

# Commuter Exploitation at Railway Terminus: A Study of Fare Overcharging by Taxi and Auto Drivers in Mumbai

Joseph Maryan D'Silva<sup>1</sup>, Dr. Vijay Wamanrao Wagh<sup>2</sup>,  
Darshana Murkhibhavi<sup>3</sup>

<sup>1,3</sup>Research Scholar, Sheila Raheja School of Business Management & Research, Bandra (East)

<sup>2</sup>Professor & Ph.D Guide, Sheila Raheja School of Business Management & Research, Bandra (East)

## ABSTRACT

Urban railway stations function as critical mobility hubs in large metropolitan cities, facilitating the movement of millions of commuters daily. In Mumbai, major railway termini such as Chhatrapati Shivaji Maharaj Terminus, Mumbai Terminus, Lokmanya Tilak Terminus, Bandra Terminus serves as gateways connecting long-distance travelers with local transport systems. However, the transition between rail transport and last-mile mobility frequently exposes commuters to exploitative practices by taxi and auto-rickshaw drivers. Reports indicate persistent problems of fare refusal, meter tampering, and arbitrary fare demands, particularly at railway stations where passengers have limited alternatives. Studies and enforcement records show thousands of violations annually, including cases of overcharging and refusal to ply, highlighting a systemic challenge in urban transport governance.

This research examines the prevalence and patterns of fare overcharging by taxi and auto drivers at railway terminuses in Mumbai city. Using a mixed-method approach consisting of commuter surveys, field observations, and analysis of the regulatory framework under the Motor Vehicles Act, 1988, the study evaluates the scale of commuter exploitation and the effectiveness of enforcement mechanisms. The findings reveal that a significant proportion of commuters experience fare overcharging, meter refusal, or coercive bargaining practices, especially during peak hours and in areas with high tourist inflow.

The study argues that inadequate monitoring, weak complaint redressal mechanisms, and asymmetry of information between drivers and passengers contribute to the persistence of such practices. It recommends technological interventions such as GPS-based meters, improved enforcement presence, digital complaint systems, and stronger regulatory oversight to safeguard commuter rights. Addressing these challenges is essential for ensuring transparency, fairness, and efficiency in Mumbai's urban mobility system.

**Keywords:** Metropolitan, Terminus, transition, last-mile, tampering, arbitrary, governance, prevalence, bargaining, refusal, overcharging, redressal, asymmetry, transparency

## 1. INTRODUCTION

Urban transportation systems in rapidly growing metropolitan regions face persistent challenges in ensuring equitable, reliable, and affordable mobility. The problem becomes particularly complex in cities where public transport networks are heavily utilized and where large volumes of passengers depend on informal or semi-regulated modes for last-mile connectivity. The city of Mumbai represents a classic example of such a transport ecosystem. As India's financial capital and one of the most densely populated urban regions in the world, Mumbai relies heavily on its suburban railway system to support daily mobility for millions of commuters. Major railway terminals such as Chhatrapati Shivaji Maharaj Terminus, Mumbai Central Railway Station, and Bandra Terminus function as critical transportation hubs linking long-distance rail travel with the city's internal mobility network.

Despite the extensive reach of the suburban railway system, the final segment of urban travel, commonly referred to as "last-mile connectivity" continues to depend significantly on intermediate public transport modes such as taxis and auto-rickshaws. These vehicles provide flexible and readily available transport options that connect railway stations with residential neighborhoods, commercial districts, and other urban destinations. Consequently, taxis and auto-rickshaws play an indispensable role in facilitating the daily movement of passengers across the city.

However, the widespread reliance on such modes has also created opportunities for exploitative practices within the urban transport market. One of the most persistent grievances reported by commuters in Mumbai involves the issue of fare overcharging by taxi and auto-rickshaw drivers. This problem manifests in various forms, including refusal to operate the meter, demand for arbitrary fixed fares, manipulation of fare meters, and refusal to undertake short-distance journeys. Such practices are particularly prevalent at railway stations where large numbers of passengers often unfamiliar with local fare structures seek immediate transportation upon arrival.

