

CITY BUS OPERATIONS ON PPP



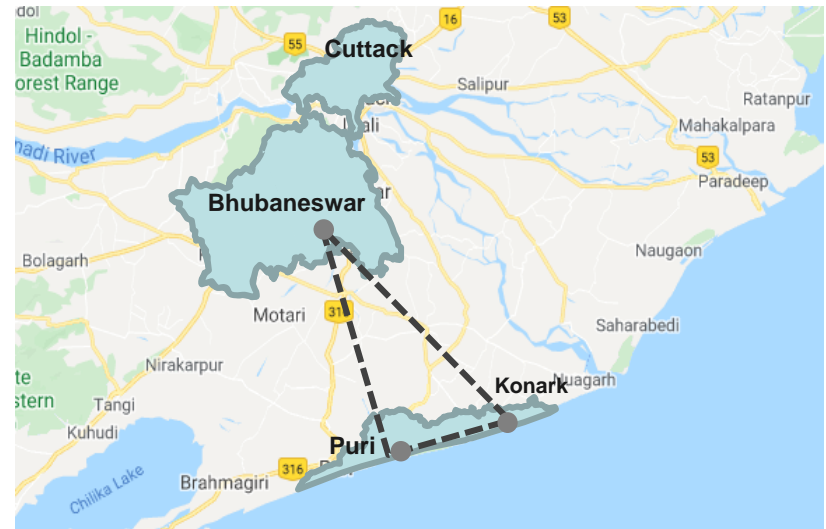
Arun Bothra, IPS
Managing Director, CRUT
Bhubaneswar, Odisha

PRESENTATION PLAN

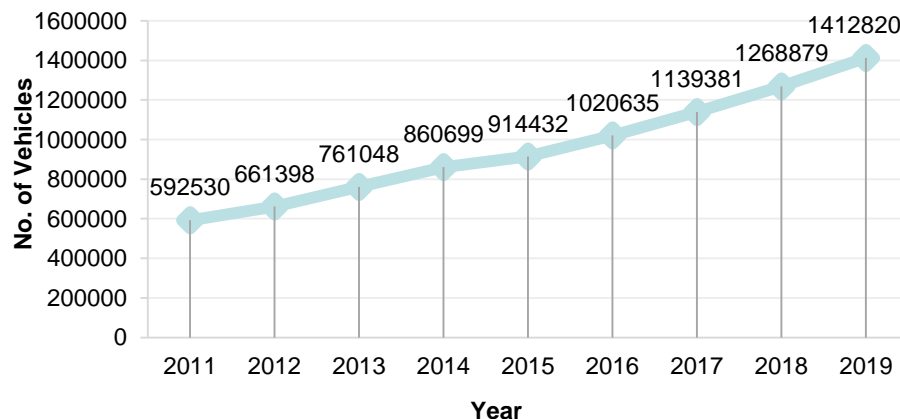
- **Introduction**
- **The Beginning**
- **Role of CRUT**
- **Role of Pvt. Operators**
- **Role of RCA**
- **Benefits of PPP Model**
- **Issues with the PPP Model**

BHUBANESWAR, INDIA'S TEMPLE TOWN

- 0.9 million+ residents (*census 2011*)
- Part of the 'Golden tourism triangle'- Bhubaneswar, Puri and Konark
- Educational hub with institutions like- IIT, NISER, AIIMS and NIFT etc.



Registered Vehicles (2011-2019) in Bhubaneswar



- 15% annual growth rate of vehicles
- 12% passenger trips are made by public transport (bus service)
- Rapid urbanisation; parking woes, air and noise pollution and traffic congestion

Formation of the SPV: Capital Region Urban Transport (CRUT)

CRUT has mandate to -

- a) Plan
- b) Procure
- c) Manage and Operate public transport systems in Capital Region of Odisha i.e. Bhubaneswar, Khurda, Cuttack and Puri-Konark.

Services provided by CRUT -

- a) MO Bus
- b) Electric Bus (up-coming)
- c) E-Rickshaw's (up-coming)

'MO Bus'** in Odia means **'My Bus'



The Beginning

- ☐ **Soft loan – The private operator has procured the buses with soft from CRUT. This has relieved financial burden of the operator.**
- ☐ **Temporary Depots – Temporary depots were constructed on the Govt. Land for immediate starting up of Bus Operations.**
- ☐ **Area Based Permit given by the government which has helped in flexible planning of routes in the defined area.**
- ☐ **Office Setup and Monitoring Mechanism**
- ☐ **Ancillary Infrastructures – Construction of OD Terminal and Bus Queue Shelters**
- ☐ **The BQS are managed by advertisement agency. The revenue collected from BQS are shared between CRUT and Bhubaneswar Municipal Corporation.**

Roles and Responsibilities of Operator

Vehicle Procurement is done by the Operator

- ☐ Manpower Engagement – Drivers engaged as per the Motor Vehicle Act**
- ☐ Maintenance Activities - The operator provides manpower, all equipment, fuel, consumables, machine or material that is required for the uninterrupted and smooth operation**
- ☐ Others - The operator has to pay the amount towards Motor Vehicle tax, insurance, registration fees. The SPV pays the permit fees and provides administrative support for getting the permits.**
- ☐ Operation of Depots – Putting in place all infrastructure and manpower**

