

**COMMITTEE ON PUBLIC  
UNDERTAKINGS  
(1981-82)**

**(SEVENTH LOK SABHA)**

**TWENTY-FIFTH REPORT**

**ON**

**DELHI TRANSPORT CORPORATION—ACCIDENTS  
AND OPERATION OF PRIVATE BUSES**

**(MINISTRY OF SHIPPING & TRANSPORT)**



**LOK SABHA SECRETARIAT  
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## INTRODUCTION

I, the Chairman, Committee on Public Undertakings having been authorised by the Committee to present the Report, on their behalf, present this Twenty Fifth Report on Delhi Transport Corporation—Accidents and Operation of Private Buses.

2. The Committee took evidence of the representatives of the Delhi Transport Corporation; Chief Secretary, Delhi Administration and Commissioner of Police, Delhi on 5 and 7 August, 1981 and of the Ministry of Shipping and Transport on 18 August, 1981. Although the Committee's selective examination of DTC was to cover only Accidents and operation of Private Buses, the Committee also went into the financial position of the DTC in a manner.

3. The Committee considered and adopted the Report at their sitting held on 7 December, 1981.

4. The Committee wish to express their thanks to the Ministry of Shipping and Transport, Delhi Transport Corporation and Delhi Administration for placing before them the material and information they wanted in connection with the examination of the subject. They wish to thank in particular the representatives of the Ministry of Shipping & Transport, Delhi Transport Corporation, Chief Secretary, Delhi Administration and Commission of Police, Delhi who gave evidence and placed their considered views before the Committee.

NEW DELHI;

December 9, 1981.

BANSI LAL,

Chairman,

Agrahayana 18, 1903 (S). Committee on Public Undertakings.

# I

## ACCIDENES

Delhi Transport Corporation came into existence on 3-11-1971 consequent on the enactment of Delhi Road Transport Laws (Amendment) Act, 1971. The general duty of the Corporation, is "to provide an efficient, adequate, economical and properly coordinated system of road transport services in the union territory of Delhi or in any extended area."

### A. Analysis of Accidents

1.2. In June, 1981, DTC had in its fleet 2949 buses of its own, 552 Private Buses (340 Standard Size and 212 Mini Buses). The safety of the service is an important index of the efficiency of any transport system. The following table shows the accidents in which DTC buses and private buses under DTC operation were involved during 1978-79 to 1980-81.

*Accidents*

Year	Minor	Major	Fatal	Total
1978—79				
(i) DTC buses	2028	77	98	2203
(ii) P.O. buses	94	6	26	126
1979—80				
(i) DTC buses	2604	191	95	2890
(ii) P.O. buses.	266	64	84	414
1980—81				
(i) DTC buses	2904	231	135	3270
(ii) P.O. buses.	138	26	46	210

1.3. Accidents in DTC per lakh km. of operation had gone up from 1.60 in 1978-79 to 1.82 in 1979-80 and further 1.88 in 1980-81. The main causes for accidents were stated to be human and mechani-



cal failures and other causes for accidents which were not capable of being quantified at macro-level, were lack of enforcement of traffic rules on the part of the police, increase in vehicular population, snags in traffic engineering design, mixed traffic conditions and poor maintenance of roads and traffic signals. Cause-wise accident analysis for January to June 1981 as intimated by the DTC is indicated below:

	Accidents	
	Absolute	%age
(i) Rash and negligent driving by DTC .	632	35.35
Other vehicles .	666	37.20
(ii) Error of driver's judgement		
DTC	104	5.82
Other Vehicles . . . . .	182	10.16
(iii) Boarding and alighting on or off a moving bus	76	4.25
(iv) Lack of traffic sense on the part of tother road buses	63	3.53
(v) Mechanical failure of vehicles		
DTC	38	2.12
Others;	8	0.45
(vi) Miscellaneous	21	1.17
	1790	100.00

1.4. The Committee enquired about the analysis of accidents prior to January, 1981. The Chairman, DTC stated in evidence that earlier there was no system of analysing the accidents. There were only two classifications—"Driver at fault" and "Driver not at fault." In January, 1981 the position was reviewed and an accidents cell was set up to study all the accidents and analyse them.

#### B. Accidents Committee

1.5. The Committee were informed that all cases of accidents were viewed seriously and an Accidents Committee investigated the reasons immediately. The Accidents Committee comprised one Traffic Officer, an Officer of the Engineering Department and an

officer of the Labour Welfare Department. Scales of pay of none of these officers exceeded Rs. 700-1300. Asked whether the level of personnel constituting the Accidents Committee was not too low and whether it was not desirable to associate an officer of the Police Department and Transport Department of the Delhi Administration with the Accidents Committee, the DTC Chairman stated before the Committee (5 August, 1981):—

“You are very correct in saying that the level of personnel is low there. Four months ago, we reviewed that. We passed orders that not only level should go up but even the composition should change. We have laid down that it should consist of one Magistrate, one representative of the DTC and one man from the Engineering Section of DTC of a senior rank. This order has now matured for compliance. The nominations have been received. We take note of the observation that you have made.”

1.6. In a note submitted later, the Committee were informed that the Accidents Committee was reconstituted on 13.8.81 with the following members:—

1. Addl. District Magistrate, Delhi Nominated by the Dy. Commissioner, Delhi. (an IAS Officer or DANI Cadre Officer).
2. Joint Director (Enforcement) Nominated by Director of Transport, Delhi Administration, Delhi. (Scale Rs. 1200—2000).
3. Deputy Commissioner of Police (Traffic) or his nominee.
4. Chief Mechanical Engineer or Works Manager, Delhi Transport Corporation. (Scale Rs. 1500—2000/1100—1600).
5. Asstt. General Manager (Traffic) (Convener) Incharge Accident Cell, Delhi Transport Corporation. (Scale Rs. 700—1300).

1.7. The Committee enquired about the number of meetings of the Accidents Committee held during the last one year. The Chairman DTC stated that actually the Accidents Committee insisted the spot after a fatal accident, deliberation on issues was not done as in a Committee. They took up only those cases and examined them. So, there had been no meeting of the Committee where minutes etc. were prepared or kept.

