

K.14011/25/2013-UT-I
Government of India
Ministry of Urban Development

Subject:- 124th CSMC Meeting onwards on bus funding projects under UIG component of JnNURM-regarding

The 124th CSMC meeting took place on 7th August, 2013 under the chairmanship of Secretary (UD). Release of 2nd installment to Ujjain city under the Bus funding project under JnNURM was also discussed in the meeting.

2. Draft minutes of the meeting are placed below for approval please.
3. Secretary (UD) may kindly approve the release of above funds so that the same can be sent to Ministry of Finance (Department of Expenditure) for release.

(Pankaj Kumar)
US(UT-I)
8.8.2013

Director(UT-I)

Subject: 124th CSMC meeting - Release of funds - regarding

The proposal related to release 2nd installment of ACA to Ujjain (Madhya Pradesh) for funding of buses under JnNURM was considered in the 124th CSMC meeting held on 7th August, 2013. The CSMC after consideration of the proposal approved release of 2nd installment of ACA as per details given below:

(Rs. in crore)

S. No.	City / State	No. of buses sanctd	Total project cost*	ACA admissible	% of ACA to be released upto 2 nd installment	ACA released so far	2 nd installment to be released
1.	Ujjain (M.P.)	90	14.20	11.36	90%	5.68	3.79**

* estimated.

** based on the revised DPR.

2. Secretary (UD) may kindly approve the release of above funds so that the same can be sent to Ministry of Finance (Department of Expenditure) for release. Draft Minutes of the meeting have already been approved by Secretary (UD) at p.1/Notes.

Director (UT-I)

K.14011/25/2013-UT-I
Government of India
Ministry of Urban Development

Nirman Bhawan, New Delhi
19th August, 2013

OFFICE MEMORANDUM

Subject:- 124th CSMC meeting held on 7th August, 2013 – release of 2nd installment of ACA to Govt. of Madhya Pradesh – regarding.

The undersigned is directed to state that proposal relating to release the 2nd installment of ACA to Govt. of Madhya Pradesh (mission city Ujjain) under JnNURM (bus component) was considered and approved by the CSMC in its 124th meeting held on 7.8.2013. The details are as under:

(Rs. in lakh)

City	Total eligible cost for ACA (initially apprvd.)	ACA admissible (% of ACA (initially approved))	Revised cost as per purchase order for ACA	ACA admissible on the revised cost	% of ACA to be released upto 2 nd installment	Admissible ACA upto 2 nd installment	ACA released so far	Balance 2 nd instt. to be released
Ujjain (M.P.)	1420.00	1136.00 (80 %)	1314.94 *	1051.95	90%	946.76	568.00	378.76
		Total						378.76

* Inclusive of ITS component.

2. Department of Expenditure is therefore requested to release ACA amounting to Rs. 378.76 lakh towards 2nd instalment to the State Government of Madhya Pradesh.

(Pankaj Kumar)
Under Secretary to the Govt. of India (UT)
Tel.: 23062264

Director (PF-I)
(Attn: Shri G.L. Bansal)
Department of Expenditure, Ministry of Finance
North Block, New Delhi.

Copy to:

Shri A.S. Parmar, Assistant Director(PF-I), Department of Expenditure, Ministry of Finance, North Block, New Delhi.

(Pankaj Kumar)
Under Secretary to the Govt. of India (UT)

Minutes of 125th CSMC Meeting held on 4th September, 2013

List of the participants is at **Annexure**.

2. 125th CSMC meeting was held on 4th September, 2013 under the chairmanship of Secretary (UD), Government of India. The proposal for **release of 2nd installment to Ludhiana mission city (Punjab)** for purchase of buses for urban transport system under JnNURM was taken up in this CSMC meeting.

3. **Release of 2nd installment to Ludhiana (Punjab)**

3.1 Under the Bus Funding Project under JnNURM, Ministry of Urban Development, sanctioned financial assistance for procurement of 200 buses to the city of Ludhiana (Punjab) in CSMC meeting held on 26.02.2009 as per the details given below:

Bus Category			Low floor 400 mm	Money Sanctioned as per CSMC (Rs Crores)	sha re	ACA admissible Approved earlier (Rs Crores)	1st Installment released 50%(Rs Crores)
Mini buses	Semi low floor (850/65 0 mm)	Low Floor AC- 40mm					
40	80	40	40	65.2	50 %	32.6	16.3

3.2 Later Ujjain Municipal Corporation vide their letter No. Cell / 2011/2012 dated 12.10.2011 made a request for change in specification of 10 AC buses to 50 mini/midi non AC. Their request for change in the category was approved in the 103rd CSMC meeting held on 3.1.2012 subject to the condition that the buses procured should be as per the urban bus specifications. The change in cost if any will be adjusted at the time of release of 2nd installment.

