International Journal for Multidisciplinary Research (IJFMR)
E-ISSN: 2582-2160 ● Website: www.ijfmr.com ● Email: editor@ijfmr.com

Socio-Economic Impact of Free Bus Travel for Women under the Priyadarshini Scheme in Kerala: An Assessment of Women's Empowerment and Government Expenditure

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Abstract

The Government of Kerala launched the Priyadarshini free bus travel scheme on 15 June 2026, granting women and transgender persons zero-fare access to Kerala State Road Transport Corporation (KSRTC) ordinary-class services. This paper examines daily ridership data published by the Kerala Government's Data Portal (Transport Department) for the 15 June–22 July 2026 window to assess ridership patterns, and combines this with publicly reported KSRTC financial disclosures to estimate the fiscal burden of the scheme. Average daily ridership under the scheme is estimated at approximately 12.9 lakh women passengers, rising from roughly 7.1 lakh on the first day to a sustained plateau above 14 lakh by the fourth week, with a consistent weekly cycle in which Sunday ridership falls by about 37 percent relative to weekdays. Applying the government's own disclosed monthly cost estimate of approximately ₹60–75 crore to the observed ridership implies an average subsidy of roughly ₹15–16 per trip, consistent with standard KSRTC ordinary-class stage fares. The scheme has raised the share of women among KSRTC ordinary-service riders from about 51 percent to 66 percent, indicating a substantial shift in women's mobility patterns. The paper situates these findings within the broader literature on gender-targeted transit subsidies, discusses the scheme's implications for women's labour-force participation and economic agency, and evaluates its fiscal sustainability in light of KSRTC's pre-existing structural losses. The paper concludes with policy recommendations for improving the scheme's targeting, revenue substitution mechanisms, and long term sustainability.

Keywords: Priyadarshini scheme; free bus travel; women's mobility; Kerala State Road Transport Corporation; gender and transport; public transit subsidy; women's economic empowerment

1. Introduction

Public transport subsidies targeted at women have emerged as a prominent instrument of welfare policy across Indian states over the past decade, following the precedent set by Delhi, Tamil Nadu, Karnataka, and Punjab. On 11 June 2026, Kerala's Transport Department issued an order implementing the "Priyadarshini" free travel scheme, one of the "Indira Guarantees" promised by the Congress-led United Democratic Front (UDF) during its 2026 Assembly election campaign. The scheme took effect on 15 June

2026 and grants all women and transgender persons, irrespective of age or income, free travel on KSRTC ordinary-class buses, with fares reimbursed to the corporation by the state government. The scheme was launched at a moment of acute financial stress for KSRTC. In the financial year 2024-25, the corporation recorded gross revenue of ₹2,512.20 crore against gross expenditure of ₹2,756.20 crore, an operating loss of ₹244.02 crore, even as the state government was already providing KSRTC approximately ₹125 crore per month towards salaries and pensions. This annual operating loss sits atop a far larger accumulated deficit: KSRTC's cumulative losses stood at approximately ₹20,961.36 crore in FY 2024-25, up from ₹19,380.98 crore the previous year, reflecting a decade-long trajectory of structural losses rather than a transient shortfall. Against this backdrop, the introduction of a universal, non-means-tested fare waiver for roughly half the population raises immediate questions about fiscal sustainability, targeting efficiency, and the scheme's actual welfare returns in terms of women's mobility and economic participation. This paper uses publicly available daily ridership data for the scheme's first five weeks, published by the Kerala Government's official open-data portal, to characterise ridership patterns and to derive an evidence-based estimate of the scheme's cost. It complements this quantitative analysis with a review of the scheme's early socio-economic effects as reported by the Transport Department and in contemporaneous media coverage.

2. Objectives of the Study

- To estimate the financial burden of the Priyadarshini scheme on the Government of Kerala and the Kerala State Road Transport Corporation (KSRTC).
- To assess the socio-economic impact of the scheme on women beneficiaries.
- To suggest policy measures for improving the effectiveness and sustainability of the scheme.

