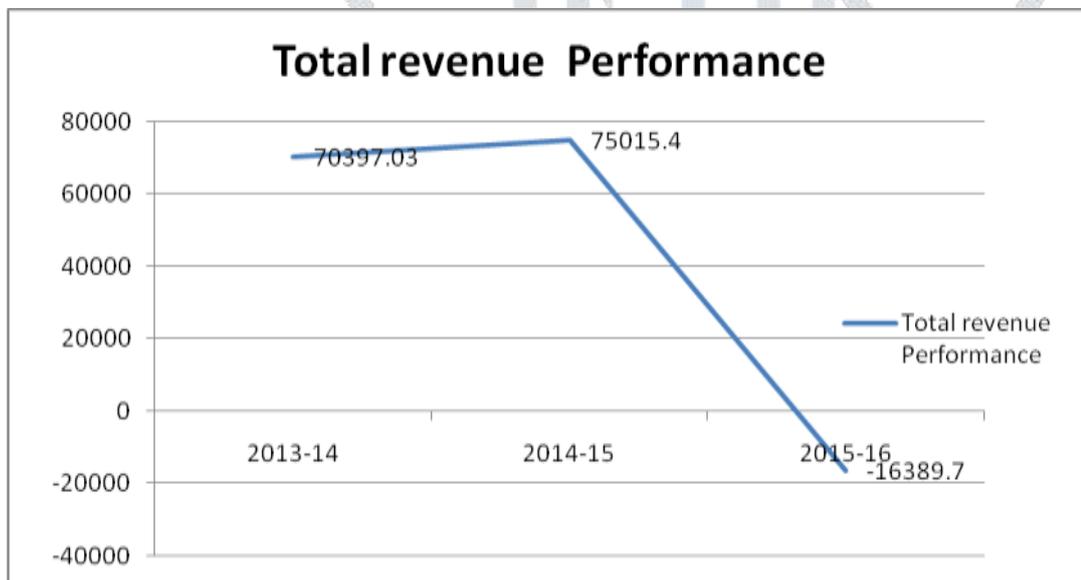
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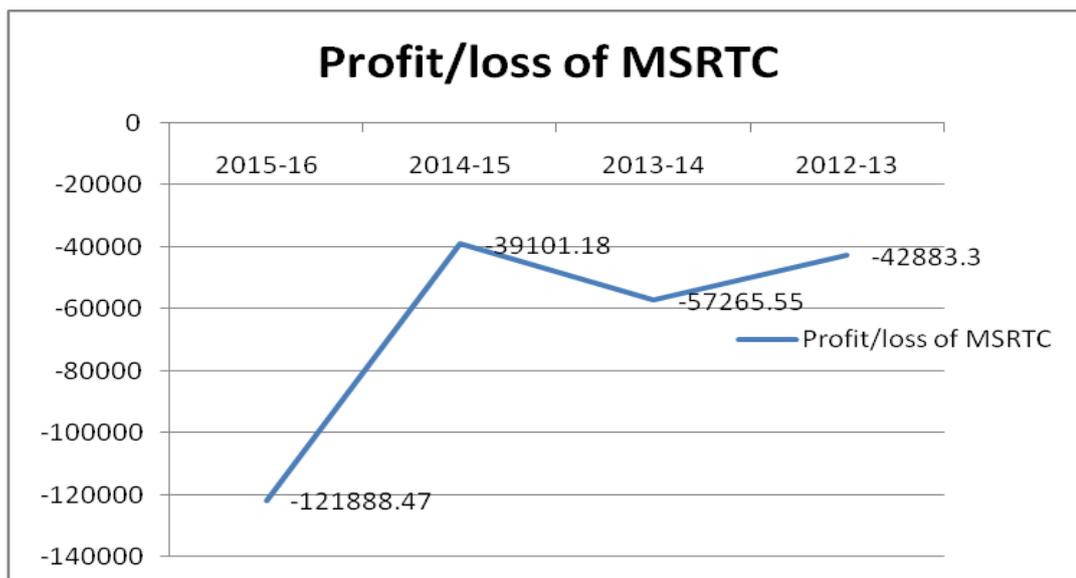
To Passenger	Nature of Injury	Compensation amount
Accident	Died Person	Rs.100000/
	Permanent Disability	Rs.75000/
	Permanent partially Disability	Rs.50000/
	Temporary disability	Until Rs.40000
To pedestrian, cyclist, passenger (if bus driver responsible).	Died Person	Rs.100000/
	Permanent Disability	Rs.50000/
	Loss of asset	Until Rs.40000(in ratio of loss)

	Temporary disability	Until Rs.40000
To pedestrian, cyclist, passenger & person in accident vehicle (if bus driver is not responsible) .	Died Person	Rs.50000/-
	Permanent Disability	Rs.25000/-
	Loss of asset (non fixed)	Rs.6000/-
Person in accident vehicle	Died Person	Rs.25000/
	Permanent Disability	Rs.12500/

**PERFORMANCE OF MSRTC IN PROFIT AND LOSS, TOTAL REVENUE AND TOTAL COST FOR LAST FOUR YEARS .**

Year	Profit/Loss of MSRTC	Total revenue	Total cost
2015-16	-121888.47	734535.59	746724.06
2014-15	-39101.18	750925.30	790026.48
2013-14	-57265.55	675909.90	733175.45
2012-13	-42883.30	605512.87	648396.17





It is observed from above table that MSRTC profit and loss statement as per the financial performance from last four years all amount is in minus. This is one of problem faces by MSRTC from last four years .As considering total revenue and total cost of MSRTC, it is found that Total revenue of MSRTC is increased Rs.70397.03 in 2013-14 and Rs. 75015.4 in 2014-15. But in the year 2015-16, it is decreased by 16389.7.Total cost of MSRTC is increased by Rs. 84779.28 in 2013-14 and Rs. 56851.03 in 2014-15.But in the year 2015-16 it is decreased by 43302.4.

#### **FINDINGS OF THE STUDY:-**

1. Corporation has to focus on Passenger satisfaction and improve in working environment of MSRTC .
2. MSRTC should improve profit level .
3. MSRTC has been facing various problems of different types. Such as accident, fares, facilities etc. by these reason it goes in predicament.
4. Recruitment is done but there is problem of requirement of scientific management to avoid heavy losses in MSRTC.
5. Total revenue and total cost is increased from 2012-13 to 2014-15 but is decreased in 2015-16 in both the factors.
6. From last four years i.e.2012-13 to 2015-16 MSRTC is in loss .

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