Regulatory frameworks governing taxi and auto-rickshaw services in Mumbai are primarily derived from the Motor Vehicles Act, 1988 and related state transport regulations. These laws mandate the use of calibrated fare meters, prescribe official fare structures, and provide mechanisms for penalizing drivers who engage in unfair practices such as overcharging or refusing passengers. Fare rates are periodically revised by transport authorities in response to changes in fuel prices, vehicle costs, and economic conditions. For instance, the Mumbai Metropolitan Region Transport Authority has periodically approved revisions in taxi and auto-rickshaw fares, requiring drivers to recalibrate their meters accordingly.

Despite the existence of these regulatory measures, enforcement challenges persist. Reports indicate that thousands of drivers are penalized annually for violations including refusal to ply and fare overcharging. In some enforcement drives conducted by regional transport authorities, tens of thousands of challans have been issued against taxi and auto-rickshaw drivers for various offences. These figures highlight the scale of regulatory non-compliance within the sector and underscore the difficulties faced by enforcement agencies in maintaining discipline among operators.

Another dimension of the problem relates to the issue of information asymmetry between drivers and passengers. In many cases, passengers particularly tourists, occasional travelers, and newly arrived commuters lack adequate knowledge of official fare structures or the shortest routes to their destinations. This imbalance of information creates conditions in which drivers can exploit passengers by demanding inflated fares or by refusing to operate the meter. Studies examining taxi markets in urban environments

have consistently observed that such asymmetries can lead to opportunistic behavior by service providers unless effective monitoring mechanisms are in place.

Railway termini represent particularly vulnerable locations within this context. These spaces concentrate large numbers of passengers who may be under time pressure, carrying luggage, or unfamiliar with the surrounding area. As a result, commuters arriving at these locations may be more willing to accept inflated fares rather than engage in disputes with drivers. The absence of consistent enforcement presence at taxi and auto stands further aggravates the problem, enabling drivers to engage in collective bargaining practices or to refuse passengers seeking short journeys.

The persistence of such practices raises important questions about the effectiveness of existing regulatory and enforcement mechanisms governing intermediate public transport in Mumbai. While technological innovations such as electronic meters and digital complaint systems have been introduced in recent years, their impact on curbing fare overcharging remains limited. Furthermore, commuter awareness regarding complaint procedures and legal protections remains relatively low, leading many passengers to tolerate unfair practices rather than report them.

This study seeks to examine the phenomenon of commuter exploitation through fare overcharging at railway termini in Mumbai. By focusing on locations where the interaction between rail transport and intermediate public transport is most intense, the research aims to identify patterns of driver behavior, commuter experiences, and institutional responses to such practices. The study adopts an empirical approach involving commuter surveys and field observations at selected railway stations in order to evaluate the prevalence and nature of fare overcharging.

The objectives of this research are threefold. First, it aims to assess the extent to which commuters encounter fare overcharging or related exploitative practices when hiring taxis or auto-rickshaws near railway stations. Second, it seeks to analyze the regulatory framework governing these services and to evaluate the effectiveness of enforcement mechanisms implemented by transport authorities. Third, the study intends to propose policy recommendations that can enhance transparency, accountability, and commuter protection within the urban transport system.

By examining the intersection of commuter experiences, regulatory frameworks, and market practices, this research contributes to the broader discourse on urban mobility governance in Indian cities. Understanding the mechanisms through which fare overcharging occurs—and the institutional factors that enable it—can provide valuable insights for policymakers seeking to improve the fairness and efficiency of urban transport services.

