



TRANSPORT DEPARTMENT

POLICY NOTE 2025 - 2026

DEMAND No. 48

S.S. SIVASANKAR
Minister for Transport

©
Government of Tamil Nadu
2025

INDEX

S. No.	Subject	Page No.
1	Introduction	1
2	Organisation of State Transport Undertakings	19
3	Initiatives to Enhance Bus Transport	82
4	Vidiyal Payanam: Empowering Women and Inclusive Mobility in Tamil Nadu	135
5	Reimagining Public Transport: New Bus Procurements and Renovation Initiatives	138
6	Driving Towards Safety: Road Safety Initiatives in Tamil Nadu	143
7	Accelerating Sustainability: Tamil Nadu's Commitment to Sustainable Development Goals	148
8	Tamil Nadu Motor Vehicles Maintenance Department	151
9	Inter-Departmental Co-Ordination	156
10	The Institute of Road Transport	163
11	Tamil Nadu Mobility and Logistics Corporation Limited	168
12	Conclusion	173

**TRANSPORT DEPARTMENT
POLICY NOTE
2025 - 2026**

1. INTRODUCTION

**1.1 The Role of Public Transport in
Tamil Nadu's Mobility Ecosystem**

Transportation is the backbone of progress-driving economic growth, fostering social equity and safeguarding the environment. In Tamil Nadu, with its population of approximately 8.53 crore, public transport is more than a service—it's a lifeline, enabling access to education, jobs, healthcare and commerce. The State Government recognizes the urgent need to elevate this system, focusing on creating a public transport network that is not just efficient and accessible but is also affordable, sustainable, paving the way for a more connected and prosperous future.

Tamil Nadu's diverse transport network includes buses, trains, taxis, autorickshaws, air and sea transport, with buses playing a dominant

role in mass transit. Despite their significance, buses currently account for less than 1% of the total registered vehicle population, highlighting the pressing need to strengthen and modernize bus services. State Transport Undertakings (STUs) are integral to this effort, addressing rising transportation needs while tackling issues like urban congestion, emissions and road safety. Currently, STUs facilitate the daily mobility of 1.85 crore individuals.

Compared to private vehicles, buses offer significant advantages. They produce fewer emissions per passenger kilometre, occupy less road space, reduce travel times and alleviate parking challenges. Moreover, their fuel efficiency contributes to cost savings and supports economic growth.

With rapid urbanization - 48.4% of Tamil Nadu's population lived in urban areas in 2011, projected to rise to 67% by 2031, the need for sustainable and efficient public transport is

greater than ever. Strategic investments in bus transport infrastructure and urban mobility planning will be essential for reducing dependency on private vehicles, easing traffic congestion and achieving a greener and more inclusive mobility ecosystem.

1.2 Tamil Nadu's Vehicle Ecosystem

The vehicle registration statistics in Tamil Nadu as of 01.03.2025 highlight the overwhelming dominance of non-transport vehicles, which make up 96.15% of the total registered fleet, leaving transport vehicles at a mere 3.85%. Chennai exhibits a similar pattern, with non-transport vehicles constituting 96.11% of the total, while transport vehicles account for 3.89%. Two-wheelers dominate the non-transport category, forming 84% of the state's fleet and 78% of Chennai's. Despite their numerical insignificance, public buses remain a vital component of the mobility framework, serving large populations daily.

Category	Tamil Nadu (Numbers in Lakhs)	Percentage	Chennai (Numbers in Lakhs)	Percentage
Transport Vehicles	14.41	3.85	2.10	3.89
Non-Transport Vehicles	360.17	96.15	51.87	96.11
Total	374.58	100.00	53.97	100.00

The transport category includes 31,129 stage carriages, out of which 20,508 are operated by Government owned State Transport Undertakings (STUs), providing daily mobility for 1.85 crore passengers. However, private vehicles, particularly two-wheelers and cars, dominate the roads, leading to significant challenges such as traffic congestion, air pollution and an underutilized public transport system.

Category	Type	Total Numbers
Stage Carriages	State Transport Undertakings	20,508
	Private	7,764
	Mini Bus	2,857
	Total	31,129
Contract Carriages	Autorickshaw	3,45,045
	Ordinary Taxi	2,630
	Motor Cab	1,24,979
	Maxi Cab	87,273
	Omni Bus	3,462
	Total	5,63,389

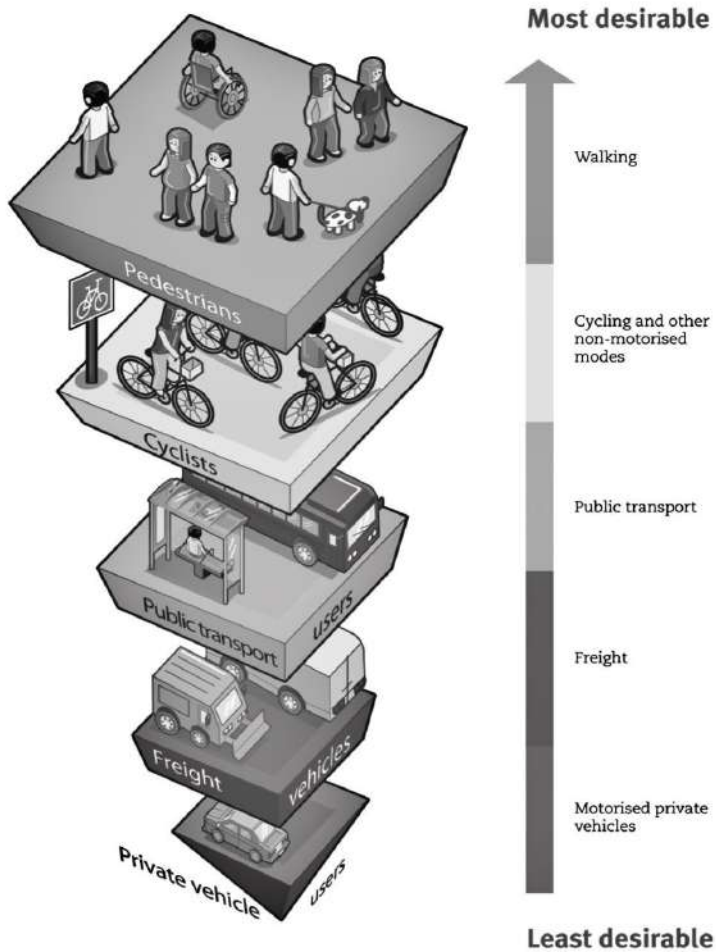
Category	Type	Total Numbers
Goods Carriages	Lorries	4,66,414
	Light Commercial Vehicle	1,93,061
	Tractor & Trailer	78,482
	Articulated Vehicles	34,831
	Total	7,72,788

Addressing these challenges requires strengthening the public transport system by modernizing buses, expanding services and integrating them with other modes of transport. Promoting shared and electric mobility, enforcing emission norms and adopting policies to limit private vehicle dependency can transform Tamil Nadu's vehicle ecosystem into a more sustainable and efficient model.

1.3 Bus Transport: The Key to Reducing Congestion, Saving Travel Time and Protecting the Environment

Bus transport is the ideal mode of commuting to alleviate congestion, reduce dependency on personal vehicles powered by fossil vehicles, protect the environment and save travel time.

1.3.1 The Pyramid of Urban Mobility Hierarchy



The image represents a user-priority hierarchy in urban mobility, placing pedestrians at the top, followed by cyclists, public transport users, freight and finally personal vehicle users. It reflects a planning approach that prioritizes people-centric, low-emission, and space-efficient modes to create more inclusive, sustainable and livable cities.

1.3.2 Road Space Utilisation Efficiency

Public transport buses play a crucial role in optimizing the use of road space in urban areas. They are 8 to 10 times more efficient than private cars when it comes to space used per passenger. A single bus carrying around 50 passengers can effectively replace nearly 30 cars, significantly reducing traffic congestion. Despite occupying less than 2% of the total road length, buses cater to over 30–40% of urban commuters. This makes buses one of the most space-efficient and

sustainable modes of road-based urban transportation.

1.4 Vision of the Government

The Government envisions a modern, efficient, economical, climate-friendly and safe bus transportation system that seamlessly integrates economic, social and environmental priorities. This system is designed to cater to diverse mobility needs, including urban, rural, intercity and inter-state travel, while ensuring first and last-mile connectivity. It aims to enhance access to essential services such as employment, education, healthcare, markets and recreational activities. Additionally, it supports the transportation of agricultural products to towns and cities, contributing to economic growth and social well-being. Through this vision, the Government seeks to establish an inclusive and sustainable transportation ecosystem that meets the needs of all citizens.

The core objectives of this vision are:

- i. Promote public transport and enhance last-mile connectivity through bus services.
- ii. Ensure user-friendly, safe, reliable and efficient bus transportation at affordable fares.
- iii. Introduce environment-friendly alternative fuel buses, including Electric, CNG and LNG.
- iv. Deploy accessible buses to accommodate differently abled persons and senior citizens.
- v. Leverage technology, including IT, IT-enabled services and Intelligent Transport Systems (ITS), for real-time bus monitoring and passenger information.
- vi. Enhance customer experience through excellent service and seamless ticketing options.
- vii. Work towards financial self-sufficiency while maintaining affordability.
- viii. Align with the Sustainable Development Goals (SDGs) for 2030 to ensure long-term sustainability.

1.5 Evolution of Public Transport in Tamil Nadu

1.5.1 Historical Background

The roots of public transport in Tamil Nadu can be traced back to 1944 when the British Government formed a committee to examine transportation in India. The committee's recommendation to nationalize the transport sector led to the Government taking over private bus operations in the Madras Presidency in 1947, marking the beginning of the Government Bus Service.

This initiative later evolved into the State Transport Department and eventually transformed into a Public Sector Undertaking (PSU) to enhance operational efficiency. Recognizing the pivotal role of mobility in economic and industrial growth, the Tamil Nadu Government began making significant investments in public transport in 1972. This marked the establishment of State Transport

Corporations (STCs) to create a structured and efficient public transport system.

1.5.2 Key Milestones in Tamil Nadu's Public Transport Development

- **01.01.1972:** Pallavan Transport Corporation was established under the Companies Act, 1956, covering Chennai and Chengalpattu bus operations, laying the groundwork for the creation of other State Transport Undertakings (STUs).
- **1972–1996:** Formation of 21 STUs through bifurcations aimed at improving service efficiency and coverage.
- **Post-1996:** Consolidation of the 21 STUs into 8 entities to enhance operational efficiency.

1.5.3 Current Public Transport Structure

- **Metropolitan Transport Corporation (MTC), Chennai:** Operates bus services in Chennai and surrounding areas.
- **Six Tamil Nadu State Transport Corporations (TNSTCs):** Manage town and intercity bus operations with headquarters in

Villupuram, Salem, Coimbatore, Kumbakonam, Madurai and Tirunelveli.

- **State Express Transport Corporation (SETC), Tamil Nadu:** Specializes in long-distance express and inter-State bus services.

STUs play a critical role in delivering affordable and efficient road transport services. Private operators are also authorized on specific routes, with fare structures regulated by the Government to ensure parity with STUs.

1.5.4 Tamil Nadu STUs: A National Benchmark

Tamil Nadu boasts the second-largest Government-run bus transport system in India, renowned for its extensive route coverage. The system ensures connectivity to 98.24% of villages, reaching nearly all with a population of at least 1,000.

1.5.5 Key Statistics (As of 28.02.2025)

Parameter	Value
Fleet Strength	20,508 buses operated by STUs
Operational Network	313 depots, 10,121 routes
Daily Distance Covered	82.27 lakh km
Passenger Load	1.85 crore people daily
Fuel Usage	Diesel-powered / CNG fleet
Bus Fleet Age	Average of 8.22 years
Fleet Utilization Rate	92.85%
Occupancy Ratio	79.91%
Concession Vs. Fare-paying Ratio	60:40
Daily Revenue	Rs.39.03 crore
Daily Expenditure	Rs.57.68 crore
Daily Financial Deficit	Rs.18.65 crore

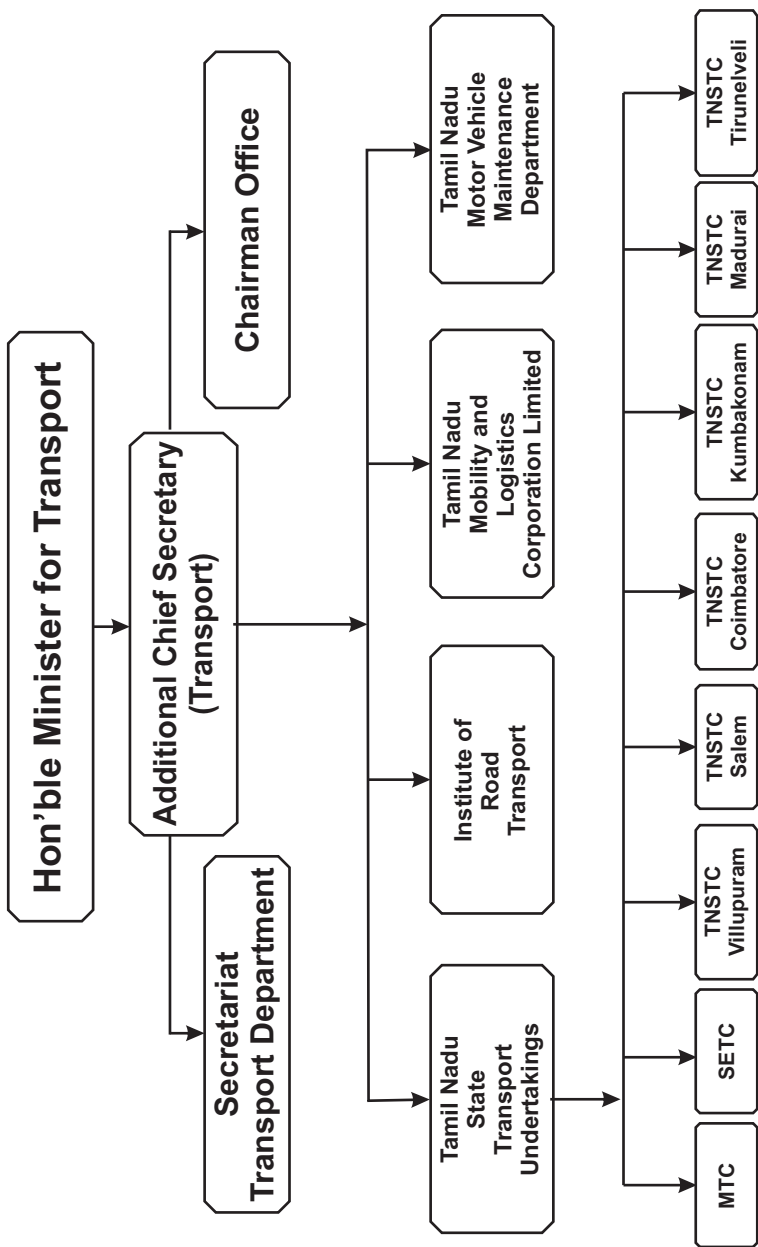
Tamil Nadu offers the lowest bus fares in the country, maintaining affordability despite rising operational costs. The last fare revision occurred on 29.01.2018.

1.6 Organizational Structure of the Transport Department

The Transport Department of Tamil Nadu is pivotal in managing public bus transportation across the State, overseeing eight State Transport Undertakings (STUs). It operates under the leadership of the Hon'ble Minister for Transport, with the Additional Chief Secretary to Government serving as the administrative head. Supporting the department are the Additional Secretary, Deputy Secretary, Under Secretaries, Section Officers and other staff, who handle policy, operational and regulatory matters.

1.6.1 Entities under the Transport Department

The Transport Department oversees the following key entities involved in public transportation and regulatory functions:



1. State Transport Undertakings (STUs)

- i) Metropolitan Transport Corporation
(Chennai) Limited, Chennai
- ii) State Express Transport Corporation
Tamil Nadu Limited, Chennai
- iii) Tamil Nadu State Transport Corporation
(Villupuram) Limited, Villupuram
- iv) Tamil Nadu State Transport Corporation
(Salem) Limited, Salem
- v) Tamil Nadu State Transport Corporation
(Coimbatore) Limited, Coimbatore
- vi) Tamil Nadu State Transport Corporation
(Kumbakonam) Limited, Kumbakonam
- vii) Tamil Nadu State Transport Corporation
(Madurai) Limited, Madurai
- viii) Tamil Nadu State Transport Corporation
(Tirunelveli) Limited, Tirunelveli

2. Tamil Nadu Motor Vehicles Maintenance Department (MVMD), Chennai

3. Institute of Road Transport (IRT), Chennai

4. Tamil Nadu Mobility and Logistics Corporation Limited (TNMLC), Chennai (Formerly Pallavan Transport Consultancy Services Limited)

The Additional Chief Secretary serves as the Ex-Officio Chairman of five STUs and affiliated organizations, while the Additional Secretary serves as the Ex-Officio Chairman of three STUs. Each entity is managed by a Board of Directors. The Board comprises a Chairman, Managing Director and other Directors. Daily operations are led by the Managing Director, supported by a team of General Managers, Deputy Managers, Assistant Managers, Branch Managers and other staff, ensuring efficient service delivery.