3. Background and Policy Context

3.1 Design of the Scheme

Under Priyadarshini, a woman or transgender passenger boarding a KSRTC ordinary-class bus is issued a zero-value ticket through the conductor's Electronic Ticketing Machine (ETM) upon presentation of a valid photo identity document; no prior registration, application, or income certification is required. In its first phase, the scheme covers approximately 3,239 KSRTC ordinary buses across all districts of the state, of which around 28 percent operate in the Malabar region, a detail relevant to assessing whether the scheme's mobility benefits are distributed evenly across Kerala's sub-regions (Section 6). Extension to express and other premium service classes has been made contingent on an improvement in KSRTC's underlying financial position, to be reviewed after roughly six months of operation. At the time of the Cabinet announcement, the Chief Minister indicated no immediate plan to involve private operators in meeting any scheme-induced increase in passenger demand, leaving KSRTC's existing ordinary-bus fleet to absorb the ridership growth documented in Section 5.1.

3.2 Fiscal Commitment

Announcing the Cabinet decision, the Chief Minister put the scheme's cost to government at approximately ₹65–70 crore per month, a figure broadly consistent with, though somewhat narrower than, the ₹60–75 crore monthly range reported elsewhere and used for the estimate in Section 5.3. Official disclosures have been less consistent on the baseline annual support already extended to KSRTC before the scheme: the Cabinet announcement put this at approximately ₹1,250 crore per year, while other government statements and press reports have cited a figure closer to ₹1,500 crore; this inconsistency across official disclosures is itself a data-quality issue worth noting for anyone tracking the scheme's net fiscal impact. Kerala's

revised state budget, presented four days after the scheme's launch, separately earmarked ₹600 crore towards it. The transport minister has acknowledged that the scheme cannot be financed from KSRTC's own revenue stream and requires direct budgetary transfer from the state exchequer.

KSRTC's underlying balance sheet underscores why. Official figures show the corporation's accumulated losses rose from ₹14,707.85 crore in 2020-21 to ₹20,949.96 crore in 2024-25, an increase of more than ₹6,200 crore in four years, despite the corporation receiving between ₹1,400 crore and ₹2,000 crore annually in government grants, loans, and subsidies over this period. Provisional accounts for 2024-25 show KSRTC's own revenue at ₹1,580.37 crore against government support of ₹1,602.41 crore for that year, meaning state assistance roughly matched, and in some years has exceeded, the corporation's entire annual revenue. The government has said it will review the Priyadarshini scheme's implementation on a monthly basis and address any shortcomings identified, a commitment this paper's recommendations in Section 6 seek to build on.

3.3 Comparative Context

Kerala's scheme follows similar women-only free-travel programmes in other Indian states. Karnataka's "Shakti" scheme, for instance, was reported to cost the state exchequer close to ₹4,300 crore in its first full year of operation, considerably exceeding its original budget estimate of ₹2,800 crore, illustrating a pattern in which such schemes tend to run ahead of initial fiscal projections once ridership stabilises at a higher-than-anticipated level. This comparative experience is a useful benchmark against which Kerala's own early cost trajectory can be read.

4. Data and Methodology

The primary dataset comprises daily counts of Priyadarshini Free Travel (PFT) passengers on KSRTC ordinary services, published by the Kerala Government's Data Portal (source: Transport Department), covering 38 consecutive days from 15 June 2026 (the scheme's launch date) to 22 July 2026. Descriptive statistics, day-of-week decomposition, and week-on-week trend analysis were computed from this series. Because the dataset does not itself report rupee expenditure, financial-burden estimates in Section 5.2 are derived by combining the observed ridership with cost figures disclosed by the state government and reported in contemporaneous press coverage (Section 3.2); these are therefore presented as estimates, with an explicit range, rather than as officially audited expenditure figures. Findings on women's labour-market and mobility outcomes draw on Transport Department progress statements and secondary literature, as no independent household survey data were available for this analysis.

5. Results and Analysis

5.1 Ridership Trends

Table 1 summarises the descriptive statistics of daily PFT ridership over the observation window. Average daily ridership across the 38 days was approximately 12.92 lakh passengers, with a minimum of 7.14 lakh on the scheme's launch day (15 June, reflecting a partial first day of operation and limited public awareness) and a maximum of 15.28 lakh on 6 July. Total observed ridership across the window was approximately 4.91 crore passenger trips.

