



SECRETARIAT, THIRUVANANTHAPURAM

004750

GOVERNMENT OF KERALA

Abstract

Transport Department – Administrative sanction for the construction of Bus Terminal-cum-Shopping Complex at Thiruvalla Kerala State Road Transport Corporation Bus Stand as a joint venture of Kerala State Road Transport Corporation and Kerala Transport Development Finance Corporation on BOT basis – Sanction accorded – Orders issued.

TRANSPORT (A) DEPARTMENT

G.O. (MS) 5/2010/Tran.

Dated, Thiruvananthapuram, 23.1.2010

Read: 1) Letter No. KTDFC/BOTP/TULA/2009 dated 16.11.2009 from
Managing Director KTDFC.

2) Letter No. AB4/021148/08 dated, 18.11.2009 and 14.12.2009 from
Chairman and Managing Director, KSRTC.

ORDER

The Managing Director, Kerala Transport Development Finance Corporation in the letter read as 1st paper has informed that KSRTC has identified the project for construction of Bus Terminal-cum-Shopping Complex at the premises of KSRTC Bus station, Thiruvalla. The project envisages construction of two blocks, the main Bus terminal building at estimate cost of Rs.30 crores and the garage block at Rs.5 crores (Total - 35 crores) . Plinth area of the two blocks together is 24,495M². Project cost now assessed is based on the rough cost estimate and it may increase by about 10% on finalizing the specifications and working out the detailed estimate.

The Chairman and Managing Director, KSRTC in the letter read as 2nd paper, has informed that the Board of Directors of KSRTC, in their meeting held on 19.10.2009 decided to implement the Bus Terminal-cum-Shopping Complex project under BOT Scheme by Kerala Transport Development Finance

Corporation after conducting a detailed Financial viability study and satisfying all the terms and conditions stipulated in the GO(MS) No. 42/07/Tran dated 2510.2007. As per the financial viability study report, the total project cost works out to 35 crores and the completion period of the project will be 24 months. Out of the overall cost of 35 crores, 16 crores is proposed to be collected as rent from tenants as interest free deposit as advance. The balance amount of Rs. 19 crores is proposed to be taken as loan from Bank. The loan amount will be paid back in 25 years and the profit will be divided equally every year by Kerala State Road Transport Corporation and Kerala Transport Development Finance Corporation after deducting recurring expenses.

Government, after having examined the proposal in detail, are pleased to accord sanction for the work of construction of Bus Terminal-cum-Shopping Complex at Kerala State Road Transport Corporation Bus Station, Thiruvalla for a rough estimate amount of Rs. 35 crores, on the following terms and conditions and with no financial liability to Government of Kerala.

1. The Thiruvalla Bus Terminal cum Shopping complex project shall be implemented on BOT basis as a joint Venture of the KSRTC and the KTDFC, to be hereinafter referred to as the BOT Operator.
2. Erection of adequate facilities towards parking of light vehicles, bus bays, garages, office space, retiring rooms for crew, washing ramp, inspection pit, fuel pump, canteen courier room, public toilet, washrooms for passengers, Commercial space, underground car parking, space for ATM counters, etc. is envisaged.
3. The BOT Operator should guarantee that the first phase of the project completion be achieved and handed over to Kerala State Road Transport Corporation on a date not later than 12 to 18 months from the date of commencement of construction of the project. (First phase consists of construction of structures for the exclusive use of the Kerala State Road Transport Corporation, such as garage, retiring rooms, bus bay etc., ie a period of 12 to 18 months and the 2nd phase of 24 months to 30 motnhs).
4. The project has been designed in all respect by the KSRTC and implementation of the project will be based on the approved design and drawings. The BOT operator shall not be allowed to change the designs without the prior approval from the Kerala State Road Transport Corporation.
5. The BOT Operator shall appoint a Project Manager, such other engineers and supervisors as it may deem appropriate to supervise the project and to deal

with the KSRTC representative and be responsible for all necessary exchange of information required and costs in this connection will be charged to be project cost.

