



ROAD TRANSPORT INFRASTRUCTURE IN KERALA – A REALITY CHECK WITH SPECIAL REFERENCE TO KERALA STATE ROAD TRANSPORT CORPORATION

Daisy P.K

Research Scholar, Dr.John Matthai Centre, Aranattukkara, University of Calicut, Kerala.

Abstract

A well known and co-ordinate system of transport plays an important role in the sustained economic growth of a country. Transportation in India has recorded a substantial growth over the years both in spread of network and in output of the system. Roads are the dominant mode of transport in Kerala. Both the public and private sector provides the Road passenger transport services in Kerala. Kerala State Road Transport Corporation has been serving the general public of Kerala for more than seven decades. It plays a crucial role in strengthening the public transport system in Kerala. But today the corporation is facing a big crisis. This paper is an attempt to identify the role of KSRTC in the Kerala road transport scenario.

Key words: Transportation, Road Transport, KSRTC, Financial Performance.

Introduction

A modern transportation infrastructure network is necessary for our economy to function, and is a prerequisite for future growth. Businesses depend on a well-functioning transport infrastructure system to obtain their supplies, manage their inventories, and deliver their goods and services to markets. Furthermore, it also opens up rural areas for development and makes cities internationally competitive. Transport infrastructure facilitates the transportation of people and goods and provides them access to markets, employment and investment opportunities. An efficient transportation system can have a multiplier effect on the economy whereas a deficient transportation system can result in economic loss. For efficient transport system, an adequate infrastructure is very important. With growing population there is a need to provide matching transport infrastructure to avoid overcrowding, overloading and poor maintenance of the available infrastructure. Transportation can be provided by various modes depending on the surface over which one has to travel – land (road, rail, and pipelines), water (shipping) and air. Roads are the dominant mode of transport in Kerala. Both the public and private sector provides the Road passenger transport services in Kerala. This paper is an attempt to identify the role of KSRTC in the Kerala road transport scenario.

Objectives of the Study

1. To analyze the present status of road transport in Kerala
2. To examine the functioning of Kerala State Road Transport Corporation.

Data and Methodology

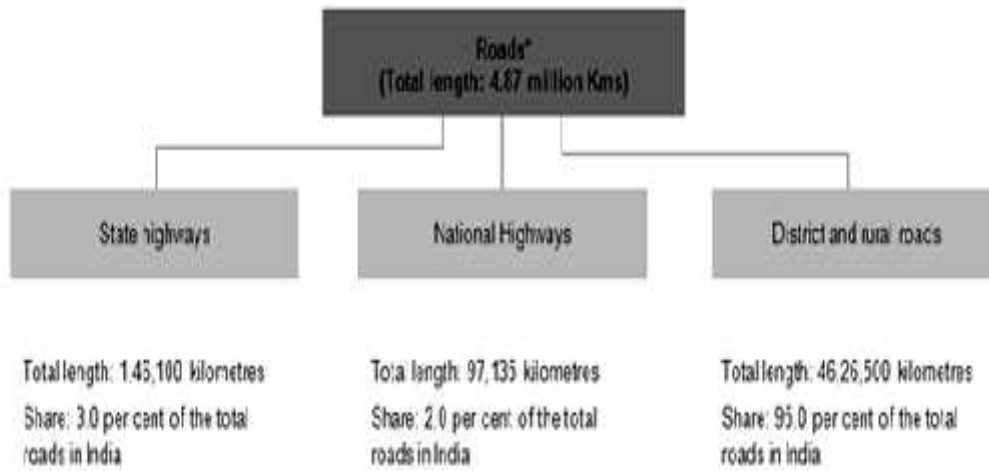
The study mainly depends upon secondary data. KSRTC Website, Road Transport Year Books, Basic Road Statistics, Economic Review, Economic Survey, etc. forms the major source of the study. Besides these various books, journals, working papers, research papers, news papers and related websites have been used for the study. The time period designed for the study is 2008 to 14th September 2015. Appropriate tools like percentages, ratios, tables, and figures etc. are also used in this study for the analysis.