## 2. RESEARCH OBJECTIVES

1. To examine the prevalence of fare overcharging by taxi and auto drivers at railway terminuses in Mumbai.
2. To analyse the legal and regulatory framework governing taxi and auto fares.
3. To study commuter experiences and perceptions of exploitation.
4. To assess the role of enforcement agencies such as Mumbai Traffic Police, Railway Traffic Police and Regional Transport Office.
5. To suggest reforms to prevent commuter exploitation.

## 3. RESEARCH HYPOTHESIS

- **H0<sub>1</sub>:** There is no significant prevalence of fare overcharging by taxi and auto-rickshaw drivers at maj

or railway termini in Mumbai.

- **H1<sub>1</sub>:** There is a significant prevalence of fare overcharging by taxi and auto-rickshaw drivers at major railway termini in Mumbai.
- **H0<sub>2</sub>:** There is no significant relationship between enforcement of transport regulations and the occurrence of fare overcharging or meter refusal.
- **H1<sub>2</sub>:** There is a significant relationship between ineffective enforcement of transport regulations and the occurrence of fare overcharging or meter refusal.
- **H0<sub>3</sub>:** There is no significant relationship between commuters' awareness of fare regulations and their likelihood of experiencing overcharging.
- **H1<sub>3</sub>:** Commuters with lower awareness of fare regulations are significantly more likely to experience overcharging at railway termini.

#### 4. LITERATURE REVIEW

Urban transportation systems in rapidly expanding cities face significant governance challenges, particularly in regulating intermediate public transport such as taxis and auto-rickshaws (World Bank, 2017). These modes are essential for providing last-mile connectivity between public transit hubs and commuter destinations (Cervero, 2000). However, weak regulatory oversight often results in exploitative practices, including fare overcharging, passenger refusal, and meter manipulation (Schaller, 2007).

Existing research on taxi markets highlights the problem of information asymmetry, wherein drivers possess greater knowledge of routes, fares, and demand patterns than passengers (George Akerlof, 1970). This imbalance facilitates opportunistic behaviour, such as inflated pricing and unnecessary detours (Shaw et al., 2019). Studies further suggest that effective regulatory frameworks must incorporate technological monitoring and transparent pricing mechanisms to curb such practices (OECD, 2020).

Urban transport literature also emphasizes the role of fair and transparent pricing in ensuring equity within mobility systems (World Health Organization, 2018). Opaque fare structures disproportionately affect vulnerable groups, including tourists, migrant workers, and occasional commuters unfamiliar with local systems (Sundararajan, 2016). Evidence from studies on ride-hailing services indicates that unfair pricing practices can exacerbate mobility inequalities, particularly in areas with limited transport alternatives (Hall et al., 2018).

Passenger refusal is another critical issue documented across urban taxi markets. Research in Asian metropolitan contexts shows that drivers often reject passengers or impose fixed fares in high-demand areas or when return trips are uncertain (Rayle et al., 2016), thereby undermining system reliability and accessibility.

In Mumbai, complaints regarding taxi and auto-rickshaw services remain widespread, with enforcement records indicating thousands of annual violations, including fare refusal and overcharging (Government of Maharashtra, 2022). Railway termini, in particular, emerge as high-risk zones due to concentrated passenger volumes and the presence of outstation travelers unfamiliar with fare norms (Mumbai Traffic Police, 2023). Despite regulatory provisions under the Motor Vehicles Act, enforcement remains inconsistent, and reporting mechanisms are underutilized due to low awareness and procedural inconvenience (Ministry of Road Transport and Highways, 2019).

The literature thus indicates that commuter exploitation in intermediate public transport is not merely behavioural but rooted in broader structural deficiencies in governance, enforcement, and market

transparency. This study seeks to examine these dynamics in the specific context of railway termini in Mumbai, where high demand and regulatory gaps create conditions conducive to systematic fare overcharging.

## 5. RESEARCH METHODOLOGY

This chapter outlines the methodology adopted to the study titled “**Commuter Exploitation at Railway Terminus: A Study of Fare Overcharging by Taxi and Auto Drivers in Mumbai.**” It explains the research design, data collection methods, sampling techniques, tools of analysis, and limitations of the study. The methodology is designed to systematically examine the extent of fare overcharging and the factors contributing to commuter exploitation at major railway termini in Mumbai.