In addition to its role in public bus transport, the Department functions as the Nodal Agency for State Government for monitoring railway projects in collaboration with Southern Railway. It focuses on enhancing railway infrastructure, construction of new lines, extension existing ones and

upgrading gauges to improve connectivity. This multi-modal approach reflects the department's commitment to fostering an efficient, sustainable and inclusive transportation network across Tamil Nadu.

2. ORGANISATION OF STATE TRANSPORT UNDERTAKINGS

2.1 Operational Jurisdiction

Eight State Transport Undertakings (STUs) in Tamil Nadu play a vital role in delivering road-based passenger transport services within the State and to neighbouring States, including Puducherry, Kerala, Karnataka and Andhra Pradesh. The STU fleet comprises 20,508 buses, including 18,674 scheduled services and 1,834 spare buses, ensuring extensive and reliable mobility across the State.

Certain districts, such as Chennai, Nilgiris and Kanyakumari, are exclusively served by STUs, while others benefit from a combination of STU and private operator services. Long-distance bus services, whether inter-state or intra-state, are exclusively operated by the State Express Transport Corporation, regardless of the operational jurisdiction of other undertakings.

Inter-state services are also operated by other Tamil Nadu State Transport Corporations (TNSTCs) from their respective jurisdictional cities.

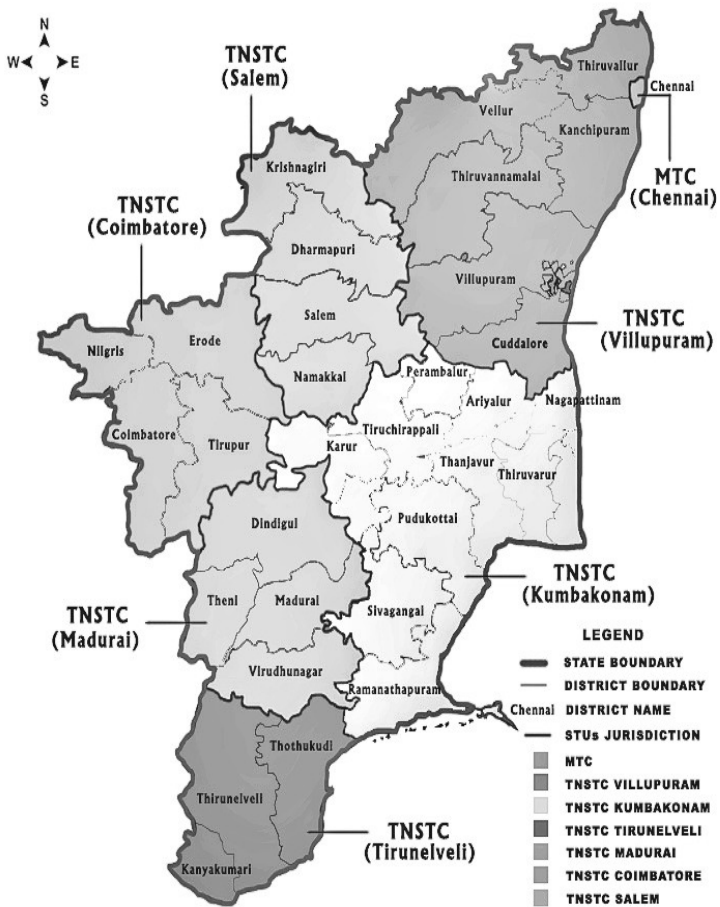
To ensure seamless and comprehensive transport connectivity, Tamil Nadu's 38 districts are allocated to the operational jurisdictions of seven STUs, enabling efficient coverage and service delivery throughout the State.

S. No.	State Transport Undertakings	Region	Districts covered
1.	Metropolitan Transport Corporation (Chennai) Limited.	Chennai	Chennai Metropolitan Area
2.	State Express Transport Corporation Tamil Nadu Limited.	-	Entire Tamil Nadu State, Kerala, Karnataka, Andhra Pradesh & Puducherry

S. No.	State Transport Undertakings	Region	Districts covered
3.	Tamil Nadu State Transport Corporation (Villupuram) Limited.	Villupuram	Villupuram & Kallakurichi
		Vellore	Vellore, Ranipet & Tirupathur
		Kancheepuram	Kancheepuram & Chengalpattu
		Tiruvannamalai	Tiruvannamalai
		Tiruvallur	Tiruvallur
		Cuddalore	Cuddalore
4.	Tamil Nadu State Transport Corporation (Salem) Limited.	Salem	Salem & Namakkal
		Dharmapuri	Dharmapuri & Krishnagiri
5.	Tamil Nadu State Transport Corporation (Coimbatore) Limited.	Coimbatore	Coimbatore
		Ooty	Nilgiris
		Erode	Erode
		Tiruppur	Tiruppur

S. No.	State Transport Undertakings	Region	Districts covered
6.	Tamil Nadu State Transport Corporation (Kumbakonam) Limited.	Kumbakonam	Thanjavur
		Nagapattinam	Nagapattinam, Thiruvarur & Mayiladuthurai
		Trichy	Trichy, Perambalur & Ariyalur
		Karur	Karur
		Karaikudi	Sivagangai & Ramanathapuram
		Pudukkottai	Pudukkottai
7.	Tamil Nadu State Transport Corporation (Madurai) Limited.	Madurai	Madurai
		Dindigul	Dindigul & Theni
		Virudhunagar	Virudhunagar
8.	Tamil Nadu State Transport Corporation (Tirunelveli) Limited.	Tirunelveli	Tirunelveli & Tenkasi
		Thoothukudi	Thoothukudi
		Nagercoil	Kanniyakumari

The following diagram depicts the operational jurisdictions.



2.2 Infrastructure of State Transport Undertakings

Tamil Nadu's State Transport Undertakings (STUs) maintain a robust infrastructure that includes a well-organized setup, offices, depots, workshops, a fleet of 20,508 buses and a skilled workforce. This infrastructure ensures efficient, reliable and accessible road-based transport services within Tamil Nadu and neighbouring states. As of 28th February 2025, STUs remain pivotal in addressing the State's mobility needs. The table below provides an STU-wise infrastructure breakdown.

STUs	Regions	Depots	Workshops	Driver Training Schools	Buses	No. of Ridership (In Lakhs) 2024-25
MTC	1	32	2	1	3420	10727.22
SETC	1	21	2	1	1080	217.66
VPM	6	57	3	6	3432	8980.16
SLM	2	32	2	4	2100	6705.65
CBE	4	43	2	2	2861	9291.59
KUM	6	58	4	8	3441	11347.74
MDU	3	40	3	4	2447	7320.18
TNV	3	30	2	2	1727	7032.94
Total	26	313	20	28	20508	61623.14

2.3 Bus Operations

The State Transport Undertakings (STUs) operate a comprehensive fleet of 20,508 buses, comprising 18,674 scheduled services and 1,834 spare buses. These buses serve 10,121 authorized routes, ensuring connectivity across plain and hilly ghat regions. Services are organized according to distance - city/town, mofussil and ghat services and categorized further by comfort levels and fare structures, catering to diverse passenger needs.

The table below summarizes the various categories of bus services as of 28.02.2025:

City/Town	Mofussil	Ghat
Ordinary, Express, Limited Stop Service, Deluxe, Air-conditioned	Ordinary, Express-Semi Deluxe, Express-Super Deluxe, Ultra Deluxe, Air-conditioned (seater), Non AC sleeper, AC sleeper, Non AC seater cum sleeper, AC seater cum sleeper	Ordinary, Express-Semi Deluxe, Air-conditioned

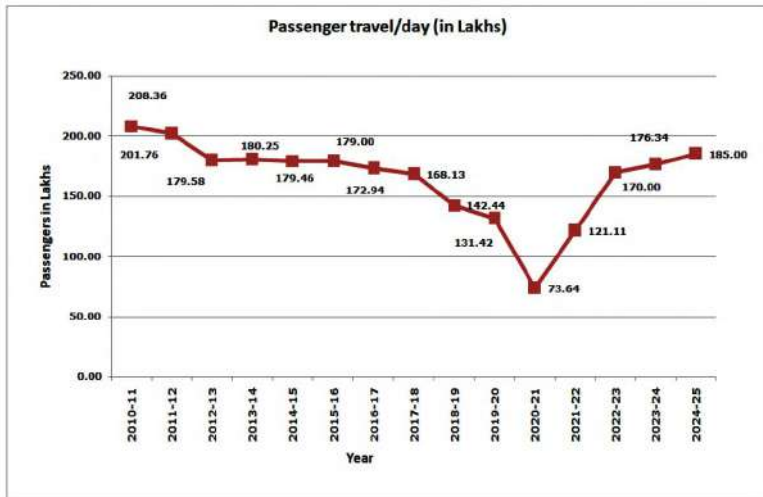
This structured service framework enables STUs to deliver efficient and reliable bus transport across Tamil Nadu, addressing varied travel requirements.

The following table provides a detailed breakdown of the various categories of bus services operated by State Transport Undertakings (STUs) as of 28.02.2025. It categorizes services into town, mofussil and ghat regions, with further subdivisions for Vidiyal Payanam buses.

STUs	Town		Mofussil	Ghat		Scheduled services	Spare Buses	Total
	Ordinary (Vidiyal Payanam)	LSS / Express / Deluxe		Ordinary (Vidiyal Payanam)	Express / Deluxe / AC			
MTC	1654	1579	0	0	0	3233	187	3420
SETC	0	0	1000	0	0	1000	80	1080
VPM	1036	0	1955	11	18	3020	412	3432
SLM	825	12	1034	29	0	1900	200	2100
CBE	1006	165	1028	122	238	2559	302	2861
KUM	1258	0	1921	5	0	3184	257	3441
MDU	890	380	837	2	62	2171	276	2447
TNV	662	151	794	0	0	1607	120	1727
Total	7331	2287	8569	169	318	18674	1834	20508

2.4 Performance of State Transport Undertakings

In the Financial Year 2024-25 (upto February), the State Transport Undertakings (STUs) successfully transported approximately 1.85 crore passengers per day, marking the highest ridership since 2013-14. Despite challenges, STUs have implemented strategic measures to increase passenger volume, leading to significant revenue growth. The diagram below visually represents this upward trend.



Tamil Nadu offers the most affordable stage carriage bus fares compared to other states in India.

The table below highlights the variations in bus ticket prices across Tamil Nadu, Puducherry, Kerala, Andhra Pradesh, Telangana and Karnataka.

State	Date of last Fare Revision	Mofussil (paise per km)										
		Mofussil Ordinary	Mofussil Express	Semi Deluxe	Super Deluxe	Ultra Deluxe	AC Seater		Non AC Sleeper		AC Sleeper	
							Peak	Lean	Peak	Lean	Peak	Lean
Tamil Nadu	29.01.18	58	-	75	85	100	130	110	155	135	200	180
Puducherry	17.12.24	75	98	-	-	130	195	195	-	-	-	-
Kerala	01.05.22	100	105	108	110	120	150	150	-	-	250	250
Andra Pradesh	01.07.22	102	125		-	162	196	196	230	230	303	303
Telangana	01.12.19	83	107		118	136	166	166	202	-	273	273
Karnataka	05.01.25	76	116	-	-	168	248	248	189	189	275	275

The city bus fare for a 10 km journey in Tamil Nadu is more economical than in neighbouring states.

(in Rupees)

State	Ordinary Fare	Express Fare
Tamil Nadu	8	12
Puducherry	12	-
Kerala	18	20
Andhra Pradesh	20	30
Telangana	15	20
Karnataka	18	19

Additionally, a 100 km long-distance bus journey in Tamil Nadu stands out for its lower fares compared to similar services in the surrounding states.

(in Rupees)

State	Ordinary	Semi Deluxe	Super Deluxe	Ultra Deluxe	AC	
					Seater	Sleeper
Tamil Nadu	58	75	85	100	130	200
Puducherry	75	-	-	130	195	-
Kerala	100	108	110	120	150	250
Andhra Pradesh	102	-	-	162	196	303
Telangana	83	-	118	136	166	273
Karnataka	76	-	-	168	248	275

2.5 Physical Performance Indicators

The key physical performance indicators of the State Transport Undertakings in Tamil Nadu are outlined below:

Item	2024-25 (upto Feb'25)
Fleet Strength	20508
Scheduled Services	18674
Total Kilometres operated per day (in lakhs Kms)	82.27
Fuel Performance (Average KMPL)	5.18
Km run per condemned tyre (in lakh kms)	3.21

2.6 Financial Performance of State Transport Undertakings

State Transport Undertakings (STUs) have consistently delivered high-quality services. They extend their operations to even the most remote areas, covering rural and hilly regions, as well as unprofitable routes with challenging terrain. Renowned for their reliable, cost-effective and safe services, Tamil Nadu State Transport Undertakings have set benchmarks in public transportation across India.

However, rising fuel costs, employee salaries and loan interest payments have placed significant financial strain on STUs, threatening their sustainability. Despite operating at a loss, they continue to provide essential transport services, recognizing the critical role of public transportation in reducing pollution, alleviating road congestion and lowering fuel consumption.

In the financial year 2024-25 (upto February), STUs collectively reported a monthly loss exceeding Rs.566 crore, an increase of 29.82% from the pre-COVID loss of Rs.436 crore in 2019-220. Despite these challenges, employee salaries increased following the implementation of the 14th wage settlement, along with a rise in Dearness Allowance (DA) in 2024-25. To mitigate financial losses, cost-control measures have been introduced.

Notably, bus fares have remained unchanged since January 2018, reinforcing the service-oriented nature of the transport sector.

STUs remain committed to ensuring affordable public transport services for both rural and urban populations.

The financial performance of STUs from the financial year 2021-22 to 2024-25 (up to February 2025) is outlined below.

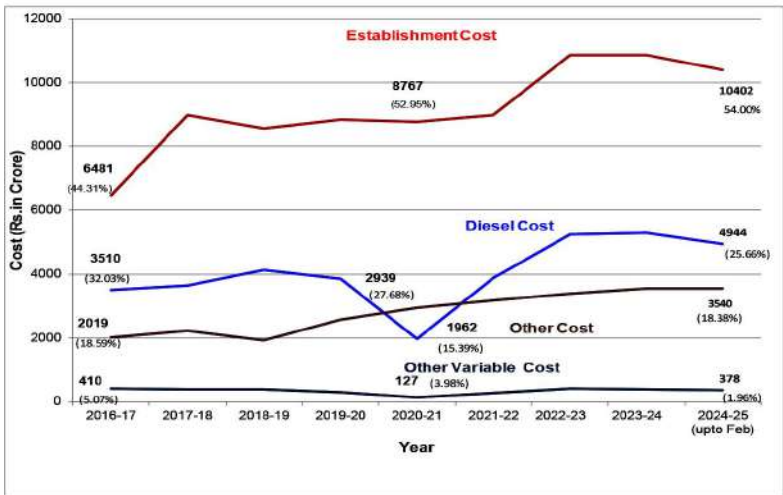
(Rs.in Crore)				
Particulars	2021-22 (COVID)	2022-23	2023-24	2024-25 (upto Feb) (Pre -audit)
Operational Revenue	5534.90	7386.04	7423.89	6860.88
Women Reimbursement	1216.83	2512.38	2804.21	2929.45
HSD Subsidy	1014.63	1783.85	1728.27	1522.87
Student Reimbursement	1289.07	1429.88	1460.69	1512.44
Non-Operational Revenue	567.53	654.62	158.88	122.81
Other Revenue including sale of scrap, profit on sale of buses, hiring etc.	74.27	68.51	155.83	86.61
Total Income	9697.23	13835.28	13731.77	13035.06
HSD Oil	3865.14	5252.11	5294.50	4943.90
Others (Lub, Tyre & Spare)	277.02	416.45	394.16	377.85
Salary (PF, Gratuity etc.,)	8,987.92	10,858.23	10868.70	10401.65
M.V. Tax	162.42	185.44	199.35	203.32
Depreciation	384.09	229.36	172.55	437.71
Interest	1818.14	2255.49	2316.58	2332.00
Others (PF loss,Toll fee, MCOP)	824.71	716.09	866.76	567.43
Total Expenditure	16,319.44	19,913.17	20112.60	19263.86
Loss for the year	6622.21	6077.89	6380.83	6228.79
Average Loss per month	551.85	506.49	531.74	566.25

2.7 Key Components of Operational Expenditure

In the financial year 2024-25 (up to February 25), the major cost drivers for State Transport Undertakings (STUs) include establishment expenses, high-speed diesel (HSD) costs and interest on loans. These elements constitute a significant portion of the overall expenditure incurred by STUs.

S. No.	Components	Percentage
1	Salaries and Wages, PF & Pension, Gratuity etc.,	54.00
2	High Speed Diesel Cost	25.66
3	Other variable cost including Tyre, Tube, Flaps, R.T. Material, Springs & Spares etc.,	1.96
4	Motor Vehicle Tax	1.06
5	Interest Cost for Loans	12.11
6	Other Cost	5.21
Total		100.00

The chart below depicts the expenditure trends and the proportion of key cost components from 2016 to 2025.



The establishment costs, including salaries, provident fund, gratuity and diesel expenses, have remained consistent in the financial year 2024-25 (upto February) compared to 2022-23. However, interest expenses have seen a slight increase during this period due to loans obtained to mitigate the financial impact of the COVID-19 pandemic, particularly for covering salaries and pensions.