3.3 The DPR Phase-II has now been submitted by Commissioner, Municipal Corporation, Ujjain for the release of 2nd installment. Municipal Commissioner also made a detailed presentation on the bus funding project at Ujjain. He informed that out of total 90 buses, 89 have been procured and purchase order for remaining one bus has been placed by the city. He requested for release of 2nd installment of ACA.

3.4 OSD(UT) & EOJS informed the CSMC that they have taken certain action for implementation of reforms relating to urban transport sector as per the JnNURM guidelines. He informed that they have not made payments to the bus supplier and imposed penalty on them more than the cost of the buses. Such a penalty clause is totally illogical and beyond any usual tendering conditions.

3.5 Municipal Commissioner informed the CSMC that the matter is in arbitration. However, as suggested by the Ministry, we will sort out the issue shortly. The Municipal Commissioner also stated that Ujjain, being a heritage city, has been sanctioned buses under JnNURM. However, the capacity of 90 buses cannot be fully utilised in the city. Hence they may be permitted for operation of some of these buses (around 30) outside Ujjain city and within the district limit.

3.6 On this issue Secretary (UD) suggested that first Ujjain city should notify its agglomeration area / local planning area under the State law and only then they will be able to run these buses in the suggested areas.

3.7 Keeping in view the above points utilization of 100% of 1st installment and the considerable progress city has made, CSMC recommended that the second installment (i.e. upto 90% for all the 90 buses) to the city may be released. As such the total ACA to be released would be as per the details given in table below:

Total Cost Breakup	29 Seater (40 buses)	37 Seater (50 buses)	ITS Cost	Total
Total eligible project cost for ACA	4,96,41,671	7,03,37,156	1,15,15,200	13,14,94,027
ACA of Project (80% of total eligible project cost)	3,97,13,337	5,62,69,724	92,12,160	10,51,95,221
Total ACA admissible upto 2nd installment (90% of ACA)	3,57,42,003	5,06,42,752	82,90,944	9,46,75,699
1st installment released				5,68,00,000
2nd Installment to be released (90% of ACA)				3,78,75,699

3.8 The balance ACA (10%) will be released on implementation of various reforms relating to urban transport sector as per the bus funding guidelines.

4. Thereafter, Secretary (UD) took some general points and requested to all the participant cities to note down for compliance:

- (i) The tender agreement is made between the supplier and the city. However, it has been seen that cities don't make payments to suppliers as per their agreement pleading that since they have not received ACA from MoUD they won't make payment. The cities should not rope in Ministry since our releases are made as reimbursement basis and linked to certain implementation of reform conditions.
- (ii) MoUD has empanelled consultants for preparation of CDP and CMP. The list is available on the Ministry's web-site. These empanelled consultants have already been given orientation. States and cities are suggested to take benefit of this empanelment and without going for technical bids they can go for financial bid directly. However, this is only on their own decision.
- (iii) MoUD has also taken steps for empanelment of consultants for preparation of DPRs for bus funding project under JnNURM. Hopefully, the list will come out by the end of August, 2013.
- (iv) The cities / States while preparing the DPRs through consultant, they should request the consultant to calculate the FIRR and EIRR and also request them for their advise how to equate them to the same level.

5. The meeting ended with the vote of thanks to the chair.

LIST OF PARTICIPANTS

(125th Meeting of CSMC held on 4.9.2013 at 11.00 AM)

1. Dr. Sudhir Krishna, Secretary (Urban Development) In Chair.
2. Smt. Nisha Singh, JS (Mission)
3. Shri Naresh Salecha, JS & FA
4. Shri S.K. Lohia, OSD (UT) & EOJS.
5. Shri G.L. Bansal, Director, Department of Expenditure, M/O Finance
6. Shri Rakesh Ranjan, Advisor, Planning Commission
7. Shri R.K. Singh, Director (UT-I), MoUD
8. Secretary, Local Government, Govt. of Punjab
9. Ms. I.C. Kalia, LCBSL
10. Shri Balbir Manager, LCBSL.
11. Shri Pankaj Kumar, Under Secretary (Urban Transport-I), MoUD

