



GROWTH AND PATTERN OF BUS SERVICE IN PUNJAB

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Abstract: Punjab is one of the prosperous states of India is largely an agricultural state. Industry occupies the position of emerging secondary sector confined to a number of big cities like Ludhiana, Gobindgarh, Mohali, etc. of late service sector has started coming up in a big way as the tertiary sector in India. It covers power supply, education, postal services, Railways, Roadways, Banking Insurance, and Transportation etc. and is now contributing with major share to the gross National Income.

In Punjab railways and roadways are catering to the needs of the people for travelling within and out of the state but the network of roadways particularly after independence have increased many folds. The transportation of passengers in Punjab is being handled by the Public Sector as well as the private sector. Road transport has been contributing to the economic development, national integration, national reconciliation, bringing peace, harmony, cooperation & coordination among people belonging to different religions, regions, castes, segments of society & helping trade, commerce & industry.

Keywords: Transportation, revenue, retrenches, growth, components.

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INTRODUCTION:

Punjab is one of the prosperous states of India is largely an agricultural state. Industry occupies the position of emerging secondary sector confined to a number of big cities like Ludhiana, Gobindgarh, Mohali, etc. of late service sector has started coming up in a big way as the tertiary sector in India. It covers power supply, education, postal services, Railways, Roadways, Banking Insurance, and Transportation etc. and is now contributing with major share to the gross National Income.

In Punjab railways and roadways are catering to the needs of the people for traveling within and out of the state but the network of roadways particularly after independence have increased many folds. The transportation of passengers in Punjab is being handled by the Public Sector as well as the private sector. Road transport has been contributing to the economic development, national integration, national reconciliation, bringing peace, harmony, cooperation & coordination among people belonging to different religions, regions, castes, segments of society & helping trade, commerce & industry.

Geographically, the whole of Punjab is compactly inhabited in the planes and construction of roads, metalled or otherwise, is easy and there is still very vast scope for expanding the network of roads in far flung areas of Punjab. The bus transport is a service industry meant to provide better facilities to the people to enable them to move from one place to another, easily and comfortably. There is an advantage of using bus services in Punjab namely, it can be in many forms such as long routes, short routes, fixed routes, non-scheduled routes, by mini buses, medium size buses and large sized A.C. and non A.C. buses covering, urban, semi urban and rural areas. The main objectives of my research paper are:

OBJECTIVE OF THE PAPER:

1. To have overview of bus service in the State of Punjab.
2. To study the growth in number of buses held by different bus operators.

METHODOLOGY

Paper covers period of ten years start from 1999-2000 to 2009-2010. Different variables are discussed like number of buses held by different operators, effective kilometres allotted to bus operators, district wise break up of number of buses registered in Punjab and overview of bus service in Punjab. For analysis of data ratios are use like annual increase/decrease in buses, share of different bus operators in total number of buses, Exponential growth rate.



COMPONENTS OF BUS SERVICE IN PUNJAB (MAJOR PLAYERS)

In Punjab bus transport service is being provided by public sector as well as some leading companies in the private sector.

The following are in the public sector:

- 1) Punjab Roadways
- 2) Pepsu Road Transport Corporation

Punjab Roadways is a departmental undertaking controlled by transport department, Punjab. The department of transport is functioning under the provisions of motor vehicles Act, 1988. Punjab roadways has been suffering heavy losses due to bad condition of its fleet of busses which consumed larger amount on repairs and spares but after launching of PUNJAB STATE BUS STAND MANAGEMENT COMPANY LTD. (PUNBUS), it has started generating considerable amount of revenue. The income of the company increased from Rs. 11.96 crore in 2005-2006 to Rs. 1860 crore in 2006-2007 and to Rs. 28.26 crore in 2007-2008. Punjab Roadways has also started integral A.C. buses through PUNBUS with a marginal increase of 10% in the ordinary bus fair in Punjab. Thus, PUNBUS has been very much instrumental in reshaping the working of PUNJAB ROADWAYS and making it highly productive apart from wiping out the losses.

