

## **Transport Department**

### **Policy Note for the Year 2008 - 2009**

#### **DEMAND NO.48**

##### **1. Introduction**

The quality of life in our urban and rural areas is directly related to the quality of the local public transport, especially bus transport. There is a clear need in the population for high quality, efficient, reasonably priced, safe and secure local bus transport. Such a transportation system will reduce climate change emissions thereby making a significant contribution to environmental protection. Urban transport is thus an issue of great importance and it is likely to become even more important in the future. In the State of Tamilnadu, the bus transportation system is a dominant mode of transport covering the length and breadth of the State. It touches every aspect of a common man's life. Since mobility in the present day is very important, the State Transport Undertakings spare no effort in providing this to the satisfaction of the travelling public. Every effort is being made to make the public bus transportation popular and efficient so that more and more people use the system thereby reducing traffic congestion and consequent air pollution. In order to achieve this objective, the Government have recently constituted Unified Metropolitan Transport Authority (UMTA) for Chennai City in order to integrate all public modes of transport and maximise the benefits for the public. In the near future people using public transport, especially bus transport, should find it easy to travel from one place to another without any problem.

##### **2. State Transport Undertakings**

The transport operations were under the direct control of the Government till 1971, when they were brought under various Transport Corporations registered under the Companies Act, 1956.

Thereafter, the Government appointed two Committees of Experts called the Pattabiraman Committee in 1976 and the Thillainayagam Committee in 1990 to study, in depth, the existing operations of the State Transport Undertakings and suggest measures to

improve them. The recommendations of these Expert Committees have been implemented wherever possible.

## **2.1 Amalgamation of State Transport Undertakings**

As a step towards streamlining the operations of State Transport Undertakings leading to reduction in the administrative overhead expenses and avoidance of wasteful competition in the operation of services among the Corporations, the Government amalgamated 21 Transport Corporations into 7 Transport Corporations. The present arrangement of Transport Corporations in the State is compact and efficient.

**2.2** As on 29-02-2008, the State Transport Undertakings are offering the following services:

Chennai Metro – City services	:	2775
Town Services (in Districts)	:	6072
Mofussil services	:	7298
Express services		
Inside State	:	562
Outside State	:	312
Ghat services		<u>520</u>
Total services	:	17539
Spare buses	:	<u>1849</u>
Total Fleet Strength	:	19388

### **Achievement in Operation**

The State Transport Undertakings have operated 253.83 crores kilometers during 2007-08 (Upto February'08) with an increase of 25.78 crore kilometers over the previous year 2006-07 (Upto February'07). Single day highest collection by all STUs together made on 11-2-2008 is Rs 15.29 crores. The fleet strength of all State Transport Undertakings on 31-5-2006 was 17104. The fleet strength has increased to 19388 as on 29-2-2008 inspite of replacement of 3997 overaged buses by all State Transport Undertakings during this period. Thus the overall fleet strength has grown by 2284 buses, the percentage of growth being 13.35 in the last 1½ years.

## **2.3 Performance**

The State Transport Undertakings have been consistently bagging national awards in achieving the best physical parameters. The Union Planning Commission while reviewing

the performance of Tamil Nadu State Transport Undertakings have commented that Tamil Nadu State Transport Undertakings is one of the best amongst the various State Road Transport Undertakings in the country. Especially, the best performance is in fleet utilisation, Kilometres efficiency, Occupancy Ratio, Fuel efficiency. It must be added that this performance has been achieved under difficult circumstances.

