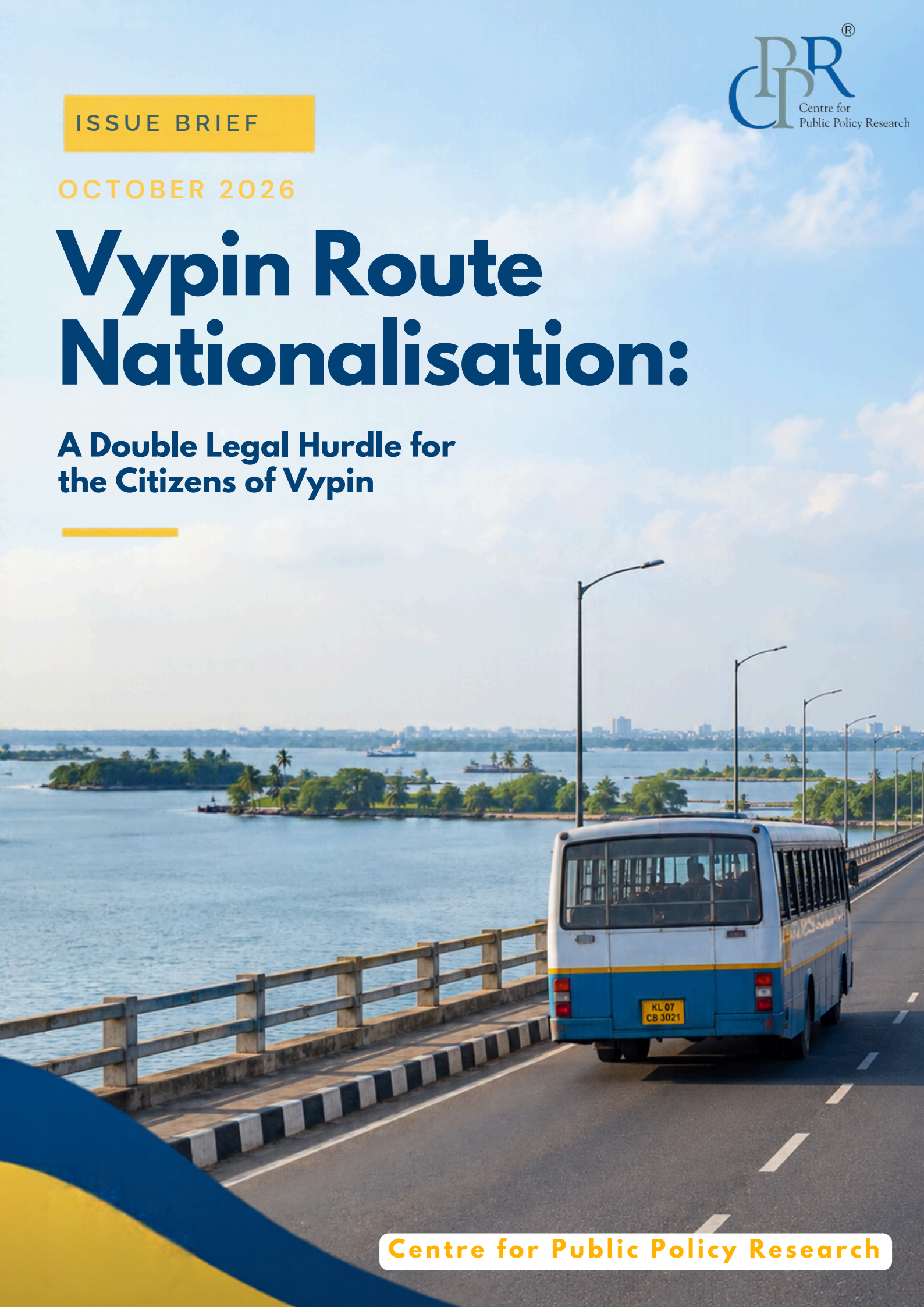
ISSUE BRIEF

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Vypin Route Nationalisation:

A Double Legal Hurdle for the Citizens of Vypin



Centre for Public Policy Research

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ISSUE BRIEF

Vypin Route Nationalisation:

A Double Legal Hurdle for the Citizens of Vypin[1]

1. The issue in brief

Ever since the Goshree Bridge opened in 2004, the people of the Vypin islands have asked for private buses to be allowed into Ernakulam city. Today, commuters must step off at High Court Junction and board a city bus, at added cost and inconvenience. Permit rules have long kept private buses out, and the draft nationalisation scheme published on 17 May 2023 would place a second barrier in their path.