Table 1: Descriptive Statistics of Daily Priyadarshini Ridership (15 June – 22 July 2026).

Statistics	Value (Passengers/Day)
Mean	12,92,476

Median	13,82,623
Standard Deviation	2,28,770
Minimum (15 Jun 2026)	7,14,402
Maximum (06 Jul 2026)	15,27,559
Coefficient of Variation	17.7%
Total Ridership, 38- day window	4,91,14,100

Source: Authors' computation from Data Portal Kerala, Transport Department.

Figure 1: Daily Ridership under the Priyadarshini Scheme, 15 June – 22 July 2026.

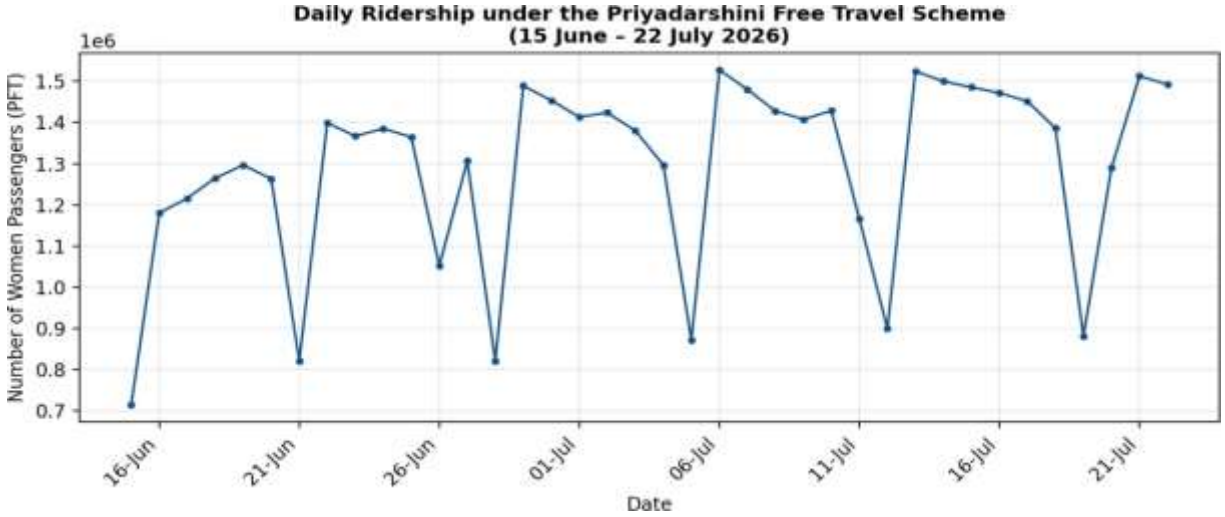


Figure 1 shows a rapid ramp-up from the launch day, with ridership roughly doubling within the first week as public awareness of the scheme spread. A pronounced weekly cycle is visible thereafter, with troughs recurring at approximately seven-day intervals, coinciding with Sundays. On a week-on week basis, average daily ridership rose from approximately 11.08 lakh in the week of 15–21 June to approximately 13.86 lakh in the week of 13–19 July, an increase of roughly 25 percent over five weeks, suggesting continued adoption of the scheme rather than a one-off novelty effect.