1	Total Kilometre operated per day (Km in lakh )	75.77
2	Total Passengers carried per day (in lakhs)	184.62
3	Fleet utilisation	93.34 %
4	Kilometre efficiency (excluding specials)	97.82 %
5	Kilometre efficiency (including specials)	103.63 %
6	Occupancy ratio	
	a) City & Town	72.54 %
	b) Mofussil	93.77 %
	c) Express	87.23 %
	d) Ghat	99.69 %
	Overall	84.40 %
7	Breakdown per 10,000 Km	0.06
8	Accidents per 1,00,000 Km	0.32

	Total accidents	8005
	Fatal accidents	1468
	No. of persons dead	1672
9	Fuel performance (KMPL)	
	a) City & Town	4.80
	b) Mofussil	5.26
	c) Express	4.93
	d) Ghat	3.97
	Average	5.02
10	Engine oil per 10,000 Km	4.71 litres
11	Km run per condemned tyre	1.62 lakh k.m.
12	Retreading Factor	3.65

13	Men per bus including workshop	6.88
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During the year 2007-2008, 614 new routes have been introduced in response to the public demand. The “MTC- Passenger’s meet “ was organized by the Metropolitan Transport Corporation Limited, in the presence of Hon’ble Minister for Transport and Worshipful Mayor of Chennai Corporation on 3-12-2007 at Chennai. A large number of passengers and others participated. The introduction of new type of buses was widely welcomed by the public. A total number of 1,188 suggestion / representations were received from the public / people’s representatives. Based on these representations 36 new routes and 42 additional services in the existing routes were introduced in Chennai in the first phase.

### **3. Financial Position of the State Transport Undertakings**

Despite good performance in the physical parameters, which have been appreciated by the Union Planning Commission, the financial conditions of the State Transport Undertakings have come under considerable pressure in the absence of revision of fare. The period of Wage Settlement to workmen of Transport Corporations was brought down from five years to three years and the new Wage Settlement was signed on 6-2-2008 and made effective from 1<sup>st</sup> September 2007. The Wage Settlement is effective for three years. The Additional financial commitment in this regard will be Rs. 205 crores per annum. Further due to recent diesel price hike with effect from 15-2-2008 the loss to the State Transport Undertakings is increased by Rs.5.60 crores per month (Rs.67 crores per annum). Due to the increase in the establishment and operational costs especially the diesel cost, which comprises about 38 % of the total cost and the fare per kilometer remaining unrevised for last six years and hence being the lowest in the country, the overall expenditure of the STUs has increased. The anticipated loss for the year 2007-08 will be Rs.407.06 crores, against the actual loss of Rs.281.81 crores in 2006-07

#### **3.1 Consumption of High Speed Diesel Oil and Lubricants**

There is considerable improvement in use of HSD and the KMPL of HSD oil consumed has improved from 4.96 (Upto February’07) to 5.02 (Upto February’08). The approximate savings on account of improvement in KMPL is around Rs.20.91 Crores (Upto February’08). Similarly engine oil consumption per 10000 kms has come down from 5.85 litres to 4.71 litres (Upto February’08).

### 3.2 Increase in Diesel cost

The Government of India periodically revises the price of the Petroleum products depending upon global prices. The expenditure on consumption of diesel for the STUs was Rs.1725 crores in the year 2006-07. The price of diesel oil was increased with effect from 15-2-2008. This expenditure is likely to go up further during the current year 2007-08 to Rs.1860 crores.

### 3.3 Outstanding Liabilities

Because of continuous loss, the STUs are facing the following outstanding liabilities as on 29-02-2008.

Particulars	Rs. in crores
HSD Oil and Lubricants	53.99
Suppliers of spare parts ,tyres	41.34
Accident Compensation to be remitted to courts	136.78
Statutory dues like PF, Gratuity Recoveries from employees	750.37
Staff credit society	50.39
Others	44.38
<b>Total</b>	<b>1077.25</b>

## 4. Replacement and augmentation of Fleet

During the year 2007-08 the Government has provided financial assistance of Rs.277.20 crores to State Transport Undertakings for purchase of new buses. So far 3754 new buses have been brought in to service upto February 2008. Hon'ble Chief Minister has inaugurated 1094 new buses of all State Transport Undertakings at the function held at Chennai on 03-01-2008. In the coming financial year 3500 new buses will be purchased with financial assistance of Rs.330 crores from the Government and balance from own funds.