### C. Drivers involved in accidents

1.8. Table below indicates the accidents during the period 1978-79—1980-81 in which DTC drivers were involved as intimated by the DTC.

Year	Total No. o accidents	No. o' drivers involved in accidents	Average strength o' drivers	%age of drivers involved in accidents
1978-79 .	2203	1816	4823	37.6%
1979-80 .	2890.	2351	5533	42.4%
1980-81 .	3270.	2634	6116	43.0%

1.9. Evidently a driver is involved in more than one accident. The Committee desired to know the nature of disciplinary action taken against the drivers involved in accidents. The Chairman, DTC stated that "whenever they meet with accidents involving serious injury or death, they are being prosecuted. As long as the police case goes on, we have to keep them in services." Asked about the number of persons suspended, the witness stated "that will take place only after the fault has been established." In a note submitted later, DTC furnished the following information in regard to action taken against drivers held responsible for accidents:

Sl. No.	Particulars	1978-79		1979-80		1980-81		1981-82 (Upto June 81)	
		Absol- ute	%age	Absol- ute	%age	Absol- ute	%age	Absol- ute	%age
1	2	3	4	5	6	7	8	9	10
1.	Removal .	22	3.80	14	1.63	8	0.86		
2.	Stoppage of in- crement .	5	0.86	3	0.35	5	0.54		
3.	Recovery of da- mage .	125	21.59	204	23.75	178	19.06	34	21.52
4.	Censured .	29	5.01	23	2.68	38	4.07	2	1.27
5.	Reprimanded .	8	1.38	11	1.28	29	3.10	1	0.63
6.	Warned .	140	24.18	231	26.89	313	33.51	47	29.75
7.	Advised .	250	43.18	373	43.42	363	38.86	74	46.83
Total .		579	100.00	859	100.00	934	100.00	158	100.00

### D. Licensing Procedure

1.10. The Committee enquired whether the increasing percentage of drivers involvement in accidents indicated shortcomings in licensing procedure, recruitment test and in-service training. The Chief Secretary, Delhi Administration deposed:—

“We share the concern of the hon. Members of the Committee. The driving standard of DTC and other drivers is not as good as it should be. The standards of tests which ~~are~~ mandatory are not upto the mark. Also, the driving licences given by neighbouring States like UP, Haryana, Rajasthan etc. have got to be accepted, because they are of all-India nature. Opening up of Drivers Training School has been accepted as a Planning Scheme quite recently. Delhi Traffic Police would also be organising two or three days’ traffic training course for DTC bus drivers and for others also. When this is put into practice, we hope that the standards of drivers will improve. The test is done by an inspector and we want to put some officer of a higher rank.”

Commenting on the licensing procedure, the Commissioner of Delhi Police, stated:—

“The licencing system in the country is slack. In Delhi we may be very strict and only a trained inspector tests the people, but in the mofussil the position is entirely different. For instance, I was told by the SP of a district in Haryana ‘my inspector does not know driving, but he is authorised to test people for driving.’ The Motor Vehicles Act should be amended and the procedure standardised. In fact, very strict standards should be laid down. In our country it is very easy to get a driving licence, whereas in other countries it is very difficult.”

1.11. During examination of the representatives of the Ministry of Shipping & Transport, the Committee desired to know if it was possible to standardise drivers’ licensing procedures in all the States and Union Territories. The Secretary stated:—

“We have moved a number of Amendments to Motor Vehicles Act. Under that, many loopholes will be plugged. Unfortunately these are held up in the Law Ministry. We

hope that these things will be sorted out and we will be able to bring this before Parliament soon. The licensing procedure for professional drivers' license should be streamlined and this would apply for the whole country. We feel that there should be periodic eye-tests of drivers and proper check on their driving capacity. There have been complaints which are voiced from time to time that these agencies are not giving proper tests."

1.12. The Commissioner of Police was also critical about the system of checking vehicles to ascertain their road worthiness. He observed "in Delhi it is not uncommon to see some private or DTC bus hitting against an electric pole or pavement and damaging property. I doubt whether the officers who are responsible for checking these vehicles are asked any questions. The testing of road worthiness of vehicles has to be made foolproof."

#### **E. Enforcement of traffic rules**

1.13. In a note the DTC stated that lack of enforcement of traffic rules and regulations on the part of the police was one of the reasons for accidents. The Committee desired to know if the matter had been taken up with the Commissioner of Police. In reply the DTC Chairman stated:—

"We have got a monthly meeting of the Traffic Advisory Committee in which the Police and the DTC both are represented and it is through the medium of that Committee that we communicate with each other. There is need to take it up formally with the Police. The Police is aware of the situation and they avoid taking action deliberately at certain times because of the public reaction and the reactions of some labour leaders."

1.14. According to the Commissioner of Delhi Police in 1980, 1221 DTC drivers were prosecuted for one thing or other. Out of this 376 were for disobeying traffic signals, 3 for driving without lights, 2 for driving without licence, 270 for overspeeding, 25 for violation of one way restriction, 374 for illegal parking, 16 for overtaking from the left, 59 for other offences, etc. Similarly, in 1981 up to the end of June 945 drivers were prosecuted for violating traffic rules. When the Committee observed the Police ought to be strict in the enforcement of traffic rules, the Commissioner of Delhi Police agreed and said "We have no hesitation in admitting that we are not as strict as we should be in the enforcement of traffic rules, so far as DTC buses are concerned."

## **F. Maintenance of roads and traffic signals**

1.15. Snags in traffic engineering designs and poor maintenance of road and traffic signals were also stated to be the contributory factors for accidents. When the Committee desired to know whose responsibility it was to maintain road traffic signals, the Commissioner of Delhi Police stated that maintenance of road traffic signals was the responsibility of the local bodies. Commenting on the problem, the Chief Secretary, Delhi Administration added:—

“The three municipal bodies in Delhi—NDMC, MCD and Cantonment Board—are responsible for the erection and maintenance of traffic signals as part of their over-all road maintenance work. This becomes tied up with all kinds of procedural problems and constraint of funds. What we have been doing so far is, we bring these three bodies together, try to integrate their efforts and pool their funds for purpose of maintenance of signals. There is one single contract given to Keltron of Kerala for signal maintenance. But whenever alterations have to be made or new signals or blinkers have to be installed, it becomes an engineering problem. An application has to be made to the local body concerned and it does take time for implementation. We have been considering whether all these can be pooled together under a single unified Highway Traffic Engineering Signals Authority. This is still under consideration and no decision has yet been taken.”

