



KSRTC Ltd.

Road transport in the district of South Kanara is mostly in the hands of private bus operators. Only the route between Mangalore-Puttur is exclusively with the Karnataka State Road Transport Corporation (KSRTC). As the private bus operators are giving exceptionally good service to the customers, there is a demand that Mangalore-puttur route is also opened up to the private bus operators.

In order to improve the service, the Mangalore depot of KSRTC introduced an incentive scheme for the bus crew so as to provide better transport facilities to the maximum number of passengers as also to prevent the public from raising the demand for allowing private bus operators.

The incentive scheme fixed certain amount of the level of revenue to each route as base revenue. If the revenue earned by the particular trip was equal to the base revenue, the conductor and the driver of the bus would be eligible to receive the incentive amount of 1% of the base revenue. If the revenue exceeded the base amount the conductor and the driver could get 2% of increment revenue as incentive bonus. However if the revenue earned was less than the base revenue, the conductor and the driver would not be eligible for any incentive.

In a bid to take advantage of this incentive scheme, the bus conductors of Mangalore-Puttur route started overloading the buses exceeding the seating capacity by almost double. This scheme has been functioning successfully, benefiting the passengers, the bus crew and particularly the KSRTC (only Mangalore depot is currently making profits for the corporation) as the cost of operation of the bus did not increase in proportion to the increase in revenue.

Mr. Sathish has been working as a conductor in the Mangalore depot of KSRTC since 1980. He was on duty on 4th September 2004 on the Mangalore-Puttur route. He had overloaded the bus almost by double (enquiry revealed that there were 89 passengers as against a seating capacity of 50). Mr. Tingu, a passenger of that bus did not purchase a ticket despite repeated enquiries by the conductor because of the heavy overloaded condition of the bus and his illness. The conductor was unable to count the passengers because of the overload. In this scenario when the ticket checking officers stopped the bus at B.C. Road to verify the tickets; they found that Mr. Tingu had not purchased a ticket. They blamed the conductor Mr. Sathish for not issuing the ticket. Mr. Tingu



appealed to the checking staff stating that he had not purchased the ticket despite repeated enquiries by the bus conductor because he was ill and the bus was heavily overloaded. Moreover, the co-passengers of the bus also stated that the conductor made repeated enquiries asking passengers to buy tickets. In spite of all these, the ticket checking staff suspended the conductor.

The suspension of the conductor created an uproar among the bus crew of the Mangalore Depot. The drivers and conductors held a meeting in Mangalore on 5th September 2004, and resolved to limit the intake of passengers to the seating capacity. This decision was implemented with immediate effect. Consequently, the passengers on the Mangalore-Puttur route experienced many difficulties while traveling. The average revenue per day of Mangalore Depot which was Rs. 2,50,000 prior to 4th September 2004, declined to Rs. 1,50,000 per day from 5th September 2004 to 30th September 2004. Viewing the situation, the director of the corporation in its emergency board meeting re-examined the whole case and withdrew the suspension order served on Mr. Sathish on 30th September 2004.

Questions:

1. Was the conductor guilty of negligence of duty?
2. Should a genuine mistake call for the drastic punishment of suspension?
3. Should the disciplinary rules be applied for the sake of mere discipline or should they contribute to the goals and objectives of the corporations?