## 5. Comparison with fare structure prevailing in other States

The fare per Kilometre in Tamilnadu is the lowest in the country. The existing fare structure for Mofussil services in Tamilnadu with comparative figures of

neighbouring States is given below.

(In Paise per K.M.)

State	Fare Effective from	Mofussil (Ordinary)	Mofussil (Express)	Deluxe	Super Deluxe	Ultra Deluxe
Tamil Nadu	6.12.2001	28	-	32	38	52
Andhra Pradesh	8.2.2006	38	44	49	57	62
Kerala	25.11.2005	48	55	60	70	80
Karnataka	11.6.2006	37.50	48.50	60	67	75

The fare in Tamilnadu has not been revised since December 2001 in the interest of the travelling public, though the cost of Diesel and Establishment cost have increased substantially.

## **6. Road safety and prevention of accidents**

The accident compensation commitment has gone up drastically from Rs.16.03 crores in the year 1991-92 to Rs.109 crores in the year 2007-2008 (Latest Estimate). Hence, the Government accorded importance to accident prevention measures to reduce road accidents involving State Transport Undertaking buses. This Government's focus is on road safety, reduction and avoidance of accidents. As the role of the drivers is very important in avoiding accidents, regular refresher trainings, Yoga classes, safety clinics, brain storming sessions in driver training schools, safety driving award schemes, special increment to the drivers who perform duty without any accident for 10 years etc. are being undertaken by the State Transport Undertakings to ensure safe driving by the drivers of State Transport Undertakings. In the Budget for 2008-09, it has been proposed to award medals and cash prizes to the drivers of State Transport Undertakings who have accident-free record. The Institute of Road Transport selects young and energetic youths who have completed SSLC for an intensive 12 week training on driving heavy transport vehicles. They are also trained in attending to repairs in heavy vehicles, first aid etc. They are given priority in appointment

in State Transport Undertakings. The Government have also ordered that a pass in SSLC / 10<sup>th</sup> Std. instead of 8<sup>th</sup> Std. should be the Minimum Educational Qualification for appointment of drivers in State Transport Undertakings. In certain State Transport Undertakings, system of 2 drivers has been introduced for driving the long distance vehicles during night journeys to reduce driver's fatigue. The Government have issued an order on suspension/cancellation of Driving Licenses for traffic violations. The State Transport Undertakings are uniformly taking tough stand on accidents by dismissing erring drivers.

### **6.1 Revival of 17 Training Centres**

The number of Heavy Vehicle Driver Training Centres have been increased from 5 Centres to 17 Centres. A total number of 353 candidates have joined in the Heavy Vehicle Driver Training Centres for the course offered for the period from 7-1-2008 to 28-3-2008. The proposal for establishment of Transport Training Academy at Chromepet (Chennai) has been sent to the Ministry of Shipping, Transport and Highways, Government of India, New Delhi. So far 42,902 persons have been trained.

## **7. Amenities to the travelling public**

In certain important bus stands and bus stops in Chennai City and other important cities, glow sign advertisement Boards have been provided for better security of passengers. To facilitate inter-transfer service, provision for parking the two wheelers of the commuters at the bus stands has been made. As the operations of Metropolitan and long distance buses have been shifted to the new Chennai Mofussil Bus Terminus at Koyambedu, the Metropolitan Transport Corporation has introduced many buses in new routes to enable the commuters to reach the Koyambedu Bus Stand. Besides, the Operational jurisdiction of Metropolitan Transport Corporation (Chennai) Limited has been extended by 10 more kilometres.i.e., upto 50 kms. and Metropolitan Transport Corporation (Chennai) Limited, is operating services to places like Maraimalai Nagar, Chengalpattu, Padappai, Thiruporur, Sriperumpudur and Sunguvar Chatram from January 2008 onwards. These extended services have been well received by the public. They have fulfilled a long-felt need. Similarly, Metropolitan Transport Corporation (Chennai) Limited has introduced Yellow Line and Blue Line Deluxe services and Semi-Low Floor bus services to fulfil the demands of the public for faster and more comfortable journey. Introduction of Volvo Air-conditioned Services in Chennai City have been received well by the Public, who want more of such services. Because of introduction of such high quality bus services in Chennai city, people have started switching from two / three wheelers to the Metropolitan Transport Corporation buses. The Metropolitan Transport Corporation (Chennai) Limited, has proposed to