PEPSU ROAD TRANSPORT CORPORATION (PRTC) was born out of Road Transport Corporation act, 1950. It came into existence on 16th Oct, 1956 to provide efficient, economic & well coordinated passenger transport service in the state. Main objectives of PRTC are:-

1. To develop road transport service for public, trade & industry.
2. To co-ordinate any form of road transport with any other form of transport.
3. To extend and improve the facilities for road transport in any area by providing an efficient and economical system of road transport service therein.

Road transport corporation rules 1977, govern the matters in respect of constitution of corporation, salary and allowances of the chairman etc. PRTC also complies with the instructions & guidelines issued by the state government. Committee on public undertakings of Punjab legislative assembly examines working & performance of PRTC from time to time. It is a matter of grave concern that PRTC has been incurring heavy losses for a number of years. Its accumulated losses were about Rs. 300 crore in 2004. The reasons for the losses



were hike in the prices of diesel, fare evasion, concessional bus passes, lack of full occupancy, free traveling etc. Even the finance minister of Punjab, in his budget speech on 19/9/2002 had criticized working of PRTC & suggested to privatize PRTC.

A commission was also constituted in 1974-75 which concluded that PRTC had failed to generate internal resources & it should close down its operations and retrench the staff. However, it has been found that PRTC can't be responsible for poor performance as some of the reasons for accumulating losses are beyond its control. PRTC has been availing big loans for purchasing new buses, renovating old bus stands and constructing new bus stands in the cities where it is playing lead role. It functions through various depots in district Patiala, Sangrur, Kapurthala, Bathinda, Barnala, Budhlada, Ludhiana, Chandigarh & Faridkot. It has 3 tata depots & six leyland depots. It has improved its performance over last 5 years & is expected to do better in the times to come. It is also getting aid and grants from state government. It has also imposed staff cut to overcome financial problem. It is also paying Motor Vehicle tax, passenger tax and special road tax. There has been upward revision of bus fares but the hike was not sufficient to absorb rising costs of various inputs. It runs buses on un-remunerative routes and even carries out operations at non-peak hours also in order to render social service to the people. PRTC is criticized for having oldest fleet of buses among state transport undertakings, old busses consume more diesel, need more repairs and spares. Therefore, it has in the last five years purchased large number of buses to replace the old and worn out buses.

Table-1 Number of Buses Held by Different Categories in Punjab

YEAR	Punjab Roadways		Pepsu Road Transport corp.		Private Operators		Total	
	Buses	Annual% increase/decrease	Buses	Annual% increase/decrease	Buses	Annual% increase/decrease	Buses	Annual% increase/decrease
1999-00	2369 (38.68)	100 (base)	1070 (17.44)	100 (base)	2695 (43.93)	100 (base)	6134	100 (base)
2000-01	2369 (37.74)	Nil	1142 (18.19)	6.72	2766 (44.06)	2.36	6277	0.3
2001-02	2368 (37.60)	-0.04	1142 (18.19)	Nil	2789 (44.27)	0.83	6277	0.3
2002-03	2368 (37.60)	Nil	1142 (18.19)	Nil	2789 (44.27)	Nil	6299	Nil
2003-04	2368 (37.60)	Nil	1142 (18.19)	Nil	2789 (44.27)	Nil	6299	Nil
2004-05	1591	-32.82	1092	4.38	2944	5.55	5627	-10.67



	(28.27)		(19.40)		(52.33)			
2005-06	1427 (24.00)	-10.31	1122 (18.86)	2.74	3397 (57.14)	15.38	5946	5.67
2006-07	1427 (22.22)	Nil	1118 (17.40)	0.53	3878 (60.38)	14.15	6423	8.0
2007-08	1427 (22.05)	Nil	1150 (17.78)	2.86	3892 (60.16)	0.36	6469	0.71
2008-09	1568 (23.73)	9.88	1089 (16.48)	-5.31	3949 (60)	1.46	6606	1.02
Exponential growth rate	-6.85		0.002		5.046		0.531	

Source: statistical abstract of Punjab, from 1999-2000 to 2009-2010.

