



# REVIEW OF RESEARCH

ISSN: 2249-894X

IMPACT FACTOR : 5.7631 (UIF)

VOLUME - 15 | ISSUE - 10 | JULY - 2026



## ROLE OF KSRTC IN ECONOMIC DEVELOPMENT OF KARNATAKA STATE

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### ABSTRACT

*Economic development refers to progress toward a community's economic goals such as increased employment, income, productivity, property values, and tax revenues. Transport policy and planning decisions can affect economic development in various ways, including some that are often overlooked or undervalued. Transportation planning decisions can affect economic development in several ways: by affecting accessibility household, government and business costs; plus local environmental quality and therefore an area's attractiveness to residents, customers and workers. Transport plays an important part in economic growth and globalization, but most types cause air pollution and use large amounts of land. While it is heavily subsidized by governments, good planning of transport is essential to make traffic flow, and restrain urban sprawl. Transport demand in most Indian cities has increased substantially, due to increases in population as a result of both natural increase and migration from rural areas and smaller towns. Therefore present study focused on the concept of Economic development, to study the growth of KSRTC and as well as branches of KSRTC.*



**KEYWORDS:** *Economic development, KSRTC, infrastructure etc.*

### 1. INTRODUCTION:

Transport plays an important role in economic growth and globalization, but most types cause air pollution and use large amounts of land. While it is heavily subsidized by governments, good planning of transport is essential to make traffic flow, and restrain urban sprawl. Transport demand in most Indian cities has increased substantially, due to increases in population as a result of both natural increase and migration from rural areas and smaller towns. Availability of motorized transport, increases in commercial and industrial activities have further added to transport demand. A close link between infrastructure using and GDP growth has been established studies are revealed that percent growth in the infrastructure stock is associated with percent growth in per capita GDP. "If agriculture and industry can be compared to human body and bones transport is compared to its nerves" as the saying goes "moving wheels reflect civilization. Transport helps in overall development of a country. Thus transport is regarded as civilization.

Transportation links together the factors of production in a complex web of relationships between producers and consumers. The outcome is commonly a more efficient division of production by an exploitation of geographical comparative advantages, as well as the means to develop economies of scale and scope. The productivity of space, capital and labor is thus enhanced with the efficiency of distribution and personal mobility. It is acknowledged that economic growth is increasingly linked with

transport developments, namely infrastructures but also managerial expertise is crucial for logistics. Good transportation facilities support economic growth by lowering the transport costs of users of the transportation network. Direct user benefits are reductions in travel. Times and fuel consumption, increased reliability, and increased safety in the movement of people and goods, as users' transportation costs are reduced, resources are freed for other purposes.

Increasing economic development causes more traffic. Increasing amounts of goods, greater transportation distances, enhanced division of labour new production technologies (e.g. just-in-time production), higher levels of commuter traffic and an increase in business travel are producing a growth in goods transport and production-related passenger transport. The increase in the prosperity of private households, together with the reduction in the working week and the working life, are producing an increase in holiday and leisure transport. The mobility of people and goods is a precondition for greater productivity and economic growth. The latter result from enhanced division of labour, faster structural change, the exploitation of new raw and other materials and greater competitiveness in international trade. Mobility is therefore an important factor in the dynamics of economic growth.

Economic development refers to progress toward community's economic goals such as increased employment, income, productivity, property values, and tax revenues. Transport policy and planning decisions can affect economic development in various ways, including some that are often overlooked or undervalued. Transportation planning decisions can affect economic development in several ways: by affecting accessibility household, government and business costs; plus local environmental quality and therefore an area's attractiveness to residents, customers and workers.

## **2. OBJECTIVES OF THE STUDY:**

This study based on following objectives.

- 1) To study the concept of Economic development
- 2) To study the growth of KSRTC
- 3) To study the Branches of KSRTC

## **3. METHODOLOGY:**

The present study is based on the data obtained from secondary sources. The secondary data has been collected from various journals, articles, books, government reports, and KSRTC articles, economic survey, etc. This study analyzed the role of ksrtc in economic development of Karnataka state.

## **4. CONCEPT OF ECONOMIC DEVELOPMENT:**

The Economic development was customarily referred to as economic growth by classical and neo classical economists. The economists of the eighteenth, nineteenth, and early twentieth century, such as Adam Smith, David Ricardo, John Stuart Mill, Karl Marx, and Alfred Marshall had a profound concern for understanding the roots of economic wealth and the reasons for poverty. Adam Smith in his *Progressive State* identified three major sources of growth: growth in the labour force and stock of capital; improvement in the efficiency with which capital is applied to labour through greater division of labour and technological progress; and foreign trade that widens the market and reinforces the other two sources of growth. According to Adam Smith, growth can be promoted through the market institutions and the activity of competition. The classical economists including Adam Smith relied heavily on variables, such, as capital, population, and trade, for economic development.

