

# Organization and Management of Maharashtra State Road Transport

Mr. Sharad Mahajan<sup>1\*</sup> Prof. (Dr.) P. K. Chaudhary<sup>2</sup>

<sup>1</sup> Research Scholar

<sup>2</sup> Mechanical Engineering, Shridhar University, Rajasthan

**Abstract –** In order to provide access and links throughout Maharashtra, the Maharashtra State Road Transportation Corporation (MSRTC) was important. The financial performance of MSRTC in recent years has worsened markedly due to a number of issues, especially competition from the private sector. Passenger road transport has traditionally been mostly in the field of public transit in India. In 1950 Parliament adopted in India the Road Transport Corporation Act (today known as 'RTC Act'). This Act called for the nationalization of road transport services for passengers in Union countries. It is the foundation of State Road Transport Corporations (SRTCs). Section 18 of the RTC Act stipulates that the "corporation shall have a general obligation to gradually use its powers in order to deliver or ensure, or develop a system of road transport services that is effective, appropriate, economic and adequately coordinated" Further Article 22 of the Operate states that it acts on 'business principles.' The Corporation shall act The Industrial Policy Decree of 1956, contained in Schedule B passenger carriage by the passenger road business, was in line with the RTC Act. With the group defined by a gradual government control, the industry was included in the hope that the States would take the lead in creating new ventures. In July 1948, when a department of the provincial authorities commenced operation with a flood of 36 buses on Poona - Ahmednagar and associated routs that were subsequently transferred to the statutory corporation, a process began in the State of Maharashtra.

**Keywords –** Organization, Management, Maharashtra State, Road, Transport, etc.

## INTRODUCTION

Maharashtra State Road Transport Corporation was set up in 1950, under the RTC Act. It was then known as Bombay State Road Transport Corporation. Maharashtra State Road Transport Corporation works passenger benefits all through the whole state and furthermore works a few interstate administrations on corresponding premise in the connecting states. The road transport spins around the People and Roads. Maharashtra State Road Transport Corporation has made incredible walk in the circle of passenger transport over a time of four decades when the procedure of nationalization of passenger transport began in Maharashtra .From the edge of sheer size of activity, it has risen as the single biggest passenger transport organization in India as well as everywhere throughout the World.

Among the variables which have added to the broad development of the company inside similarly such a little period, the noticeable one is the hundred percent nationalization of passenger transport accomplished in the state and the administration approach of the enterprise communicated through its

main trademark "Where there is road there will be transport administrations." MSRTC is a self-ruling corporate body set up under the Road Transport Corporation Act 1950.

## History of MSRTC

The Maharashtra State Road Transport Corporation is built up by State Government of Maharashtra according to the arrangement in Section 3 of RTC Act 1950. The M.S.R.T.Corporation is working it's administrations by the endorsed plan of Road Transport. The territory secured by the plan is whole zone of the State of Maharashtra. The endeavor is working stage and agreement carriage benefits in the whole region of the province of Maharashtra with the exception of S.T. undertaking characterized under Section 68 A (b) of M. V. Act and other exemption distributed in the plan. The Present Maharashtra State Road Transport Corporation (M.S.R.T.C.) speaks to the intersection of three streams for giving passenger road transport in the public segment. These identified with the Pre-1956 Reorganization conditions of Bombay, Madhya

Pradesh and Hyderabad. In any case, in sequential arrangement, the spot of pride for giving public road transport administrations goes to the Hyderabad state. First transport having been hailed off from the Pune to Ahmednagar in 1948. It's a story that had a reluctant start, with numerous individuals then not giving the State Transport (ST) transport administration in excess of a few years of presence. Standing today by this achievement of 58 years, its situation of solidarity justifies itself with real evidence - 16,000-odd transports, 12,000 workers, around 70 lakh residents using the administration every day. Following the history that saw this improvement, we return to the 1920s, when different business visionaries began their tasks in the public transport situation. Till the Motor Vehicle Act appeared in 1939, there were no guidelines observing their exercises, and this brought about self-assertive challenge, unregulated admissions. The execution of the demonstration corrected issues to a degree.

