

## **2.19. Transport**

**2.19.1.** Road transport occupies a primary place in to-day's world as it provides a reach unparalleled by any other contemporary mode of transport. There are 7 State Transport Undertakings, the Tamil Nadu Transport Development Finance Corporation Limited, the Pallavan Transport Consultancy Services Limited, the Institute of Road Transport, and the Motor Vehicles Maintenance Department concerned with transport operations in the public sector, financing, repairs of Government vehicles etc.

**2.19.2.** State Transport Undertakings (STUs) – Till 1971, State Transport operations were under the control of Tamil Nadu Government. After 1971, this was entrusted to various Transport Corporations registered under the Companies Act, 1956. The Pattabiraman committee in 1976 and the Thillainayagam Committee in 1990 gave various recommendations for the improvement of the STUs and they were implemented wherever possible.

**2.19.3.** In order to reduce the administrative overhead costs and to avoid wasteful competition in the operation of services among the State Transport Corporations, the Government have amalgamated the 21 State Transport Corporations into 7 Corporations. From January 2004, 7 amalgamated STUs are functioning in Tamil Nadu of which one is exclusively for the city of Chennai and one exclusively for the operation of Express Services on long distance intra-state and inter-state routes. The other 5 Corporations operate Mofussil and Town Services in the Districts.

**2.19.4.** The State Transport undertakings are operating 16982 buses. Out of these, Mofussil buses constitute 5977 (35.2% of total fleet), Town / Metro buses 8154 (48.14%), Ghat buses 522 (3.07%), Express buses 795 (4.68%) and spare buses 1513 (8.91%).

**2.19.5.** The STUs have achieved profit/ loss during the tenth five year Plan period. They achieved a loss to the tune of Rs. 4.21 crore during 2002-03, profit of Rs 2.38 crore during 2003-04, profit of Rs 27.62 crore during 2004-05, loss to the tune of Rs. 397.36 crore (Pre Audit) during 2005-06 and again loss to the tune of Rs. 512.92 crore (Budget) during 2006-07.

**2.19.6.** The STUs introduced 7404 new buses during Tenth Five Year Plan period as against target of 10000 buses. It is proposed to purchase 1000 buses with the financial support from Government and the balance buses are to be introduced out of own fund / loan fund through TDFC, in the current year.

**2.19.7.** The 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 for purchase of chassis, body building, setting up of workshops and also to meet the working capital requirements by mobilising adequate funds from general public through public deposits. TDFC has been registered as a Non-banking Finance Company with the Reserve Bank of India and classified as a Hire Purchase Company. Tamil Nadu Transport Development Finance Corporation Limited has a track record of earning profits in all the years since its inception from 1975.

**2.19.8.** Computerisation of Transport Department – Major Progress has been achieved in computerization since 1997. The following expenditure has been incurred towards computerization of Transport department:

**Table: 2.9 Expenditure on Computerisation**

(Rs. in thousands)

<b>Year</b>	<b>Allocation</b>	<b>Expenditure</b>
<b>2004-05</b>	70,000	69,933
<b>2005-06</b>	70,000	63,925
<b>2006-07</b>	2,183	846
<b>2007-08</b>	10,000	10,000
<b>(Proposed Outlay)</b>		

**2.19.9.** Road Safety Fund - The proceeds from compounding fees and spot finances collected by the Transport and the Police Department go to the Road Safety Fund which is then utilised for undertaking road safety schemes / measures.

**2.19.10.** Motor Vehicles Maintenance Department - The Tamil Nadu Motor Vehicles Maintenance Department is a service department undertaking maintenance and repairs of all Government departmental vehicles numbering around 10,000. There are 20 Government Automobile Workshops in various District Headquarters throughout the State. This

department is operating 10 consumer fuel bunks for the supply of fuel and other lubricants to the State Government Departmental vehicles.

**2.19.11.** An outlay of Rs.154.20 crore is provided for the year 2007-08.