5.2 Day-of-Week Pattern

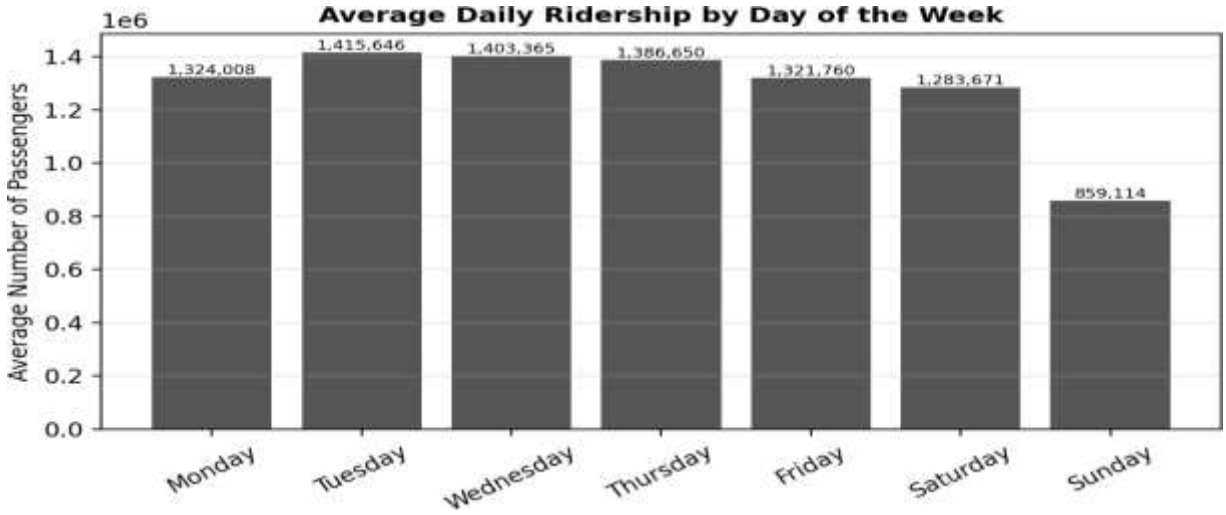
Table 2 and Figure 2 decompose ridership by day of the week. Weekday ridership (Monday Saturday) averaged approximately 13.58 lakh passengers, compared with approximately 8.59 lakh on Sundays, a reduction of approximately 37 percent. Tuesday and Wednesday recorded the highest average ridership (14.16 lakh and 14.03 lakh respectively), consistent with the scheme being used predominantly for work, education, and other routine weekday travel purposes rather than purely discretionary or leisure travel.

Table 2: Average Ridership by Day of the Week.

Day	Average Passengers	Observations(n)
Monday	13,24,009	6
Tuesday	14,15,646	6
Wednesday	14,03,365	6
Thursday	13,86,651	5
Friday	13,21,760	5
Saturday	12,83,671	5

Sunday	8,59,114	5

Source: Authors' computation from Data Portal Kerala, Transport Department



5.3 Estimating the Financial Burden

The Data Portal ridership series does not itself report rupee expenditure; the Transport Department and KSRTC have, however, disclosed aggregate cost estimates through official statements and budget documents. At the Cabinet announcement, the government's own estimate placed the scheme's cost at approximately ₹65–70 crore per month (₹800 crore annualised); later government and press estimate in July 2026 put the run-rate closer to ₹75 crore per month, or approximately ₹2 crore per day. The state's revised budget separately earmarked ₹600 crore for the scheme, over and above KSRTC's existing annual state support, which official disclosures have variously reported at approximately ₹1,250 crore or ₹1,500 crore (Section 3.2). Combining the reported daily cost figure of approximately ₹2 crore with the observed average daily ridership of 12.92 lakh passengers over the study window implies an average revenue foregone of approximately ₹15–16 per free trip, a figure broadly consistent with typical KSRTC ordinary-class stage fares for short-to-medium distance urban and semi-urban journeys. Applying this ₹2 crore/day run-rate to the 38-day observation period yields an estimated fiscal outlay of approximately ₹76 crore for the window studied, which is consistent with, though at the higher end of, the government's original ₹60 crore/month projection – indicating that actual costs have tracked closer to the upper end of official estimates as ridership has grown. Table 3 summarises the range of officially reported cost estimates.

Table 3: Estimated Fiscal Cost of the Priyadarshini Scheme.

Estimate	**Monthly (₹ crore)**	**Annualised (₹ crore)**
Cabinet's estimate at announcement (June 2026)	65-70	~800
Later government/press estimate (July 2026)	~75	~710-720
Revised budget allocation (FY 2026-27)	-	600 (allocated)
Author's estimates from observed ridership (₹2 cr/day rate applied)	~60-61	~720-730

Sources: Kerala Cabinet statements; Transport Department disclosures; press reporting; authors' calculation. Figures are estimates and should not be read as audited KSRTC accounts.