### **Organization Structure of MSRTC**

The initial three comprises of governing body, executive, bad habit administrator and overseeing chief pursued by their representatives. The subsequent level comprises the district al supervisor and his gatherings such a s official Engineer, territorial measurements, inquire about improvement, control choose. The third level comprises the divisional controller and his subordinates, for example, divisional insights office, work official and so forth. The fourth h level which happens to be the last rung in the four time framework is the depth chief from where the whole transport activities occur. The terminal administrator is under the influence of divisional controller. Every division is under a Divisional controller who is a Class I official .He works promptly under the General Manager who is the regulatory leader of the focal office .The divisional controller, Kolhapur division is helped by the accompanying offices and branches. The divisional controller, Kolhapur is answerable for the State Transport tasks in Kolhapur Division and is helped by 13 Class II officials who embrace the accompanying practical duties The divisional traffic official who is accountable for all official who cares for all issues identifying with work relations with the organization .Matters identifying with publicity in the division are cared for by the work official . These branches are overseen by three official's .The records official, the divisional examiner and the divisional analyst. The specialized side of the division is taken care of by the divisional mechanical designer helped by the divisional works administrator. Other than there are twelve terminal director .They are entirely answerable for the working of the individual stops .For the comfort of the voyaging public, Regular ,every day and week by week adjusting and look at up for support are conveyed in these warehouses.

### **Role of Personnel management in MSRTC**

MSRTC gives transportation administration all through Maharashtra and neighboring states with the assistance of 17500 transports and it direct 85000 outings every day and close around 1,04,000 representatives are working in MSRTC in all over Maharashtra.. With thinking about it, MSRTC clearly needs able, roused, prepared, fulfilled and ready human asset for running one of the greatest public transport corporations of India. Also, for satisfaction of this need, MSRTC has "Work force Department". Regardless of whether MSRTC is overseeing human asset with "Staff Department" this division do capacities like Manpower Planning, Recruitment and Selection, Training and Development, Employee welfare, Salary and wages Administration, Induction, Grievance Procedure, and Employee Discipline and so on. With the goal that specialist through her exploration needed to contemplate these Personnel the executive's elements of MSRTC. MSRTC is gone for to give prompt, sheltered, agreeable and prudent administrations to its a large number of passenger. What's more, MSRTC has spread its grid in all over Maharashtra including almost 87.58% towns. To give such wide scope of office choice of equipped and gifted workers is essential. MSRTC is working in enlistment and determination territory and this exploration will dissect this procedure and will attempt to recommend a few cures if a few downsides approach. Top need of MSRTC is sheltered travel for passengers or travel without mishaps. For satisfying this need, organization sort out and direct preparing projects for workers like Induction Training Courses, Refresher Training courses, Special Training Courses, Special Training Courses(Computer), Training however outside Institute, Special Training Courses for Clerk – Typist (Junior). Through preparing programs, execution of the student turns out to be increasingly profitable for himself and for the organization. .As MSRTC conducts preparing programs, it is a piece of research to think about that whether these projects depend on need appraisal, what sort of discernment worker have about preparing, is it actually that powerful for development of execution of representative, is there any input work on in regards to preparing, which strategies for preparing are embraced by the organization . Pay and Wages organization meant to plan a practical compensation structure that will draw in, rouse and hold equipped workers in the organization. This examination will consider pay and wages organization of MSTRC and the exploration is going to concentrate on some component like, regardless of whether workers are getting reasonable compensation, fulfillment level of representatives with respect to pay and wages.

## **Amenities to the Passengers in MSRTC**

In Maharashtra State Road Transport Corporation, it is said that person is a most troublesome thing to be transported. The explanation principally is that he won't be treated as a bit of ware. The requirement for passenger conveniences would have been the base in rush hour gridlock industry. In Maharashtra State Road Transport Corporation, there is no unique reserve made for the arrangement of passenger conveniences. Out of the capital awards got from the Government the enterprise apportions certain sums for development of Bus stations and transport protects The company has just built transport Stations at practically all significant towns and area head quarters different Amenities are as under,

- Bus Station
- Pickup Shades
- Clock Rooms
- Refreshment Rooms and Tea slows down
- Book Stalls
- Other Stalls including sodas, eatables and so forth.