Table 1 show the number of buses held by different category of operators in Punjab. Through this table we can also see the share of different operators in total number of buses. Data is analyzed for ten years from 1999-2000 to 2008-2009. Total number of buses has been same over the period of ten year with 0.53 1 exponential growth rates. In 1999-2000 there were 6134 buses and in 2008-2009 its increase to 6606 buses. But the main thing which we can see is to look at the share of public bus operators and private bus operators. Public bus operators include Punjab Roadways and Pepsu Road Transport Corporation. These two operators' show moderate growth rate but private bus operators showed highest with 5.04 exponential growth rate. Punjab Roadways held 2369 buses in 1999- 2000 with the share 38.68 in the total number of buses. It was constant for further next four years till 2003-2004 with 2368 buses. It decreases to 28.27 percent share in total number of buses with 1591 buses. For next three years it further declined 24.00, 22.22, 22.05 percent in 2005-2006, 2006-2007, and 2007-2008 respectively. In 2008-2009 this share increased to 23.73 with 1568 buses. Pepsu Road Transport Corporation held lowest share with 17.44 percent with 1070 buses in 1999-2000. It shows nil growth rates with 0.002 exponential growth rates. PRTC held 1142 buses for further four years. It decreases to 1122 buses in 2005-2006, 1118 buses in 2006- 2007 and 1150 buses in 2007-2008. In 2008-09 the number of buses was 1089 with 16.48 percent share in total buses. Private bus operators showed highest share 43.93 with 2695 buses held in 1999-2000. This sector shows constant growth with 5.046 exponential growth rates. Its recorded 44.06 percent share in total buses held for four years from 2000-01 to 2003-04 with 2789 buses. It was increased in 2004-05 to 52.33



percent share with 2944 buses. In 2005-06 increase to 60.38 and in 2007-08 and 2008-209 decrease to 60.16 and 60 percent with, 3892 and 3949 buses held respectability.

If we compile both public transport corporations i.e. Punjab Roadways and Pepsu roadways then we can easily see the share of public sector and private sector. In 1999-2000 the share of public sector was 56.12 and private sector was 43.93. Over the years the share of public transport decreases to 40.21 percent and share of private sector operator's increase to 60 percent in 2008-2009.

Table – 2 Effective Kilo-Mitre Allotted To Bus Operators

Year	Punjab Roadways	Pepsu Roadways	Private operators	Total
1999-2000	(42.35) 691655	(21.60) 352823	(36.03) 588389	(100) 1632867
2000-2001	(39.07) 674699	(21.40) 369466	(39.53) 682631	(100) 1726796
2001-2002	(39.03) 675296	(21.38) 369466	(39.58) 684910	(100) 1729672
2002-2003	(39.03) 675296	(21.38) 369466	(39.58) 684910	(100) 1729672
2003-2004	(39.03) 675296	(21.38) 369466	(39.58) 684910	(100) 1729672
2004-2005	(38.71) 675296	(21.20) 369466	(40.00) 699172	(100) 1743934
2005-2006	(32.40) 527000	(22.72) 369466	(44.88) 729958	(100) 1626424
2006-2007	(32.40) 527000	(22.72) 369466	(44.88) 729958	(100) 1626424
2007-2008	(31.95) 527000	(24.04) 369466	(45.64) 752716	(100) 1649182
2008-2009	(26.78) 440042	(18.41) 302501	(54.80) 900415	(100) 1642958
Exponential Growth Rate	-4.60	-0.83	3.10	-0.45

Source: statistical abstract of Punjab, from 1999-2000 to 2009-2010.