implement Jawaharlal Nehru National Urban Renewal Mission (JNNURM) under which a sum of Rs.1300 Crores will be spent for improvement of passenger transport in Chennai city in a span of 7 years. Construction of New depots / Terminals, improvement of infrastructure in existing depots/ Terminals, modernisation of passenger information system by installing Digital Board in Bus terminals to display the arrival and departure timings of bus service, monitoring bus movement by “Global Positioning System” are proposed under this project. Already, Vehicle Tracking and Control System (VTCS) has been in operation for last one year in Metropolitan Transport Corporation and State Express Transport Corporation (Chennai – Trichy route) whereby the bus movements are monitored on real time basis and arrival of buses at bus stops is displayed in the digital boards put up at bus stops. This pilot project is funded by the Government of India. It is proposed to extend this facility based on GPS technology to at least 1000 Metropolitan Transport Corporation buses in Chennai City. Similarly, State Express Transport Corporation has introduced On-line Ticket Reservation System (OTRS) since last year for the benefit of passengers. Under this scheme, a passenger can book tickets from “anywhere to anywhere”. There are 42 reservation counters spread over the State where this facility has been provided. Extension of OTRS facility to other State Transport Undertakings (except MTC) is under way. In the next step, internet booking of bus Tickets will be made available to the public of Tamil Nadu. State Transport Corporations have introduced Electronic hand held Bus Ticketing machine, for the convenience of both the Conductors and passengers.

## **8. Travel concessions**

This Government have given travel concessions for travel in State Transport Corporation buses to the following categories of persons:

1. Members of Parliament, Members of Legislature, Ex-Members of Parliament, Legislative Assembly and Council.
2. Students
3. Accredited Journalists
4. Freedom Fighters drawing Central/State Pension and those who participated in Border/Language stir, Widows and Legal-heirs of Freedom Fighters drawing Central Pension/State Pension or Wife/Husband and minor legal-heirs of those who participated in Language stir to protect Tamil Language and those who are recipients of financial assistance from Government.
5. Cancer Patients, Physically handicapped, Deaf, Blind, Mentally Retarded and epileptic patients.
6. Drama Artists

### **8. 1 Concession to Students**



With a view to benefitting all students and to give a real meaning to the concept of Education for all, all students studying from Standard I to Standard XII in all schools including private schools and Students studying in Government Polytechnic and Government Arts & Science Colleges are provided with Free Travel Bus Passes to travel from residence to school / Polytechnic / Colleges and back. The free bus passes will be valid on all days including holidays. Similarly, the students studying in all other colleges including private colleges will be given 50% concessional travel bus passes to travel from residence to Colleges, Private Polytechnics, ITIs and Arts and Science Colleges and back. These passes will be valid on all days including holidays. Exchange tokens upto 60 in number are issued to the College students travelling in Metropolitan Transport Corporation buses to travel to the Library and back to their residence.

During the year 2007-2008, 26.56 lakhs students were benefited. The subsidy paid by the Government to the Transport Corporations comes to Rs.300 crores during the year 2007-08 out of the expected claim of Rs.321 crores. The entire face value of the ticket is reimbursed by the Government in respect of passes issued by the Metropolitan Transport Corporation (Chennai) Limited, in Chennai city, and in respect of Mofussil Transport Corporations the ticket cost is shared between the Government and the Corporation in the ratio of 56:44.

## **8.2 Concessions to commuters**

For the benefit of general passengers, Monthly Season Tickets are issued collecting the Limited Stop Service (LSS) fare equivalent to 40 trips from the origin to destination for travel up and down on all days in a month in the Metro and Town services.