### 5.1 Research Design

The study adopts a descriptive and analytical research design.

- The descriptive aspect focuses on identifying and documenting the prevalence of fare overcharging, meter refusal, and commuter experiences.
- The analytical aspect examines relationships between variables such as enforcement, awareness, and incidence of overcharging.
- A quantitative approach has been primarily used, supported by structured questionnaire data collected from commuters.

### 5.2 Research Approach

The study follows a deductive approach, wherein hypotheses are formulated based on existing observations and literature, and empirical data is collected to test these hypotheses. The approach enables validation of assumptions regarding regulatory failure, commuter awareness, and exploitation practices.

### 5.3 Sources of Data

#### 5.3.1 Primary Data

Primary data has been collected through a structured questionnaire administered to commuters using taxi and auto-rickshaw services at major railway termini in Mumbai.

#### 5.3.2 Secondary Data

Secondary data has been obtained from:

- Government reports and transport authority publications
- Research articles and journals on urban transport
- News reports and policy documents
- Online databases and official websites

### 5.4 Sampling Design

#### 5.4.1 Sampling Method

A non-probability convenience sampling method has been adopted due to practical constraints in accessing a comprehensive sampling frame of all commuters.

#### 5.4.2 Sample Size

A sample of 80-100 has been considered enough to draw meaningful conclusions.

#### 5.4.3 Sampling Area

The study focuses on major railway termini in Mumbai, including:

- Chhatrapati Shivaji Maharaj Terminus

- Mumbai Central
- Lokmanya Tilak Terminus
- Bandra Terminus

### 5.5 Data Collection Instrument

A structured questionnaire was designed and divided into five sections:

- **Section A:** Demographic profile
- **Section B:** Travel and usage patterns
- **Section C:** Experience of overcharging and misconduct
- **Section D:** Awareness and perception
- **Section E:** Enforcement and suggestions

The questionnaire includes:

- Dichotomous questions (Yes/No)
- Multiple-choice questions
- Likert scale statements (5-point scale)

This structure ensures comprehensive data collection aligned with the study objectives and hypotheses.

### 5.6 Variables of the Study

The study includes the following key variables:

- **Independent Variables:**
  - Awareness of fare regulations
  - Perceived effectiveness of enforcement
- **Dependent Variables:**
  - Experience of fare overcharging
  - Incidence of meter refusal
- **Control Variables:**
  - Age, gender, occupation
  - Frequency of travel

### 5.7 Hypotheses of the Study

The study tests the following hypotheses:

- **H<sub>01</sub> / H<sub>11</sub>:** Prevalence of fare overcharging
- **H<sub>02</sub> / H<sub>12</sub>:** Relationship between enforcement and overcharging
- **H<sub>03</sub> / H<sub>13</sub>:** Relationship between awareness and exploitation

### 5.8 Data Analysis Techniques

The collected data is analyzed using the following statistical tools:

- **Descriptive Statistics:**

Percentage analysis, frequency distribution, bar charts
- **Inferential Statistics:**
  - **Chi-square test** to examine relationships between categorical variables
  - **Cross-tabulation** for comparative analysis
  - **Regression analysis (optional)** to assess impact of independent variables

Data analysis is carried out using software such as SPSS and Microsoft Excel.

### 5.9 Reliability and Validity

- **Reliability:**

The questionnaire ensures internal consistency through structured and standardized questions. (Cronbach's Alpha may be applied if required.)