Table 2 depicts the trend of daily kilometrage allotted to the different bus operators in Punjab. In 1999-2000, Punjab Roadways occupied largest share 42.35 percent with 6.91 lakh kilometers. PRTC Road Transport Corporation had 21.60 shares with 5.88 kms, from total 16.32 kms. Total kilometrage allotted to different bus operators recorded negative growth rate wit 0.45 exponential growth rate. It had increased in 2000- 2001 to 17.26 kms, it remains same for next four years till 2004-2005 but it was decrease to 16.26 kms in 2005-2006. In 2008-2 009 it increase to 16.42 kms. Punjab Roadways and PRTC recorded negative



growth with 4.60 and 0.83 exponential growth. If we compare the two sector i.e. public sector and private sector, we can see that the share of public transport allotted kilometer decreases from 63.95 percent in 1999-2000 to 45.19 percent in 2008-2009. The share of private operators allowed kilometrage increases from 36.03 percent in 1999-2000 to 54.80 percent in 2008-2009. Earlier this ratio was 60:40 but now this situation changes to 40:60, public transport occupied 40 percent and private hold 60 percent share. Punjab Roadways had allotted 6.75 lakh kms for number of years till 2004-05, but it decrease to 5.27 lakh kms from 2005-2006 to 2007-2008 and further increase to 4.40 lakh kms. Pepsu Roadways Transport corporation shows consistent take over for number of years. It had 21.60 percent share, which was same from 1999-2000 to 2004-2005 with 3.69 lakh kms allotted. But it was increases to 22.72 lakh kms in 2005-2006 and it decreases in 2008-2009 to 3.02 lakh kms with 18.41 percent share. Private operators had occupied 39.58 percent share with 6.84 lakh kms allotted till 2003-04. It increases to 40 percent in 204-05 by occupying 6.99 lakh kms, further increases their share to 4564 percent in 2007-2008 with 7.52 lakh kms and it increases to 54.80 percent by occupying 9 lakh kms.

Table- 3 Growth of permits and buses in Punjab

Year	Punjab Roadways			Pepsu Roadways			Private Operators			Permit	Buses	Total
	Permit	Buses	% age of bus over permit	Permit	Buses	% age of bus over permit	Permit	Buses	% age of bus over permit			
1999 - 2000	2597	2369	91.22	1578	1070	67.80	2914	2695	92.48	7089	6134	86.52
2000 - 2001	2553	2369	92.79	1586	1142	73.39	2956	2766	93.57	7095	6277	88.47
2001 - 2002	2541	2668	93.19	1601	1142	71.33	2979	2789	93.62	7121	6299	88.06
2002 - 2003	2541	2368	93.19	1601	1142	71.33	2979	2789	93.62	7121	6299	88.45
2003 - 2004	2541	2368	93.19	1601	1142	71.33	2979	2789	93.62	7121	6299	88.45
2004	2541	1591	62.61	1601	1092	68.20	3034	2944	97.03	7121	5627	79.01



- 2005												
2005	2543	1427	56.11	1628	1122	68.91	3074	3397	110.5	7245	6323	82.07
- 2006												
2006	2543	1427	56.11	1626	1118	68.75	3126	3878	124.0 5	7295	6423	88.04
- 2007												
2007	2543	1427	56.11	1626	1150	70.72	3152	3892	123.4 7	7321	6469	88.36
- 2008												
2008	2327	1568	67.38	1424	1089	76.47	3274	3949	120.6 1	7025	6606	94.03
- 2009												
Exponential growth rate		6.85			0.002			5.04			0.53	

Source: statistical abstract of Punjab, from 1999-2000 to 2009-2010.

Table - 3 shows the growth of permit and buses in Punjab for the period of ten years. Permit means license granted to bus operator for running their buses. Punjab roadways percentage of buses to permit ratio has been decrease from 91.22 percent in 1999-2000 to 67.38 percent 2008-09. From the year 1999-2000 to 2004-05 there was 2541 permit, but it decreases to 2327 in 2008-09. Punjab Roadways shows shocking figure in the year 2005-2006 to 2007-2008 where the number of buses decreases to 1427 buses as compare to year 1999-2000 where number of buses are 2369. Pepsu Road Transport Corporation shows very little growth from 67.80 percent in 1999-2000 to 76.47 percent 2008-09. In beginning years it increases to 67.80 in 1999-2000 to 73.39 in 2000-01 then it decreases to 71.33 in 2004-05. But it further decreases to 68.20 percent to 68.75 percent in 2006-07. In last two years it increases to 70.72 percent 2007-08 and 76.47 in 2008-09. Private operator shows highest growth from 92.48 percent in 1999-2000 to 120.61 percent in 2008-09. For the period 1999-2000 to 2004-05 growth was 93.62 percent, it further increases to 110.50 percent in 2005-06, 124.47 percent in 2006-07, But it decreases to 123.47 percent in 2007-08 and 120.61 percent in 2008-09.