## **8.3 Travel As You Please Tickets**

Passengers can travel anywhere in Chennai, Madurai, Coimbatore, Salem, Trichy and Tirunelveli Municipal / Corporation areas by purchasing tickets at the following rates subject to the conditions printed in the ticket. Recently Metropolitan Transport Corporation (Chennai) Limited has introduced sale of "Travel As You Please" Daily tickets valued at Rs.30/- in the buses itself through conductors.

- 1) One day ticket : Rs. 30/-
- 2) Weekly ticket : Rs.160/-
- 3) Monthly ticket : Rs.600/-

#### **8.4 Concession for group reservation**

10% discount on fare is given in the buses of State Express Transport Corporation when reservation is done for 8 or more members as a group.

#### **8.5 Concession for Senior Citizens**

10% discount on fare is given in the buses of State Express Transport Corporation when reservation is done by Senior Citizen who has completed 60 years of age.

### **9. Labour Welfare Measures**

The State Transport Undertakings are implementing the following welfare measures for the welfare of the workers and their families.

1. Service weightage
2. Free Travel passes to the children of the employee
3. Subsidised canteen facilities
4. Education allowances
5. Allowances with wages
6. Reimbursement of legal fees
7. Uniform
8. Family Benefit Fund
9. Marriage Loan
10. Steering Allowance
11. Voluntary Retirement Scheme
12. Leave benefits
13. Holiday Home
14. Special Health Fund Scheme
15. Preferential Admission to Medical College, Engineering College and Polytechnics run by the Institute of Road Transport for the children of employees
16. The Pension Scheme for Transport employees
17. Employees' Post-Retirement Benefit Fund Scheme
18. Funeral expenses.

## 10. Lok Adalat

In order to reduce the expenditure on account of accident claim compensation and to settle the claim early, the State Transport Undertakings have been instructed to settle the claims through Lok Adalat and reach mutual settlement of accident claims and thus save huge amount to the State Transport Undertakings. During the year 2007-2008 the Corporations have settled 517 cases through Lok Adalat and saved a sum of Rs.353.92 lakhs from April 2007 to February 2008.

## 11. Tamil Nadu Transport Development Finance Corporation Limited

Tamil Nadu Transport Development Finance Corporation Limited commenced its business in March 1975 to cater to the long term financial requirements of State Transport Undertakings towards the purchase of chassis, body building, setting up of workshops and also to meet the working capital requirements by mobilizing adequate funds from general public through public deposits. Tamil Nadu Transport Development Finance Corporation Limited has been registered as a Non-banking Finance Company with the Reserve Bank of India and classified as a Hire Purchase Finance Company.

### 11.1 Financial Performance

Tamil Nadu Transport Development Finance Corporation Limited has a track record of earning profit every year since its inception from 1975. The profit earned for the last 3 years is given below.

(Rs. in lakhs)

Year	Profit before waiver of interest	Waiver of interest to STUs	Profit after waiver of interest but before tax	Income tax	Profit after tax
2004-2005	1796.16	1200.00	596.16	136.33	459.83

2005-2006	2439.58	1904.00	535.58	181.61	353.97
2006-2007	2584.49	2011.00	573.49	195.11	378.38
2007-2008 ( RE )	2620.00	2000.00	620.00	210.74	409.26

As per the revised estimate for 2007-2008 the estimated profit is Rs.6.20 crores after providing interest waiver of Rs.20.00 crores to loss making STUs. The deposits with Tamil Nadu Transport Development Finance Corporation Limited as on 29-02-2008 is Rs.783.65 crores. Financial assistance to State Transport Undertakings extended by Transport Development Finance Corporation since its inception upto February 2008 is Rs.7158.10 Crores. In order to encourage prompt repayment of loans by the State Transport Undertakings, Tamil Nadu Transport Development Finance Corporation Limited has instituted "Best Customer" Award, which is given away every year. For 2006-07, Tamil Nadu State Transport Corporation (Salem) Limited, Tamil Nadu State Transport Corporation (Kumbakonam) Limited, and Tamil Nadu State Transport Corporation (Villupuram) Limited, have been adjudged as 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> respectively.