2.8 Financial Assistance from Tamil Nadu Transport Development Finance Corporation Limited (TNTDFC)

The Tamil Nadu Transport Development Finance Corporation (TNTDFC), a Government of Tamil Nadu undertaking, primarily focuses on mobilizing deposits from the public, Government institutions and private entities. These funds are then loaned to State Transport Undertakings (STUs) to generate interest for depositors while supporting the corporation's financial sustainability. STUs benefit from access to working capital loans at competitive interest rates and with streamlined processes.

Until 2023, TNTDFC functioned under the control of the Transport Department. However, in 2023, it was brought under the Finance Department to improve the management of both Tamil Nadu Power Finance Corporation Limited and TNTDFC. Despite this administrative

transition, the lending process to STUs remains uninterrupted.

2.8.1 Outstanding Loans

As of February, 2025, the State Transport Undertakings have accumulated loan amount of Rs.20094.99 crore from the TNTDFC. The detailed breakup is provided below:

Description	Amount (Rs.in Crore)
Hire Purchase Loan	685.02
Short term loan	6008.76
Term Loan for Working Capital	13401.21
Total	20094.99

2.8.2 The table below presents the loans extended by TNTDFC to the State Transport Undertakings over the past ten years.

Year	Financial Assistance (Rs.in Crore)
2014-2015	2151.24
2015-2016	2776.33
2016-2017	3574.32
2017-2018	3757.58

Year	Financial Assistance (Rs.in Crore)
2018-2019	3445.75
2019-2020	6190.11
2020-2021	7725.25
2021-2022	10786.33
2022-2023	12573.33
2023-2024	14264.12
2024-25 (upto Feb'25)	13802.02

The rise in loan volume during the 2021-22 period was primarily driven by the need to address the challenges posed by the COVID-19 pandemic.

2.8.3 TNTDFC is committed to assisting STUs by providing loans at competitive interest rates.

Description	Interest Rate	With effect from
Hire Purchase Loan	6.90%	01.04.2021
Long Term Loan	7.60%	01.04.2024

Bank loans are provided to STUs at the same interest rate without any extra charges.

2.9 Financial Assistance from the Government

The Government extends financial assistance to State Transport Undertakings (STUs) through Share Capital Assistance, Loans, Ways & Means Advances and Grants. These funds are utilized for procuring new buses, settling statutory dues for retired employees and disbursing Motor Accident Claims awards. Additionally, the Government provides reimbursements to STUs for revenue losses incurred due to fare-free travel concessions for specific groups, including women, students and senior citizens.

To address rising operational costs, the Government has also sanctioned additional funds to offset the increasing cost of High-Speed Diesel. The COVID-19 pandemic had a severe impact on public transport, leading to revenue losses and a decline in commuter confidence. Despite these financial challenges, continued Government support has played a crucial role in stabilizing STU

operations. In the Budget Allocation for the financial year 2025-26, the Government has provided funds as detailed below:

Sl. No.	Items	BE 2025-26 (Rs.in Crore)
1	Share Capital Assistance to State Transport Undertakings.	1031.21
2	Reimbursement of Social Cost on Student Concession in bus fares	1782.00
3	Reimbursement of loss due to issue of zero value tickets to Women	3600.00
4	Performance Linked Investment Incentive for STUs	2000.00
5	Share Capital Assistance (KfW)	540.00
6	Loans to State Transport Undertakings with German Development Bank (KfW) Assistance	830.00
7	Reimbursement of loss due to issue of concessional bus passes to Senior Citizens	38.00
8	Reimbursement of difference in cost due to price increase/levy of surcharge on High-Speed Diesel Oil	1857.00
9	Implementation of performance-based contract for the bus service delivery under the Chennai City Partnership Programme assisted by WB/AIIB	646.00
10	Improvement in urban mobility under the Chennai City Partnership Programme assisted by WB/AIIB	500.00
11	Accident claim fund	30.00
12	Other Assistances	19.35
Total		12873.56

2.10 Measures to Enhance Public Services

i) Expansion and Restoration of Bus Routes

To address the transportation needs of residents in newly developed and underserved

areas, new bus routes have been introduced and existing routes have been extended. The Government has proactively initiated 415 route extensions, adding 736 additional bus services between May 7, 2021, and February 28, 2025.

Additionally, to improve accessibility and meet public demand, 543 previously discontinued routes have been reinstated, resulting in the operation of 665 bus services.

State Transport Undertaking	Routes Extension Introduced (in Numbers)		Resumption of the withdrawn routes (in Numbers)	
	Routes	Bus Services	Routes	Bus Services
MTC Ltd.,	107	391	73	126
SETC TN Ltd.,	23	45	23	46
TNSTC (VPM) Ltd.,	143	149	86	87
TNSTC (SLM) Ltd.,	15	17	4	6
TNSTC (CBE) Ltd.,	92	99	16	16
TNSTC (KUM) Ltd.,	22	21	96	91
TNSTC (MDU) Ltd.,	0	0	52	56
TNSTC (TNV) Ltd.,	13	14	193	237
TOTAL	415	736	543	665

ii) First and Last Mile Connectivity

Small buses play a vital role in improving first and last-mile connectivity in Chennai by linking neighbourhoods to bus stands, railway stations and metro stations, especially where narrow roads prevent the operation of regular buses. The Metropolitan Transport Corporation (MTC) currently operates 146 small buses, with 56 dedicated to connecting interior areas to Metro Rail stations. Of these, 22 exclusively serve as feeder services for Metro Rail. To optimize the use of small buses, MTC is collaborating with Chennai Metro Rail to design new feeder routes, aiming to increase Metro Rail ridership and boost MTC's revenue.

The Government of Tamil Nadu has launched the Comprehensive Mini-Bus Scheme 2024 to enhance public transport in underserved areas. Covering routes up to 25 kilometres, with 65% in unserved areas, the scheme allows private operators to run 25-seater mini-buses where

Government services are insufficient. District collectors are overseeing the approval process and issuing notifications to implement the scheme, ensuring improved connectivity across the state.

2.11 Fare Concessions

To foster inclusive mobility, certain sections of the population are provided with concessionary fares, allowing them to travel on public transport at reduced rates or free of charge. These initiatives aim to alleviate income-based social exclusion while addressing the specific needs of individuals seeking improved access to education, healthcare and support for senior citizens. Additionally, these efforts honour the contributions of beneficiaries and recognize their achievements through awards, celebrating their role in promoting equitable access to public transportation.

The existing fare concession schemes include:

i) Travel Benefits for Eligible Categories

Public transport fare concessions are extended to individuals belonging to specific categories, ensuring affordable and accessible travel for those in need. The following groups are eligible for travel benefits:

1. Present and ex-Members of Parliament / Legislative Assembly and ex-Members of Legislative Council.
2. Women Passengers, Transgender, Differently Abled Persons with Disability of 40% and above along with escorts.
3. Accredited journalists / Media persons.
4. Freedom Fighters drawing Central / State Pension, Widows and Legal-heirs of Freedom Fighters drawing Central / State Pension / Aged Tamil Scholars / Participants in Language stirs and their Legal-heirs/ Kalaimamani Award recipient / Zero fare luggage fee facility for Self Help Group Members to carry goods in buses.
5. Cancer Patients.

6. Drama Artists along with their instruments.
7. H.I.V. / AIDS patients.
8. Police personnel up to Inspector rank can travel in Government buses on official duty within their district jurisdiction.
9. Senior Citizen Bus Travel Pass (age 60 above)
 - In all Metropolitan Transport Corporation Buses in Chennai other than Air-conditioned buses.

ii) Special Concession for Students

To promote literacy and ensure greater access to education, the Government offers free travel concessions for students on all State Transport Undertaking buses, except those operated by the State Express Transport Corporation Tamil Nadu Limited. This initiative aims to support students in acquiring skills, improving employment prospects and achieving financial stability.

1. All Schools including Private Schools recognised by the Government (1st Standard – 12th Standard)

2. National Child Labour Project;
3. Government Polytechnics;
4. Government Industrial Training Institutes;
5. Government Arts and Science Colleges;
6. Community Colleges;
7. Government aided Private ITIs;
8. Government Music Colleges;
9. Chennai Corporation ITI;

iii) 50% Travel Concession

1. Private colleges recognised by the Government
2. Private Polytechnics recognised by the Government
3. Private engineering colleges recognised by the Government

The Government ensures that all concession amounts stated in i, ii and iii are reimbursed to the State Transport Undertakings.

iv) Travel as you please tickets on a monthly basis

Certain workers in urban areas rely on public buses for multiple daily trips in cities such as

Chennai, Madurai, Coimbatore, Salem, Tiruchirappalli, Tirunelveli, Vellore, Tiruppur, Erode and Thoothukudi. To support these commuters, monthly "Travel as You Please" passes are available for Rs.1,000, subject to specific terms and conditions. Additionally, in MTC, a Rs.2,000 "Travel as You Please" pass was introduced on March 19, 2025, allowing unlimited travel on all buses, including air-conditioned services.

v) One Third Concession Bus Pass

The one-third concession bus pass scheme in City/Town and Mofussil buses is provided for public and has been widely appreciated by the traveling public.

vi) Group Ticket Concession

A 10% discount is provided for group bookings of 10 or more passengers in the State Express Transport Corporation Limited, subject to applicable terms and conditions.

vii) Children up to 5 years are permitted to travel without bus fare

Viii) Exclusive 50% Discount for Frequent Travelers on SETC Buses

Passengers who book more than five trips in a calendar month on SETC buses are eligible for a special 50% discount starting from the sixth trip within that month. A total of 4376 passengers have availed this concession.

2.12 Employees Related Welfare Measures

2.12.1 Wage Settlement

As per Section 12(3) of the Industrial Disputes Act, 1947, wage settlement negotiations are periodically conducted between the Management and Trade Unions for specific employee categories of State Transport Undertakings. Since 1977, 14 wage settlements have been successfully implemented, with the 14th wage settlement, effective from 1st September 2019, currently in force. Discussions for the 15th wage settlement have commenced.

2.12.2 Other Welfare Measures

The State Transport Undertakings are proactively implementing various welfare measures to enhance the well-being of their employees and their families.

1. Service Weightage / Review benefits;
2. Collection batta to the driver and conductor;
3. Incentive to the Technical and Administrative staff who are covered under 12(3) wage settlement;
4. Bonus and Pongal incentive;
5. Leave benefits;
6. Steering Allowance;
7. Subsidized canteen facilities and sweets for Deepavali Festival;
8. Free uniform and Washing allowances;
9. Marriage Advances to the dependents;
10. Reimbursement of legal fees;
11. Reimbursement of license renewal charges;

12. Funeral expenses of Rs.3,000/- to the Family of Deceased Employee;
13. Free Travel passes to the children for attending Colleges/Schools;
14. Family Benefit Fund of Rs.5,00,000/- to the Family of the Deceased Employee;
15. Holiday Home facility at Kodaikanal, Courtallam and Kanniyakumari;
16. Regular Medical Checkup;
17. Free eye testing for Drivers;
18. New Health Insurance Scheme for serving employees;
19. Free Family Travel Pass provided to an Employee and his Family for traveling up to 5,500 kms for one year;
20. Festival Advance of Rs.10,000 per year;
21. Pension Scheme 1998 has been continuously implemented for those recruited on or before 31.03.2003 and the total strength of pensioners as on 28.02.2025 is 95042;
22. Crew restrooms at each depot and at major bus stands;

23. Yoga and special training programme to overcome depression and related health problems;
24. Pickup and drop facility for crew in buses during late night and early morning;
25. Seats reserved for wards of employees of State Transport Undertakings in Government Engineering College, Government Erode Medical College and Government Polytechnics;
26. Employees' children who come in the top 3 at each depot in 10th and 12th standard will receive cash prizes of Rs.1500, Rs.1000 and Rs.500.
27. The daily wage has been revised from Rs.436 to Rs.882 for Daily Paid Drivers, Rs.429 to Rs.872 for Daily Paid Conductors and Rs.429 to Rs.872 for Daily Paid Junior Tradesmen (JTM).

2.12.3 TNSTC Employees' Pension Fund Trust

The Pension Scheme was introduced in 1998, replacing the coverage of State Transport

Undertakings (STUs) employees under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. To manage the scheme effectively, the TNSTC Employees Pension Fund Trust was established on 01.09.1998. The Trust is responsible for reviewing and approving pension proposals, disbursing monthly pensions to eligible retired, Voluntary Retirement Scheme (VRS) beneficiaries and the legal heirs of deceased employees under the scheme. Additionally, the Trust verifies and issues Pension Payment Orders while addressing pensioner grievances. Employees who were on the payroll as of 01.09.1998 and those recruited on or before 31.03.2003 are covered under this scheme, totalling 1.28 lakh employees. In the financial year 2024-25, pension benefits were extended to 95,042 beneficiaries, with an annual pension disbursement of Rs.1,596.52 crore. The average monthly pension payout amounts to Rs.148.77 crore.

2.12.4 Settlement of Statutory Retirement Dues

State Transport Undertakings lack adequate financial resources to independently meet statutory retirement benefit obligations, including Provident Fund, Gratuity, Surrender Leave, Commutation and the Compensatory Pension Scheme. To address this, the Government provides financial support through Share Capital Assistance, Short-Term Loans and Ways and Means Advances, ensuring the timely settlement of these retirement dues. Between May 2020 and June 2023, a total of Rs. 2,894.23 crore was sanctioned and disbursed as terminal benefits to 10,602 retirees.

2.13 Accident Claim Settlement Fund

Unlike personal and commercial vehicles, Tamil Nadu State Transport Undertakings' buses are not covered under the Vehicle Insurance Scheme. In the event of an accident, victims must file claims through the Hon'ble Courts, which

often results in delayed settlements. To ensure timely compensation for accident victims and the legal heirs of deceased individuals, the Government established a dedicated Corpus Fund in 2010-2011. Initially, the fund received an annual contribution of Rs.40 crore i.e., Rs.20 crore from the Government and Rs.20 crore from the State Transport Undertakings. This contribution has now been increased to Rs.60 crore, with Rs.30 crore from each entity. The fund is administered by the Tamil Nadu Transport Development Finance Corporation Limited, Chennai.

To further support accident prevention measures, provide compensation and cover toll fees, a cess was introduced for all passengers on 20.01.2018. The Tamil Nadu State Transport Corporation Accident Compensation and Toll Fee Fund Trust was established to manage the collection of this cess and facilitate the settlement of related claims.

The details of the cess collected from passengers are as follows:

Sl. No.	Ticket Rate	Cess on Passenger (Rs.)	
		Town	Mofussil
1.	Upto Rs.25	1	1
2.	Rs.26 to Rs.50	1	2
3.	Rs.51 to Rs.75	1	3
4.	Rs.76 to Rs.100	1	4
5.	Rs.101 to Rs.200	-	5
6.	Rs.201 to Rs.300	-	6
7.	Rs.301 to Rs.400	-	7
8.	Rs.401 to Rs.500	-	8
9.	Rs.501 and above	-	10

From 20.01.2018 to 28.02.2025, a total of Rs. 3,389.59 crore was collected under the cess fund. Of this, Rs. 1,302.54 crore was utilized for toll fee payments, while Rs. 1,519.30 crore was allocated for settling 26,517 accident claims. This includes 19,796 cases amounting to

Rs.1,069.11 crore that were resolved through the Hon'ble Courts and 6,721 cases settled before the Lok Adalat with compensation totalling Rs.450.19 crore.

2.14 Awards at National Level

Year	Award Name	Award By	Date	Number of Awards	Winner STUs
2021-22	Heros on the Roads- safety drivers Award	ASRTU	18.04.2022	14	MTC-1, SETC-1, VPM-2, SLM-2, CBE-2, KUM-2, MDU-2 & TNV-2
2022-23	Award of Excellence in Urban Transport -City with the Best Intelligent Transport System (ITS)	Ministry of Housing and Urban Affairs.	06.11.2022	1	MTC
2022-23	Award for Excellence in Effective Grievance System	Urban Infra Business	07.11.2022	1	SETC
2022-23	National Public Bus Transport Excellence Award	ASRTU	15.03.2024	17	SETC-3, VPM-1, SLM-2, KUM-5, MDU-6
2023-24	Skoch Award-2024 for Namma Payani-dashboard	SKOCH	09.12.2024	1	SETC
2023-24	National Public Bus Transport Excellence Award	ASRTU	08.03.2025	19	MTC-2, SETC-3, VPM-1, SLM-4, KUM-5, MDU-4
Total Awards				53	

Tamil Nadu State Transport Undertakings (STUs) have consistently been recognized for their excellence in public transport services, receiving multiple prestigious awards.

- **2021-22:** ASRTU honoured 14 winners with the Heroes on the Roads – Safety Drivers Award on 18.04.2022.
- **2022-23:** MTC received the Award of Excellence in Urban Transport – City with the Best Intelligent Transport System (ITS) from the Ministry of Housing and Urban Affairs on 06.11.2022, while SETC was recognized with the Award for Excellence in Effective Grievance System by Urban Infra Business on 07.11.2022. Additionally, ASRTU awarded 17 winners with the National Public Bus Transport Excellence Award on 15.03.2024, reaffirming Tamil Nadu STUs' commitment to innovation, performance, effective management,

safety and service excellence. Out of a total of 69 awards, Tamil Nadu Government Transport Corporations secured 24% of first prizes, 26% of second prizes, and 25% of the total prizes.