**Appraisal Note of DPR–Phase II for Buses under JNNURM, Ludhiana,
Punjab**

The Ministry of Urban Development vide its circular Do. No. K-14011/48/2006-UT (Pt.) dated 12th January 2009, has offered financial assistance under the JNNURM for the purchase of buses. Under this scheme, a total of 200 buses were sanctioned for Ludhiana in the CSMC meeting held on 26.02.2009, as per the following details:

Bus Category			Low floor 400 mm	Money Sanctioned as per CSMC (Rs Crores)	sha re	ACA admissible Approved earlier (Rs Crores)	1st Installment released 50%(Rs Crores)
Mini buses	Semi low floor (850/65 0 mm)	Low Floor AC- 40mm					
40	80	40	40	65.2	50 %	32.6	16.3

The DPR Phase-II has now been submitted for the release of the 2nd installment. The report has been reviewed and accordingly the following observations are made as per the guidelines furnished for DPR Phase II:

Table 1: Status report summary on Conditions of Sanction / Details required

S.No	Items	Information provided	Status	Further detail required / pending action points
1	Scientific determination of bus network, routes, and frequencies	√		Registration number for all buses and photographs of buses in running condition
2	Arrangement being made to accord priority to the operation of buses	No Information		Bus lane provision for city bus services
3	Details of city specific wholly owned Special Purpose Vehicle being set up or already set up controlling and managing city bus service	√	LCBSL	
4	Details of the infrastructure arrangements being put in place for introduction/ improvement of the public transport system	√	1 existing bus depot near Central Jail, tajpur Road having capacity of 50 buses 3 depot proposed	Capacity, area and timeline of implementation for proposed depots to be provided

S.No	Items	Information provided	Status	Further detail required / pending action points
5	Details of how the buses shall be maintained through their entire useful life	PPP		Agreement with Private operator to be provided
6	Concessioning strategy for operation of buses and involvement of private sector in public bus transportation	GCC model	Proposed	
7	Details of the ITS facilities regarding fare collection system; operation and maintenance system proposed	√	Proposed	
8	Mechanism for implementation of Passenger Information System (PIS)	√-PPP on bus station		Mechanism for implementation of PIS
9	Integration of the services with other public transport systems and the multimodal integration	√	Proposed	Timeline for implementation
10	Strategy for making bus operations financially self sustainable	√		
11	Details of the Unified Metropolitan Transportation Authority (UMTA)	√		Signed copy of UMTA notification
12	Details of the Urban Transport Fund (UTF)	√	Proposed	Timeline for implementation
13	Advertisement policy statement and time lines for implementation	√	Implemented	
14	Parking policy statement and time lines for implementation	√	Proposed	Timeline for implementation
15	Institutional mechanism of periodic revision of fares, but not only city bus service, but other modes of public transport and intermediate transport	√	Proposed & submitted to State Government for approval	Timeline for implementation
16	Transit Oriented Development (TOD) policy and amendments proposed in the byelaws to encourage TOD	√	Proposed	Timeline for implementation
17	Details of the coordination department in the State Government	No Information		LCBSL to provide details
18	Waive off/ reimburse taxes	No Information		LCBSL to share correspondence
19	Traffic Information and Management	√	Proposed	Timeline for

S.No	Items	Information provided	Status	Further detail required / pending action points
	Control Center (TIMCC)			implementation
20	Common Mobility Card and National Public Helpline (NPH)	No Information on NPH		provide details on NPH
21	Utilization certificate	No information		To be provided
22	ARAI certification			To be provided before release of next installment
23	Impact assessment			To be provided before release of next installment

While releasing the first installment of ACA, a tentative cost based on the DPR stage 1 submitted by the city was considered. However, since the order for the buses have been placed by the city, the actual cost being incurred as per the purchase orders has been calculated. The total cost (Rs) of the project is as follows:

Table 2: Cost Details as per purchase order

S.No.	Bus Category	Tata- Low Floor 400mm AC	Ashok Leyland-Semi Low Floor 650mm	SMLISUZU Ltd.-Mini Bus standard	TATA Low Floor Non AC	Total (Rs)
a)	Number of buses ordered	40	80	40	40	200
b)	Basic Price of bus	49,95,000	37,95,917	12,57,988	42,51,873	-
c)	Excise duty- (12.125% * b for 400mm AC Buses,12.36% for 650mm, and 12.485% for Mini bus and 12% for corona buses)	6,05,644	4,69,175	1,57,060		-
d)	Cess on ED- (3%* c)	18,169	0	0		-
e)	Basic Price inclusive of statutory taxes	56,18,813	42,65,092	14,15,048		-
f)	VAT sales Tax - (e)* 13% for 400mm AC, 14% on 650mm and 14.3% on Mini bus	7,30,446	5,97,113	2,02,352	5,52,744	-