## **12. Pallavan Transport Consultancy Services Limited**

Pallavan Transport Consultancy Services Limited was incorporated in April 1984 as a wholly owned company of Government of Tamil Nadu with an Authorized Capital of Rs.5.00 lakhs and Paid-up Capital of Rs.2.00 lakhs. Subsequently in May 2000 the Paid-up Share Capital was increased to Rs.10.00 lakhs with the Authorized Share Capital of Rs.50.00 lakhs. The activities of the company are supervised by seven Board Directors appointed by the Government of Tamil Nadu. The day-to-day affairs of the company are looked after by a full time professional Managing Director. The total Staff Strength of the Organization is eleven (11) only.

Pallavan Transport Consultancy Services Limited offers Consultancy services in the areas of Software Development, Management, Information Technology and Traffic and Transportation by a core team of qualified and experienced consultants in the respective fields. The core team is supported by the experts. Further it engages personnel from Institute of Road Transport, Highways and retired Government executives with experience and utilizes the services of the Professor / Faculty of Anna University in the relevant areas

on job to job basis as and when required. Pallavan Transport Consultancy Services Limited is participating in tenders as consortium by associating with reputed Consultancy organization with rich experience in the relevant fields. At the moment, the Pallavan Transport Consultancy Services Limited is engaged in implementing On Line Ticket Reservation System (OTRS) in collaboration with Electronic Corporation of Tamilnadu Limited (ELCOT) for all State Transport Undertakings and Global Positioning System (GPS) application in Metropolitan Transport Corporation and State Express Transport Corporation. It has also developed Common Software Applications for all the State Transport Undertakings for day-to-day operations.

Pallavan Transport Consultancy Services Limited has grown since its inception in 1984 despite the competitive nature of Consultancy business. Good potential exists in the fields of Information Technology, Infrastructural Development in Road Transport Sector and Management Services. Efforts are being taken to expand business in these areas despite resource constraints.

There is an imperative need to expand the capital base of the company for augmenting the capital resources to enable participation in tenders for securing high value projects.

### **13. Institute of Road Transport**

The Institute of Road Transport is a society registered under the Societies Registration Act, 1860. This Institute has entered its Thirty Third year and continues to expand its services. The Institute undertakes applied research on issues pertaining to Road Transport, performs quality monitoring by conducting tests on random sample of spare parts procured by the State Transport Undertakings in Tamil Nadu, besides imparting training activities on a large scale to the employees of State Transport Undertakings besides general public. It also undertakes as a nodal agency procurement of bus Chassis, printing of Tickets, Tyres, R.T materials, lubricants and Outsourcing of bus body building on behalf of State Transport Undertakings by following open tender policy.

The Automobile Research Oriented Engineering College known as Institute of Road and Transport Technology was started in 1984 at Erode under the aegis of Institute of Road Transport. So far 4880 B.E. Graduates, 41 M.E. (Structural), 18 M.E. (Thermal) and 380

M.C.A. Post Graduates have completed the course from this Engineering College. The College has been accredited by A.I.C.T.E for the Bachelor's degree courses in Civil, Mechanical and Automobile Engineering. The Perundurai Medical College and Hospital were started in the year 1986 under Institute of Road Transport as per the scheme formulated by the Government. This College has produced 879 Doctors from inception. Further, the Institute of Road Transport also started three Polytechnics one each at Chrompet (Chennai), Bargur and Tirunelveli in 1992-93.