- **Validity:**

- **Content validity** is ensured by aligning questions with research objectives
- **Construct validity** is maintained by linking variables with hypotheses

### 5.10 Ethical Considerations

- Participation in the survey is voluntary
- Respondents' anonymity and confidentiality are maintained
- Data is used strictly for academic purposes
- No personal identification information is collected

### 5.11 Limitations of the Study

- Use of convenience sampling may limit generalizability
- Responses are based on self-reported experiences, which may include bias
- Study is limited to selected railway termini in Mumbai
- Time and resource constraints may affect sample size and depth

### 5.12 Conclusion

This chapter has outlined the methodological framework adopted for the study. By employing a structured questionnaire and appropriate statistical tools, the research aims to systematically examine the issue of fare overcharging and commuter exploitation at railway termini in Mumbai.

## 6. DATA ANALYSIS

A sample size of 100 respondents was considered for this study taking into consideration commuters from daily, weekly and occasional category.

### 6.1 Sample Characteristics

| Category              | Number | Percentage |
|-----------------------|--------|------------|
| Daily Commuters       | 59     | 59%        |
| Weekly Commuters      | 26     | 26%        |
| Occasional Travellers | 15     | 15%        |

**Interpretation** - The majority of respondents were regular commuters, indicating that the sample reflects frequent users of railway stations.

### 6.2 Experience of Fare Overcharging

| Response                 | Frequency | Percentage |
|--------------------------|-----------|------------|
| Experienced Overcharging | 63        | 63%        |
| Not Experienced          | 37        | 37%        |

**Interpretation** - A majority of commuters reported experiencing fare overcharging, suggesting that the problem is widespread.

### 6.3 Meter Refusal by Drivers

| Response            | Frequency | Percentage |
|---------------------|-----------|------------|
| Meter refused       | 54        | 54%        |
| Meter used properly | 46        | 46%        |

**Interpretation** - More than half of respondents reported meter refusal, indicating systematic violation of fare regulations.

### 6.4 Passenger Complaints to Authorities

| Response         | Frequency | Percentage |
|------------------|-----------|------------|
| Filed complaint  | 14        | 14%        |
| Did not complain | 86        | 86%        |

**Interpretation** - The extremely low complaint rate indicates lack of trust in grievance mechanisms.

### 6.5 Reasons for Not Complaining

| Reason                            | Percentage |
|-----------------------------------|------------|
| Lack of time                      | 35%        |
| Did not know complaint process    | 30%        |
| Fear of confrontation             | 20%        |
| Believed complaint would not help | 15%        |

**Interpretation** - The results suggest awareness gaps and institutional distrust.

## 7. KEY FINDINGS

1. Taxi and Auto driver's frequent refusal to ply by meter.
2. Their demands for fixed inflated fares.
3. Outstation passengers and tourist unfamiliar with local routes were exploited.
4. Weak enforcement presence at taxi stands was noticed.
5. Commuters reluctance to file complaint was seen.

## 8. DISCUSSION & SUGGESTIONS

The findings of the study indicate that commuter exploitation at railway termini is closely linked to gaps in enforcement, transparency, and passenger awareness. Addressing these issues requires a coordinated and technology-driven approach. The establishment of dedicated enforcement squads and permanent enforcement booths at major stations such as Chhatrapati Shivaji Maharaj Terminus and Mumbai Central Railway Station can ensure continuous monitoring of taxi and auto-rickshaw operations. Regular enforcement drives and decoy operations by Mumbai Traffic Police & Railway Traffic Police would act as effective deterrents against fare overcharging, meter refusal, and other violations. The imposition of strong penalties, including temporary suspension of permits, is necessary to instill discipline among erring drivers.

Technological interventions can further enhance transparency and accountability. The introduction of GPS-based smart meters and mandatory GPS-enabled systems would reduce fare manipulation, while digital fare display boards at taxi and auto stands would provide passengers with clear and accessible fare information. QR-code-based complaint systems installed at stands can enable real-time reporting of grievances, making the complaint process more user-friendly and efficient. However, enforcement and

technology must be complemented by sustained passenger awareness campaigns to educate commuters about their rights and available grievance mechanisms. Together, these measures can significantly reduce exploitation, improve commuter confidence, and promote a more accountable and commuter-centric urban transport system in Mumbai.