## **EFFECTS OF ECONOMIC PROSPERITY OF CUSTOMER SEGMENT**

MSRTC exists for the suburbanites who are its clients. In this way, exploring the client conduct, their advancing goals and inclinations and keeping up a fit between the two, establishes the essential capacity of the enterprise. MSRTC had been in the matter of country availability and restricted urban driving. Provincial workers can be partitioned under two classes dependent on the separation voyaged (i) Short separation driving and (ii) Long separation driving. In view of comfort and conservative contemplations, passengers commonly incline toward transport for short separation travel and train/plane for long separation travel (more than 200 - 250 KM). This depends on the accompanying contemplations by the Commuters:

- Number of Transactions required during the movement
- Availability and availability of vehicular transport from cause and goal point
- Time of movement (for example venture over 2 hours is hard to support every day)
- Cost of Travel
- Group size of suburbanites

- Comfort during the movement including those during the stoppages

From the passenger's point of view, Road Transportation is a streamlined choice dependent on the over six essential factors. While Number of Transactions, Availability and Accessibility are a favorable position, Time and Cost of movement are most certainly not. Generally, the Railways score higher on these two Variables. The last two factors are mind boggling in nature. While limit confinements (upper bound contemplations) of the transport choose the method of adventure, the base satisfactory degrees of solace (lower bound thought) decide the decision of the last factor.

## **ABSENCE OF A CLEAR PUBLIC TRANSPORT POLICY REGARDING MSRTC'S ROLE**

The previously mentioned hindrances to the operational part of MSRTC can be credited mostly to the nonattendance of an unmistakable public transport strategy - that will characterize the job and working of the partnership, under the changed monetary conditions. This is especially valid, given the responsibility for organization, which lies with the Government. An obviously characterized public arrangement, concerning the mechanized public transport which is the State's privilege, will give a much required course to the administration of the company. That the Corporation had assumed an essential job during the developmental long stretches of the state can be measured from which shows the normal number of vehicles on road and the proportion of populace served per transport on road. Because of lack of private transports or even close to home vehicles, the STU assumed a crucial job in serving this populace. As is apparent the quantity of vehicles (remembering that for road) have diminished from 2002-03 onwards while the populace has expanded. This loans backing to the suspicion of:

- Higher financial thriving of the populace (for example more individuals owning private vehicles) and
- The rise of private rivals in the defensive turf of the company. Given this changed situation, it is appropriate for the Government to consider the accompanying alternatives to be specific;
- Regardless of whether Government, as an issue of strategy, should suspend advancing the organization (and face the high social expense in its nonattendance as expressed already)
- Pursue a piecemeal and adhoc arrangement as for the Corporation and in

the process brooding the private ventures to completely takeover the job of the Corporation

Perceive the significance of Government mediation in the public transport area and think of a sound public strategy, unmistakably characterizing the job of MSRTC's Structural Initiatives towards Performance Improvements Faced with hindrances from the controllers, outside contenders just as inner irregularities, MSRTC reacted through a progression of rebuilding practices planned for redoing the regulatory and operational viewpoints. A portion of the activities (both arranged and executed) are depicted in the sub-segments that pursue.

## ADMINISTRATIVE RESTRUCTURING

MSRTC has started an organization wide rebuilding procedure to decrease overhead expenses and increment the profitability productivity of dispensed assets. In such manner, the company has fundamentally started three stages to be specific, (i) Merger of low performing stops and divisions, (ii) Development of foundation through PPP Route and the assortment of went to premium salary and (iii) Conversion of cost focuses to benefit focuses, which are quickly portrayed beneath. Merger of Divisions and Depots: MSRTC has intended to combine the less productive divisions and terminals along these lines cut down the expense of activity. The proposed arrangement of merger. The organization conceives the accompanying advantages regarding the proposed merger plans:

Reduced expense of overheads prompting progressively gainful distribution of capital and HR Free up the land resources for increasingly beneficial utilizations like setting up satellite transport stations, parking spots for land crunched urban communities, go-downs, spending inns and package administrations Reduction of inactive labor and reallocating them in required territories after vital preparing. Regarding money related measures, the proposed merger plan would prompt a one-time reserve funds of Rs. 84 lakhs towards managerial costs and opening up land to the tune of 3,61,376 sq.m worth Rs. 148.57 Crores (at present esteem). The equivalent can be sold forthright or created through the PPP course to guarantee proceeded with stream of income for the partnership. Framework Building through PPP Route: MSRTC has stepped up of acquiring Private Sector Participants (PSP) to create lands possessed by the company into Bus Terminals. A sum of 51 such terminals is pondered across Gujarat under the Built - Transfer - Lease (BTL) mode. 17 terminals are as of now modernized across Gujarat. This method of improvement named Value Captured through Linkages empowers the partnership to saddle economies of extension (like business focuses fabricated contiguous Terminals) without capital speculation. This activity is probably going to give the passengers much required solace.