Both in Engineering and Medical Colleges, 65% of the seats are being filled up by the Government and the balance 35% seats are being allotted to the wards of employees of State Transport Undertakings on merit and communal rotation basis from the academic year 2006-2007. In Polytechnic Colleges, 50% of seats are being filled up by Government and the balance 50% is being allotted to the wards of the employees of State Transport Undertakings on merit basis. The total number of seats, seats filled under Government quota and under Management quota in the Colleges run by the Institute are as detailed below: -

S. No.	Description	Total No. of Seats	Government quota	Management quota
1.	Perundurai Medical College	60	39	21
2.	Engineering College			
	a) Bachelor Degree	360	234	126
	b) Master Degree M.E. (Structural) and M.E.(Thermal)	36	18	18
	MCA	60	30	30
3.	Polytechnic Colleges	520	260	260

The recurring expenditure of above educational institutions is being met out of the interest earned on interest free loan contributed by the employees of the State Transport

Undertakings and the capital expenditure of these Educational Institutions is met out of special contributions received from the State Transport Undertakings.

The Institute of Road Transport is at present running Heavy Vehicle Driver Training Schools at 17 centres such as I.R.T - Gummidipoondi, I.R.T.- Trichy and Madurai (Two Centres) and Tamil Nadu State Transport Corporation Limited Nagercoil, Dindigul, Tirunelveli, Pudukottai, Virudhunagar, Salem, Dharmapuri, Erode, Pollachi, Villupuram, Vellore, Karaikkudi and Kumbakonam in association with the State Transport Undertakings. Totally 41,319 candidates have undergone Heavy Vehicle Driver Training Course up to 2006-2007. During the current year 1583 persons have undergone Heavy Vehicle Driver Training Course. The Institute of Road Transport is also running Light Vehicle Driver Training Centres at Taramani, Chennai and Trichy for giving driver training in light motor vehicle and in two-wheeler.

#### **14. Motor Vehicles Maintenance Department**

Tamil Nadu Motor Vehicles Maintenance Department, comprising 20 Government Automobile Workshops situated in various District Headquarters all over the State and 3 Regional Deputy Directorate is functioning for the past 56 years as a Service Department with the Director as the Head of Department. This Department is looking after the maintenance needs of nearly 13,650 Government Vehicles. A Secretariat Service Station is functioning to carry out minor and petty repairs of V.I.P Vehicles and Vehicles of Secretaries to Governments. There are 10 fuel Dispensing Bunks functioning under the control of this Department.

The main objective of this Department is to provide quality service to the Government Vehicles in an economical and efficient manner so that the down time is minimum. With the above view, a scheme for Research was sanctioned in 2006-2007 to this Department for developing prototypes of Automatic Engine Stopper, Tyre Inflation Indicators, Engine Oil Monitoring Device, Alternate Fuel etc. The Research & Development Cell in the Directorate is taking shape. It is expected that this Cell will provide important research inputs for proper maintenance of Government Vehicles in future.

As per the announcement made by the Hon'ble Minister for Transport in the Assembly during the 2006-07 Budget Demands, the work of connecting 20 Government Automobile Workshops with the Directorate through Broad Band has been completed. The software for this purpose has been developed by M/s. Pallavan Transport Consultancy Services Limited.

### **15. Modernisation and Expansion of Chennai Airport**

In the recent past Chennai has grown as a Hub for foreign direct investment in sectors like Manufacturing, Automobiles, Electronic Hardware, Information Technology, Services, etc. Such investment is still growing. Apart from this a large number of foreign investors like Ford, Hyundai, Nissan – Renault, BMW, Saint Gobain, Motorola, Nokia and Foxconn etc., have made Chennai their production base. Tamil Nadu is also an important destination for foreign tourists. In recent years, the Chennai Airport has recorded significant growth in both passenger traffic and cargo movement. Keeping all these in mind the Government has decided to go for Modernisation and Expansion of Chennai Airport in co-ordination with the Government of India. Land acquisition work to acquire 1069.99 acres for land is being undertaken by the Government of this purpose. The Airports Authority of India, which is undertaking the modernisation programme has proposed to spend about Rs.1800 crores on this. The modernisation of Chennai Airport will be completed by 2010. The State Government is also examining the option of establishing a Greenfield Airport at Sriperumpudur. As regards the non-metro airports like Coimbatore, Madurai, Trichy and Thoothukudi airports, the State Government is taking action to acquire lands for their expansion and modernisation as per the Master Plan submitted by Airports Authority of India in order to meet the growing needs of the passengers and the cargo.