Road Transport in Indian Context

Road transport is vital to India's economy. It enables the country's transportation sector to contribute 4.7 percent towards India's gross domestic product. The government of India considers road network as critical to the country's development, social integration and security needs of the country. As per latest statistics Indian roads carry 85% of passenger traffic and 65% of freight traffic. India has a road network of over 48,69,735 kilometers, the second largest road network in the world after USA. The geographic coverage of India's highway network at 1.42 km of road length per square km of land is denser than that of USA (0.67 km/sq km), and much higher than that of China (0.40 km/sq. km) and Brazil (0.21 km/sq. km). However, qualitatively India's roads are a mix of modern highways and narrow, unpaved roads, and are being improved. As of 2011, 53.83 percent – about 2.53 million kilometers – of Indian roads were paved. But it is 100% in USA, UK and France. The following figure 1 shows the total road length in India.



Figure: 1
Total Road Length in India (as on July 2015)



Source: Ministry of Road Transport and Highways (MoRTH), Techno Research
Note: *As on July 2015

Kerala's Transport Scenario – An Overview

The uniqueness of Kerala's geography means that Kerala has four options for transport – roads, railways, airports, and waterways. Out of these, roads are the most popular for both passengers and freight traffic. Roads have the advantage of last mile connectivity. The following table 1 represents the transport infrastructure of Kerala.

Table: 1, Transport infrastructure in Kerala

Mode of transport	Length of infrastructure
Road	3.31 Lakhs km
Railways	1257 km
Inland Waterways	1687 km
Air Ways	111 statute miles

Source: Economic Review 2014, Government of Kerala

Road density in the state is 852km/100sq.km and it is ahead of the national average of 387km/100sq.km. The length of Road per lakh population is 991km. The vehicle density of the state is very high compared to many other states in India. About 2527 vehicles newly added to vehicle population every day. The highest vehicle population was recorded in the Ernakulam district with 1467028 vehicles (17.6%) followed by Thiruvananthapuram with 12.48%. Wayanad district has the lowest number of (1.37%) vehicles.

The roads in Kerala are maintained by National Highways / Public Works Department (R&B), Local Bodies, Department of Irrigation, KSEB, Department of Forests, Railways etc. Other agencies dealing with transport sector are National Transportation Planning and Research Centre (NATPAC), Motor Vehicles Department, Kerala State Road Transport Corporation (KSRTC), Kerala Transport Development Finance Corporation (KTDFC) and Roads & Bridges Development Corporation of Kerala (RBDCK). Each mode of transport has separate sets of institutions for construction of the infrastructure. The Central Government is responsible for the development and maintenance of the National Highways (NHs). The development and maintenance works of the NHs are being implemented on an agency basis. The State Governments (State PWDs), Border Roads Organization³ (BRO) and National Highways Authority of India (NHAI) implement the development and maintenance works on NH. The State Highways (SHs) and Major District Roads (MDRs) are



managed by the Public Works Department (PWD) of Kerala. Following table 2 shows the agency wise classification of roads in Kerala.

Table 2, Agency wise distribution of Roads in Kerala during 2013- 2014

Sl. No	Name of the Department	Length (km)	Percentage
1.	Panchayats	265421.120	80.00
2.	PWD (R&B)	31811.601	9.6
3.	Municipalities	184111.870	5.6
4.	Corporations	6644.00	2.0
5.	Forests	4575.770	1.5
6.	Irrigation	2611.900	0.79
7.	PWD(NH)	1568.00	0.47
8.	Others (Railways, KSEB)	328.00	0.09
	TOTAL	331372.261	100