Other than the company has likewise earned an exceptional salary of Rs. 38.4 Crores (2009-10) through framework created through PPP ventures. Change of Cost Center to Profit Center: Typically support offices like workshops are cost habitats for the organization. Plans are above water to change over them to benefit focuses through decrease of existing cost structure and improvement of taking care of limits.

## MANPOWER RIGHT SIZING

As a public area organization, labor rightsizing has consistently stayed a delicate issue. The enterprise had faced non-collaboration from the current Trade Unions before. Labor rightsizing concerning MSRTC includes not just defending existing occupations to bring the head tally to transport proportion at standard with private and the best performing STU, yet in addition to improve the ranges of abilities of the representatives for future use. Labor arranging of the Corporation must be completed with consideration and due steadiness to adjust restricting guidelines. Presently, the head tally per transport is 6.2 as contradicted 5 heads for every transport for private administrators. In any case, against its possessed endorsed quality of 54,663 representatives, the enterprise is utilizing 41,374 heads (31.03.2009). This logical inconsistency can be clarified, interalia, because of high labor in non income producing regions and the other way around. Employment Role Rationalization: To conquer the activity job disparity and to go around the approach on labor solidify, the company has proposed another motivation plot for drivers in conductor-less transports. This activity concentrated more on the general significance of the drivers over conductors and worried on multi-skilling without influencing the particular abilities. Anyway restriction by a segment of the workers refused this activity. Subsequently, the enterprise took another activity to make another framework at fixed pay of Rs. 3,500/- and planned for crossing over the driver deficiency. This activity is probably going to lessen the yearly pay bill of the enterprise to a measure of around Rs. 85 Crores (counting reward and PF commitments) for authorized driver quality of 16289 heads.

## TOWARDS FINANCIAL RESTRUCTURING

The Government esteems the administrations gave by the enterprise and helps it by method for endowments and repayments, it can't keep sponsoring a sickly partnership on a year on year premise. The Corporation, on its part, has set out on certain budgetary rebuilding measures, with others on the iron block, to hold over the emergency. The equivalent are portrayed beneath. Growth of Non Traffic Income: MSRTC has embraced a multi pronged technique to enlarge non traffic salary as correlative

wellsprings of income age. The components of this methodology are laid out here. Formation of Additional Cargo Handling Capacity: MSRTC has intended to make extra load dealing with limit in its transports. While all the new transports will have this new element, the current transports will have the alternative of experiencing refit to enlarge their freight conveying limit. According to the present plan, the new MSRTC transports will have 1.5 cubic meter of room in the left half of the transport and 4.5 cubic meter of room in the back side. The partnership has plans to sell out the space to outsiders where in the outsiders will utilize them to convey packages and other product. As far as monetary numbers, a moderate gauge of Re. 1/Km/day will give the enterprise as extra salary of Rs. 7.8 lakhs every day or Rs. 28.47 Crores every year. This is under the supposition that 6.0 cubic meter of room will mean 1000 kg (1 ton) and the armada size of organization is 1880.

- **Revenue through Advertisement:** The transport bodies go about as versatile sheets/hoardings for promotions. The company on this record has earned Rs. 4.89 Crores in 2015-16.
- **Sale of Scraps:** With the setting up of the e-administration framework, the organization has executed the "Stock Management System" at the Central and all the Divisional Stores. While E-offering process is in progress, the organization is into turn around unloading available to be purchased of scraps which has lead to more readily value acknowledgment.
- **Market Survey of Rural Areas:** Another epic wellspring of income age arranged by the enterprise is by empowering market review firms to utilize the company's assets and give lease consequently. On a normal, MSRTC transports convey 25 lakhs of passengers for each outing of which around 10 lakhs are standard suburbanites and understudies. The staying 15 lakhs are easygoing passengers. This suggests the enterprise physically contacts a gathering of devoted or concentrated populace and another gathering drawn arbitrarily from the populace.
- **Augmenting Traffic Income:** MSRTC has found a way to expand the traffic income and at the same time cut expenses. A portion of the measures taken by it are counted beneath:
- **Introduction of incentive schemes:** The Corporation has presented motivating force plans connected with expanded income winning and ensuing benefit sharing. This

has lead to negligible increment in income profit.