- **2023-24:** SETC won the SKOCH Award – 2024 for the Namma Payani Dashboard on 09.12.2024. Furthermore, ASRTU honoured 19 winners with the National Public Bus Transport Excellence Award on 08.03.2025. Out of a total of 69 awards, Tamil Nadu Government Transport Corporations secured 32% of first prizes, 23% of second prizes and 28% of the total prizes.

2.15 Prominent Aspects of State Transport Undertakings

2.15.1 Metropolitan Transport Corporation (Chennai) Limited, Chennai

The Metropolitan Transport Corporation (MTC), Chennai, is the exclusive provider of bus-based public transport in the Chennai

Metropolitan Area, extending services to Chengalpattu, Kanchipuram and Thiruvallur districts. It operates under the leadership of the Managing Director, the Chief Executive Officer.

Key Highlights (As of 28.02.2025):

- **Fleet & Operations:**

MTC manages 3,233 scheduled services across 659 routes with a fleet of 3,420 buses operating from 32 depots. The workforce consists of 18,784 staff. Services include Ordinary, Express, Deluxe and AC buses. MTC is having one body-building units in Chromepet.

- **Safety & Technology:**

2,500 buses are equipped with CCTV surveillance, Vehicle Tracking Systems and panic buttons under the Nirbhaya Fund, with Rs.72.71 Crore allocation (60% Central, 40% State share).

- **Chennai Bus App:**
A mobile app offering real-time bus arrival information across Android, iOS and web platforms.
- **Public Transport Service Contract (PTSC):**
 - MTC has awarded to operate 625 low-floor electric buses on GCC model under the Chennai City Partnership Program with World Bank support.
 - The funding support includes Viability Gap Funding (VGF) of Rs. 21.50 crore for 2023-24 to support 10% of the existing fleet, and Rs. 300 crore for 2024-25 to increase PTSC coverage from the current level to 50% of the existing fleet and address operational losses.
- **Digital Ticketing & Cashless Travel:**
 - Electronic Ticketing Machines (ETMs) facilitate UPI and card payments in collaboration with SBI.

- The "Singara Chennai" card, integrated with the National Common Mobility Card (NCMC), promotes cashless travel.
- **Infrastructure & Modernization:**
 - New depots are planned to expand fleet capacity.
 - DPR preparation for Vadapalani and Mandavelli depot lands redevelopment (Phase-I is in progress) by Chennai Metro Rail Ltd, Anna Nagar West and K.K. Nagar will be taken up in the next phase.
 - Redevelopment of 12 bus terminus by Chennai Metropolitan Development Authority, including Tondiarpet and Ambattur is underway.
 - In order to improve public amenities for passengers and to ensure cleanliness of bus terminus, renovation has been taken up at six locations by MTC.
 - Administrative facilities are being modernized to create employee friendly workspaces and enhanced operational efficiency.

- **Chennai Intelligent Transport System (CITS)** - JICA Initiative:

- Enhances fleet management, scheduling and passenger services.
- A Staff Mobile Application (SMA) supports MTC employees.
- The Depot Management System (DMS) (CAD/AVL) is operational in 15 depots and the Passenger Information System (PIS) is active at 8 locations, with expansion ongoing.

2.15.2 State Express Transport Corporation Tamil Nadu Limited, Chennai

The State Express Transport Corporation (SETC), headquartered in Chennai, operates under the leadership of the Managing Director. It is the State Transport Undertaking authorized to operate premium bus services across Tamil Nadu and neighbouring states, ensuring seamless connectivity through its specialized fleet.

Key Highlights:

1. Service Network:

- Operates long-distance routes over 300 km, connecting all districts in Tamil Nadu to historical, religious and commercial destinations.
- Covers neighboring states: Andhra Pradesh, Karnataka, Kerala and Puducherry.
- Operates 195 routes, including 90 interstate and 105 intrastate routes.

2. Fleet & Operations:

- Fleet: 1,080 buses (Ultra Deluxe, AC Seater, AC Sleeper, AC Seater-cum-Sleeper, Non-AC Sleeper and Non-AC Seater-cum-Sleeper).
- Depots: 21 depots across Tamil Nadu, Puducherry and Kerala
- Workforce: 4,796 employees (as of February 28, 2025).

3. Digital Advancements:

- **E-Ticketing System:** Online and app-based ticket booking up to 90 days in advance.
- **Online Ticket Reservation System (OTRS):** Operates across 61 centers with 64 counters in Tamil Nadu and neighboring states.
- "Other End Return Ticket" feature for flexible round-trip bookings.
- Digital fare collection using POS terminals in all buses (launched February 2024).

4. Passenger Amenities:

- 10% round-trip fare concession (excluding peak periods).
- Reserved seats for women passengers (four seats per bus).
- SMS notifications with trip details sent 30 minutes before departure.
- GPS-enabled buses for real-time tracking via the "Chennai Bus" app.

5. Premium Services:

- Faster services with limited stops under a dedicated brand name.
- Expansion planned in urban centers like Coimbatore, Tirunelveli and Nagercoil.

6. Support Initiatives:

- Luggage compartments rented at Rs.6,000/month to unemployed individuals for transporting goods.
- Additional buses deployed during festivals like Deepavali, Pongal and weekend days.

7. Passenger Feedback and Grievances:

- Feedback hyperlink in reserved tickets actively reviewed by officials.
- Toll-free grievance cell for addressing complaints and service concerns.
- Dedicated WhatsApp number for passenger complaints.

8. Training & Modernization:

- Four modern training centers in Chennai, Madurai, Tiruchirappalli and Nagercoil focus on driver and conductor skills, including safety, fuel efficiency and stress management.
- Biometric attendance systems installed at all depots for workforce monitoring.

2.15.3 Tamil Nadu State Transport Corporation (Villupuram) Limited, Villupuram

- **Headquarters & Supervision:** Based in Villupuram under the Managing Director.
- **Regional Presence:** Offices in Villupuram, Cuddalore, Tiruvannamalai, Vellore, Kanchipuram and Thiruvallur.
- **Fleet & Services:**
 - **Total Depots:** 57
 - **Fleet Strength:** 3,432 buses with 3,020 services in operation.
 - **Service Types:** Ordinary, Express, Deluxe, Point-to-Point, Ultra Deluxe and A/C buses.

- **Staff Strength:** 18,259 employees.
- **Facilities:** The Corporation operates with several key facilities, including 3 RC Units, 3 Tyre RT Plants, 3 BB Units, 9 FC Units, 6 Driving Schools, 1 ITI, 3 Auction Centres and 6 Training Centres.

Key Developments

1. New Depots:

- 11 sanctioned; 9 operational and progress on the remaining two (Elathur: 50%, Thirukazhukundram: Land acquired).

2. Depot Upgrades:

- Tiruvallur depot upgrade approved; funding allotted Rs.1.05 Crore for upgradation.

3. Restroom Facilities:

- A/C restrooms installed in 39 depots, with ongoing efforts for 18 more.

4. Fleet Replacement:

- 244 new buses added in 2024-25.

5. Special Services:

- Operated during festivals (e.g., Pournami, Thai Poosam).

6. Ghat Services:

- Provided for various hill areas in Villupuram, Thiruvannamalai and Vellore regions.

7. Point-to-Point Services:

- Expanded fleet to 86 buses due to demand.

8. Air-Conditioned Buses:

- Operating 92 buses for enhanced comfort.

9. Training Enhancements:

- Heavy Vehicle Training Centres and regular refresher courses for drivers.

Technology and Sustainability

• Biometric Attendance:

- Deployed at 82 locations.

• CCTV Installations:

- Installed in 30 locations; expansion planned.

• Solar Energy:

- Solar power generation commissioned at 4 sites; and further 16 locations panel installations completed.

Financial & Strategic Initiatives

1. Petrol/Diesel Outlets:

- Progressing with five locations; 100% completed at Gudiyatham and ready for inauguration.

2. Workshop Rest Rooms:

- Rs.1.80 crore allocated for 18 workshops; tendering underway.

2.15.4 Tamil Nadu State Transport Corporation (Salem) Limited, Salem.

Tamil Nadu State Transport Corporation (Salem) Ltd. delivers efficient, economical and well-coordinated road transport services across Salem, Namakkal, Dharmapuri, Krishnagiri and parts of Thirupathur Districts. Headquartered in Salem, its operations are managed through the Salem and Dharmapuri Regions under the guidance of the Managing Director. The Corporation operates 1,900 services daily from 32 depots with a workforce of 10,723 employees, covering an average of 9.26 lakh km daily.

Coverage and Services:

- Serves 629 villages in Salem, 449 in Namakkal, 475 in Dharmapuri, 658 in Krishnagiri and 113 in Thirupathur.

- **Vidiyal Payanam Scheme:** Free travel for women in ordinary town service buses, extended to differently-abled persons, their helpers and transgender persons.
- The scheme was expanded to Ghat service buses, benefiting-10,000 women passengers daily.

Employee Welfare and Recognition:

- Refresher yoga training provided to 10,171 employees.
- Long-serving accident-free drivers awarded gold and silver coins.
- Guidance programs conducted for children of employees appearing for board exams.
- Financial support offered under the "Employees Helping Hands Fund."

Tourism and Pilgrimage Services:

- Special buses operate to tourist and religious destinations, including Yercaud Hills, Kolli Hills, Hogenakkal Waterfalls, Mettur Dam and temples.
- Operates 25 Ghat services to hill areas like Yercaud, Kolli, Kalrayan and Nallamathi, benefiting tribal communities and students.

Passenger Engagement:

- Monthly officer visits through the "Being with Passengers" initiative to address passenger concerns.
- Consecutive Road Safety Awards from ASRTU since 2019.

Sustainability and Revenue Generation:

- Introduced two CNG buses (July 2024) and one CBG bus (January 2025) respectively.
- Petrol/diesel outlet in Athanur generated Rs.10.88 lakh revenue per month
- Rs.283.59 lakh earned through bus advertisements and Rs.48.54 lakh from vehicle parking.

Commitment to Excellence:

TNSTC (Salem) continues to prioritize sustainable practices, passenger satisfaction and operational efficiency, ensuring reliable and inclusive transportation services for all.

2.15.5 Tamil Nadu State Transport Corporation (Coimbatore) Limited, Coimbatore

TNSTC (Coimbatore) Ltd., headquartered in Coimbatore and led by a Managing Director, oversees transportation services across four regions: Coimbatore, Ooty, Erode and Tiruppur. Its operations span the districts of Coimbatore, Nilgiris, Erode, Salem and Tiruppur with extended services to Kerala and Karnataka, catering to city (town), intercity (Mofussil) and hill (Ghat) routes. The Corporation has a total staff strength of 14,635.

Fleet Strength (as of 28.02.2025):

Region	Town	Mofussil	Ghat	Spare & Idle	Total	Schedule Fleet
Coimbatore	602	292	57	90	1041	951
Ooty	11	29	295	40	375	335
Tiruppur	254	286	8	47	595	548
Erode	304	421	0	125	850	725
Total	1171	1028	360	302	2861	2559

Infrastructure:

- 43 operational branches across four regions.
- Maintenance facilities including tyre retreading, reconditioning workshops, body-building units, paint shops and fitness certification units.
- Training institutes at Pollachi (since 1978) and Bhavani Sagar.

Technological & Passenger Services:

- Driving simulators at training institutes for enhanced driver training.
- Online Ticket Reservation System (OTRS) in partnership with SETC for 246 route trips.

Social Welfare Measures:

- Construction and maintenance of bus stands (Valparai, Ooty, Gudalur) and motels (Barliyar, Hasanur).
- Passenger shelters with drinking water and toilets.
- Concession passes for students, freedom fighters, differently-abled persons, police personnel, press reporters and drama troupes.

- Free travel for women, transgender individuals and physically disabled escorts in ordinary buses, extended to hilly areas.

Employee Welfare Measures:

- Social Security Scheme: Financial aid on retirement or medical discharge.
- Hill & Winter Allowances: Rs.3,000/month and Rs.500/month (November–February).
- Free travel passes for employees' families (up to 5,500 km annually).
- Pension schemes ensuring post-retirement benefits.
- Housing support through Cheran Co-operative Housing Society Ltd.
- Subsidized canteens, co-operative stores and recreational facilities.
- Educational incentives and awards for employees' children.

2.15.6 Tamil Nadu State Transport Corporation (Kumbakonam) Limited, Kumbakonam.

- **Headquarters & Leadership:**

Headquartered in Kumbakonam, led by the Managing Director, with regional offices in Kumbakonam, Tiruchirappalli, Karaikudi, Pudukottai, Nagapattinam and Karur.

- **Fleet & Operations (as of 28.02.2025):**
 - 58 depots with 3,441 buses running 3,184 scheduled services.
 - Workforce: 17,961 employees.
- **Bus Services:** Offers Ordinary, Express, Super Deluxe and 3×2 Seater Air-Conditioned buses.
- **Infrastructure:** Body-building units at Poraiyar, Karur (Manmangalam) and Pudukottai, with reconditioning and retreading plants in Kumbakonam, Tiruchirappalli, Devakottai and Pudukottai.
- **Jurisdiction & Pilgrimage Services:**
 - Covers 11 revenue districts, including inter-state services to Pondicherry and Karaikal.
 - Special services for pilgrimage sites like Velankanni Shrine, Srirangam Temple and Navagraha Temples, along with festival-season services to Palani, Nagoor and Erwadi Dargah.

- **Revenue Initiatives:**
 - Advertisements on buses, Aavin sales outlets and bus parking charges.
 - A 10-kilowatt solar rooftop panel at Kumbakonam Head Office saves 20% on electricity; further solar installations planned at Trichy and other locations.
- **Tourism Initiatives:**
 - Package tours introduced:
 - Navagraha Temples (since 24.02.2024, with guide and air-conditioned weekend services).
 - Six Murugan Temples (twice a week since 19.10.2024).
- **Fuel Infrastructure:**
 - Fuel retail outlet operational in Ramanathapuram (since 05.03.2024); additional outlets planned in multiple locations.
- **Green Initiatives:**
 - Diesel-to-CNG bus conversions in Karaikudi and Trichy Regions.

2.15.7 Tamil Nadu State Transport Corporation (Madurai) Limited, Madurai.

- **Leadership & Operations:**

Headquartered in Madurai and led by the Managing Director, the Corporation oversees Town, Mofussil and Ghat services through Regional Offices in Madurai, Dindigul and Virudhunagar.

- **Fleet & Workforce:**

- 40 depots with 2,447 buses, of which 2,171 run scheduled services.
- Workforce: 12,718 employees.
- Services include Ordinary, Express, and Air-Conditioned buses.

- **Daily Operations:**

- Covers 9.79 lakh kilometres daily, with a monthly schedule of 293.70 lakh kilometers.
- Serves 16.35 lakh passengers daily, totalling 490.50 lakh passengers monthly.
- Ensures connectivity to all villages with populations over 1,000.

- **Facilities & Training:**

- Body-building units in Madurai, Batlagundu and Virudhunagar.
- Driving simulator for training Corporation and private drivers; 387 drivers trained (April 2024 –February 2025).
- This Corporation has been awarded four Awards for National Public Bus Transport Excellence Awards for the year 2023-24.

- **Passenger Facilities:**

- 892 city buses designated for free travel by women, transgender individuals, and persons with disabilities, benefiting 6.82 lakh women daily.
- Monthly season tickets available for City and Mofussil services.
- Free travel concession passes issued to students and other commuters.
- 30 night city services operated for public and trader convenience.

- Passenger Audio Announcement Systems (PAAS) installed in 210 city buses.
- **Festival & Tourist Services:**
 - Special buses to religious sites, including Veerapandi, Palani, Velankanni, Alagar Kovil and Thiruchendur Temple.
 - Tourist buses to destinations like Thiruparankundram Subramaniya Swamy Temple and Kallazhagar Temple.
 - Seasonal services to Kodaikanal with advance bookings during April and May.
 - Dedicated vehicles transport pilgrims to Madurai Meenakshi Amman Temple, managing traffic restrictions.

2.15.8 Tamil Nadu State Transport Corporation (Tirunelveli) Limited, Tirunelveli

- **Leadership & Operations:**
 - Headquartered in Tirunelveli and led by a Managing Director.

- Regional Offices in Tirunelveli, Nagercoil and Thoothukudi manage Town and Mofussil services.
- **Fleet & Workforce (As of 28.02.2025):**
 - Operates 30 depots with 1,727 buses, including 1,607 scheduled services.
 - Workforce: 9,038 employees.
 - Offers Ordinary, Express, Super Deluxe and Air-Conditioned services.
- **Key Services:**
 - Connects pilgrimage and tourist destinations like Tiruchendur, Kanniyakumari, Courtallam, Srivilliputhur and Papanasam.
 - Special services operate for Navakailayam, Navatirupathy and Pancha Bhoothastharam pilgrimages.
 - 60 additional trips for women and children across 29 routes in Tirunelveli, Thoothukudi and Nagercoil regions.

- 662 Ordinary town services, benefiting women, persons with disabilities, their assistants and transgender individuals.
- **Free Travel Scheme:**
 - Benefits 6,16,136 women, 3,814 differently-abled individuals and their assistants and 290 transgender persons daily.
- **Revenue Generation:**
 - Full-body advertisements on 20 air-conditioned buses and rear-side ads on city and mofussil buses.
 - Ads on depot compound walls.
- **Passenger Facilities & Innovations:**
 - Passenger Audio Announcement System (PAAS) installed in 250 city buses for next-stop announcements.
 - Solar panels: 10 kW at Tirunelveli Regional Office and 15 kW at the Corporate Office to cut electricity costs.