CONCLUSION AND SUGGESTIONS

According to the report of working group on road transport for the eleventh 5 rear plan, passenger transport services are provided both by the state road transport undertakings and private operators. This is also true about Punjab. Following liberalization, the share of SRTUs has declined with the entry of private operators to meet the incremental passenger



traffic demand. The share of the private sector in the total number of buses has increased. There are sound economic & environmental factors which make it necessary to spot the best transport system to meet the rapidly growing demand for passenger transport services, while rail based public transport can be a solution for metro cities in the long run, bus transport alone offers a viable cost effective alternative. Bus transport makes the most optimum use of the available road space & fossil fuel by transporting the maximum number of people per unit of road spare & passenger kms/liter.

It has been observed by the working group on road transport for the eleventh 5 year plan that despite good performance of the road transport sector, it is beset with slow technological development, low energy efficiency, pollution & slow movement of freight & passenger traffic. The step-up in freight & passenger road traffic during 11th the plan in consonance with alternate growth paths provides an opportunity for technological up gradation, capacity- augmentation and replacement of averaged rolling stock. Transport is basically a derived demand depending upon the size and structure of the economy & the demographic profile of the economy.

Undoubtedly, Punjab roadways & PRTC have been in the fore front in providing bus transport services in Punjab up to 1991. Although there were some private transport companies existing during those times such as Libra bus service, Sirhind-khanna transport company, Kartar bus service, Bir bus service, Syndicate bus service & others but the number of vehicles with them was not much. Most of the routes were state owned & private operators were not given the license for long routes. Monopoly of public sector in the transport industry in Punjab created many problems for the public & resulted in loss of popularity, loss of revenue, loss of competition & brought in efficiency, lethargy, over expenditure, spares/repairs & overloads. As a result they started running in losses. By pumping funds in the state owned transport system, Government of Punjab maintained them & didn't disband. Cases of corruption, mal practices & Deviation from the rules were on the high side many buses were ranted obsolete but still they were rendered on the routes. Lot of inconvenience was caused to the passengers due to breakdown midway but no solutions were affected. The annual reports of Punjab Roadways & PRTCs speak volumes of the undertakings running in heavy losses. With the creation of PUNBUS, position of Punjab Roadways has considerably improved & it has started generating surpluses which are



increasing on account of improvements effected by the roadways at the instance of the government of Punjab. PRTC is still running in losses although a good number of new buses have been inducted & old buses have been removed. With the entry of private bus operators particularly after economic reform, a great competition has been thrown open for Punjab roadways & PRTC. Private Players are working with the sole motive of more revenue. Their fleets of buses are new, based on modern technology, fitted with A.Cs & T.V. sets, decorated from inside, creating, a very attractive ambience for the passengers. Their capacity utilization is more than Government buses. They cover the same distance in lesser time, pick up the passengers even from the unofficial bus stoppages & can be made to halt any where to the choice of the passengers. Although, the private transporters have also prescribed timings to leave a bus stand & to reach the destination point but they handle the service so meticulously that government buses run parallel to them with only small sitting capacity utilization. There is a need to motivate & counsel the staff of the state owned companies so, that they may have sense of belongingness with their organizations. Of course, they should also be provided with due pay & perks & other facilities so that they do not get demoralized. It is a question of co-existence of both the public & the private sector in this service of the passenger of Punjab for which there is very vast scope for improvement in services, expansion of the road network and coverage of the potential passenger which they have not been able to tap so far. As such the future of bus service in Punjab is full of optimism for expansion, improvement and income generation. Both the bus service providers as well as the passengers are going to gain the likely expansion which has enough potential.

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