The new development economists considered economic development as the removal of poverty and inequality, rather than an increase in the growth rate and Gross National Product. They are of the view that growth in GNP is not a sufficient condition for the eradication of poverty. Further, there is very little possibility of the trickle down effects of income, and, therefore, both, poverty and income inequalities are high in many countries. They questioned the very meaning of economic development and the value of measuring it in terms of GNP. They added other dimensions to the objectives of development. The World Bank emphasized redistribution with growth, and the International Labour Organization concentrated on basic human needs. Now, development economists give emphasis more

directly on the quality of the development process. They consider that people and the quality of their life are central to development. They argue that there is a need for a perspective of economic development that incorporates human development.

## 5. GROWTH OF KSRTC:

The growth of vehicles has been much faster than that of the population. The number of registered vehicles increased from 55 million in 2001 to 142 million by 2011, with a currently-estimated 195.6 million in 2016. Seventy-five per cent of these registered vehicles (147 million) are motorcycles. Furthermore, the physical infrastructure has not been able to keep pace with the growth in demand. The urban road length has increased from 252,001km in 2001 to 411,840km by 2011. In the last decade registered vehicles per million population has increased by 219percentage while urban road infrastructure per million only increased by 124 percentage. KSRTC (Karnataka State Road Transport Corporation) has its corporate office at Bangalore. Presently, it covers seventeen Districts (Bangalore Urban, Bangalore Rural, Ramanagar, Kolar, Chickballapur, Tumkur, Chitradurga, Davanagere, Shivamogga, Mangalore, Udupi, Chickmagalur, Hassan, Mysore, Mandya, Chamarajnagar, Coorg) in the State under its operational jurisdiction.

Total 15 Divisions in the state - 14 operating Divisions viz. Bangalore Central, Ramanagar, Tumkur, Kolar, Chickballapur, Mysore City, Mysore Rural, Mandya, Chamarajnagar, Hassan, Chickmagalur, Mangalore, Puttur, Davanagere and 1 bus station division viz., KBS.79 Depots, 2 Regional Workshops, 1 Central Training Institute, 2 Regional Training Institutes, 1 Printing Press and 1 Hospital. As at the end of 31-03-1997, the Corporation operated its services in 19 Divisions - 18 Divisions operating mofussil services and 1 Division operating city services of Bangalore. It had 108 Depots, 2 Regional Work Shops and a Central Office at Bangalore. There were 281 permanent and 11 temporary bus stations with 337 wayside shelters and 1009 pick-up shelters. The total number of employees deployed was 59033 and the staff ratio per schedule was 6.22. The total number of routes operated was 13273 with 9493 schedules, route length of 9.49 lakh Kms. And average daily scheduled kms of 27.95 lakh kms. Karnataka State Road Transport Corporation Provides so many Transport services to public namely Express, Rajahamsa, Karnataka Vaibhav etc.

## 6. BRANCHES OF KSRTC:

Karnataka State Road Transport Corporation provides reservation system is networked and computerized and tickets can be availed at designated kiosks in towns and cities. An online reservation system called AWATAR has also been devised by KSRTC using which travelers can reserve tickets online. KSRTC plies various categories of buses viz. Airavat Club-Class (high-end luxury Volvo, Scania, Mercedes-Benz multi-axle AC buses), Airavat (high-end luxury Volvo and Mercedes Benz AC buses), Ambaari (Corona AC and non AC Sleeper buses), Rajahamsa Executive (Deluxe buses built on Leyland, Eicher and Tata chassis), Karnataka Vaibhav (Semi-Deluxe buses built on Leyland, Eicher and Tata chassis), Karnataka Saarige (Bus service linking rural areas to major settlements as well as the cheapest alternative for inter-city or town routes. The buses are built on Tata and Leyland chassis). Grameena Saarige is another initiative by KSRTC to provide bus service to the rural populace of the state. Buses run by private persons are allowed to operate in few districts of Karnataka. Inter district transportation are run by private operators, connecting capital Bengaluru and main cities like Mangaluru and Dharwad to district headquarters. Intra district transportation by private operators is currently allowed in Dakshina Kannada and Udupi districts. Omni bus and Maxi cabs are also other modes of road transportation in the state, especially where KSRTC does not buses or run very few.

## 7. CONCLUSION:

The Study gives a brief Picture about the Karnataka State Road Transport Corporation and economic development in Karnataka. Karnataka State Road Transport Corporation doing Inter State Services and Long Distance as well as Night Services, Express & Non-Stop Services City Suburban Services, Advance Booking & Reservation facilities, Luggage & parcel Transport, Special Services of Fairs, Quality Services and It stands fifth amongst State Transport Unions in the Nation by size.

Karnataka has greater potential to increase Public Transport to make the Karnataka economy and Service sector more prosperous and sustainable economic development of the state. Finally it conclude that the Karnataka economic development through development of transport sector in the state.

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