

“A Financial Study of Maharashtra State Road Transport Corporation in India”

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Introduction:

A good road network is a critical infrastructure requirement for rapid growth. It provides connectivity to remote areas provides accessibility to markets, schools and hospital and opens up backward regions to trade and investment. Roads also play an important role in inter-modal transport development, establishing links with airports, railway stations, and ports.

India has one of the largest road networks, of 33.14 lakh km, consisting of (i) national highways (NHs), (ii) State highways (SHs), (iii) major district roads (MDRs) and (iv) RRs that include other district roads and village roads.

Hence transportation will be developing and connectivity between rural to urban areas, cause of transportation we can travelling and goods carriers one place to another place. Therefore, now we can be travelling through transportation as vehicle and motorbike thus all state play incredible role for transportation to serve of people. In Maharashtra State Road Transport Corporation is established by State Government of Maharashtra as per the provision in Section 3 of RTC Act 1950. The Maharashtra State Road Transport Corporation is operating its services by the approved scheme of Road Transport published vide Notification MVA 3173/30303-XIIA dated 29.11.1973 in the official gazette. The area covered by the scheme is entire area of the State of Maharashtra. . This institute operating only for give services to people not only earning income or profit, every day MSRTC's buses approach or reach to villages of Maharashtra. In this institutes, 12000 employees working day and night also 570 bus stands and 15500 buses so also every day income or earning of 70000 cores. Thus, customers of 3500, 00,000 corers travelling in every day by Maharashtra road transport corporation.

Objectives:

1. To study of income & expenditure of Maharashtra state road Transport Corporation.
2. To study of financial year between 2011-2013 years.

Limitation:

1. The period of study has 2011-2013 years
2. The study related of MSRTC's financial year.

Review of literature:

1. Mridula Krishna discuss about Transport is the backbone of economic, cultural, social and industrial development of any country besides its two dimensional role of creating time and space utilities. This sector has not received due consideration either of universities or academic institutions. A little attention is paid by the researchers in the past to evaluate the performance of transport sector.
2. The study of Ramanadham highlighted the problems encountered by transport undertakings in the formative years. Moreover, M.O. Mathew emphasized the efficiency of the transport industry as a whole and the public utility industry in particular.

He opined that transport being regulated by the Governmental policies in many ways, of which some have a direct impact on the evolution of size.

INCOME AND EXPENDITURE:

In this research paper, we will emphasize and analysis of income and expenditure of financial years of Maharashtra state road Transport Corporation. Thus we would be data interpretation and critical analysis of particular things of income and expenditure.

Particulars	Financial Year 2012-13	Financial Year 2011-12
(A) Income		
• Revenue from Passengers	5921.07	5482.61
• Other Revenue	174.72	117.64
Total	6095.79	5600.25
(B) Expenditure		
• Staff Cost including Welfare	2633.42	2028.07
• Diesel	2029.74	1785.67
• Stores consumption	332.76	310.49
• Passenger Tax & M.V. Tax	796.97	749.67
• Interest	2.50	24.50
• Depreciation	364.57	302.24
• Additional depreciation for replacement of vehicles	0.00	49.68
• Other expenses	324.00	290.77
Total (B)	6483.96	5541.09
(C) Profit/Loss (A-B)	-388.17	59.16
• Prior period adjustments	-40.66	4.81
Net Profit/Loss	-428.83	63.97

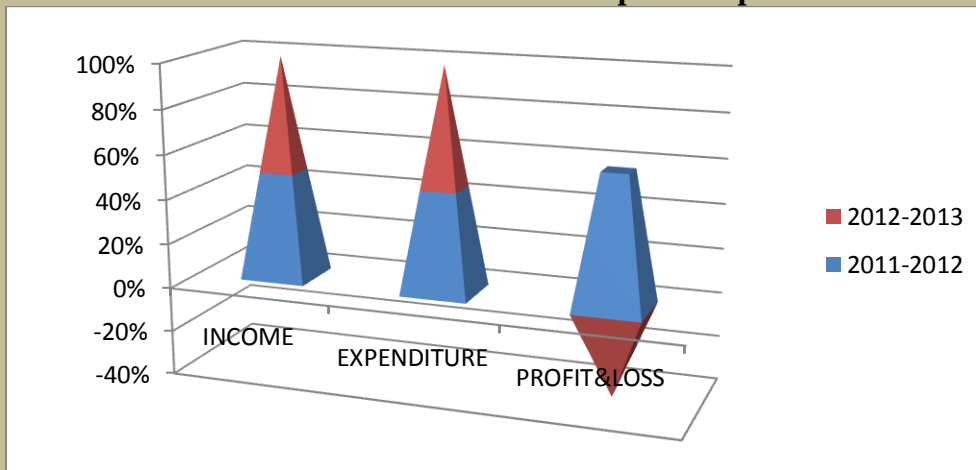
Table

Maharashtra State Road Transport Corporation (Rs.in crores)

Source:-Annual report of MSRTC 2011 TO 2013 Years

Graph

Maharashtra state road Transport Corporation



Source: - computerized Graph made by Annual report

Above table denotes the financial condition of MSRTC between 2011-2013 years as two years. When we can see to table then better understand of financial condition of MSRTC. In the year of 2011-2012 has decrease than 2012-2013, but also expenditure of 2012-2013 has been increased than 2011-2012 years. Profit of 2011-2012 years has 59.16 corers only, but also in 2012-2013 years loss has 388.17 corers. Total loss in this year has 428.83 & total profit 2011-2012 years has 63.17 cores only. That means only 2011-2012 years financial condition of MSRTC has satisfied or growth, but after year means in 2012-213 years financial conditions has unsatisfied & growth less than previous year.

Conclusion:-

The MSRTC is most important part of transportation in Maharashtra but also financial condition as like income & expenditure of MSRTC has declined & decrease also we told unsatisfied in study year. Income of MSRTC has decreased than expenditure thus expenditure has been increased year to year but income hasn't growth in financial years of Maharashtra state road Transport Corporation.

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