2. Why it matters

- A long-standing demand: Islanders have pressed for city entry for over 18 years. An estimated 55,000 or more people travel from Vypin to Ernakulam city every morning (The Hindu, 2023), against 22,000 in NATPAC reports.
- Private buses serve most passengers: About 82% of bus passengers from the Vypin region use private buses to reach Ernakulam city from High Court Junction (NATPAC, 2022).
- Words and action diverge: At a January 2023 meeting convened on the state government's directions, stakeholders, including bus operator associations, overwhelmingly supported city entry for private buses (The Hindu, 2023). That month, the Transport Minister said the legal hurdles would be removed as early as possible (Times of India, 2023). Yet the draft scheme that followed in May moves in the opposite direction.

[1] *Condensed brief on the Kerala Draft Route Nationalisation Scheme (17 May 2023) · Based on CPPR articles and comment on the draft scheme*



3. Key problems

- **The permit hurdle.** Vypin's private buses hold mofussil permits, but operating within city limits needs a city bus permit. Under the Kerala Motor Vehicle Rules 1989, both terminals of a city service must lie within 5 km of the city limits. Apart from parts of the First division on Vypin Island, the islands lie outside Corporation limits, so their operators cannot get city permits. City permits are also capped and the maximum has been reached, and nationalised city routes admit only private city buses.
- **The draft scheme.** Section 99 of the Motor Vehicles Act 1988, read with Rule 236 of the Kerala Motor Vehicle Rules 1989, lets the state government propose a scheme under which a state transport undertaking runs a route while wholly or partly excluding other operators, in the public interest. The draft scheme uses it to nationalise the 36 km route from Paravur KSRTC bus station to Vytilla hub via Cherai, Bolgatty Junction, High Court Junction, Jetty bus stand and Kadavanthra. This is the main route for Vypin commuters, and private operators run most of its services. It says it aims to address the scarcity of public transport in Vypin and provide efficient, adequate, economical and properly coordinated services, yet it works against residents' demand.
- **The overlap cap.** Overlap means that private operators may also run on the nationalised route. The scheme allows private buses no more than 25 km of overlap, and none between Paravur and Cherai. High Court Junction is already about 25 km from most key areas in Vypin, so a bus continuing to Vytilla or Kakkanad would exceed the limit. Buses from Munambam, Cherai and Vypin are affected; Paravur buses are shut out. No reason is given for these conditions.
- **Frozen permits.** Outside the portions listed in clause 5(c), no fresh permits will be granted and existing ones cannot be varied, so operators are held to routes ending at High Court Junction, while new services and extra trips are reserved for KSRTC. On the 11 km stretch from Cheranalloor Signal Junction to Bolgatty Palace Junction, permits cannot be renewed on expiry.
- **Can KSRTC fill the gap?** The KSRTC fleet has shrunk from 5,500 buses in 2013 to 4,200 in 2023. Against the Ministry of Housing and Urban Affairs benchmark of 60 buses per lakh population, Kerala needs 8,540 more; private operators, with about 7,300 buses,

help fill the gap. KSRTC's earlier attempts in the region, such as 50 Thirukochi and 20 mofussil services in 2010, did not last. CPPR attributes this to unreliable scheduling that disregarded commuter needs, services often run in the opposite direction, inadequate infrastructure, geographical constraints and opposition from local operators.

4. Recommendations

Area	Current provision	Recommended change
Draft scheme	36 km Paravur–Vytilla route nationalised	Do not implement the scheme as drafted; first assess its benefit to Vypin residents.
Overlap cap	25 km cap; none allowed between Paravur and Cherai	Let private buses reach Vytilla and Kakkanad; give the basis for any limit.
Permit variation	No fresh permits or variation of existing permits	Allow variations that let services run beyond High Court Junction.
Permit system	Fixed mofussil and city permits; city permits capped	Rethink the fixed permit system, with population needs as a deciding factor.
Service planning	New services and extra trips reserved for KSRTC	Plan jointly with KSRTC, local authorities and other stakeholders.

5. Conclusion

The people of Vypin need easy access to the city for their livelihoods and education. The permit system already stands in their way, and the draft scheme would keep private buses out even if the permit rules were relaxed. It should not go ahead as drafted, and the fixed permit system deserves a fresh look. Through services would mean fewer private vehicles in the city, lower travel costs and fuel use, easier access to Kochi Water Metro, and a boost to public transport.



The larger issue of nationalisation of routes in Kerala

The Vypin issue is also part of a wider challenge facing Kerala's bus transport sector. The sector has seen a sharp decline in private participation—from around 30,000 individual operators in the 2000s to about 7,300 private stage carriage buses today. At the same time, annual tax contributions from the sector, which were once around ₹120–140 crore, are estimated to have fallen to about ₹60–70 crore in 2025. These trends warrant a fresh examination of the regulatory framework governing private bus operations. Kerala need not choose between public oversight and private participation; instead, it can move towards a more open and predictable framework that protects public interest while encouraging investment, competition and better bus services.



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