1.16. The Police Commissioner, Delhi also stated in this connection:—

“If there is one unified authority in Delhi consisting of road engineering experts, traffic experts and administrators, this body could be approached by any agency wanting to dig up a particular road. The time and date of digging up could be publicised through TV and we will inform everybody concerned like DTC. A number of accidents can be prevented this way. There was a seminar in Delhi recently on this subject and a recommendation has been made by them. We are planning to write to the Administration that some traffic management authority with a lot of powers should be set up in Delhi, who can take on the spot decisions to overcome these problems.”

1.17. Asked to comment on the constitution of a unified authority for traffic management in Delhi, the Secretary (Transport) stated:—

“It is not really necessary. What happens in the advanced countries of the world is that nobody should dig a hole in any place without the permission of the traffic police. Wherever it interferes with the traffic, if digging is to be carried out at a particular place, then the concerned traffic police should be consulted and permission taken before doing so. So, you cannot interfere with the traffic unless you get the permission from the Police.”

#### .. **G. Other Contributory Factors**

1.18. Explaining some of the other reasons for accidents, the Commissioner of Police pointed out the inadequacy of the transport system as follows:

“Delhi's population growth is perhaps more than 5 per cent per annum. The number of vehicles has gone up from 3.61 lakhs in 1975 to 5.20 lakhs in 1980, but the kilometre length of the roads remains the same. The number of vehicles that a DTC bus or your car or my car meets per furlong has increased with the result that the number of accidents is bound to increase. In the years to come, the problem is going to become more complex with the increase in population and number of vehicles. This surface transport system is not adequate to meet the demands of the Delhi population.”

1.19. Commenting on the need for imparting education in road safety he observed—

“We are running a cell to impart road safety in Delhi but the facilities available with us are inadequate. We should have a system by which even from the early stages, from schools and colleges, students are imparted education in road safety, because now it is completely lacking, both among the drivers as well as the commuters.”

1.20. Dealing with the mixed nature of the traffic he added:—

“The mixed nature of the traffic is another very serious harassment. We have rickshaws, tongas, bullock carts, push carts and heavy buses, double decker buses, apart

from other light vehicles. Of course, this is a common scene in every city of India and it is not possible to change it completely. All the same, this is a very serious problem."

### H. Fatigue element

1.21. The Committee desired to know if a large number of sanctioned posts of drivers were kept vacate and the existing DTC drivers were overworked which contributed to accidents on account of fatigue. The Committee were informed in a note:

"it is true that there is a shortage of drivers and the reasons are that there is a scarcity of availability of experienced and skilled drivers who can be trusted with the responsibility of driving a passenger bus on the busy roads of Delhi."

Detailing the steps taken to overcome the problem the DTC added:

"The normal method for recruitment of drivers is through Employment Exchange. A special drive was, however, undertaken to attract good and skilled drivers by issuing open advertisement which appeared twice in the leading daily newspapers of Delhi on 28-5-1981 and 22-6-1981. In addition, Directorate General Resettlement was contracted specially to sponsor experienced ex-army personnel who have worked, as drivers of army vehicles. As a result thereof, 818 drivers have been appointed during the last two months out of which 104 are ex-servicemen. All available resources for drivers were, therefore, fully tapped."

As against the requirement of 7106 drivers as per norm, 7076 drivers were stated to be on roll in July, 1981.

1.22. In reply to a question, the Committee were informed that a driver might be given overtime upto 8 hours. According to the DTC drivers are generally sent on overtime as and when absenteeism goes high or shortage is experienced in the supply of drivers. It was further stated that "usually, there is a gap of an hour and half to two hours before a driver is again put on duty. Since fatigue is connected with steering hours and not with total overtime put in, overtime may not necessarily lead to accidents."



### I. Compensation for accidents

1.23. During 1980-81 DTC was involved in 135 cases of fatal accidents. In reply to a question it was submitted that out of these cases only 18 persons had been paid compensation. Asked, why the picture regarding payment of compensation was so distressing the DTC Chairman stated "According to law, first of all the victim must file a case. Only then, they can initiate compromise. Unless it goes to court and compromise is made under the cover of the court, it will not be very wise for the DTC to pay compensation. They file an application to the Court and then we compromise." As regards the total amount of Compensation/Compromise money paid and the total amount spent on litigation during the last 3 years. The following information was furnished:

Year	Compensation	Compromise money	expenditure on litigation
1978-79	5,42,721.75	70,000.00	27,444
1979-80	16,56,916.00	39,798.96	33,576
1980-81	15,30,157.37	2,49,000.00	30,943

### J. Position in other Cities

1.24. The Committee desired to know whether any comparative study of accidents in Delhi with those of other metropolitan cities had been carried out. In a reply furnished by DTC it was stated that in the performance report of nationalised road transport undertakings as published by Central Institute of Road Transport (Training and Research) Pune, following picture of accidents in State Road Transport System in metropolitan cities had been given:

accidents per lakh km.

	1977-78	1978-79	1979-80
D.T.C.	1.87	1.60	1.82
B.E.S.T.	8.82	8.79	9.88
Baldevan (Madras)	2.40	2.50	2.80
Calcutta	1.90	N.A.	N.A.