### **16. Setting up of Rajiv Gandhi Institute of Aeronautical Science and Training of Pilots Academy.**

Indian Aviation Sector is at present facing a severe shortage of trained Pilots to fly commercial Aircrafts. There are very few Pilot Training Institutes in the country to cater to the training needs of Pilots. At the same time, because of the Open Sky Policy of the Government of India, quite a number of Private Airlines have started operations in the country in order to meet the growing demands of flying passengers. This has in turn led to an increasing demand for employment of skilled Pilots. The skill level of Pilots can be enhanced significantly by providing training in courses based on Aeronautical Science. Keeping this in mind this Government has decided to set up an Institute in honour of the Late Prime Minister Thiru Rajiv Gandhi in the name and style of Rajiv Gandhi Institute of Aeronautical Science and Training of Pilots Academy at Sriperumpudur near Chennai. In this connection the Executive Director (ATM), Airports Authority of India, New Delhi was requested to undertake a Techno Feasibility Study of the proposed project. Accordingly a Team of Officials headed by him made a preliminary inspection at Sriperumpudur on 21-2-



2007 along with the Airports, Meteorological and Revenue Department officials and as per the guidelines given by the inspecting officials, necessary action to identify suitable site is being taken.

#### **17. Madras Flying Club**

The Madras Flying Club was started in the year 1930 and over the years the Club has become a Centre of education for training boys and girls in flying and Aircraft Maintenance Engineering and a large number of Pilots and Engineers trained by this Club has been employed in Aviation Industry.

The Tamil Nadu Government is sanctioning Rs.3.80 lakhs per year for the Madras Flying Club as Fixed Subsidy and a sum of Rs.3.72 lakhs as Fuel Subsidy to meet the Establishment charges and other running expenditure of the Club.

**K.N. NEHRU**

**MINISTER FOR TRANSPORT**

#### **DEMAND NO.48**

#### **TRANSPORT DEPARTMENT**

#### **BUDGET ESTIMATE 2008-2009**

(Rupees in thousands)

<b>SI No.</b>	<b>Head of Department</b>	<b>Revenue</b>	<b>Capital</b>	<b>Loan</b>	<b>Total</b>
1	Secretariat	303,45,66	165,00,02	165,00,04	633,45,72
2	Motor Vehicles				

	Maintenance Department	36,27,34	16,78	-	36,44,12
	Total	339,73,00	165,16,80	165,00,04	669,89,84

**DEMAND NO.48****TRANSPORT DEPARTMENT****BUDGET ESTIMATE 2008-2009**

(Rupees in thousands)

SI No	Head of Department	Revenue	Capital	Loan	Total
<b>1</b>	Secretariat Non-Plan	303,45,66	-	3	303,45,69
	State Plan	-	165,00,02	165,00,01	330,00,03
<b>2</b>	Motor Vehicles Maintenance Department Non-Plan	32,36,61	-	-	32,36,61
	State Plan	3,90,73	16,78	-	4,07,51
	Total	339,73,00	165,16,80	165,00,04	669,89,84

**New Schemes Under Part II for the year 2008-2009****Motor Vehicles Maintenance Department**

(Rupees in lakhs)

Sl. No.	Name of the Scheme	Cost of the Scheme
1.	Provision of Computers and Accessories for Computerisation of Motor Vehicles Maintenance Department	27.52
2.	Provision of Basic Amenities to the workers in Motor Vehicles Maintenance Department	6.00
3.	Provision of Special Tools and Equipments for new generation vehicles to technical staff of Motor Vehicles Maintenance Department	5.00
4.	Providing Borewell with Motor and Pipe line arrangements to the Government Automobile Workshop at Erode	1.32
5.	Construction of certain Civil Works in the Government Automobile Workshop at Uthagamandalam	15.45
	TOTAL	55.29