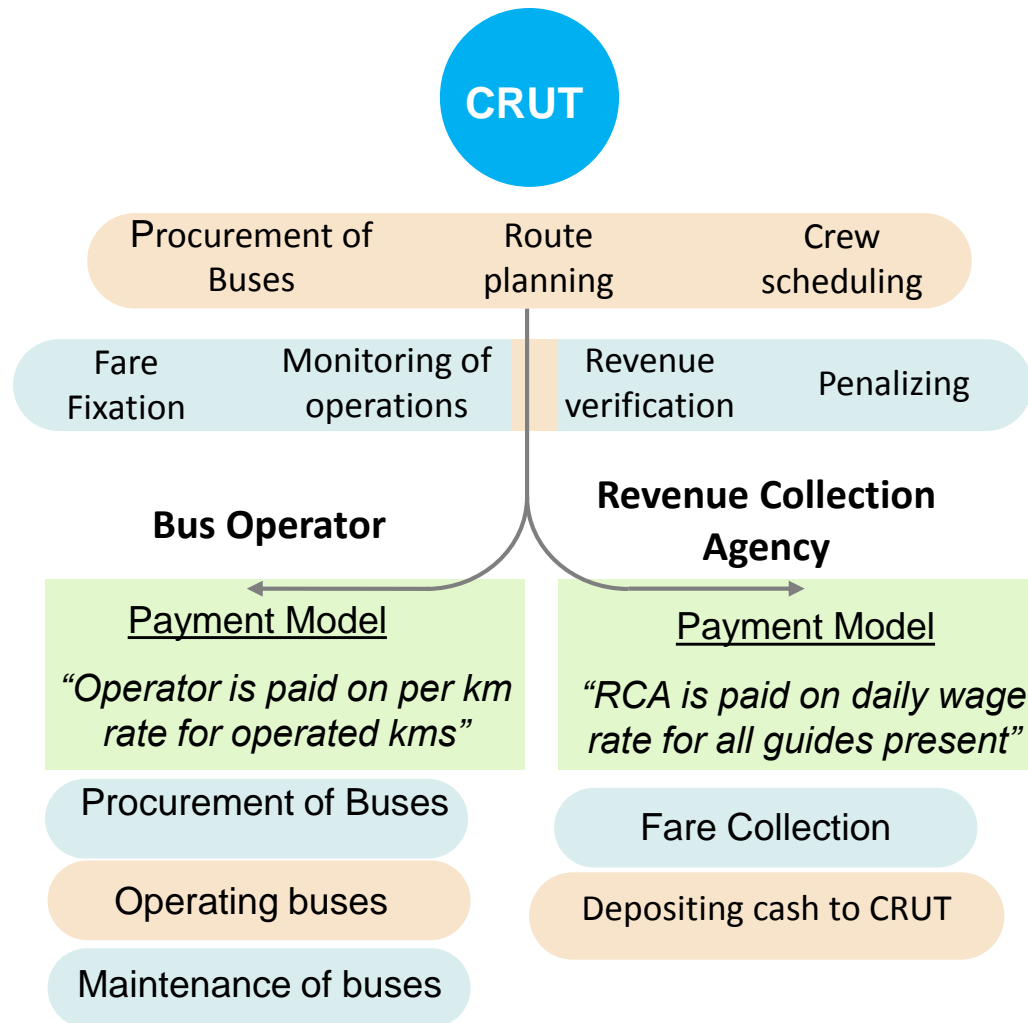
Roles and Responsibilities of RCA

- ☐ **Manpower – Bus Guides(conductors) are engaged for collection of revenue as per the SOP of CRUT**
- ☐ **Ticketing – The Bus Guides ensure ticketing and deposit the same with CRUT after end of each shift.**
- ☐ **RCA is penalized for any case of ticketing pilferage**

Roles and Responsibility of CRUT

- ☐ **Route planning and Service Optimization**
- ☐ **Time scheduling and fare fixation**
- ☐ **Monitoring of service quality**
- ☐ **Adhering to the Service level agreement**
- ☐ **Technical development**
- ☐ **Capacity Building**
- ☐ **Communication and Marketing**

Gross Cost Contract Model



Journey so Far

- ☐ **The service quality is ensured by frequent inspection of the Technical Inspectors of CRUT and stringent penalties and fines for poor service quality.**
- ☐ **To check the pilferages Revenue Assurance Team (RAT) is created.**
- ☐ **Permanent Depot Construction. The Bus Depots are to be developed through the Bus Operator. Funding is provided by the SPV.**
- ☐ **Constant feedback form Passengers**
- ☐ **Strong Grievance Redressal Forum**
- ☐ **The Communication Cell**

Issues with the PPP Model

- ☐ Government has to subsidize heavily
- ☐ Ticketing is an issue
- ☐ Mobile App
- ☐ Resistance from private players; Morale of work force
- ☐ PPP model gets the success only if we accept the operators and RCA as partners. Here in CRUT, we consider them as part of our Family and ensure their participation in decision making and in all the events.

During Pandemic

Pandemic related issues were not included in the cost factor in the original contract. However all the three parties proactively contributed to meet the exigencies.

- ☐ **Sanitization at the end of every trip and also deep sanitization at depots during night.**
- ☐ **Provision of buses for pickup and drop off for 104 Emergency Services.**
- ☐ **Cashless transaction**
- ☐ **No mask no entry**
- ☐ **No standing passengers**
- ☐ **Communication to citizens**
- ☐ **Limited services**



THANK YOU!