1.25. The comparative figure of accidents given above indicated that accidents involving BEST were about 5 times that of DTC. The Committee desired to know if there was uniform standard of computing the accident statistics. The Secretary of the Ministry stated my feeling is that a lot of insignificant accidents are reported by the BEST drivers and not by DTC drivers. BEST is a better managed service. Now that this point has been made, I will make a study. He also promised to furnish a note on the comparative rate of accidents in the State Transport buses in the four metropolitan cities on the basis of uniform classification. The Secretary of the Ministry stated subsequently in a note as follows:—

“With a view to have a correct appraisal of the situation of road accidents involving the buses of transport corporations in the metropolitan cities, the Ministry of Shipping and Transport has asked the Association of State Road Transport Undertakings to immediately study the question of standardisation of norms for assessing the efficiency of public transport systems in Metropolitan areas.”

#### K. Review by the Ministry

1.26. The Committee asked if at any time the Ministry had reviewed the accidents involving DTC as part of the performance review of the undertakings and if so, what were the system deficiencies noticed and directions given. In reply, the Secretary (Transport) stated:

“In a Review Committee meeting we had discussed the accidents also but not in a very detailed manner. This was of course discussed and the Minister of State gave instructions that an Accidents Cell be created. We have told them to create an accidents cell so as to get better statistics and information.”

1.27. When it was pointed out that although an Accidents Committee was in existence for a long time it never met formally and that Committee appeared to be ineffective its status being low and there being no representation of Police/Transport Department in it, he stated that the matter did not come to his notice.

1.28. DTC is a service enterprise. The index of its efficiency is the extent to which it offers adequate, safe, punctual, regular and economic service. Realising the importance of the safety of the service the Committee examined it. Their examination revealed that the safety consciousness in the DTC has not as yet developed in a manner that guarantees fairly risk-free service to the public.

1.29. The accidents involving DTC buses have recorded increase over time both in absolute terms and in relative terms (related to distance covered). The number of accidents was 3480 during 1980-81. Of these, 181 were fatal. The statistics produced to the Committee to show that the accident rate in DTC is the least among the transport systems in the metropolitan cities do not impress the Committee. For instance, it is hard to believe that the BEST is five times as accident prone as DTC. Obviously not all cases of accidents get recorded in DTC. The Committee would await the outcome of the study by the Association of State Road Transport Undertakings in this regard initiated at the instance of the Committee and hopefully a reliable comparative picture would emerge therefrom. ..

1.30. A combination of factors was responsible for this situation of accidents. Rash and negligent driving and error of judgement of the drivers were the major factors. A large number of drivers caused accidents year after year. It was claimed by the DTC that all cases of accidents were viewed seriously and an Accident Committee immediately investigated the reasons whereafter action was taken against the drivers found at fault. This claim fell through on closer scrutiny. There was no causewise analysis of accidents and feedback prior to January 1981 for appropriate preventive action. The Accident Committee did not meet even once formally. It did not investigate any case of accident, which was not reported to the police and not all cases were reported to the police. It also suffered from institutional inadequacy. Its status was low and there was no representation on it from either the police or Transport Department. It was only after the Committee on Public Undertakings examined the DTC that the Accident Committee was reconstituted properly. An impression is, therefore, irresistible that in fact neither the accidents were taken seriously nor was there any inbuilt arrangement to automatically take preventive steps. The Committee desire that the terms of reference of the Accident Committee should be wider not only to deal with such accidents as have occurred for punitive action but also to suggest preventive steps.

1.31. The Committee were surprised to learn that often drivers are engaged on overtime upto 8 hours. Although the DTC is of the view that overtime work may not necessarily lead to accidents, the Committee strongly feel that overtime if at all should be minimal in order to rule out the possibility of fatigue element causing accidents... ..

1.32. The large number of drivers involved in accidents admittedly discloses weaknesses in the licensing procedures, recruitment tests and inservice training. The driving standard of the DTC cannot be said to be satisfactory. This raises the basic question of reliability of driving tests and the need to upgrade and standardise the tests all over the country. The Committee trust that necessary amendments to the Motor Vehicles Act would be proposed soon to remedy the situation prevalent today. In this connection the Committee would also refer to the laxity in ensuring the roadworthiness of vehicles. Therefore, the testing roadworthiness of vehicles has also to be made foolproof.

1.33. Lack of enforcement of traffic rules and regulations on the part of the police is also responsible in no small measure for the increasing accidents. The Committee appreciate the frank admission of the Commissioner of Police that the police are not as strict as they should be in the enforcement of traffic rules so far as DTC buses are concerned. This laxity should not persist. It is common sight that the DTC buses are parked right at the middle of the road. Such flagrant parking offences should not go unnoticed and unpunished. The Committee would suggest that the police mobile squad to check traffic offences should be augmented and they should use jeeps rather than motor-cycles on their rounds for better surveillance.

1.34. Population of Delhi is growing fast and so does the population of vehicles. In such a situation the snags in traffic engineering designs and poor maintenance of roads and traffic signals such as there are, cause more accidents. The Committee would commend the idea of having a unified authority for traffic management in Delhi. The traffic police should also be clothed with adequate powers to ensure that the various works on road are undertaken in a co-ordinated manner without jeopardising traffic safety.

1.35. The congestion on roads which contributes to accidents, is largely on account of the inadequacy of the surface transport system in the city and partly due to the mix of traffic allowed without segregation. These are serious problems which deserve to be looked into with a view to taking short-term as well as long-term measures to remove congestion.

1.36. The Committee are somewhat disappointed that the gravity of the problems affecting the safety of the bus passengers and pedestrians, not to speak of the public property, has not been appreciated well by the Ministry of Shipping & Transport. There was no comprehensive appraisal of the situation of road accidents involving the buses of the DTC in the periodic performance review meetings taken by the Ministry. In future this should receive special attention for concerted and coordinated action to minimise, if not altogether eliminate, accidents. The Committee also desire that the compensation claims should be paid with utmost promptitude.