## 9. CONCLUSIONS

The study on “Commuter Exploitation at Railway Terminus: A Study of Fare Overcharging by Taxi and Auto Drivers in Mumbai” highlights a persistent and systemic issue within the urban transport framework of Mumbai. The findings clearly indicate that practices such as fare overcharging, meter refusal, and arbitrary pricing at major railway termini are not isolated incidents but recurring patterns driven by weak enforcement, lack of transparency, and information asymmetry between drivers and passengers. The concentration of demand at key transit points creates conditions that enable opportunistic behaviour, particularly affecting outstation travelers and commuters unfamiliar with local fare systems.

The study further reveals that although regulatory provisions exist, their inconsistent implementation undermines their effectiveness. Limited passenger awareness and reluctance to report violations contribute to the persistence of such exploitative practices. Consequently, fare overcharging must be understood not merely as a minor traffic violation, but as a routine form of economic exploitation that erodes commuter confidence and compromises the integrity of urban transport systems.

Addressing this issue requires a shift from sporadic enforcement to a more institutionalized and technology-driven regulatory framework. Measures such as transparent fare systems, strict enforcement protocols, and accessible grievance redressal mechanisms are essential to restore accountability within intermediate public transport.

Ensuring transparent and fair fare practices is therefore critical not only for protecting commuter rights but also for enhancing public trust in the urban transport system. Strengthening governance in this sector will contribute to a more equitable, reliable, and commuter-centric mobility environment, ultimately supporting the broader objective of sustainable urban transport development in Mumbai.

## 10. REFERENCES

1. Badami, M. G., & Haider, M. (2007). An analysis of public bus transit performance in Indian cities. *Transportation Research Record*.
2. Pucher, J., Korattyswaroopam, N., & Ittyerah, N. (2004). The crisis of public transport in India. *Journal of Public Transportation*.
3. Singh, S. K. (2005). Review of urban transportation in India. *Journal of Public Transportation*, 8(1).
4. Jain, D., & Tiwari, G. (2016). Role of intermediate public transport in Indian cities. *Transport Reviews*.
5. Tian, Q., Yang, Y., Wen, J., Ding, F., & He, J. (2019). Detecting detour behavior in taxi services.
6. Cervero, R. (2013). Transport infrastructure and global competitiveness.
7. Vuchic, V. (2007). *Urban Transit Systems and Technology*.
8. Mumbai Metropolitan Region Transport Authority. (2025). Taxi and auto fare revision notification.
9. Times of India. (2025). Enforcement action against taxi and auto drivers in Mumbai.
10. Cervero, R. (2013). Transport infrastructure and global competitiveness.
11. Gwilliam, K. (2005). Regulation of taxi markets in developing countries.

12. Schaller, B. (2007). Entry controls in taxi regulation.
13. Gilbert, G., & Samuels, R. (1982). The taxicab industry: Regulation and deregulation.
14. Parry, I., & Small, K. (2009). Should urban transit subsidies be reduced?
15. Beirão, G., & Cabral, J. (2007). Understanding attitudes toward public transport.
16. Vuchic, V. (2007). Urban Transit Systems and Technology.
17. Pucher, J., & Korattyswaroopam, N. (2004). Transport in India.
18. Singh, S. K. (2005). Review of urban transportation in India.
19. Jain, D., & Tiwari, G. (2016). Role of intermediate public transport in Indian cities.
20. Badami, M. G., & Haider, M. (2007). Urban transport challenges in India.
21. Tian, Q. et al. (2019). Detecting taxi detour behaviors in urban transport systems.
22. Saxena, N. A. et al. (2023). Fair pricing in ride-hailing systems.
23. Cheong, H. et al. (2022). Taxi pricing strategies and passenger rejection.
24. Parmar, J. et al. (2021). Mode choice behavior in urban India.