- **Driver Training:**

- Advanced training provided at a specialized Driving Range in Ranithottam, Nagercoil Region.

3. INITIATIVES TO ENHANCE BUS TRANSPORT

Tamil Nadu State Transport Undertakings (TNSTUs) can enhance efficiency, sustainability and passenger experience by adopting key market-driven initiatives. Smart ticketing and digital payments, including contactless transactions and automated fare collection, improve convenience. GPS-based real-time tracking, AI-driven scheduling, and predictive analytics optimize operations. The adoption of electric and alternative fuel buses, such as EVs and CNG vehicles, supports sustainability. Passenger safety and comfort are prioritized through CCTV surveillance, AI-based security and women and child safety measures. Public-private partnerships (PPP) enable private bus leasing, outsourced services and revenue generation through advertisements. Integrated transport systems, such as mobility cards and multi-modal connectivity, streamline commuting. AI and

IoT-based predictive maintenance enhance fleet efficiency. Sustainable initiatives, including solar-powered depots and biofuel usage, reduce environmental impact. Passenger-centric innovations, such as on-demand buses, Wi-Fi, and smart transport apps, enhance user experience. Additionally, workforce training programs focus on driver skill development and customer service improvements. Implementing these initiatives will make TNSTUs more efficient, eco-friendly and future-ready, ensuring a better public transport system for all.

3.1 International Funding Support Projects

i) KfW Assisted Climate Friendly Modernisation of Bus Services in Cities of Tamil Nadu including Procurement of Diesel BS-VI Buses and Electric Buses, Information Technology, Information Communication Technology, and Intelligent Transport Systems

The Government of Tamil Nadu, in collaboration with KfW (German Development

Bank), has initiated a five-year plan (starting from 2021) to procure approximately 12,000 buses. This includes 10,000 BS-VI diesel / CNG buses and 2,000 electric buses. The funding structure comprises an 80% interest-free loan from KfW, while the Government of Tamil Nadu will contribute the remaining 20% of the cost.

Diesel buses will be deployed across seven State Transport Undertakings (STUs), excluding SETC, while electric buses will be introduced in Chennai, Madurai and Coimbatore as replacements for older buses.

In the first and second phases, 2,166 diesel buses and 500 electric buses will be procured at an estimated cost of Rs.2,380 crore. Additionally, substantial investments will be made in IT infrastructure, including software and hardware upgrades for STUs, passenger information systems, and an integrated software solution for operations management.

As part of the first phase, 552 low-floor buses have been successfully deployed for public service, while the remaining buses are currently in the tendering stage. These initiatives aim to enhance the quality and efficiency of public transport, mitigate the adverse effects of personal vehicle usage, and promote a more sustainable and environmentally friendly transportation system.

Furthermore, in the upcoming third, fourth, and fifth phases, an additional 9,161 buses will be procured through KfW funding. This will include 7,661 diesel / CNG buses and 1,500 electric buses, with the execution of the agreement planned for future implementation.

S. No.	Funding Support	Estimated Number of Diesel and CNG Buses	Estimated Number of electric buses
1	KfW- Phase -3	2369	750
2	KfW- Phase -4	2369	650
3	KfW- Phase -5	2923	100

A proposal for Phase 3 has been prepared to implement key initiatives across State Transport Undertakings (STUs) at an estimated cost of Rs.2,456 crore (approximately €218 million) including other expenses. This includes:

- Rs.1,421 crore for procuring 2,369 diesel and CNG buses.
- Rs.360 crore for procuring 300 electric buses
- Rs.300 crore for implementing an Automatic Vehicle Location System (AVLS) and Passenger Information System (PIS) for 13,000 existing buses, deploying an Enterprise Resource Planning (ERP) system across five STUs and establishing a data analytics centre along with a Project Management Unit (PMU) at each STU.
- Rs.75 crore for modernizing 25 depots to enhance operational efficiency and service quality.

This financial support ensures significant progress in modernizing and developing a sustainable public transport infrastructure.

ii) JICA-Assisted Chennai Intelligent Transport System

The project aims to enhance Metropolitan Transport Corporation (MTC) fleet operations and improve on-time performance through the implementation of intelligent transport solutions. By providing real-time bus arrival information, optimizing vehicle scheduling and dispatch, improving crew management and strengthening incident response for both crew and passengers, the initiative seeks to modernize Chennai's public transport system.

Funded by the Japan International Cooperation Agency (JICA), the project integrates an Intelligent Transport Management System (ITMS) for MTC buses. Key components include an Automatic Vehicle Location System (AVLS) with onboard computers, driver consoles and

vehicle telematics, a Passenger Information System (PIS) with digital displays at 71 bus terminals and 532 bus stops and a Depot Management System (DMS) for vehicle scheduling, crew rostering and staff mobile applications. Additionally, the project features an Incident Management Module, a Data Centre (on-premises or cloud-based) and a Command and Control Centre for monitoring and management.

With a total project cost of Rs.136 crore, JICA contributes 51%, while the State Government funds the remaining 49%. A system integrator has been appointed to oversee implementation and operations, leading to the deployment of 936 Onboard Units (OBUs) in buses, installation of Passenger Information Displays at 8 key locations, implementation of Depot Management System across 21 depots and introduction of staff mobile applications in 32 depots. This initiative is expected to

significantly enhance the efficiency, reliability and user experience of MTC's public transport services.

iii) World Bank Assisted Result Oriented Service Transformation of Metropolitan Transport Corporation Limited, Chennai

The Chennai City Partnership Program, supported by the World Bank, includes this project as a key component. Known as the Public Transport Service Contract (PTSC), it formalizes an agreement between the Government of Tamil Nadu and the Metropolitan Transport Corporation (Chennai) Limited to enhance fleet efficiency and ensure transparent funding. The disbursement of funds is performance-based, linked to specific indicators, enabling the deployment of new buses through innovative models.

The total project cost is approximately Rs. 959.4 crore, with 70% funded by the World Bank and 30% by the Government of Tamil Nadu.

A comprehensive business plan has been developed and the Public Transport Service Agreement (PTSC) has been executed between the Government of Tamil Nadu and MTC, under which the Government provides viability gap funding.

In the first phase, 625 electric buses will be operational by mid-2025 under the Gross Cost Contract model, with the tender already awarded. The second phase, involving 600 additional buses, is currently in the tendering stage. A Program Management Unit (PMU) has been established, comprising five key resources to oversee implementation.

3.2 Government of India Assisted Projects - Women Safe City Project

The Safe City Project, implemented as part of the centrally sponsored Nirbhaya Scheme, aims to create a safe, secure and empowering environment for women in public spaces, particularly within public transport systems such

as buses, bus terminals and depots. This initiative enables women to access opportunities freely, without the fear of gender-based violence or harassment.

Key components of the project include the installation of surveillance cameras in 2,500 buses, 66 bus terminals, depots and units, along with panic buttons to facilitate emergency communication with the Metropolitan Transport Corporation (Chennai) Limited. To enhance safety measures, a Command Control Centre has been established at MTC premises for real-time monitoring and immediate response to panic button activations.

The total project cost is Rs. 72.71 crore, with funding shared in a 60:40 ratio between the Government of India and the State Government. The project officially commenced operations on 10.01.2023.

3.3 e-governance and Smart Service Delivery System

i) Advance Booking System for Tickets

State Transport Undertakings (STUs) introduced the online e-ticketing facility for advance bus ticket booking on June 1, 2007, providing passengers with a convenient way to reserve tickets through multiple platforms, including the official website (<https://www.tnstc.in>), mobile app, franchisee counters and travel aggregators (Bus India Portal). This system allows travellers to plan their trips up to 90 days in advance, offering flexibility in choosing routes and preferred departure and arrival times.

The Online Ticket Reservation System (OTRS) operates across 61 centres with 64 counters in Tamil Nadu and neighbouring states such as Andhra Pradesh, Kerala, Puducherry and Karnataka. The primary goal of OTRS is to encourage passengers to opt for

pre-planned travel, enabling STUs to manage demand-based bus services efficiently while reducing congestion at bus terminals. Currently, 2,737 bus departures with a total of 1,31,502 seats are available for online booking, with an average of 19,611 seats booked daily and a peak booking record of 26,202 seats.

As part of promotional efforts to increase advance reservations, a monthly lucky draw is conducted for passengers who book tickets in advance. Each month, three winners receive Rs.10,000, while ten winners receive Rs.2,000. A special lucky draw was also held for Pongal 2025 advance bookings, featuring three exclusive prizes.

To enhance accessibility to advance reservations for STU bus tickets through the Online Ticket Reservation System (OTRS), efforts are underway to integrate OTRS with additional booking channels beyond the existing options. This includes integration with TN-eSeva Centres,

which are conveniently located near passengers' residences in villages also across Tamil Nadu, as well as Indian Railway Catering and Tourism Corporation (IRCTC) and the Indian Railways ticket booking platform. Additionally, steps are being taken to link OTRS with the Open Network for Digital Commerce (ONDC), a Government of India initiative, to facilitate ticket sales through multiple digital channels. The integration process is currently at an advanced stage.

(ii) Automatic Fare Collection System (AFCS)

The implementation of an Automatic Fare Collection (AFC) system in Tamil Nadu State Transport Undertakings (TNSTUs) is essential for modernizing fare collection, improving operational efficiency on real time basis, and enhancing passenger convenience. Given the extensive scale of TNSTU operations, transitioning from traditional fare collection to a cashless, digital system is a crucial step toward

an efficient and transparent public transport network. AFC enables multiple payment options, including credit/debit cards, QR codes, UPI, NCMC and mobile wallets, reducing dependency on cash and minimizing transaction delays. By eliminating manual fare handling, the system helps prevent revenue leakages, ensures real-time transaction tracking and improves financial transparency. Additionally, AFC integrates with Intelligent Transport Management Systems (ITMS) to facilitate dynamic fare adjustments, optimize route planning and enhance data-driven decision-making. It also aligns with Digital India and Smart City initiatives, supporting seamless travel across different transport modes. By reducing boarding time, lowering fare collection costs and enabling contactless transactions, AFC significantly enhances the efficiency, safety and sustainability of TNSTC operations.

The State Bank of India has offered Electronic Ticketing Machines (ETMs) and

software services free of cost to all eight State Transport Undertakings (STUs) for a period of 10 years, covering operation and maintenance. However, STUs will be responsible for providing depot infrastructure components and ticket rolls.

The Automatic Fare Collection System (AFCS) has already been successfully implemented in six Tamil Nadu State Transport Undertakings (TNSTUs), including State Express Transport Corporation (SETC), MTC Chennai and TNSTCs in Villupuram, Kumbakonam, Salem and Coimbatore. Implementation is in progress for TNSTC Madurai and TNSTC Tirunelveli. Additionally, UPI-enabled transactions have been deployed in Point-of-Sale (POS) systems, promoting cashless transactions.

To enhance fare collection efficiency and streamline public transportation, the implementation of a National Common Mobility Card (NCMC)compliant Automatic Fare Collection System (AFCS) is essential. As part of this

initiative, Metropolitan Transport Corporation (MTC) Chennai launched the “Singara Chennai NCMC” on 06.01.2025, offering passengers a seamless, multi-modal payment facility for various transport and public services. The system also enables real-time revenue monitoring for stakeholders.

The Singara Chennai NCMC, introduced by MTC, functions as an offline wallet card, allowing passengers to make quick and convenient payments. Plans are underway to extend NCMC implementation to other STUs. Furthermore, the data generated from AFCS will be leveraged for route rationalization and future route planning, enhancing operational efficiency and service reliability.

iii) E-auctioning System

All State Transport Undertakings (STUs) are leveraging a systematic e-auction process for disposing of condemned buses and scrap,

facilitated by the National Informatics Centre (NIC), an Agency of the Government of India. This digital approach not only ensures transparent and competitive bidding but also secures the most favourable prices for these assets. Notably, in the financial year 2024-25 (up to February 2025), the e-auction process generated a total revenue of Rs.42.21 crore from the sale of condemned buses, scraps and other related items.

(iv) Travel Planning App

The Chennai App is a journey planning tool available on both Android and iOS that has greatly enhanced convenience for bus commuters in Tamil Nadu. It presents a map that displays the origin, destination and selected route while providing real-time updates on expected bus arrival and departure times. The app also features live tracking of buses, estimated arrival times for the next five buses at any given stop, detailed route numbers and a list of the nearest bus stops

based on the user's current location. By selecting a bus, passengers can easily see its arrival time at the closest stop. Accessible via both mobile and web platforms, the app was initially launched for Metropolitan Transport Corporation buses and later expanded to include services from the State Express Transport Corporation and Tamil Nadu State Transport Corporation in Coimbatore. Testing is currently underway for TNSTC (Salem), with plans to add the remaining four Tamil Nadu State Transport Undertakings. To date, the Chennai App has been installed by 11,93,669 users.

(v) Passenger Grievance and Complaints Redressal Help Line

In today's digital era, a 24/7 grievance redressal system for bus passengers is essential. It delivers continuous, real-time support and accountability by ensuring that concerns are addressed immediately, thereby promoting a

safer, more dependable and customer-focused public transportation experience.

The Integrated Passenger Grievance and Complaints Redressal Help Line, reachable through the toll-free number "149," operates as a 24/7 voice call helpdesk for all eight State Transport Corporations. Dedicated operators swiftly respond to incoming calls, assisting passengers who are traveling, waiting at bus stops or stands, or even members of the general public. This system allows users to register complaints, submit grievances or seek information.

Every submission receives a unique ID and passengers are sent an acknowledgment via SMS. The helpdesk then forwards the complaint to the relevant Transport Corporation, which tracks and resolves the issue using a specific User ID. Once resolved, the passenger receives a confirmation SMS.

The scope of complaints and grievances is broad, addressing issues such as bus cleanliness, delays, breakdowns, bus unavailability at stops, long waiting times during peak hours, drivers skipping stops, lost luggage, inappropriate behaviour by crew members, harassment by co-passengers, rash driving, inadequate bus maintenance, accidents, floods, riots and other operational concerns. Additionally, passengers can obtain information about special bus operations during festive seasons and bus crew members can report any untoward incidents.

Since its launch on 09.03.2023, the system has successfully resolved 45,879 complaints and grievances up to February 2025, boasting a 99% resolution rate. Efforts are also underway to expand the channels available for grievance redressal by incorporating email, WhatsApp, social media and IVRS options.

(vi) Common Website (Arasu Bus) for All Transport Corporations

The unified website "Arasu Bus" (www.arasubus.tn.gov.in) has been launched to serve the approximately 1.85 crore daily commuters of the 8 State Transport Undertakings (STUs) and the general public. This platform provides comprehensive information, including bus schedules, details of the STUs and their services, organizational structure, management information, Board of Directors, operational jurisdictions, a photo gallery, contact details for lodging complaints and grievances and the GST numbers of respective STUs.

The website also includes links to essential resources such as the Metropolitan Transport Corporation (MTC) website, "Chennai Bus App," Online Ticket Reservation System (OTRS), Government of Tamil Nadu, Institute of Road Transport (IRT), Tamil Nadu Transport

Development Finance Corporation (TNTDFC) and Chennai Metro Rail Limited (CMRL).

Furthermore, recruitment for Driver-cum-Conductor positions in the State Transport Undertakings is facilitated through the Institute of Road Transport. The Tamil Nadu e-Governance Agency supports this process by providing an online application portal for eligible candidates, accessible at <https://onlinereg.in/arasubus/>, ensuring a seamless and efficient application experience.

(vii) Arasu Bus-Social Media – X Platform

@arasubus serves as the official social media handle of Arasu Bus on the "X" platform (formerly Twitter). It acts as a central hub for sharing important updates, including news, special bus operations, announcements, Government Orders (GOs) and press releases from the Transport Department and State Transport Undertakings (STUs). These updates are also tagged to @TNDIPRNEWS and news channels to ensure

quick and widespread dissemination to commuters.

The platform addresses commuter queries, complaints and grievances, ensuring efficient passenger support. Additionally, it promotes awareness campaigns on public transport benefits, safety protocols and eco-friendly commuting while highlighting special services and offers. By leveraging the X platform, Arasu Bus fosters transparent, accessible and proactive communication with its user base.

(viii) Online Bus Pass Issuing System

a) Differently Abled Individuals, Freedom Fighters, Tamil Scholars and Tamil Award Winners

The Online Bus Pass Issuing System in Tamil Nadu is a digital service delivery initiative designed to simplify and streamline the process of obtaining bus passes for eligible categories. This platform enables users to apply for, renew and manage bus passes online, eliminating the

need for physical visits and paperwork. Applicants can upload required documents, track application status and make secure online payments, ensuring a hassle-free experience. Many passes include QR codes for easy verification by bus conductors.

Currently, the system provides bus passes to Differently Abled individuals, including those with Mental Retardation or Locomotor Disorders, Visually Impaired individuals, as well as Freedom Fighters, Tamil Scholars and Tamil Award Winners availing MTC services. Plans are in progress to extend this online facility to the above categories across all six remaining State Transport Undertakings (STUs) in Tamil Nadu, covering 37 districts. The Tamil Nadu e-Governance Agency (TNeGA) is driving this expansion to ensure a seamless and efficient rollout. The system promotes transparency, eco-friendliness and convenience, marking a

significant milestone in modernizing public transport services.

b) School and College Students

Prior to the Academic Year 2024-25, bus passes for school students in Tamil Nadu were issued manually by distributing and collecting physical application forms through schools. Once filled and approved, passes were printed and sent back to schools for distribution.

