

Project Concept Note

Project Name	Modernization of Vadapalani Bus Depot cum Terminus
Sponsoring Agency	Metropolitan Transport Corporation (Chennai) Limited
Sponsoring Department	Transport Department, Government of Tamil Nadu

Contact Details	Single Point Contact for the Project –	
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Introduction	Sponsoring Agency – Metropolitan Transport Corporation (Chennai) Ltd. Metropolitan Transport Corporation (Chennai) Limited is a Government of Tamil Nadu Undertaking registered under Companies Act, 1956. It is governed by the Board of Directors appointed by the Government of Tamil Nadu. MTC serves the public of entire Chennai Metropolitan Area. It operates its services in an area of 3929 square kilometres with an aim to operate the services. Need for the proposed project: MTC, while reviewing the current status of various Bus Depots, have identified various drawbacks/ disadvantages in the infrastructure: <ol style="list-style-type: none">1. No dedicated pedestrian entry/ exit to the bus stand.2. Inadequate bus bays for effective bus operation which result in haphazard bus parking inside the bus Terminus.3. Both entry and exit of buses is along Arcot Road which creates Traffic issues during peak hours of operation.4. Absence of two-wheeler and four-wheeler parking facilities for the passengers.5. Very limited waiting space and furniture for passengers/ commuters.6. Lack of Amenities for passengers and drivers such as drinking water kiosk, help desk, passengers' waiting area, public convenience, Cloakroom, pedestrian foot path etc.7. Poor sign boards, creating inconvenience to the first-time passengers/ commuters using the bus Terminus.8. Pedestrian-vehicular conflicts due to unplanned passenger circulation.9. Poor maintenance of facilities such as Ticket reservation centres, Baby feeding room, etc.10. Lack of Infrastructure such as storm water drain, rainwater harvesting, pedestrian foot path etc.	

	<p>In view of the above, it is proposed to undertake modernization of Vadapalani Bus Depot cum Terminus in Public Private Partnership mode.</p> <p>Scope of the project:</p> <p>The project proposes to undertake Modernization of Bus Depot / Terminus for Metropolitan Transport Corporation (Chennai) Ltd in Vadapalani, Chennai, on Public Private Partnership on Design, Build, Finance, Operate and Transfer basis for a period of 30 Years including 3 (three) years of construction and the operation and maintenance thereof.</p> <p>The scope of work will broadly include designing, engineering, financing, construction of bus terminal along with associated amenities & facilities and development and construction of commercial complex and the operation and maintenance thereof of commercial complex and terminal facility.</p>
<p>Project Details</p>	<p>Vadapalani Bus Terminus/ Depot is located along Arcot Road, partly in Block No: 7, TS No: 9/6 and Block No. 39, TS No. 36 of Saligramam Town, Mambalam Taluk. The site admeasures 6.65 acres. This bus terminus serves the neighbourhoods of Vadapalani, Koyambedu, KK Nagar, Kodambakkam, etc. Existing Vadapalani Metro Station is at distance of 0.6 km from the project site. Currently the Bus Terminus/ Depot is equipped with Bus Parking, Administration Building, Workshop, Fuel Station, Resting Room, washroom, etc.</p> <p>Major project components are as proposed below:</p> <ol style="list-style-type: none"> 1. Creation of State of Art Depot Infrastructure & Support Facilities – Bus Maintenance Pits, Accommodation, Rest Rooms for Crews, Branch Manager Room, Central Storerooms, Tyre Maintenance Yard, Fuel Station, Parking facility for Buses, STP, WTP etc. 2. Development of World Class Terminus Facilities for Passengers/ Transport Corporation – Bus Bays, Drivers / Crew Restroom, Timekeepers Office, Facilities and amenities for Passenger including Waiting Area, Public Convenience Facilities, Water Kiosk, ATM, Medical Emergency / First Aid Centre etc. 3. Creation of Intermodal Connectivity/ Transit Hubs – Intermodal Connectivity including integration of Metro / Sub-Urban Railway Facility and last mile connectivity including Autos, Taxis, Public Cycle Sharing System etc. 4. Public Parking Facility – Providing Multi Level Car Parking to accommodate 2W and 4W will be one of the key Infrastructure facilities based on site requirement. 5. Commercial/ Retail/ Other Developments – Potential for Commercial/ Retail development shall also be scope as part of the project since Commercial development is expected to generate more revenues. <p>The estimated project cost to develop the above-mentioned facilities is approximately Rs.525.35 crores.</p> <p>The project development is proposed to be completed within three years.</p>

Project Land Details	<p>Please mention the following details pertaining to the project land:</p> <ul style="list-style-type: none"> • Land extent required for project. • Land ownership (Own or to be taken up on lease, in which case, details of lease arrangements are to be provided) • Land value as per Guideline value and as per market value/ Land lease values • Current land classification • Any other details 																																	
Financial Analysis of the project	<p>A Viability Gap Funding amounting to 20% of the estimated project cost has been considered as part of project financing. The balance amount is proposed to be financed by the Concessionaire (Private developer) through equity infusion of 24% and debt funding of 56% of the estimated project cost.</p> <p>Considering the above and various assumptions as provided in the attached financial model, the project is expected to generate –</p> <p style="text-align: center;">Project IRR – 15.69% and NPV – Rs.148.57 crores @ 12% discount factor</p> <p><i>(The above values are to be indicated based on the Financial Analysis Template.)</i></p>																																	
Project Implementation Structure	<p>The Authority, MTC, shall select a private operator for <u>Design, Build, Finance, Operate and Transfer (DBFOT) framework</u> of Concession with MTC for Modernization of Bus Depot / Terminus for Metropolitan Transport Corporation (Chennai) Ltd in Vadapalani, Chennai, on Public Private Partnership on Design, Build, Finance, Operate and Transfer basis for a period of 30 Years including 3 (three) years of construction and the operation and maintenance thereof.</p> <p><u>Bid Evaluation parameter shall be any one of the following:</u></p> <ul style="list-style-type: none"> • Number of Bus Bays Terminus/Depot. • Overall area allocated for Development of Terminus/Depot/Public Facilities. • Maximum Lease Premium/Revenue Price to authority. • Minimum number of Parking Facility provided for Public Parking (2W/4W). • Construction Timeline Considering Operation difficulty of MTC. • Optimal Least Concession Period. 																																	
Risk Assessment	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Aspect</th> <th style="width: 25%;">Public</th> <th style="width: 25%;">Private</th> </tr> </thead> <tbody> <tr> <td>Ownership</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>Design</td> <td></td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Construction</td> <td></td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Finance</td> <td></td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Operation</td> <td></td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Maintenance</td> <td></td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Cost escalation in construction</td> <td></td> <td></td> </tr> <tr> <td>Cost escalation in O&M</td> <td></td> <td></td> </tr> <tr> <td>Time overrun</td> <td></td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Statutory Clearances</td> <td style="text-align: center;">✓</td> <td></td> </tr> </tbody> </table>	Aspect	Public	Private	Ownership	✓		Design		✓	Construction		✓	Finance		✓	Operation		✓	Maintenance		✓	Cost escalation in construction			Cost escalation in O&M			Time overrun		✓	Statutory Clearances	✓	
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	Force majeure		
	Change in law		
	Revenue Fluctuation - upside		
	Revenue Fluctuation - downside		
	Extension of Timelines		
	Extension in Concession Period		✓
	Independent Engineer		✓
	Termination		
<i>(Please indicate the party responsible for each activity pertaining to the project.)</i>			