## II

### PRIVATE BUSES UNDER DTC

2.1. With a view to narrowing down the gap between the available carrying capacity on DTC buses and the demand the Corporation has been engaging private buses. The Corporation hire buses under two schemes—(i) Kilometrage scheme and (ii) Administrative and Operational Control charges scheme (AOCC Scheme). The number of private buses taken on hire by DTC during the last 3 years is stated to be as under:

Year	Standard Size (km)	Mini (km)	Mini (AOCC)	Grade Mini	Grand Total
1978-79	598	..	147	96	841
1979-80	506	130	..	96	732
1980-81	388	122	..	96	606
As on 30-6-1981	340	116	..	96	552

#### A. Schemes operated

2.2. Under the Kilometrage scheme, DTC pays hire charges to the owners of the private buses at the following rates:—

Age Group	Standard Size	Mini Buses
upto 2 years old buses	Rs. 1.90 per bus	Rs. 1.61 per bus.
2 to 6 years old buses	Rs. 1.80 per bus	Rs. 1.51 per bus.
6 years and above	Rs. 1.70 per bus	Rs. 1.41 per bus.

The driver is provided by the owner at his own cost. The Corporation is not responsible for any criminal or civil liability—arising out of an accident or any action of tort. The conductor on the bus is however, provided by the Corporation at its own cost and the DTC is liable for any police challan against the condutor for over-loading, scuffle cases, etc. In the case of Mini Buses under the AOCC scheme the owner is required to remunerate the Corporation at the rate of Rs. 500/- per bus per month. The owner of the bus is required to provide his own driver and conductor for operating the bus and is responsible for any action, civil or criminal against the crew operating the vehicle.

## B. Performance of Private Operators

2.3. The Tata consultants had opined that the AOCC scheme was not in the interests of commuters as the bus operators indulge in overloading and overcharging, besides not sticking to schedules or assigned routes. They had also pointed out that the private buses under the kilometrage scheme violated traffic rules, did not stop at the bus stops and often did not carry all those waiting. Further according to them the private operators had been able to corner certain routes for themselves and they were not submitting to the discipline of the DTC. Asked to comment on these observations, the Chairman DTC stated that "We allot the routes. There is no question of cornering any routes. It is true that they are not wholly submitting to the discipline of the DTC."

2.4. Asked about comparative statistics of complaints regarding DTC buses and private buses under DTC operation, he furnished the following figures:—

	1978	1979	1980
DTC	5878	5896	7125
P.O. buses	609	2285	2374

2.5. The traffic offences by private buses under DTC operation were reported to be very high compared to the offences by the DTC's own fleet. Fatal accidents were more in the case of private buses. Out of 414 accidents involving private buses during 1979-80, 84 cases were fatal whereas in case of DTC buses out of 2890 accident cases only 95 were fatal. Asked about the reasons for it the DTC Chairman stated "The basic reason is the lack of driving skill and the inferior quality of drivers engaged by private buses." Supporting this view the Commissioner of Delhi Police stated "while 2 drivers of DTC buses were prosecuted for driving without licences, 124 drivers of private buses were prosecuted for driving without licences." The Chairman DTC added:—

"The private buses are taken on kilometre basis and the owners supply the drivers but the conductor belongs to DTC. As the driver belongs to the owner we have no control over their emoluments and service conditions. But in our agreement with the private operator, we have inserted a clause recently taking control over the driver to this extent that his particulars are reported to us so that we can have an

independent check. And even this step has reduced the accidents. We have studied the latest trend of accidents and we find it has come down."

2.6. It was seen from the Annual Reports of the DTC that the average distance covered by a private bus daily was always higher than that of a DTC bus. When this was pointed out the DTC Chairman said that the private operators had to give a guarantee for 225 km. a day per bus. Asked whether there was no scope for malpractice he added:

"It was observed that the kilometre scheme led to certain malpractice in the D.T.C. where there was collusion between the staff and the operator. To my knowledge, it is a fact. This is a flaw in this scheme."

2.7. Asked if Tata Consultants' recommendations that the private buses should be deployed on rural routes outside Ring Road where passenger traffic was not high, was implemented, he informed that "The private operators are not prepared to ply on rural roads. About ten years ago it was tried but they refused to do so." Asked if any public notice was issued at any time to ascertain whether Private operators would deploy buses on rural routes, a representative of the Ministry of Shipping and Transport, Stated "No formal attempt has been made." He, however, added that "The question of hire charge given to the private operators has been referred to the Chief Cost Adviser of the Government. We are awaiting his recommendation. Once we have had a look at it and if we agree with it, we will go to the press and advertise asking the private operators to come to the DTC at new routes and even rural routes."

2.8. Shyam Charan Gupta Enquiry Committee had recommended in 1978 the abolition of the AOCC scheme. In May, 1978, the DTC Board adopted a resolution to bring the mini buses, operated under AOCC scheme, under the km. scheme in phases. Asked, why the AOCC system had not been dispensed with, the Chairman, DTC stated—"The bus owners of AOCC went to court. View was taken by the Government that since these people were taken with a view to developing them as transporters, they should not be deprived of that facility. We have put them back on AOCC system."

2.9. The Committee enquired whether at the time of renewal of contracts, past performance of the operators were taken into account and if there were any instances where contracts had not been



renewed because of poor past performance of the operator. The Chairman, DTC submitted that at the time of renewal of contracts past performances of the operators were not considered because agreement of an operator was terminated immediately on receipt of any major complaint against him without waiting for the time of renewal. He, however admitted that there was no system of considering past antecedents of an operator at the time of renewal of his contract and this was a weakness in the system.

2.10. Asked if the Ministry reviewed the operation of private buses at any time as part of the performance review of DTC as a whole, the Secretary said:

"I reviewed it considerably in all the three meetings held. I gave them a suggestion which they accepted, but somehow it has not been implemented. I said, there is no point in getting old buses; let us ask these fellows themselves to buy the new buses and have the DTC type of body, so that the passengers can travel more comfortably."

### C. DTC's Resource Constraint

2.11. M/s. Tata Consultancy Services appointed by DTC to study various functional areas of the Corporation and suggest a suitable organisational structure and devise the Management Information System in order to enhance its overall efficiency, had recommended that the private operators should not be allowed to continue in the long run. The Committee asked about the government present policy in regard to operation of private buses under the DTC. The Secretary submitted: "As long as we do not have the resources to put our own buses, we will have to continue using private buses. We have to meet the demand and we have no choice but to use private buses also to meet that demand."