- **Introduction of Value Added Services:** The Corporation has presented Sleeper and Air molded Volvo transports which are esteemed worth included terms of solace and are charged as needs be. In addition, with e-administration set up, the enterprise is additionally giving SMS based time table which in itself is a worth included help.
- **Cost Reduction Measures:** Other than direct endeavor to expand the income, the company has additionally taken a large group of measures to spare cost, a couple of which have just been said. MSRTC has set up 7700 quantities of Electronic Ticketing Machines which are probably going to lessen the expense caused in utilizing the conductors. Foundation of electronic framework has likewise empowered the partnership in slicing cost through turn around barter.
- **Conversion of Loan to Equity:** Another activity thoroughly considered by MSRTC is identified with rebuilding and changing over its current obligation portfolio into advertiser value. During the procedure of corporatization of Department of Telecom Services (DTS) into BSNL, the Central Government stretched out credits to the organization which was later changed over to advertiser value. Such cases flourish with Government of Maharashtra which has as of late attempted comparable exercises regarding its STU.

## **OPERATIONAL MEASURES**

## **RESTRUCTURING**

MSRTC has conceived an eager intend to enlarge its operational productivity by 25% throughout the following five years. This is to be accomplished by a blend of exercises which include:

- Acceptance of diesel transports and eliminating of more seasoned and less eco-friendly ones
- Expanding the team usage through job legitimization and fixed compensation unit
- Running progressively booked outings and executing a course justification work out
- Taking into account the natural development in the quantity of understudies.

The understudy populace is expanding at the pace of 10% p.a. furthermore, to address that section just, the enterprise needs 300 new transports every year (comparable to 1200 outings) committed to this populace. The anticipated result of the operational rebuilding measures, as arranged by MSRTC, is introduced in. It is apparent from the that the organization conceives an extension of over 20% (in the following 5 years) as far as calendars, vehicle numbers and total viable km. Aside from natural development as far as number of transports, MSRTC is additionally mulling over on lessening cost of activity and beating rivalry by changing over contenders into partners. The arrangement of measures taken by the partnership is counted beneath.

- Route Auction
- Route Rationalization
- Facility Improvements
- Customer Services

### INFORMATION TECHNOLOGY BASED INITIATIVES BY MSRTC

The Corporation has widely executed e-Governance and has chalked out a road map till 2017-18. The basic role of actualizing the e-Governance framework is to improve operational viability and managerial control through consistent data stream and constant information transmission. The different activities taken by the company are expressed underneath:

- Integrated Depot Management System
- Personal Management System
- Online Fleet Management and Public Information System (PIS)

### PROPOSED GOVERNMENT ASSISTANCE AND INITIATIVES

The primary obstacles for a fruitful turnaround of MSRTC are four overlay to be specific: the administrative obstructions, the total monetary thriving of the current suburbanites, the uncalled for rivalry from private administrators and its very own inner cacophonies. In any case, it is subject to the Government to help concerning administrative obstacles and uneven private challenge. Portions of the proposed Government activities looked for by MSRTC are portrayed beneath.

### CONCLUSION

It cannot be neglected that state buses in the conveyance of people, but also goods, play an essential role in Maharashtra. People who utilize this

transport means travel with lakhs every day, due to their connectivity with urban, rural and distant parts of the country. MSRTC facilities are given for passenger comfort but are unable to serve passengers as far as feasible due to certain deficiencies. The passengers must also be accountable for the MSRTC. Both sides must collaborate. The unclean bus stations are sometimes due to a misuse of public property, water facilities, and wash rooms, inside poor buses, rotten switchboards, lighting and fans. However, MSRTC should also offer numerous services that make travelling and feeling well more comfortable to individuals.

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**Corresponding Author**

**Mr. Sharad Mahajan\***

Research Scholar

[mahajansir@yahoo.com](mailto:mahajansir@yahoo.com)