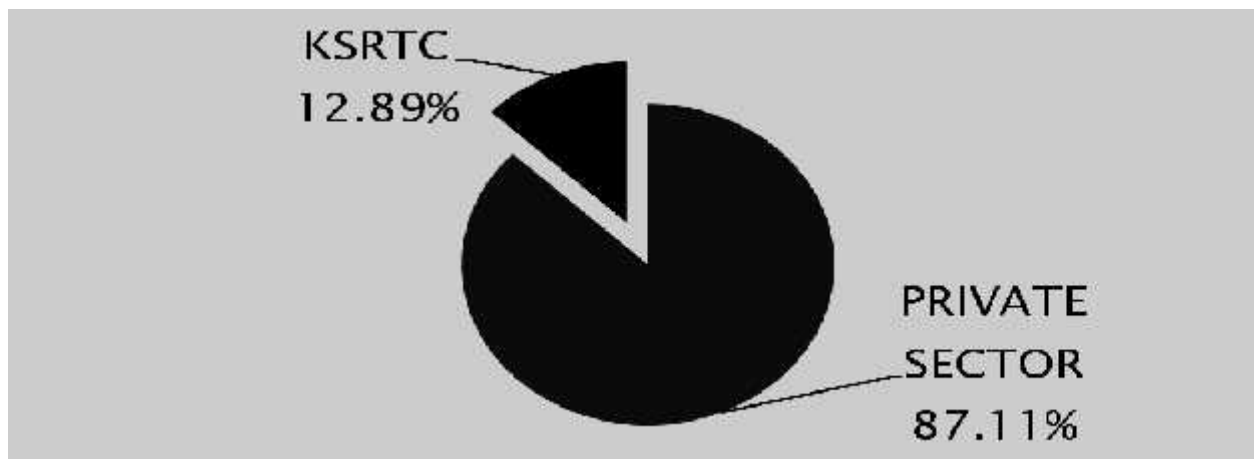
Source: Economic Review 2014

Among the PWD(R&B) roads, state highway includes a length of 4341.65 kms and Major District Roads includes a length of 27469.95 kms. Out of the total roads maintained by PWD, Kottayam district has the major share with a length of 3449.301kms (10.8%) and Wayanad district has the lowest share 1029.305 kms (3.24%).

Road Passenger Transport in Kerala

Buses are an important means of public transport in Kerala, particularly in the countryside and remote areas where the rail network cannot be accessed and airline operations are few or non-existent. In Kerala, the bus transport is largely provided by private buses and Kerala State Road Transport Corporation (KSRTC). Good number of passenger transport in Kerala is vested in the hands of private operators. Even though KSRTC is one of the largest single public sector undertakings which carries out transport operations in Kerala, Good number of passenger transport in Kerala is vested in the hands of private operators. The following figure 2 shows the percentage share of KSRTC to the total passenger bus transport operations in Kerala.

Figure – 2, Passenger transport operation in Kerala (2013-2014)



Historical background of KSRTC

KSRTC began as the Travancore state transport department (20th September 1937), constituted by the Travencore king, *His Highness Sree Padmanabha dasa Sree Chithirathirunal Balarama varma*, with the intent of reorganizing the transportation services of the state. Following the enactment of the Road transport corporation act in 1950, the government of Kerala formulated KSRTC rules in 1965 by Section 44 and the transport department was converted into an autonomous corporation on 1st April 1965. At the time of transfer there were only a countable number of bus schedules, 661 bus schedules and 36 lorry schedules. It possessed a fleet of 901 buses 51 Lorries and 29 other vehicles. The new working of the corporation started with 30 new buses and 8 new Lorries. 10 old buses and 7 old Lorries and one tractor trailer were converted for other uses. Plant and machinery owned by Kerala State Road Transport Corporation is extended throughout all its workshops in the whole of Kerala.



Present scenario of KSRTC

At present the corporation has 5988 schedules and 6097 buses in August 2015. The average earnings per kilometer (EPKM) works out to round about Rs.33.42 and the average earnings per bus (EPB) works out to Rs.10992 . The following table 3 shows the unit details of KSRTC.