S.No.	Bus Category	Tata- Low Floor 400mm AC	Ashok Leyland-Semi Low Floor 650mm	SMLISUZU ltd.-Mini Bus standard	TATA Low Floor Non AC	Total (Rs)
g)	Surcharge- f)*10%	73,045	0	0		-
h)	Insurance	0	0	1,100		-
i)	Freight to Destination	0	0	1500		-
j)	Cost/bus (including central/state /City taxes) (e+f+g+h+i)	64,22,303	48,62,205	16,20,000	48,04,617	-
k)	Cost/bus (excluding VAT) (j-f)	56,91,858	42,65,092	14,17,648	42,51,873	-
l)	Total Cost of all buses including central/state /City taxes) (j*a)	25,68,92,133	38,89,76,422	6,47,99,985	19,21,84,680	90,28,53,220
m)	Total Cost of all buses excluding VAT) (k*a)	22,76,74,305	34,12,07,387	5,67,05,912	17,00,74,938	79,56,62,543

The cost of buses includes ITS components such as 4 destination boards, PIS (Audio & Visual), Multiplex wiring, GPS, GPRS, 64MB controller memory, and 2 cameras.

It has been stated that all 200 buses sanctioned are procured out of which 40 buses are operationalized. The total cost of these buses as per purchase order is Rs 79,56,62,543 however the cost sanctioned under jNNURM is Rs 65,20,00,000.

Keeping in view the above points and the considerable progress city has made, it is recommended that the second installment to the city may be released based on the cost sanctioned by MoUD i.e Rs 65,20,00,000. It had been earlier given in the guidelines issued by the MoUD for funding of buses under JnNURM that under the second installment 40% of the ACA admissible would be released as per details given in the table below:

Table 3: Eligible Project Cost

Total Cost Breakup	Project Cost Sanctioned in CSMC held on 26-09-2013 (Rs)
Total eligible project cost for ACA	65,20,00,000
ACA of Project (50% of total eligible project cost)	32,60,00,000
Total ACA admissible upto 2nd installment (90% of ACA)	29,34,00,000
1st installment released	16,30,00,000

2nd Installment to be released- 90% of ACA	13,04,00,000
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The balance 10% of ACA is to be released when progress on various reforms as mentioned in table 2 is submitted to MoUD. Also city should submit a DPR with detailed information on the following:

- Impact assessment to assess the benefits of modernization of bus fleet must be carried out based on following indicators improvement in frequency of buses, ridership, load factor, Modal shift, Vehicle Utilization, Fuel efficiency, Dead Mileage, Safety (in terms of accidents), User satisfaction, etc.
- Registration number for all buses and photographs of buses in running condition (in soft copy)
- A route map of all bus routes should be provided
- Periodic revision of fare should be provided
- Bus drivers need to be given training for driving the modern buses
- The National common mobility card and the National public transport helpline need to be provided.

Sonia Arora
Urban Transport Expert
IUT
05/08/2012

F.No. IUT/13-(A)/2010

Institute of Urban Transport (India)

Appraisal Note–Release of balance 10% ACA for Buses funded under JNNURM

Chennai, Madurai & Coimbatore, Tamil Nadu

The Ministry of Urban Development vide its circular Do. No. K-14011/48/2006-UT (Pt.) dated 12th January 2009, has offered financial assistance under the JNNURM for the purchase of buses. Under this scheme, a total of 1000 buses were sanctioned for the city of Chennai, 300 buses each to Madurai and Coimbatore.

The 90% of ACA has been released by MoUD as per the following details

Status	City	Chennai	Coimbatore	Madurai
Funding	Approximate Project Cost Approved (Rs. Cr)	295.92	88.78	88.78
	Revised Project Cost Approved (Rs. Cr) as per purchase order	247.15	58.6	58.6
	MoUD Share %	35%	50%	50%
	ACA Released till date- Rs Cr (%)	77.96 (90%)	26.37 (90%)	26.37 (90%)
	Utilization Certification	Yes		

Tamil Nadu State Corporation (Coimbatore, Chennai and Madurai) sent a proposal to release balance 10% ACA. The same has been received by Institute of Urban Transport (IUT) for appraisal. The document has been scrutinized and the observations are as follows:

As per the letter number CCO/L/1004-26/2010 dated 22-04-2013 received from the Madurai, the progress till date is as follows:

1. Toll Free Number- Under process
2. Implementation of ITS-
 - a. Implementation of GPS based vehicle tracking system has been awarded to Pallavan Transport Consultancy Service Ltd, (PTCS) and implemented in 10 JNNURM buses
 - b. Steps are being taken to purchase GPS and GPRS based Electronic Ticketing Machines. Tender process is over and implementation will start in 2 months.
3. Helpline and Mobility Card: Approached assistant General Manager, BSNL office and work is in progress. While implantiing online ETMs, the National Mobility card will also be introduced
4. JNNURM logo on the back of the buses- provided in the bus.