2.12. The Committee were informed that Government had taken a decision that DTC fleet should be supplemented by 1000 private buses for the reasons of constraints of funds. The Sixth plan allocation for DTC was much less than what they asked for. Against a demand of about Rs. 130 crores (including Rs. 80 crores for purchase of 3000 buses), the Corporation got Rs. 50 crores for purchase of buses. The proposal of the DTC for funds forwarded by the Ministry were revised by the Planning Commission. The Planning

Commission advanced two arguments in support of their decision. In this connection the Secretary said:

"One is that ring railway is coming up and the pressure will be relaxed. Secondly they said DTC must generate their own resources. They also told us that private buses may be used upto their total number of 1,000."

2.13. The Committee desired to know if any perspective plan had been made by the Ministry and the need of DTC to have more finances to cover an increasing volume of traffic urged on the Planning Commission, it was stated in a note:

"At today's cost, the buses that could be purchased within this amount would be a little less than 1600. As against this, the DTC's requirements only on the replacement account are placed at 1835, on the basis of norms prescribed for replacing the old buses by new ones. The net result would be that by the end of the plan period, DTC will have its fleet decreased from the present level itself."

"The position has been separately reviewed by Ministry of Shipping & Transport on 25-8-1981 in a meeting which was attended for amongst other by a representative of the Planning Commission. The Minister had emphasized to have a reassessment of the DTC's requirements and the representative of the Planning Commission had agreed to have a Working Group set up to go into the matter so that DTC's bus requirements are properly evaluated at the time of mid-term review of the Plan."

2.14. The DTC has 2949 buses owned by it and 552 private buses taken on hire. (June, 1981) The private buses are engaged under two schemes. These are: (i) kilometrage scheme under which the private buses hired are paid hire charges depending upon the distance covered; and (ii) Administrative and Operational Control Charges (AOCC) scheme under which the private buses are allowed to operate on discovery of a fixed amount per bus per month. The traffic offences committed and fatal accidents caused by the private buses under DTC operation are very high. There is not much of a control by the DTC over the drivers of these buses many of whom were caught driving without licenses. A view has been expressed, and rightly so, that the AOCC scheme was not in the interest of the commuters as the bus operators indulged in overcrowding and overcharging, besides not sticking to schedules or assigned routes. The private buses under the kilometrage scheme did not stop at the

bus stops and often did not carry all those waiting.. Further, it has been opined that the private operators had sometimes succeeded in cornering routes of their choice. According to the DTC Chairman himself they are not wholly submitting themselves to the discipline of the DTC and the kilometerage scheme led to certain malpractice in the DTC where there is collusion between the staff and the operators. There is thus a flaw in both the schemes. There was no review of the performance of the private operators at the time of successive renewal of the contracts. The Committee find all this to be distressing. They desire that the schemes under operation should be critically reviewed by the Ministry at least now to issue policy directions calculated to put the private operators under the discipline of the DTC and to ensure that renewal of contracts is subject to continued good performance. In any case there should be no further hiring of buses under the AOCC Scheme.

2.15. Although a suggestion had been given in 1978 that the private buses should be deployed on rural routes (outside Ring Road) where passenger traffic is not high, it has not yet been implemented on the ground that the operators are unwilling. The fact remains that no attempt was made to ascertain the possibility by issuing public notice. This should be done and renewal of existing contracts should be subject to this condition.

2.16. It was urged before the Committee that the DTC had no choice but supplement its fleet with private buses in view of the resources contracts. The Committee were also informed that with the reduced Sixth Plan outlay of Rs. 50 crores there would be on expansion of the fleet and that on the contrary there would be net reduction taking into account the replacement needs. Thus the private buses engaged by the DTC would increase upto 1000 during the Plan period.. This is obviously an unsatisfactory position viewed against the performance of the private operators. However, after the Committee took evidence of the Ministry the position is stated to have been reviewed in association with the Planning Commission and the representative of the Commission had agreed to have a Working Group set up to go into the matter so as to properly evaluate the bus requirements of the DTC at the time of mid-term review of the Plan.. The Committee recommend that adequate resources should be made available for the expansion of the DTC's fleet to obviate the need for engaging private operators as early as possible.

### III

#### WORKING RESULTS

3.1. The DTC has been incurring continuously heavy cash losses since inception. As on 31 March 1981 accumulated net losses of the DTC were of the order of Rs. 158.27 crores. Particulars of losses suffered by the Corporation since the incorporation are as given below:—

Year	Working loss	Accumulated net loss
Pre-incorporation—period (upto 2-11-1972)		1522.45
3-11-71 to 31-3-1972	56.30	1685.61
1972-73	211.90	2220.93
1973-74	250.78	2844.03
1974-75	580.63	3941.42
1975-76	441.06	5184.41
1976-77	59.30	6224.45
1977-78	580.62	7841.69
1978-79	706.66	9590.66
1979-80	443.66	11361.27
1980-81	1084.77	15827.05
	4415.68	15827.05

3.2. Asked about the steps proposed to be taken to make the corporation viable, the Secretary of the Ministry stated that "the basic approach would be a review of the fare." It was submitted that DTC fare was the lowest in the country. Since its incorporation DTC fare was revised first in 1975 and again in 1979. Fare

structure after revisions in October, 1975 and February, 1979 were as given below:—

<i>October, 1975</i>		
	Distance (in kms)	Fare (in paise)
	0-16	30
	16+	60
<i>February, 1979</i>		
	0-4	30
	4-16	40
	16-20	50
	20+	75

Half fare for children between ages 3 and 12 years.

Besides, DTC issued a number of concessional passes to students community and residents of resettlement colonies on certain specified routes. It had been stated that with the revision of fares in 1979, average fare per passenger km. became 3.50 paise in 1979-80 against 2.30 paise in 1975-76. As compared to this, passenger fare per km. was stated by Secretary, Ministry of Shipping & Transport to be 7 paise in Bombay (BEST), 5.67 paise in Madras and 4.80 paise in Calcutta.