6. The BOT operator shall be granted all applicable permits and the BOT Operator shall provide certified true copies of all documents related to this project to the KSRTC and costs in this connection will be charged to the BOT project cost.
7. The BOT Operator shall obtain and maintain in force all insurance in accordance with the provisions and good industry practice and shall be responsible for any mishap and resulted tortuous liability, which may cause inconnection with the construction and operation of the project and the cost in this connection will be charged to the BOT project cost.
8. The project development expenses such as fee of the architect engaged by the Corporation as Consultant/Architect engaged by the Corporation as Consultant/Architect being paid @ 2.5% of the estimate amount of the project plus service tax applicable and other taxes if any leviabale in future as and when paid will be reimbursed to the Corporation by the BOT operator and charged to the BOT Operator.
9. In consideration of the grant of permission for the construction of this bus terminal project in the land of KSRTC, the BOT Operator shall pay KSRTC an operating fee (Annuity) @50% of the net monthly income (income after deducting all expenses related to operation and maintenance of the building, the rate of which will be fixed on agreement between KSRTC and KTDFC Ltd) generated from the BOT project after the construction period. After commissioning of the project is over, the said annuity would be paid to KSRTC on a quarterly basis.
10. The BOT Operator shall operate and maintain the entire bus terminal complex by itself, modify, repair or otherwise make improvements to the bus terminal complex with the concurrence of KSRTC to comply with the specifications and standards and the costs in this regard will be charged to BOT Operator. Maintenance of garage, inspection pit, washing ramp and retiring rooms for crew etc. will be borne by the KSRTC.
11. The responsibility to raise funds for the project would vest with the BOT Operator.
12. The BOT Operator shall maintain full accounts of all fees including realizable fees and other revenue derived/collected by it on account of use of the bus terminal complex and of operation and maintenance expenses and other costs paid and shall provide to KSRTC copies of said accounts duly audited and certified by the auditors appointed by the BOT Operator.

13. The BOT period will be the duration of the operating period of the project till the total project cost and the Rate of Interest (ROI) of the period (which shall be fixed by KTDFC and approved by the Government) is realized fully from the project by way of net rental income generated and collected by the BOT Operator from the BOT project after payment of annuity to KSRTC.
14. During the entire BOT period, the above mentioned annuity will be paid to KSRTC and when the BOT Operator cost and ROI is fully realized by the BOT Operator, this BOT Project will be terminated by mutual agreement between KSRTC and BOT Operator.
15. The BOT Operator shall be responsible for all the defects in the bus terminal complex for a further period of 12 months after the end of the BOT period.
16. The BOT Operator shall hand over the bus terminal complex to KSRTC after vacating the tenants and occupants who are required to be vacated by KSRTC and free from all encumbrances (including security deposits) in respect of the vacated tenants upon the expiry of BOT period. The tenants and occupants who have agreed to be continued on mutual consent (between the tenant and Kerala State Road Transport Corporation) shall remain at the time of handing over of premises at the end of the BOT period and the security deposits of such tenants shall also be handed over to KSRTC.
17. In case the BOT Operator fails to complete the construction of the project within the stipulated period, the KSRTC shall be at liberty to hand over the project to any other concerns as it desires and all costs incurred up to that period of time along with the interest at the rate fixed as above on cost of fund will be refunded to the BOT Operator less additional cost if any incurred by KSRTC to complete the project, from the future revenue of the project after proper audit of accounts by the authorized representatives of both the parties. In such an event, the KSRTC will not be liable to pay any interest to the defaulted BOT Operator for the period till completion of the project by the 3rd party and start its operation.
18. Neither party shall be liable in damages or have the right to terminate the agreement for any delay or default is caused by conditions beyond its control including Acts of God, Government restrictions (including the denial or cancellation of any necessary license), wars, insurrections and / or any other cause beyond the reasonable control of the party whose performance is affected.
19. During the construction period if any permission for the project is not obtained or delayed, the said delay so caused will commensurately be added along with the construction period of the said project and schedule of the construction will be modified to that extent.

20. Once the user specifications of KSRTC are finalized and handed over, KSRTC and the architects of KSRTC shall be fully responsible for providing all final technical drawings and other documents to KTDFC for inviting tenders and there shall be no change on account of alteration in specifications in the drawings, thereafter, ie., after the initiation of tender proceedings by KTDFC.
21. Site shall be handed over to KTDFC by KSRTC free of all kinds of encumbrances including cutting of trees in the proposed area of construction to enable immediate commencement of construction. Any delay caused by KSRTC on handing over of site, or for obtaining permits thereon, shall lead to extending the project period commensurately.
22. In case of any dispute regarding the interpretation and effect of any of the terms and conditions herein contained, the decision of the Government on any such dispute shall be final and binding on both parties.

By Order of the Governor

DR. W. R. REDDY,
SECRETARY.

To

- 1) The Managing Director, KTDFC, Thiruvananthapuram.
- 2) The Chairman and Managing Director, KSRTC, Thiruvananthapuram.
- 3) The Accountant General (A&E/Audit), Thiruvananthapuram .
- 4) Finance Department (Vide UO No. 90323/PU/A4/09/Fin, dated 30.12.2009).
- 5) General Administration (SC) Department (Vide item No. 4177 dated 20.1.2010)
- 6) SF/OC

Copy to :

- PS to the Minister for Transport.
- ✓ The Information and Public Relations Department (for publishing in Government Website)

Forwarded by Order

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Section Officer

IPR(A) Dept

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