In 2024-25, the process was digitized using the Educational Management Information System (EMIS) portal. Teachers reviewed and uploaded online applications, while Headmasters verified and approved them along with students' photos. STUs downloaded the approved data, printed the passes and distributed them.

For the upcoming Academic Year 2025-26, enhancements will allow students and schools to download bus passes directly from the EMIS portal on the day of school reopening for all classes, except 6th, 9th & 11th. These classes,

where student migrations occur, can access their passes from July 1st. Similarly, college and polytechnic students will use the UMIS portal, while ITI students will retrieve passes from their respective websites. This upgrade ensures faster, more convenient access to passes, reducing delays and improving user experience. The Tamil Nadu e-Governance Agency (TNeGA) is partnering with the Educational Management Information System (EMIS) for school students and the University Management Information System (UMIS) for college students to enhance and streamline facilities, ensuring greater benefits for the student community.

c) Police Personnel

In Tamil Nadu, Police personnel up to the rank of Inspector, totaling approximately 1.24 lakh, are permitted to travel within the district where their police stations are located. Currently, printed bus passes are issued by State Transport Undertakings (STUs) for their travel. To

modernize this process, efforts are underway to introduce smart card-based bus passes, which will be facilitated through the Tamil Nadu e-Governance Agency. This initiative aims to provide a more efficient, convenient and durable solution for police personnel.

(ix) Biometric Attendance System

The Biometric Attendance System in State Transport Undertakings (STUs) is a modern initiative aimed at enhancing efficiency, transparency and accountability in workforce management. It ensures accurate attendance tracking by eliminating manual errors and preventing proxy attendance through biometric verification methods such as fingerprints or facial recognition. This system streamlines operations by providing real-time data for better scheduling, reducing absenteeism, and optimizing resource allocation. Integrated with payroll systems, it facilitates fair and precise salary calculations,

fostering punctuality and discipline while minimizing administrative costs.

Biometric attendance systems have been implemented across all eight STUs, covering various sites including Corporate and Regional Offices, Depots, Workshops, Training Units and more. Biometric units installed at designated locations enable employees to register attendance quickly and securely, ensuring precise records. These systems also incorporate robust data security measures to protect employee information and allow real-time attendance monitoring. Furthermore, the data serves as input for generating accurate monthly pay bills. Notably, 100% of employees are covered under this efficient system, making it a vital tool for improving operational efficiency and service delivery in the transport sector.

(x) CCTV based Video Surveillance System for STUs

The implementation of a CCTV-based security system for State Transport Undertakings (STUs) is a significant step toward enhancing the safety and protection of their physical assets. By offering comprehensive surveillance, these systems safeguard vehicles, depots, workshops, corporate offices, regional offices and other units.

With night-vision cameras ensuring 24/7 monitoring, the system effectively deters unauthorized access and provides reliable documentation for incident analysis. Centralized control centres facilitate real-time monitoring and efficient management, while access control integration strengthens security measures. Robust storage solutions ensure the secure retention of video data, enabling investigations and meeting compliance requirements.

Currently, all STUs have adopted CCTV security systems, achieving a

75.74% implementation rate across their infrastructure. This progress reflects a commitment to improving safety, operational efficiency and the overall security of their assets.

(xi) Online submission of Life Certificate by Pensioners

The online submission of life certificates by pensioners is designed to simplify and streamline the process of verifying their eligibility for pension benefits. This initiative offers significant convenience by allowing pensioners to submit their certificates from home or nearby digital centres, eliminating the need for physical visits. It improves efficiency by reducing paperwork and administrative delays while enhancing accessibility for elderly, disabled, or remote pensioners. Real-time verification ensures timely pension disbursement, promotes transparency by minimizing errors and fraudulent claims and reduces operational costs for pension authorities,

making the process cost-effective and user-friendly.

In Tamil Nadu, the implementation of an online life certificate submission system for pensioners of State Transport Undertakings (STUs) has further streamlined the process. A dedicated online portal, developed with the support of TNeGA, caters specifically to the needs of these pensioners. Accessible on various devices such as computers, tablets and smartphones, this user-friendly platform ensures convenience and ease of use. Robust security measures, including encryption and multi-factor authentication, safeguard pensioner data. As a result, pensioners can securely and conveniently submit their life certificates online, with 4,870 pensioners already utilizing this platform for submission.

(xii) "Digitizing Workflows: Implementation of e-Office in Transport Department Associated Offices"

The Government of Tamil Nadu, through the Tamil Nadu e-Governance Agency (TNeGA) is implementing the e-Office application developed by the National Informatics Centre (NIC), New Delhi, across all Government and quasi-Government departments to modernize administrative workflows. This initiative marks a significant step toward enhancing efficiency, transparency and accountability in administrative operations. By replacing traditional paper-based workflows with an automated, paperless system, e-Office enables faster file processing, improved decision-making and streamlined tracking of file movements. The system also incorporates robust security measures, including encryption and role-based access control, while promoting eco-friendly practices by reducing paper usage.

The implementation of e-Office has commenced in eight State Transport Undertakings (STUs), the Institute of Road Transport and the Motor Vehicle Maintenance Department, with partial files now operating under the system. Notably, Tamil Nadu Mobility and Logistics Corporation Limited has achieved 100% implementation for intra-office file movement. This initiative aims to eliminate manual file movements and fully digitize administrative processes within the Transport Department, leading to enhanced operational efficiency and improved service delivery.

3.4 Ensuring Passenger Safety: Initiatives and Measures

3.4.1 Prioritizing Passenger Safety: Installation of Safety Doors in Buses

The installation of safety doors on buses is a crucial initiative to enhance passenger safety, security and comfort. These doors act as protective barriers, preventing accidental falls, injuries during boarding and alighting and

exposure to external objects. They regulate access to the bus, ensuring only authorized passengers board and minimize overcrowding and risks such as theft. Additionally, safety doors improve the overall travel experience by keeping out dust, rain and noise, creating a more comfortable environment inside the bus.

In adherence to safety regulations, the Government has taken significant steps to equip State Transport Undertaking (STU) buses with doors. Of the total 20,508 buses, 80.08% are now fitted with safety doors, ensuring a secure and uniform travel experience for all passengers, including children, senior citizens and persons with disabilities.

3.4.2 Enhancing Road Safety: Side Under-Run Protection Units for Buses

Side under-run protection units (SUPUs) are crucial safety features for buses, designed to safeguard passengers and vulnerable road users such as pedestrians, cyclists and motorcyclists.

These units act as barriers, preventing smaller vehicles or individuals from being trapped under the bus or struck by the rear wheels during boarding, alighting, or in the event of a collision. By significantly reducing the risk of severe injuries and fatalities, SUPUs play a vital role in saving lives and ensuring road safety.

In addition to enhancing safety, SUPUs help protect the structural integrity of buses during accidents and often include reflective elements to improve visibility, especially at night. They also ensure compliance with safety regulations, contributing to safer road environments and secure transportation for all. State Transport Undertakings (STUs) have successfully installed SUPUs on 8,664 out of 9,776 town buses, achieving an impressive coverage rate of 88.6%.

3.5 Transitioning to Green Mobility: Converting Diesel Buses to Compressed Natural Gas (CNG)

The Tamil Nadu Government has made notable progress in promoting sustainable public transportation by initiating trial runs of 21 converted and one OE Compressed Natural Gas (CNG) buses. This effort aims to explore cost-effective and environmentally friendly alternatives to diesel-powered vehicles. As part of this initiative, 21 existing diesel buses have been successfully converted to CNG and deployed across various State Transport Undertakings (STUs) for public use, as follows: MTC – 1, SETC – 4, Villupuram – 2, Salem – 3, Coimbatore – 3, Kumbakonam – 3, Madurai – 3 and Tirunelveli – 2. Additionally, one CNG bus is being operated by MTC. The pilot program targets a performance improvement of +1 kilometre per kilogram compared to diesel buses' kilometre per litre efficiency.

A study has shown that the operational costs of CNG buses are approximately 13% lower than those of diesel buses, underscoring their economic advantage. Building on the success of this pilot project, the Government has outlined plans to convert 1,000 diesel buses into CNG at a significantly lower cost compared to purchasing new buses. Additionally, 746 new CNG buses are planned for procurement to expand the fleet further.

The introduction of CNG buses, is expected to yield an annual saving of Rs.116 crore from fuel costs alone, with 1,768 CNG buses planned for deployment during FY 2025-26. Beyond the direct financial savings, the initiative is expected to reduce CO₂ emissions by approximately 37190 tonnes per year. This reduction not only contributes significantly to environmental sustainability but also holds potential for future value through carbon credits. As the carbon credit market in India is still in its

nascent stage, these credits are likely to translate into additional cost savings in the long run.

These measures aim to reduce operational expenses and advance an eco-friendly transportation network. Tamil Nadu's initiatives demonstrate a strong commitment to sustainable public transit, balancing financial savings, environmental responsibility and passenger safety.

3.6 Integrated Link Tickets: Enhancing Connectivity Between Long-Distance and Town Buses

Integrated link tickets have been introduced to improve connectivity between long-distance and town buses, offering passengers a seamless and convenient travel experience. These tickets enable smooth transitions between buses without the need for multiple tickets, reducing waiting times and simplifying fare payments.

Valid for four hours before the departure or after the arrival of long-distance buses, the

tickets provide flexibility to passengers. Priced at Rs.40 in Chennai and Rs.30 in Coimbatore, the link ticket fare is paid during advance reservation through the OTRS system. In Chennai, passengers booking mofussil bus tickets can opt to pay an additional Rs.40 to travel seamlessly between the Kilambakkam Kalaingar Centenary Bus Terminal and other destinations via MTC buses within the four-hour validity period.

Building on the success of this initiative in Chennai, the system has now been expanded to Coimbatore. By improving accessibility, lowering travel costs and promoting multimodal transport, integrated link tickets support sustainable transportation, reduce dependence on private vehicles and help decongest city traffic.

3.7 Special Package Trips

3.7.1 Kumbakonam Navagraha Package Trip

The Navagraha Temples in Tamil Nadu, located primarily around Kumbakonam and Thanjavur, are dedicated to the nine planetary

deities (Navagrahas) significant in Hindu astrology. Renowned for their spiritual importance and architectural beauty, the temples also serve as a testament to Tamil Nadu's cultural heritage. To enhance accessibility, TNSTC Kumbakonam operates daily special buses (AC and Non-AC) connecting all Navagraha Temples. To ensure hassle-free travel, reservations can be made up to 90 days in advance through the "TNSTC Mobile App" or www.tnstc.in. This initiative promotes religious tourism while offering a convenient travel experience. A total of 24,262 individuals have availed this package and benefited from it.

3.7.2 Kanchipuram Temples Package Trip

TNSTC (Villupuram) offers a daily Kanchipuram Temple Package, covering key spiritual sites such as Varadaraja Perumal Temple, Kamatchi Amman Temple and Ekambareswarar Temple, along with other historic temples. Daily with Non-AC buses and

easy booking via the TNSTC app or website, the package ensures a comfortable and enriching spiritual journey. So far, 980 persons have benefited from this scheme.

3.7.3 Murugan Thiruthalam Package Trip

TNSTC (Kumbakonam) offers a weekend tour every Saturday and Sunday to prominent Murugan temples, including Swamimalai, Ettukudi, Sikkal and Eraharam ensuring a convenient spiritual journey. A total of 886 individuals have utilized this package.

3.7.4 Other Package Trips

TNSTC (Tirunelveli) organizes a special Navathirupathi tour, covering the nine sacred Vishnu temples along the Tamirabarani River. These temples hold immense spiritual significance and attract devotees seeking blessings. The trip ensures a comfortable journey, with convenient booking options via the TNSTC app or website. So far, 4,485 persons have utilised this package since 2021.

3.8 E-Passes and Sustainable Travel: TNSTC's Initiative for Ooty and Kodaikanal

Visitors to Ooty and Kodaikanal are now required to obtain e-passes, as mandated by the Madras High Court, to manage tourist numbers and reduce traffic congestion in these popular hill stations. Local residents are exempt from this requirement. To support this initiative, TNSTC (Coimbatore) Limited has operated buses and observed a reduction in pollution levels, promoting sustainable and eco-friendly travel in the region.

3.9 Innovative Strategies for Enhancing Non-Fare Box Revenue in State Transport Undertakings

State Transport Undertakings (STUs) primarily rely on fare box revenue, which includes income from travel tickets, online sales, concession passes, fare-free travel passes, warrants and reimbursements for student and women's travel. They also generate revenue by

selling old buses and scrap. To reduce dependency on passenger fares and diversify income sources, STUs are adopting innovative strategies to enhance non-fare box revenue. These strategies focus on optimizing existing assets and exploring new revenue streams, such as advertising, leasing spaces, monetizing digital platforms and offering value-added services. Additionally, STUs have identified the potential for generating income from non-movable assets and movable rolling stocks. By implementing these measures, STUs aim to improve financial sustainability, invest in better infrastructure, enhance service quality and support the long-term growth and modernization of public transport systems.

Sl. No.	Description
1	Commercial development of bus depots and bus terminals
2	Full Bus Body Advertisement
3	Other Advertisement in Bus
4	Other Advertisement
5	Next Bus Stop Announcement
6	Parking of buses at Motels & Rent
7	Luggage / Parcel
8	Sale of Scrap
9	Land or Building Lease
10	Retail Outlets for selling petrol, diesel etc.,
11	Driving School / Training School
12	Contract carriage
13	Shops Rent
14	Courier
15	Logistics / cargo services in TNSTC buses

3.9.1. Commercial Development and Modernization of Bus Depots and Terminals

To address the insufficiency of fare box revenue in covering operational costs, despite a recovery to pre-Covid revenue levels, State Transport Undertakings (STUs) have initiated efforts to generate additional income through asset monetization. Bus depots and terminals in

prime locations such as Central Business Districts (CBDs) and commercial hubs, particularly in Chennai and other urban areas, are being modernized and commercially developed in collaboration with the Tamil Nadu Infrastructure Development Board (TNIDB). Key agencies, including TIDCO, ELCOT, Chennai Metro Rail Limited and Chennai Metropolitan Development Authority, are actively participating in this initiative.

As part of the project, the Avadi and T.Nagar bus termini are being upgraded by the Chennai Metropolitan Development Authority, while the Thiruvottiur terminus is being modernized by Chennai Metro Rail Limited. Additional improvements are underway at Aynavaram, JJ Nagar (East), M.M.D.A., Thiruverkadu, Besant Nagar and Kannagi Nagar bus termini with Government support. These efforts aim to enhance infrastructure, passenger amenities and cleanliness, contributing to improved public

transportation services and operational sustainability.

3.9.2. Establishing Retail Outlets on STU-Owned Lands for Fuel Sales

State Transport Undertakings (STUs) in Tamil Nadu are leveraging their vacant land assets in bus depots, regional offices and corporate offices to generate additional revenue. Strategically located in central business districts and key urban areas, these lands offer immense potential for commercial utilization.

Tamil Nadu, with its highest vehicle population and ranking second nationally, has attracted proposals from oil companies to establish retail fuel outlets on STU-owned lands. Under this initiative, oil companies will develop infrastructure, supply fuel, pay land rent and provide sales-based commissions, while STUs will manage the operations of the fuel stations.

Currently, out of 372 identified locations, feasibility reports have been prepared for

199 sites, with 48 deemed viable. Two fuel stations have already been commissioned and construction is underway at six additional locations. This initiative not only monetizes STU assets but also enhances convenience for the public while boosting the financial sustainability of transport undertakings.

3.10 Solar Power Projects: Advancing Sustainability and Cost Efficiency in STUs

State Transport Undertakings (STUs) are leveraging rooftop solar energy systems to harness renewable energy, reduce dependency on conventional power sources, and promote environmental sustainability. By utilizing unused spaces on the rooftops of bus depots, regional offices, and corporate offices, these systems generate clean energy, significantly cutting electricity costs and lowering carbon emissions.

This initiative aligns with the global transition to renewable energy by reducing reliance on fossil

fuels. Solar panels not only reduce costs associated with electricity from TANGEDCO but also offer the opportunity to sell excess energy back to the grid. Initial funding for the solar panel installations is being sourced from TNTDFC. Out of 373 total identified locations, feasibility studies have been conducted for 280, with 191 sites deemed viable. Out of the total sites, solar power systems have been successfully installed at 24 locations, with a combined generation capacity of 214 KW. These systems currently produce 856 KWH per day, amounting to 21,400 KWH per month and 2,56,800 KWH annually. This results in an estimated annual CO₂ reduction of approximately 190 tonnes and cost savings of around Rs.24 lakhs.

S. No.	STU	Solar Panels Implemented and Power Generation			
		No. of Location	Solar PV Installed	Total Energy (KWHR) per Day	Total Energy (KWHR) per Month
			(in KW)		
1	MTC	3	30	120	3,000
2	SETC	1	10	40	1,000
3	VPM	4	40	160	4,000
4	SLM	4	60	240	6,000
5	KUM	5	48	192	4,800
6	CBE	3	13	52	1,300
7	MDU	3	3	12	300
8	TNV	1	10	40	1,000
Total		24	214	856	21,400

Plans are underway to extend solar power generation to the remaining 167 locations.