3.3. As regards further revision of fares, the secretary stated that a proposal for revision of fares was received in September, 1980 but no decision had yet been taken at the government level. Again consequent on recent increase in diesel cost a revised proposal or revision of fares was received in July, 1981. The Committee enquired if there was any particular reason for not taking a decision by the Ministry for such a long time. The Secretary informed that the matter had been discussed repeatedly and a decision might be taken very soon. Asked if any deliberate decision had been taken not to raise the fare he replied in negative. He added that although DTC is an autonomous body it could not raise the fare itself because as per provisions of the Act, "No State transport can increase the fare without the sanction of the State Government." As regards the reasons for withholding the sanction of the Ministry to the proposal of DTC to raise the fare he stated, "There has been a view in the Ministry that the losses may also be decreased by better collection and by having operational efficiency."

### 3.4 The Financial Adviser of the Ministry submitted that:

"This is basically a question of restructuring the capital base of the DTC and writing off of the past losses. A suggestion was made about two years back that this question should be closely examined. A Committee was formed on 28th July 1980. There was a meeting at which certain decisions were taken. One decision was to re-assess the value of the assets of the DTC. Because there is a difference between the book value and the market value. So, it was decided that it would be advisable to have a valuation of the assets of the DTC. The second decision taken in the meeting by the Director General BPE was that the operational norms of DTC should also be looked into keeping in view similar norms adopted by the Transport undertakings in Bombay, Madras, Hyderabad and certain other places. Pursuant to these decisions, a meeting was convened by the Chairman of the DTC on 16th January, 1981 and in that meeting certain decisions were taken

Now this Committee is looking into all the aspects. The final recommendations of the Committee will be examined by the Ministry and then a view has to be taken. An analysis of these accumulated losses shows that the working loss, what is known as the cash loss, is Rs. 44.15 crores, the depreciation which could not be recovered is Rs. 23.72 crores. The depreciation of other assets which could not be recovered is Rs. 1.27 crores. Then, interest on Government loans is Rs. 62.61 crores. Under any system of restructuring, as you know, fact that the transport corporations generally operate on the system of loan financing has to be kept in view. The equity participation generally in the case of transport undertakings has not been accepted so far.

He added:—

"The second point is that the DTC with its present revenue and fare structure is not in a position to even meet cash expenditure. Therefore, some ways and means have to be thought of by the Government in what way DTC can be given relief on its debt. Ultimately, the decision of the Government will depend on the Report of the Committee. Can it be by re-structuring or by deferring the

payment of loans etc. It is difficult to visualise the decision of the Government in the case of DTC".

3.5. Although the Committee's selective examination of DTC was to cover only Accidents and Operation of Private Buses, the Committee also went into the financial position of the DTC in a manner. The DTC has cumulative losses of the order of Rs. 158 crores as on 31 March, 1981. Lately, the turnover is about Rs. 40 crores and the working loss is about Rs. 10 crores annually. If only there could be improvement in earnings or economy in expenses to the extent of 25 per cent there would not be any cash losses. The fares of the DTC are the lowest among the metropolitan cities. The average fare in terms of paise per km. was stated to be 7 in Bombay, 4.8 in Calcutta, 5.67 in Madras and 3.5 in Delhi. The proposal of the DTC, submitted in September 1980, to the Ministry for revision of fares is still pending with the Ministry. The Committee have been informed that among other things revaluation of assets of the DTC with a view to realistically altering the capital structure is being considered by the Ministry. The exercise to make the Corporation a viable entity is long over-due. The Committee, therefore, desire that the Ministry should expedite it and see that the Corporation is put on a sound financial footing. In any scheme of restructuring it is important to ensure the cost efficiency of the Corporation.

NEW DELHI;  
December 9, 1981.  
Agrahayana 18, 1903 (S).

BANSI LAL,  
Chairman,  
Committee on Public Undertakings.

## APPENDIX

### *Summary of Conclusion/Recommendation*

S. No.	Para No.	Conclusion/Recommendation
1	2	3
1	1.28	DTC is a service enterprise. The index of its efficiency is the extent to which it offers adequate, safe, punctual, regular and economic service. Realising the importance of the safety of the service the Committee examined it. Their examination revealed that the safety consciousness in the DTC has not as yet developed in a manner that guarantees fairly risk-free service to the public.
2	1.29	The accidents involving DTC buses have recorded increase over time both in absolute and in relative terms (related to distance covered). The number of accidents was 3480 during 1980-81. Of these, 181 were fatal. The statistics produced to the Committee to show that the accident rate in DTC is the least among the transport systems in the metropolitan cities do not impress the Committee. For instance, it is hard to believe that the BEST is five times as accident prone as DTC. Obviously not all cases of accidents get recorded in DTC. The Committee would await the outcome of the study by the Association of State Road Transport Undertakings in this regard initiated at the instance of the Committee and hopefully a reliable comparative picture would emerge therefrom.
3	1.30	A combination of factors was responsible for this situation of accidents. Rash and negligent driving and error of judgement of the drivers



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were the major factors. A large number of drivers caused accidents year after year. It was claimed by the DTC that all cases of accidents were viewed seriously and an Accident Committee immediately investigated the reasons whereafter action was taken against the drivers found at fault. This claim fell through on closer scrutiny. There was no cause wise analysis of accidents and feedback prior to January 1981 for appropriate preventive action. The Accident Committee did not meet even once formally. It did not investigate any case of accident, which was not reported to the police and not all cases were reported to the police. It also suffered from institutional inadequacy. Its status was low and there was no representation on it from either the police or Transport Department. It was only after the Committee on Public Undertakings examined the DTC that the Accident Committee was reconstituted properly. An impression is, therefore, irresistible that in fact neither the accidents were taken seriously nor was there any inbuilt arrangement to automatically take preventive steps. The Committee desire that the terms of reference of the Accident Committee should be wider not only to deal with such accidents as have occurred for punitive action but also to suggest preventive steps.

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The Committee were surprised to learn that often drivers are engaged on overtime upto 8 hours. Although the DTC is of the view that overtime work may not necessarily lead to accidents, the Committee strongly feel that overtime if at all should be minimal in order to rule out the possibility of fatigue element causing accidents.