As per the letter number 20060/S4/SYS/TNSTC/CBE/2013 dated 28-03-2013 received from the Coimbatore, the progress till date is as follows:

1. Implementation of ITS-
 - a. Implementation of GPS based vehicle tracking system has been awarded to Pallavan Transport Consultancy Service Ltd, (PTCS) and implemented in 10 JNNURM buses
 - b. Steps are being taken to purchase GPS and GPRS based Electronic Ticketing Machines. Tender process is over and implementation will start in 2 months.
2. Helpline and Mobility Card: Approached assistant General Manager, BSNL office and work is in progress. While implantiing online ETMs, the National Mobility card will also be introduced
3. JNNURM logo on the back of the buses- provided in the bus.

As per the letter number 235/7744/TRG1/MTC/2006 dated 05-04-2013 received from the Chennai, the progress till date is as follows:

1. Implementation of ITS-Implementation of GPS compatible GPRS based e ticketing system through hand held devise with infrastructure set up at DEPOTS and tender was finalized for central control central for MTC.
2. Helpline Number: MTC received reply from BSNL that necessary steps are being taken to get allotment of short code from department of telecommunication.
3. Common mobility card- Necessary steps have been taken
4. JNNURM logo on the back of the buses- Not possible because advertisement boards are fixed on the back side so space is not available.

Comments of IUT

The progress made by the state till date is as follows:

Status	City	Chennai	Coimbatore	Madurai
Procurement	Total bus Sanctioned	1000	300	300

Status	City	Chennai	Coimbatore	Madurai
	Total No. of buses ordered	1000	300	300
	Buses on Road	1000	300	300
	Bus Operation	MTC	TNSTC	TNSTC
ITS	ITS facilities available (Yes or No)	Under Consideration*		
	National Mobility Card (yes or No)	Under process		
	Helpline Number	Under Process		
Supporting Infra. (to be provided by State Government)	Number (Depots / Terminals/ Workshops/ Bus Stops)	25 D & 2 T	7 D	
	Constructed/Under Construction/only land available	Constructed	Constructed	
Reform	SPV	Yes	No	No
	UMTA	Yes	Under Consideration	
	UTF	No	Under Consideration	
	Advertisement Policy	Yes*		
	Parking Policy	Under Consideration		
	Institutional Mechanism for periodic revision of fares	Issued orders for revision of fare but no mechanism proposed		
	Waive off/Reimburse taxes	Yes		
	TOD			
	TIMCC			
Bus	Photographs	No		
	ARAI Certificate			
	Permit Number			
	Chasis Number			

Status	City	Chennai	Coimbatore	Madurai
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*Details not provided

The following information has not been provided by the State

Madurai

1. Timeline for implementation for helpline number and common mobility card
2. Implementation of Reforms such as SPV, UMTA and UTF
3. Details of Parking and Advertisement policy
4. Institutional mechanism for periodic revision of fares
5. Setting up of Control Centre
6. Bus photographs, ARAI certificate, Permit number and chassis number

Coimbatore

1. Timeline for implementation for helpline number and common mobility card
2. Implementation of Reforms such as SPV, UMTA and UTF
3. Details of Parking and Advertisement policy
4. Institutional mechanism for periodic revision of fares
5. Setting up of Control Centre
6. Bus photographs, ARAI certificate, Permit number and chassis number

Chennai

1. Timeline for implementation for helpline number, common mobility card and Setting up of Control Centre
2. Implementation of UTF
3. Details of Parking and Advertisement policy
4. Institutional mechanism for periodic revision of fares
5. Bus photographs, ARAI certificate, Permit number and chassis number

Recommendation

The release of third installment of ACA is subject to the fulfillment of conditions mentioned in the guidelines issued by MoUD on 12th January 2009. Therefore, It is recommended that the third instalment may release only after the submission of the above mentioned documents by Chennai, Coimbatore and Madurai.

Date: 02-05-2013

Sonia Arora

**Urban Transport Expert
Institute of Urban Transport**