This effort contributes to energy self-sufficiency, mitigates climate change impacts, and supports both national and global sustainability goals, making it a pivotal step toward a greener future.

3.11 Introduction of Parcel and Cargo Services in STU Buses

State Transport Undertakings (STUs) face growing challenges in relying solely on fare box revenue from onboard collections, passes and government reimbursements for concession holders. To achieve financial sustainability, STUs must diversify their revenue streams. One such opportunity lies in generating commercial revenue, which can help Tamil Nadu State Transport Corporations (TNSTCs) minimize recurring losses.

A key initiative in this direction is the planned introduction of parcel and cargo services using STU buses. This service will feature a web-based, computerized system for booking and tracking parcels, covering the entire process of parcel management—booking, forwarding, transportation, receiving, storage, delivery and complaints resolution. Parcels will be stocked, stored and loaded at source counters before being

transported and delivered to customers' doorsteps as required.

This initiative will be implemented under the Public-Private Partnership (PPP) model, wherein STUs will provide storage facilities and buses for cargo and parcel transportation, while private operators will manage all other activities. Revenue for STUs will be secured from the private operator based on terms established during the bidding process.

Tamil Nadu Mobility and Logistics Corporation Limited (TNMLC) has engaged a consultant to prepare a feasibility report, conduct stakeholder consultations, manage the bid process and oversee implementation. Following the submission of a draft feasibility report and consultations with Government Departments and TNIDB, a revised report is currently being prepared.

3.12 Carbon Credit Monetization for STUs

Monetizing carbon credits provides a valuable non-fare revenue stream for State Transport Undertakings (STUs) by leveraging emission reductions achieved through green initiatives like deploying electric or CNG buses, solar panels and energy-efficient infrastructure. Carbon credits, representing one tonne of CO₂ or equivalent GHG reductions, are earned by calculating baseline emissions (fuel consumption × diesel emission factor of 2.68 kg CO₂/litre) and subtracting post-transition emissions. Verified reductions are certified under frameworks like the Verified Carbon Standard (VCS) or Gold Standard, making them tradable in compliance or voluntary markets. The revenue generated can be reinvested in sustainable projects, reducing operational costs and enhancing environmental performance. This approach not only diversifies revenue sources but also attracts investments

and fosters partnerships, supporting long-term financial and environmental sustainability.

3.13 Bus First

The Bus First campaign is a citizen-driven initiative aimed at repositioning buses as a priority mode of urban transport in Tamil Nadu's mobility landscape. Rooted in the idea of building respect for public transport, the campaign seeks to foster behavioral change among all road users by encouraging a culture that gives way to buses, just as we do for ambulances or emergency vehicles. By engaging communities, students, traffic police and civic institutions, the campaign will drive awareness, instill civic pride and build collective ownership over sustainable mobility. Through creative engagement, inclusive storytelling and on-ground interventions, Bus First aspires to create streets that move people, not just vehicles—ensuring buses get their due space, dignity and priority in our cities.

4. VIDIYAL PAYANAM: EMPOWERING WOMEN AND INCLUSIVE MOBILITY IN TAMIL NADU

The Vidiyal Payanam Scheme, launched on 07.05.2021, by the Tamil Nadu Government, empowers women through fare-free travel on Government-owned ordinary city and town buses. Expanded on February 19, 2024, to include hilly areas, the scheme allows women to travel on ordinary ghat and partial ghat buses within route length limits, fostering social and economic participation across sectors.

This initiative promotes public transportation, offering significant savings to less affluent women by facilitating access to work, healthcare and social networks. Women save an average of Rs.888 per month, redirecting these funds towards family necessities and improved nutrition, enhancing their quality of life and self-reliance. As a result, the scheme has driven a shift from private to Government buses, with 59.04 lakh women traveling daily on

7,500 ordinary town and ghat buses, constituting 66.45% of total passengers. Since its inception, women have made over 673 crore rides under this scheme.

The Vidiyal Payanam Scheme ensures inclusive access by extending benefits to transgender individuals and persons with disabilities (above 40%), along with their escorts. Daily averages include 3,156 trips by transgender individuals, 49,694 trips by persons with disabilities and 3,083 trips by escorts. Cumulatively, transgender individuals have completed 38.85 lakh trips, while persons with disabilities and escorts have made 5.70 crore trips, reflecting the scheme's commitment to equitable mobility for all.

By reducing transportation costs and fostering inclusivity, Vidiyal Payanam has become a catalyst for empowerment for women and a model of social welfare in Tamil Nadu, creating a

more equitable and sustainable public transport system.

Newly introduced buses have been deployed under the Vidiyal Payanam Scheme, aimed at enhancing travel comfort and convenience for the intended beneficiaries. This initiative underscores the commitment to improving the quality of public transport services and ensuring a comfortable journey for all stakeholders.

5.REIMAGINING PUBLIC TRANSPORT: NEW BUS PROCUREMENTS AND RENOVATION INITIATIVES

5.1 State Condemnation Policy

As per the Ministry of Road Transport and Highways (MoRTH) notification GSR 29(E) dated 16.01.2023, all vehicles owned by Central and State Governments, including transport corporations, public sector undertakings, and autonomous bodies, are mandated to be scrapped after completing 15 years from the date of initial registration, irrespective of their physical condition or usage with effect from 01.04.2023.

The State Government's bus condemnation and replacement policy ensures a systematic renewal of the fleet by considering factors such as age, mileage and overall condition. This policy is regularly updated to align with advancements in vehicle technology, changes in road conditions, eco-friendly vehicle options like electric and CNG-powered buses, and improvements in maintenance practices. Cost-benefit analyses are

conducted to determine life expectancy, maintenance costs and capital expenses. As per G.O. (Ms) No.70, Transport (A) Department, dated 08.07.2021, the replacement norms specify that SETC buses will be replaced after 7 years or 12 lakh kilometres, whichever comes first, while buses from other Tamil Nadu State Transport Undertakings (STUs) will be replaced after 9 years or 12 lakh kilometres, whichever comes first. As of February 28, 2025, the average age of the buses is 8.22 years while the Ministry of Road Transport and Highways mandates a 15 years life span.

5.2 Procurement of New Buses

The introduction of new buses aims to enhance passenger comfort, reduce breakdown rates, minimize pollution and attract private vehicle users to public transport. The Government has planned procurement of 11,907 new buses through funding support from KfW, the World Bank, the Special Area Development Programme

(SADP) and the State Government. Out of this total, 3,584 new buses have already been inducted into the fleet. An additional 750 buses are scheduled for deployment by June 2025, followed by 1,098 by September 2025, 900 by December 2025 and 914 by March 2026. In total, 7,246 new buses will be on the road by the end of FY 2025-26. Further, Metropolitan Transport Corporation (MTC) plans to add 1,225 electric buses under Gross Cost Contract method, with 625 expected to be rolled out by mid-2025. The table below provides details of the procurement plan for 11,907 new buses:

Funding Support	Number of New Buses
State (2022-23) - Diesel buses	1,000
State (2023-24) - Diesel buses	1,000
State (2024-25) - Diesel buses	3,000
State (2025-26) - Diesel buses	2,254
State (2025-26) - CNG buses	746
Special Area Development Programme (SADP)	16
KfW (Diesel buses)	2,166
KfW (Electric buses)	500
World Bank - GCC-based buses for MTC	625
World Bank - GCC-based buses for MTC	600
Total	11,907

In addition to this, KfW-funded procurement phases will include the acquisition of 9,161 new buses, consisting of 7,661 diesel/CNG buses and 1,500 electric buses. The details are as follows:

Funding Support	Diesel/CNG Buses	Electric Buses	Total Buses
KfW - Phase 3	2,369	750	3,119
KfW - Phase 4	2,369	650	3,019
KfW - Phase 5	2,923	100	3,023
Total	7,661	1,500	9,161

5.3 Full Body Renovation of Old Buses

To ensure passenger comfort and prolong the usability of buses, the Government undertakes major body repair works for vehicles between 5 to 8 years of age. Renovated buses can operate for an additional 5 to 6 years without incurring significant body repair costs. If the chassis is in good condition, a complete body renovation is performed. Funds have been allocated for the refurbishment of 1,500 buses over two financial years: 1,000 buses in 2022-23 and 500 buses in 2023-24. As of now, all 1,500 buses have been fully renovated and are

operational, providing enhanced comfort and reliability to passengers. These measures collectively aim to modernize the fleet, reduce pollution, improve passenger experience and support sustainable public transport. For the financial year 2025-26, further renovation of 754 buses and facelift of 1419 buses will be taken up at a cost of Rs.167.97 crore. Meanwhile, trials for CNG buses are ongoing and 1,000 existing diesel buses are set to be retrofitted for CNG operations.

6. DRIVING TOWARDS SAFETY: ROAD SAFETY INITIATIVES IN TAMIL NADU

6.1 Road Safety in Tamil Nadu

Tamil Nadu has a total of 3.75 crore registered vehicles, of which 0.15 crore are commercial transport vehicles such as buses, taxis, autorickshaws, lorries, tractors, trailers and articulated vehicles. The remaining 3.60 crore vehicles are non-transport vehicles used for personal purposes, including two-wheelers, cars, jeeps and three-wheelers. Tamil Nadu stands among the states with the highest vehicle population in India. The transport category includes 31,129 stage carriage buses and 2,857 minibuses, of which 20,508 buses are operated by State Transport Undertakings (STUs) and 7,764 by private operators. STUs play a pivotal role in road safety, covering over 82 lakh kilometres daily and implementing numerous safety measures to ensure secure travel for all road users.

6.2 Road Safety Initiatives of State Transport Undertakings

The prevention of road accidents is a key objective of the Tamil Nadu Government's safety measures. These efforts, carried out in collaboration with departments such as Police, Highways, Transport, Health and Education, aim to achieve the vision of an "Accident-Free Tamil Nadu." The Transport Commissionerate works closely with STUs to implement various road safety initiatives, including:

- Installation of automatic door closers.
- Defensive driving training for drivers.
- Enhanced resting facilities for crew members.
- Onboard passenger announcements.
- Use of blind-spot mirrors for improved visibility.
- Identification of high-accident routes and their analysis.
- Scientific assessment of accidents for preventive measures.

6.3 Measures Taken by STUs to Reduce Road Accidents

State Transport Undertakings have undertaken several proactive measures to minimize road accidents, such as:

- Strict prohibition of cell phone usage and alcohol consumption during duty, with severe penalties for violations.
- Random breath analyzer tests for drivers before starting their duty.
- Surprise checks by police and the Transport Department to detect intoxication.
- Mapping and rectification of blind spots in collaboration with relevant departments.
- Zero-tolerance policies against drivers involved in repeated fatal accidents.
- Regular training programs for drivers and conductors, including yoga and meditation sessions to reduce stress levels.
- Upgrading crew restrooms with modern amenities, including air conditioning, across 139 locations.

Recognizing excellence, 20 drivers with accident-free records for 25 years have been awarded 4-gram gold coins, while 1,069 drivers with 10-year accident-free records received 100-gram silver coins.

6.4 Accident Statistics for STU Buses

The number of fatal accidents involving STU buses has shown a fluctuating trend in recent years.

Year	No. of Fatal Accidents	Total Fatalities
2019-2020 (Pre-COVID)	867	969
2020-2021 (COVID)	343	381
2021-2022 (COVID)	705	762
2022-2023	906	1,000
2023-2024	878	971
2024-2025 (Up to Feb)	838	904

6.5 Road Safety Month and Week

Tamil Nadu observes Road Safety Month and Week annually in January to raise public awareness about road safety. These events aim to educate citizens about traffic rules, safe driving

practices and the consequences of negligence on the roads. Activities such as awareness campaigns, workshops, seminars and road safety exhibitions are conducted to engage people of all age groups. These initiatives emphasize the importance of responsible behaviour to create a safer road environment for everyone.

7. ACCELERATING SUSTAINABILITY: TAMIL NADU'S COMMITMENT TO SUSTAINABLE DEVELOPMENT GOALS

7.1 Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs), established by the United Nations in 2015 as part of the 2030 Agenda for Sustainable Development, comprise 17 global goals aimed at addressing critical challenges like poverty, inequality, climate change and environmental sustainability. These goals are divided into 169 specific targets with measurable indicators, promoting inclusive growth, sustainable practices and global well-being. The State's Transport Department, through its eight State Transport Undertakings (STUs), contributes substantially to sustainable development.

7.2 Public Transportation and SDG 11

Public transportation plays a vital role in achieving SDG 11: Sustainable Cities and Communities. Specifically, SDG 11.2 focuses on

ensuring accessible, affordable, and sustainable transport systems for all, with an emphasis on vulnerable groups, including women, children, the elderly and persons with disabilities.

The Tamil Nadu Transport Department has introduced various initiatives to align with these objectives, contributing to the state's broader sustainable development goals.

Initiative	Impact
Free travel for children under 5 years	Encourages public transport use among families.
Free travel for women in ordinary town and mofussil ghat services	Enhances mobility and economic independence for women.
Free travel for transgenders and differently abled individuals (40% disability or more) with escorts	Promotes inclusivity and accessibility.
Senior citizens entitled to 10 free trips per month in Chennai buses	Supports the mobility of elderly citizens.
Reserved seating for women, senior citizens, and differently abled persons	Ensures safe and comfortable travel for priority groups.
Installation of CCTV and panic buttons in 2,500 buses and 66 depots	Enhances safety for women and children.
Accessible bus designs for differently abled individuals	Improves inclusivity in public transport.

Initiative	Impact
Phased introduction of 500 electric buses for Chennai, Madurai, and Coimbatore	Reduces pollution and promotes green energy.
Procurement of 10,182 Diesel BS-VI and CNG buses	Reduces emissions through cleaner technology.
Addition of 1,225 e-buses to MTC under Gross Cost Contract	Strengthens eco-friendly public transport.
Implementation of an electronic ticketing system	Enhances efficiency and passenger convenience.
Installation of rooftop solar panels at STU premises	Reduces energy costs and promotes renewable energy use.
Replacement of conventional/CFL bulbs with LED lighting	Conserves energy across STU facilities.

These initiatives underscore Tamil Nadu's dedication to sustainability, addressing the environmental, social and economic aspects of transportation. By fostering a sustainable and inclusive public transport system, Tamil Nadu's Transport Department is driving progress toward the SDGs while enhancing the quality of life for its citizens.

8. TAMIL NADU MOTOR VEHICLES MAINTENANCE DEPARTMENT

8.1 Introduction

The Tamil Nadu Motor Vehicles Maintenance Department operates 20 Government Automobile Workshops strategically located across the state, including Chennai and district headquarters. Three Regional Deputy Directorates oversee these workshops. This department functions under the leadership of the Director, who serves as the department head.

The Government Central Automobile Workshop in Chennai managed by General Manager, plays a critical role, maintaining vehicles used by the Hon'ble Chief Minister's convoy, Hon'ble Ministers, VVIPs, Secretaries to the Government and other officials. This facility also caters to the maintenance of advanced, fuel-efficient and safety-focused hi-tech vehicles acquired by state government departments.

Additionally, three Regional Workshops in Tiruchirappalli, Madurai and Salem are managed by Regional Deputy Directors. Other unit offices across the state are supervised by Automobile Engineers or Technical Assistants/General Foremen, depending on their location.

8.2 Objectives

The department manages the repair and maintenance of 20,449 Government vehicles State-wide, ensuring cost-effective and efficient services. Key facilities include:

- Secretariat Service Station: Handles minor repairs and refuelling for VIP vehicles near Chennai Secretariat.
- Fuel Disbursing Bunks: A network of 10 fuel stations managed by the department.

Apart from vehicle maintenance, the department is tasked with inspecting, valuing and disposing of confiscated vehicles from various departments, including Prohibition & Excise, Judicial, Forest, Police, Revenue and Civil

Supplies CID, in compliance with Government orders.

To improve service quality and reduce downtime, the "Modernisation and Upgradation of Government Automobile Workshops" initiative was launched for workshops in Chennai, Tiruchirappalli and Villupuram. Announced in the 2022-23 State Legislative Assembly, for Rs.70.73 lakh scheme was inaugurated on 28th February 2024.

Driver Training Centres are functioning at Government Automobile Workshops in Madurai, Trichy and Salem to provide refresher training for drivers of Government department vehicles. In 2024-25, the Hon'ble Minister for Transport announced infrastructure facilities for accommodating drivers attending training at the Madurai centre at a cost of Rs.50 lakhs and the tender process has been completed.

Government Mobile Workshops operate at Madurai, Trichy, Thanjavur, Dindigul, Salem,

Tirunelveli, Dharmapuri, Kanchipuram and Vellore to service Government vehicles, in areas where Government Automobile workshops are not available. Additionally, in 2024–25, a new Mobile Workshop was announced for Coimbatore to cater to the maintenance needs of vehicles operating in Tiruppur district. This scheme was inaugurated on 12.04.2025.