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The large number of drivers involved in accidents admittedly disclose weaknesses in the licensing procedures, recruitment tests and in-service training. The driving standard of the DTC cannot be said to be satisfactory. This raises the basic question of reliability of driving tests and the need to upgrade and standardise the tests all over the country. The Committee trust that necessary amendments to the Motor Vehicles Act would be proposed soon to remedy the situation prevalent today. In this connection the Committee would also refer to the laxity in ensuring the roadworthiness of vehicles. Therefore, the testing of roadworthiness of vehicles has also to be made foolproof.

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Lack of enforcement of traffic rules and regulations on the part of the police is also responsible in no small measure for the increasing accidents. The Committee appreciate the frank admission of the Commissioner of Police that the police are not as strict as they should be in the enforcement of traffic rules so far as DTC buses are concerned. This laxity should not persist. It is common sight that the DTC buses are parked right at the middle of the road. Such flagrant parking offences should not go unnoticed and unpunished. The Committee would suggest that the police mobile squad to check traffic offences should be augmented and they should use jeeps rather than motor-cycles on their rounds for better surveillance.

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1.34

Population of Delhi is growing fast and so does the population of vehicles. In such a situation the snags in traffic engineering designs and poor maintenance of roads and traffic signals such as there are, cause more accidents. The Committee would commend the idea

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of having a unified authority for traffic management in Delhi. The traffic police should also be clothed with adequate powers to ensure that the various works on road are undertaken in a coordinated manner without jeopardising traffic safety.

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The congestion on roads which contributes to accidents, is largely on account of the inadequacy of the surface transport system in the city and partly due to the mix of traffic allowed without segregation. These are serious problems which deserve to be looked into with a view to taking short-term as well as long-term measures to remove congestion.

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1.36

The Committee are somewhat disappointed that the gravity of the problems affecting the safety of the bus passengers and pedestrians, not to speak of the public property, has not been appreciated well by the Ministry of Shipping & Transport. There was no comprehensive appraisal of the situation of road accidents involving the buses of the DTC in the periodic performance review meetings taken by the Ministry. In future this should receive special attention for concerted and coordinated action to minimise, if not altogether eliminate, accidents. The Committee also desire that the compensation claims should be paid with utmost promptitude.

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2.14

The DTC has 2949 buses owned by it and 552 private buses taken on hire (June, 1981). The private buses are engaged under two schemes. These are: (i) kilometerage scheme under which the private buses hired are paid hire charges depending upon the distance covered; and (ii) Administrative and Operational Control Charges (AOCC) scheme under which the private buses are allowed to operate on recovery of a fixed amount per bus per month.

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The traffic offences committed and fatal accidents caused by the private buses under DTC operation are very high. There is not much of a control by the DTC over the drivers of these buses many of whom were caught driving without licenses. A view has been expressed, and rightly so, that the AOCC scheme was not in the interest of the commuters as the bus operators indulged in overcrowding and overcharging, besides not sticking to schedules or assigned routes. The private buses under the kilometerage scheme did not stop at the bus stops and often did not carry all those waiting. Further, it has been opined that the private operators had sometimes succeeded in cornering routes of their choice. According to the DTC Chairman himself they are not wholly submitting themselves to the discipline of the DTC and the kilometerage scheme led to certain malpractice in the DTC where there is collusion between the staff and the operators. There is thus a flaw in both the schemes. There was no review of the performance of the private operators at the time of successive renewal of the contracts. The Committee find all this to be distressing. They desire that the schemes under operation should be critically reviewed by the Ministry at least now to issue policy directions calculated to put the private operators under the discipline of the DTC and to ensure that renewal of contracts is subject to continued good performance. In any case there should be no further hiring of buses under the AOCC Scheme.

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2.15

Although a suggestion had been given in 1978 that the private buses should be deployed on rural routes (outside Ring Road) where passenger traffic is not high, it has not yet been implemented on the ground that the operators are

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unwilling. The fact remains that no attempt was made to ascertain the possibility by issuing public notice. This should be done and renewal of existing contracts should be subject to this condition.

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2.16

It was urged before the Committee that the DTC had no choice but to supplement its fleet with private buses in view of the resource constraints. The Committee were also informed that with the reduced Sixth Plan outlay of Rs. 50 crores there would be no expansion of the fleet and that on the contrary there would be net reduction taking into account the replacement needs. Thus the private buses engaged by the DTC would increase upto 1000 during the Plan period. This is obviously an unsatisfactory position viewed against the performance of the private operators. However, after the Committee took evidence of the Ministry the position is stated to have been reviewed in association with the Planning Commission and the representative of the Commission had agreed to have a Working Group set up to go into the matter so as to properly evaluate the bus requirements of the DTC at the time of mid-term review of the Plan. The Committee recommend that adequate resources should be made available for the expansion of the DTC's fleet to obviate the need for engaging private operators as early as possible.

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3.5

Although the Committee's selective examination of DTC was to cover only Accidents and Operation of Private Buses, the Committee also went into the financial position of the DTC in a manner. The DTC has cumulative losses of the order of Rs. 158 crores as on 31 March 1981. Lately, the turnover is about Rs. 40 crores and

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the working loss is about Rs. 10 crores annually. If only there could be improvement in earnings or economy in expenses to the extent of 25 per cent there would not be any cash losses. The fares of the DTC are the lowest among the metropolitan cities. The average fare in terms of paise per km. was stated to be 7 in Bombay, 4.8 in Calcutta, 5.67 in Madras and 3.5 in Delhi. The proposal of the DTC, submitted in September 1980, to the Ministry for revision of fares is still pending with the Ministry. The Committee have been informed that among other things revaluation of assets of the DTC with a view to realistically altering the capital structure is being considered by the Ministry. The exercise to make the Corporation a viable entity is long over-due. The Committee, therefore, desire that the Ministry should expedite it and see that the Corporation is put on a sound financial footing. In any scheme of restructuring it is important to ensure the cost efficiency of the Corporation.