Table -3, KSRTC Units at a Glance

Units	Number
Central office/ head quarters	1(Thiruvananthapuram)
Depots	28
Sub depots	45
Operating centres	19
Workshops	5
Staff training centre	3
Station master office	26

Source: www.keralartc.com

KSRTC Workshops and Depots are widely spread around the whole of the state of Kerala. At present KSRTC has a workforce of 22459 permanent employees as given below and 179 officers at various levels. In addition to this 10997 empanel and employment exchange hands are also being utilized according to the necessity for operation of services. The following table 4 shows the details of buses owned by KSRTC.

Table -4,Details of Buses owned by KSRTC

year	Total no. of buses	Number of new buses
2008	4893	517
2009	5115	697
2010	5402	629
2011	5741	703
2012	5803	209
2013	5812	485
2014	5860	332
2015	6097	280

Source: *Kerala Economic Review various volumes*

Among the total buses, there exists the predominance of ordinary and city buses. The higher grade buses include only 11% of total buses owned by KSRTC. At present more than 12% buses are under repair and 25% of buses are over aged.

Financial performance of KSRTC

The analysis of recent years financial performance of the KSRTC is not satisfactory due to the increase in operating expenditure, hike in pension commitments, increase in interest payments, operation in uneconomic routes and granting concessional travel etc. Following table 5 shows the financial performance of KSRTC.

Table- 5, Financial performance of KSRTC

Year	Total revenue	Total expenditure	Profit/loss
2009-10	1164.22	1395.77	-232.90
2010-11	1294.09	1673.42	-379.32
2012-13	1704.8	2200.69	-495.89
2013-14	1863.56	2433.66	-570.16
2014-15	`1923.82`	2541.10	-617.28

Source:www.ksrtc.com

Even though the State Government has reserved more than 30 routes exclusively for KSRTC, it is still running on losses. The fleet utilization is only 81.8%. The number of breakdowns per lakh kilometers in KSRTC is six while that of neighbouring



Karnataka State Transport Corporation, it is less than one. The KSRTC currently owes KTDFC about Rs 1,538 crores as debt which involves an interest component of 16.25 per cent.

Conclusion

Road transport of the state is facing a number of problems. Kerala road transport infrastructure still needs to be upgraded to meet the demands of the growing population. Road vehicle population is increasing at the rate of 10% to 11% every year. But the road length and its quality is not growing as much required now. KSRTC has a dominant role to play in the road transport services in Kerala. KSRTC is still running on losses. Government expects to make good of these losses by a revival package that is put forward by the transport department. The pension burden can be reduced to an extent by the creation of a separate 'KSRTC Employees Pension Fund Trust. Corporation own 420 acres of prime land which is situated in important cities and towns. Now it is used productively by constructing various shopping complex cum bus terminals. Following the formation of Kerala GAIL Gas Limited, plans are already underway to convert 6000+ buses of KSRTC to run on compressed natural Gas. Since the CNG provided by Kerala GAIL Gas Limited to KSRTC will be much cheaper than diesel, it will be a solution to the financial crisis that KSRTC is facing at present. KSRTC has made elaborate plans to escape the debt trap of KTDFC and save Rs 120 crore per year. The revival package put forth by the department should not remain in papers. It has to be implemented. Otherwise a huge institution that serves the mobility needs of Kerala will become a history.

References

1. S.K Arora "Economics of management in road transport policy", Deep And Deep Publications, New Delhi, 1987.
2. Journal of Business Management & Social Sciences Research' (JBM&SSR) Volume 3, No.4, April 2014.
3. The 'Basic Road Statistics of India', published by Ministry Of Road Transport And Highways, Transport Research Wing, New Delhi ,August 2012.
4. 'India Transport Report, moving India to 2032', published in 2014 on behalf of planning commission, Government of India.
5. Economic survey 2014-15, Government of India, Ministry of Finance, Department of Economic Affairs, Economic Division, February, 2015
6. Economic review 2014-15, Government of Kerala.
7. Economic review 2013-14, Government of Kerala
8. Economic review 2012-11, Government of Kerala.