8.3 Achievements

The department undertook repairs for 28,945 vehicles during the financial year 2024-2025 (from 1st April 2024 to 28th February 2025). Additionally, 1,305 vehicles Government Department vehicles were condemned across various categories, as detailed below:

Vehicle Category	H.M.V.	Car	Jeep	Van	M/C	Total
Condemned Vehicles	174	109	381	93	548	1,305

Through its systematic maintenance efforts and modernization initiatives, the Tamil Nadu Motor Vehicles Maintenance Department ensures

the optimal performance and longevity of Government vehicles, supporting various administrative functions of the Government across the state.

9. INTER-DEPARTMENTAL COORDINATION FOR RAILWAY PROJECTS IN TAMIL NADU

Transport Department acts as Nodal Departmental for acquiring lands for Southern Railways projects viz; Formation of New Railway line, Doubling of Railway line and Gauge conversion in the State of Tamil Nadu in liaison with District Collectors and Commissioner of Land Administration.

9.1 Maniyachi – Nagercoil Doubling of Broad Gauge Railway Line

This project is for laying of 102 km doubling from Maniyachi – Nagercoil. This project covers Thoothukudi, Tirunelveli and Kanniyakumari districts. Government have accorded Administrative Sanction for acquisition of 59.57.95 Hectare of Patta and 4.37.18 Hectare of Poramboke lands for doubling of Railway line between Maniyachi – Nagercoil. Land Acquisition works are under progress. The proposal for

alienation of Poramboke lands is under process at District Level.

9.2 Tindivanam – Nagari Broad Gauge Railway Line

This is the new Broad Gauge Railway line connecting Tindivanam – Nagari for about 184.45 km. This project covers Tiruvannamalai, Ranipet, Tiruvallur and Villupuram Districts. Government have accorded Administrative Sanction for acquisition of 561.82.31 Hectare of Patta and 124.32.19 Hectare of Poramboke lands. The proposal for alienation of Poramboke lands is under process at District Level. Land Acquisition works are under progress.

9.3 Chinnasalem – Kallakurichi New Broad Gauge Railway Line

This is the new Broad Gauge Railway line connecting Chinnasalem to Kallakurichi for about 16 km. Government have accorded Administrative Sanction for acquisition of 46.03.90 Hectare of Patta and 7.70.67 Hectare of

Poramboke lands in Kallakurichi district for formation of New Broad Gauge Railway Line between Chinnasalem – Kallakurichi and Land Acquisition works are under progress. The proposal for alienation of Poramboke lands is under process at District Level.

9.4 Villupuram – Dindigul Doubling of Broad Gauge Railway Line

This is the main artery line connecting North and South of Tamil Nadu and movement of passenger's traffic and goods are very high. Government have accorded Administrative Sanction for acquisition of 146.06.42 Hectare of patta and 34.49.94 Hectare of poramboke lands in 6 districts namely Villupuram, Cuddalore, Perambalur, Ariyalur, Trichy and Dindigul for doubling of Railway line with electrification. The proposal for alienation of Poramboke lands is under process at District Level. Land Acquisition works are under progress.

9.5 Madurai – Thoothukudi Doubling of Broad Gauge Railway Line

This project covers Madurai, Virudhunagar, and Thoothukudi Districts. Government have accorded Administrative Sanction for acquisition of 90.58.02 Hectare of Patta and 21.15.53 Hectare of Poramboke lands for doubling of Railway line between Madurai and Thoothukudi. The proposal for alienation of Poramboke lands is under process at District Level. Land Acquisition works are under progress.

9.6 Kanniyakumari – Thiruvananthapuram Doubling of Broad Gauge Railway Line

This project splits into 3 Units namely Kanniyakumari - Nagercoil, Nagercoil - Eraniel and Eraniel - Parasalai. Government have accorded Administrative Sanction for acquisition of 50.39.02 Hectare of Patta and 6.03.59 Hectare of Poramboke lands in Kanniyakumari district for the Project of Doubling of Railway line between Kanniyakumari – Thiruvananthapuram. The

proposal for alienation of Poramboke lands is under process at District Level. Land Acquisition works are under progress.

9.7 Formation of 3rd and 4th New line between Chennai Beach – Korrukupet

The alignment of this 3rd and 4th lines traverses through districts of Chennai and Tiruvallur and it will help augmentation of passenger carrying capacity of sub-urban rail between Chennai Beach and Gummidipoondi section. Government have accorded Administrative Sanction for acquisition of 0.05.06 Hectare of Patta and 0.21.48 Hectare of Poramboke lands. Land Acquisition works are under progress. The proposal for alienation of Poramboke lands is under process at District Level.

9.8 Formation of 4th New line between Korrukupet and Ennore

Government have accorded Administrative Sanction for acquisition of 0.45.00 Hectare of

Patta and 0.28.68 Hectare of Poramboke lands in Chennai District. Land Acquisition works are under progress. The proposal for alienation of Poramboke lands is under process at District Level.

9.9 Formation of New line between Morappur and Dharmapuri

This is the new line connecting Morappur to Dharmapuri for about 36 kilometer. Government have accorded Administrative Sanction for acquisition of 78.55 Hectare of Patta and 13.43.26 Hectare of Poramboke lands in Dharmapuri district for the formation of New line between Morappur and Dharmapuri. The proposal for alienation of Poramboke land is under process at District Level. Land Acquisition works are under progress.

9.10 Formation of New Broad Gauge Railway Line between Chengalpattu and Villupuram

Government have accorded Administrative Sanction for acquisition of 2.89.14 Hectare of Patta and 3.39.03 Hectare of Poramboke lands in Chengalpattu District for the formation of New line between Chengalpattu and Villupuram. The proposal for alienation of Poramboke lands is under process at District Level. Land Acquisition works are under progress.

10. THE INSTITUTE OF ROAD TRANSPORT

10.1 Introduction

The Institute of Road Transport (IRT) was established in Chennai in 1976 as a society under the Societies Registration Act, 1860. It primarily focuses on applied research and provides refresher training for employees of State Transport Undertakings (STUs). Key areas of work include traffic management, road safety, transportation systems, bus system administration and procurement.

10.2 Heavy Vehicle Driver Training Schools

IRT currently operates Heavy Vehicle Driver Training Schools in Gummidipoondi and Tiruchirappalli, along with 15 other centers in collaboration with STUs at the following locations:

- | | | |
|---------------|------------------|-----------------|
| 1. Tiruvallur | 6. Madurai | 11. Pollachi |
| 2. Vellore | 7. Dindigul | 12. Erode |
| 3. Villupuram | 8. Tirunelveli | 13. Kumbakonam |
| 4. Salem | 9. Nagercoil | 14. Karaikudi |
| 5. Dharmapuri | 10. Virudhunagar | 15. Pudukkottai |

IRT also implements programs supported by the Tamil Nadu Skill Development Corporation, Tamil Nadu Urban Life Mission and Tamil Nadu Urban Habitat Development Board.

Training Statistics (HVDT):

Sl. No.	Description	Number of Candidates Trained		
		Upto 2023 - 24	2024 - 25	Total
1	Gummidipoondi	27,669	239	27,908
2	Trichy	3,498	82	3,580
3	Other TNSTC HVDT Centres	34,012	466	34,478
TOTAL		65,179	787	65,966
4	Refresher Training Programmes - Gummidipoondi Centre	71,349	1,870	73,219

10.3 Light Motor Vehicle (LMV) Driver Training Schools

In 1997, two Light Motor Vehicle (LMV) Driver Training Schools were set up in Chennai and Tiruchirappalli. These center's provide training to the general public, offer refresher courses for department drivers (e.g., Greater Chennai Corporation) and run sponsored programs.

Special Initiative:

The "Women on Wheels" program, supported by the Tamil Nadu Skill Development Corporation, trained 314 women in LMV and auto-rickshaw driving.

Training Statistics (LMV):

Sl. No.	Description	Number of Candidates Trained		
		Upto 2023 - 2024	2024 - 2025	Total
1.	Taramani, Chennai	3,635	600	4,235
2.	Trichy	1,281	20	1,301
TOTAL		4,916	620	5,536

10.4 Skill up-gradation Training Programme

IRT conducts annual skill development courses for STU officers and staff at its Taramani campus.

- 1,956 training programs have been conducted.
- 45,572 employees have been trained.
- Additionally, IRT oversees mandatory departmental examinations for both executive and non-executive STU employees, required for career advancement.

10.5 Publication of IRT

IRT's Research Wing has produced several reports, including:

- An Accident Investigation Manual.
- A method for determining upset prices of condemned vehicles.

IRT also publishes the "Journal of Road Transport", covering topics such as road transport, safety, and accident analysis.

10.6 Procurement activities

IRT acts as the Nodal Agency for procuring essential items for STUs, including chassis, tyres, retreading materials, tickets, lubricants, chassis/buses.

10.7 Material Testing and Quality Monitoring

IRT operates a Material Testing Laboratory capable of testing 54 automobile components based on ASRTU and BIS standards. Additional tests are conducted in collaboration with accredited laboratories.

- Samples tested - 5,932.

10.8 Educational Institutions

IRT has established educational institutions with a reserved quota for children of STU employees, including:

1. Government Erode Medical College & Hospital, Perundurai (formerly IRT Perundurai Medical College & Hospital).
2. Government Engineering College, Erode (formerly Institute of Road and Transport Technology).
3. Government Polytechnic Colleges at Chromepet, Bargur and Tirunelveli.

Institutional Milestones:

- The Medical College was transferred to the Health and Family Welfare Department in 2019-20.
- The Engineering College became a Government institution in 2021-22.
- The Polytechnic Colleges transitioned into Government institutions in 2022-23.

Graduates (to date):

- Doctors: 1,969.
- Graduate Engineers: 11,648.
- Diploma Engineers: 13,135.

**11. TAMIL NADU MOBILITY AND LOGISTICS CORPORATION LIMITED (TNMLC)
(Formerly PALLAVAN TRANSPORT CONSULTANCY SERVICES LIMITED)**

Tamil Nadu Mobility and Logistics Corporation Limited (TNMLC), formerly known as Pallavan Transport Consultancy Services Ltd (PTCS), was established in April 1984 as a Government of Tamil Nadu undertaking. The company has an authorized share capital of Rs.50.00 lakhs and a paid-up share capital of Rs.10.00 lakhs. TNMLC is committed to providing high-quality consultancy services in the field of road transport.

To date, TNMLC has successfully executed about 67 consultancy projects across diverse domains, including Traffic and Transportation Engineering, Intelligent Transportation Systems and Digitization. These projects have significantly enhanced the company's stature and fostered its growth and development. Some of the notable

projects undertaken by PTCS that are under ongoing monitoring, including

1. Online Ticket Reservation System (OTRS) for Tamil Nadu State Transport Undertakings
2. Integrated Passenger Grievance and Complaints Redressal System for Tamil Nadu State Transport Undertakings
3. Unified Website for Tamil Nadu State Transport Undertakings branded as “Arasu Bus”

During the financial year 2024-25, the Government have introduced a renewed focus on the Tamil Nadu Mobility and Logistics Corporation Limited by assigning responsibilities for several new initiatives that are being actively monitored. The key areas of focus include:

1. Monitoring the Implementation of Automatic Fare Collection System
 - Introduction of a Point-of-Sale (POS) based ticketing system across 8 State Transport Undertakings (STUs).

2. Transition to Alternate Fuel for Bus Operations
 - Promoting eco-friendly and cost-effective operations by converting existing diesel buses to CNG-fuelled buses using CNG kits.
 - Implementation and monitoring of this transition in all STUs.
3. Introduction of Logistics and Cargo Operations
 - Initiating logistics and cargo services utilizing Tamil Nadu State Transport Corporation buses under Public Private Partnership mode
4. Monitoring the Issuance of Student Bus Passes
 - Leveraging Educational Management Information System (EMIS) data to facilitate the issuance process for student bus passes.
5. Online Bus Pass Issuance for Beneficiary Groups
 - Facilitating the issuance of bus passes through online systems for the following groups:
 - Differently Abled Individuals
 - Freedom fighters.
 - Tamil Scholars etc

6. Online Bus Pass Issuance for Police Personnel
 - Implementing district-specific bus pass issuance for police personnel up to the rank of Inspector through an online platform.
7. Implementation of TNGIS in STUs
 - Rolling out the Tamil Nadu Geographical Information System (TNGIS) in STUs in collaboration with the Tamil Nadu e-Governance Agency (TNeGA).
8. EV Charging Infrastructure Development
 - Establishing electric vehicle public charging stations under the PM E-DRIVE scheme.
9. Monitoring Installation of Retail Outlets at STU Premises
 - Establishment of retail outlets within STU premises to enhance resource utilization and generate additional revenue streams.

To better reflect the expanded scope of PTCS activities and align more effectively with the

Government's vision for passenger mobility and logistics solutions, "Pallavan Transport Consultancy Services Limited" was renamed as "Tamil Nadu Mobility and Logistics Corporation Limited" as per G.O (Ms) No.151, Transport (T1) Department, dated 30.12.2024.

12. CONCLUSION

Shaping the Future: Transforming Tamil Nadu's Public Transport for Sustainable Mobility

Tamil Nadu's public transportation system remains the backbone of daily travel, managing an extensive network of 10,121 bus routes and 18,674 services across the State through eight State-owned Transport Undertakings. On special occasions, the fleet size increases to 20,508 buses, collectively covering 82 lakh kilometers daily and serving 1.85 crore passengers. Despite escalating operational costs and financial challenges, ticket prices have remained affordable since 2018, reflecting the Government's commitment to accessible mobility.

The modernization of public transport is advancing steadily, with 11,907 new buses sanctioned up to FY 2025-26. This includes 9,436 diesel buses, 746 CNG buses and

500 electric buses. In addition, 625 electric buses, along with 600 more for Chennai, are being procured under the Gross Cost Contract model. To improve passenger comfort, 1,500 fully renovated buses have already been introduced. For FY 2025-26, plans include the renovation of 754 buses and facelifts for 1,419 buses. Meanwhile, trials for CNG buses are ongoing and 1,000 existing diesel buses are set to be retrofitted for CNG operations.

Under the flagship Vidiyal Payanam scheme, over 673 crore rides by women, 38.85 lakh rides by transgenders and 5.70 crore rides by differently-abled individuals along with escorts have been recorded, significantly reducing transport costs for economically disadvantaged groups and enhancing their access to work, healthcare and social networks. Women beneficiaries save an average of Rs.888 monthly,

underscoring the scheme's socio-economic impact.

The integration of advanced technologies, including real-time tracking, cashless transactions and National Common Mobility Card (NCMC), is transforming the commuter experience. Efforts like CCTV monitoring, panic buttons and TNGIS for route optimization aim to enhance safety and operational efficiency. Meanwhile, non-fare box revenue initiatives, such as modernized depots under PPP models, advertising, e-charging stations and fuel retail outlets, are improving financial viability.

In addition to safety enhancements like converting all buses to door-equipped models, the Government plans to provide first and last-mile connectivity with smaller vehicles, ensuring an inclusive transport network. With a robust focus on sustainability through Viability Gap Funding

(VGF), road safety measures and a transition to cleaner energy, Tamil Nadu is building a resilient, future-ready transport system that prioritizes safety, affordability and accessibility for all citizens.

S.S. Sivasankar
Minister for Transport

ANNEXURE

DEMAND No. 48

TRANSPORT DEPARTMENT

BUDGET ESTIMATE 2025-2026

(Rupees in thousands)

Sl. No.	Head of Department	Revenue	Capital	Loan	Total
1	Transport Department Secretariat	8,480,63,34	3,571,21,02	830,80,09	12,882,64,45
2	Motor Vehicles Maintenance Department	81,13,88	50,00	--	81,63,88
Total		8,561,77,22	3,571,71,02	830,80,09	12,964,28,33



The Hon'ble Chief Minister of Tamil Nadu flagged off 105 new buses for public use on behalf of the Tamil Nadu State Transport Corporation, Kumbakonam, at the Government function held in Nagapattinam on 03.03.2025.



As part of the Silver Jubilee celebrations of the Thiruvalluvar Statue in Kanyakumari, organized by the Department of Information and Public Relations, the Hon'ble Deputy Chief Minister flagged off the awareness buses on 24.12.2024 at Pallavan House, Chennai.



School student Darshini flagged off the new bus service from Ammannambakkam to Ananthamangalam for the benefit of students from Olakkur Union, Ammannambakkam village in Villupuram district. On 09.12.2024, she met the Hon'ble Deputy Chief Minister of Tamil Nadu and expressed her gratitude for providing the bus facility.



As part of an initiative funded by the German Development Bank (KfW) to modernize and promote environmentally friendly urban transportation services, the Hon'ble Minister for Transport inaugurated 25 new BS-VI low-floor city buses at the Central Depot of the Metropolitan Transport Corporation on 09.10.2024.



A meeting was held on 21.10.2024 at the Secretariat, chaired by the Hon'ble Minister for Transport, to review the special arrangements and operation of special buses for Deepavali 2024.



Hon'ble Minister for Transport of Tamil Nadu, along with Hon'ble Minister for Transport of Kerala, inaugurated the new luxury bus service from Vaikom Father Periyar Memorial to Velankanni during the Vaikom Struggle Centenary Celebration on 01.01.2025.



Hon'ble Minister for Transport chaired a meeting on 06.01.2025 at the Secretariat to review special arrangements and operation of special buses for the Pongal Festival 2025.



The “Singara Chennai Travel Card” for public use, developed in collaboration with the State Bank of India (SBI), was launched by the Hon'ble Minister for Transport at the MTC Central Depot on 06.01.2025.