Two features of this fiscal picture are noteworthy for sustainability analysis. First, the scheme's cost is being met through a distinct budgetary transfer (₹600 crore allocated in the FY2026-27 revised budget) rather than through KSRTC's operating revenue, meaning the corporation's own accounts are, in principle, insulated from the subsidy so long as reimbursement is timely and complete. Second, because eligibility is universal and non-means-tested, cost growth is a direct function of ridership growth: the approximately 25 percent rise in average weekly ridership observed between the first and fifth weeks of the scheme (Section 5.1) implies a correspondingly rising fiscal commitment that could outpace the ₹600 crore allocation before the fiscal year is out, echoing the pattern observed in Karnataka's comparable scheme (Section 3.3), where actual spending outstripped the initial budget estimate by more than 40 percent.

5.4 Socio-Economic Impact on Women

The most direct evidence of the scheme's socio-economic effect is the shift in the gender composition of KSRTC ridership. According to the Transport Department's one-month progress report, the average daily count of women passengers on KSRTC services rose from approximately 5.5 lakh before the scheme to approximately 12.7 lakh after its introduction, and the share of women in total ordinary-service ridership rose from about 51 percent to 66 percent. This reported all-KSRTC figure of 12.7 lakh/day is closely aligned with the 12.92 lakh average this study derives specifically for the ordinary-bus PFT ticket count, corroborating the reliability of the Data Portal series used here.

A near-doubling of daily women ridership carries several plausible socio-economic implications, consistent with the wider literature on gender-targeted transit subsidies:

- Labour-force participation: removing a recurring, non-trivial cash cost of commuting can raise the effective returns to women's paid employment, particularly for women in low-wage or informal work for whom bus fare represents a meaningful share of daily earnings, and may support increased job search and continuation in work outside the home.
- Educational access: free travel may reduce the marginal cost of school, college, and vocational training attendance for young women and improve regularity of attendance, particularly among lower-income households.
- Independent mobility and safety: the weekday-skewed ridership pattern observed in Section 5.2 suggests substantial use for routine, planned travel (work, education, errands) rather than purely occasional trips, consistent with the scheme enabling more autonomous day-to-day mobility for women.
- Household budget relief: even modest daily fare savings, aggregated over the month, can free up disposable household income for other essential expenditure, an effect that would be expected to be proportionally larger for lower-income households.

These effects, while plausible and directionally supported by the ridership data and Transport Department statements, cannot be fully quantified from ridership counts alone; the absence of a household-level survey (covering employment status, income, and trip purpose of PFT users) is a limitation of the present evidence base and is addressed further in Section 7.

5.5 Wider Market Effects

Sharp growth in KSRTC ridership has coincided with reports of falling patronage on private stage carriage buses operating parallel routes, since Priyadarshini applies only to the public operator's ordinary services. Private operators have reported daily collection losses ranging from approximately ₹1,500 to ₹5,000 per bus, and operators called an indefinite strike roughly a month after the scheme's launch, citing this revenue displacement onto KSRTC. In response, the transport minister has said the government will initiate

measures to address private operators' concerns, although the specific form of this support had not been detailed as of the period covered by this study. This illustrates a structural feature of operator-specific fare subsidies: gains in ridership and apparent welfare for the subsidised operator's customers can be partly offset by revenue and employment effects in the adjacent private sector segment of the same transport market.

6. Discussion and Policy Recommendations

The evidence assembled above indicates that the Priyadarshini scheme has achieved rapid and sustained uptake, with a plausible positive effect on women's mobility, and that its fiscal cost, while 8 significant, has broadly tracked the government's own initial projections rather than dramatically exceeding them within the observed window. Nonetheless, three structural risks are apparent: the absence of means-testing exposes the budget to open-ended cost growth as ridership rises; the exclusion of private operators from the subsidy is generating market-distortion effects that may themselves require policy attention; and KSRTC's pre-existing structural deficit leaves limited fiscal headroom to absorb any shortfall between allocated and actual cost. The following measures are suggested to improve the scheme's effectiveness and sustainability:

- Institutionalise routine cost reconciliation: the government has already committed to a monthly review of the scheme's implementation; this review should be extended into a publicly disclosed reconciliation between actual PFT ridership, the corresponding fare revenue foregone, and the budgetary transfer received by KSRTC, so that any gap between the ₹600 crore allocation and the run-rate implied by ridership growth is identified and addressed before it becomes an arrears problem for the corporation.
- Standardise official fiscal disclosures: government statements have cited KSRTC's pre-existing annual support at figures ranging from approximately ₹1,250 crore to ₹1,500 crore across different announcements; a single, consistently defined baseline figure should be published alongside each scheme review to allow the net incremental burden of Priyadarshini to be tracked accurately over time.
- Monitor regional equity of access: with about 28 percent of covered ordinary-bus services concentrated in the Malabar region, the monthly review should track ridership and service availability by region, so that any gap between announced network coverage and women's actual ability to access free travel in less-served areas is identified early.
- Strengthen ridership-linked revenue planning: given the approximately 25 percent ridership growth observed over five weeks, budget provisioning for future years should explicitly model ridership growth curves (drawing on early comparable experience such as Karnataka's Shakti scheme) rather than treating the initial monthly estimate as fixed.
- Diversify KSRTC's non-fare revenue base: the government's own direction to KSRTC to pursue advertising and other non-fare revenue streams should be pursued with concrete targets and timelines, to reduce the corporation's dependence on direct budgetary transfers for both legacy losses and the new scheme.
- Address spillover effects on private operators: given reported daily collection losses of approximately ₹1,500–5,000 per private bus and the Transport Minister's stated intention to address operator concerns, the government should convert this commitment into concrete, time 9 bound measures, such as route-rationalisation support or a limited compensatory mechanism, to manage the transition for private operators and their employees without diluting the scheme's welfare objective.

- Commission a household-level impact survey: to move beyond ridership counts and directly evidence the scheme's claimed effects on women's labour-force participation, educational attendance, and household budgets, a structured survey of PFT beneficiaries (covering trip purpose, income group, and frequency of use) should be commissioned ahead of the government's planned 100-day and 6-month reviews.
- Consider phased, evidence-based expansion: extension of free travel to express and other bus categories, as already contemplated by government, should be conditioned on the reconciliation and revenue-diversification measures above showing that the ordinary-bus scheme is fiscally sustainable on current trends.

7. Limitations

This study relies on a single, publicly published ridership series covering 38 days from a single data source (Data Portal Kerala, Transport Department) and does not have access to KSRTC's internal, audited cost accounting for the scheme; financial-burden estimates in Section 5.3 are therefore derived from officially disclosed aggregate figures and should be read as indicative rather than exact. The assessment of socio-economic impact in Section 5.4 draws on Transport Department progress statements and secondary reporting rather than an independent household survey, and therefore documents plausible directional effects rather than causally identified impacts on employment or income. The observation window (mid-June to late-July 2026) also captures only the scheme's initial ramp-up phase and may not be representative of steady-state ridership or cost once initial novelty effects, monsoon-season travel patterns, and any subsequent policy adjustments are accounted for.

8. Conclusion

The Priyadarshini free bus travel scheme has, within its first five weeks, generated a substantial and sustained increase in women's ridership on KSRTC ordinary services, with daily PFT ridership averaging approximately 12.9 lakh passengers and rising by roughly a quarter over the observation period, alongside an increase in women's share of total ridership from about 51 to 66 percent. The fiscal cost implied by combining this ridership data with officially disclosed cost estimates, of the order of ₹60–75 crore per month, is significant relative to KSRTC's existing financial position but has, within the period studied, remained broadly within the range projected by government at the scheme's launch. The central policy challenge going forward is not the scheme's initial cost but its trajectory: continued ridership growth under a universal, non-means-tested design will require active fiscal monitoring, diversified KSRTC revenue generation, and attention to spillover effects on the private bus sector if the scheme's demonstrated mobility and welfare gains for women are to be sustained without destabilising the wider public transport system.

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