

Andhra Pradesh State Road Transport Corporation

No.C2/541(33)/2019-Dy CM(C-2)

Office of the VC&MD,
RTC House,
Vijayawada-520 013.

Circular No. 02/2022-OPD(C), Dt. 27.04.2022

Sub: **APSRTC Logistics** – Revision of commission to the Authorized Parcel Booking Agents (APB Agents) and other procedures for enrollment of Agents – Instructions issued – Reg.

APSRTC Logistics realized gross revenue of Rs.122.19 Cr. in 2021-22, the highest revenue since taking over of logistics business by APSRTC in 2016 and this is against target of Rs.150 Cr. A target revenue of Rs.250 Cr. is fixed for the current financial year 2022-23 duly taking into the latest business trends and the available market potential for logistics business into consideration.

The present level of business of Rs.122 Cr. realized in 2021-22 even during Covid-19 pandemic situation prevailed in 1st quarter of the financial year can be naturally increased to Rs.150 Cr. with present favourable circumstances and introduction of door delivery service in September, 2021. The need is to generate additional revenue of Rs.100 Cr. with managerial interventions. Rs.50 Cr. additional revenue is to be generated on Parcels, Rs.30 Cr. on Couriers & Rs.20 Cr. on Contract bookings, DGT bookings, Government Departments business etc.

In order to generate additional revenue of Rs.50 Cr. on parcels, there is need to increase parcel bookings from existing 21,000 to 38,000 per day. For the present, agents are booking 1/3rd of parcels and the remaining are booked in PACS (Parcel & Courier Service) counters in Bus Stations maintained by contractors. Increase of agent network is an important trigger point for increase of parcel bookings. At present, the existing 422 agents are performing over 30% of parcel business and the need of the hour is to increase agent network to 1000 to achieve target revenue. At present, there are 422 active agents only in the State where 672 Mandals and 17,286 revenue villages are there, out of which, 14,123 villages are connected through our bus network. So there is ample scope for increase of agent network.

During performance review meeting with EDs(Z), RMs/DPTOs, the field officers expressed that most of the agents located in rural areas are unable to meet the fixed expenditure (hired accommodation, PC & Printer, electricity & internet charges, operator wages etc.) for maintaining a parcel counter with 10% commission on net revenue and hence, requested for enhancement of agent commission and for reduction of Security Deposit.



:2:

This aspect has been reviewed thoroughly. In order to increase agent network in the State and also business output from them, the following interventions that are needed are approved with concurrence of FA&CAO.

1. Enhancement of Agent Commission:

The rates of commission for different activities performed by authorized parcel booking agents were revised vide Circular No.01/2019-Comm, Dt.29.07.2019. A commission of 10% on net revenue for booking of parcel and 2% on net revenue for receiving the parcel are fixed.

Now it is approved to increase the commission for booking of parcels & couriers by authorized parcel booking agents from the existing 10% to 15% on net revenue as furnished below:

S. No.	Activity	Existing Commission	Revised Commission
1	Booking	10% of net revenue	15% on net revenue
2	Receiving	2% of net revenue	No change
3	Transshipment	2% of net revenue subject to an upper limit of Rs.5/-.	No change
4	To-pay	Rs.2.50 for booking / receiving. Rs.2/- for booking / receiving and Re.1/- for transshipment.	No change
5	Shipment handover	8% to Agent & 2% to PACS contractor	13% to Agent & 2% to PACS contractor

2. Reduction of Security Deposit for Agents enrollment:

Vide Circular No.13/2017-OPD-Comm-2, Dt.27.05.2017, the following refundable Security Deposits were prescribed for logistics business facilitators.

For LBFs at villages & mandal Hqrs	:	Rs.5,000
For LBFs at RDO Hqrs, District Hqrs, RJY, VJA & TPT	:	Rs.10,000
For LBFs at interstate locations	:	Rs.10,000

Subsequently, vide Lr.No.C2/541(63)/2018-Dy.CM(C), dt.26.12.2018, the Security Deposit for LBFs at villages and mandal Hqrs is reduced to Rs.1,000/- and the others remain unaltered.



:3:

Now it is approved to reduce the refundable Security Deposits for the agents as furnished below:

S. No.	Existing location	Existing Security Deposit	Revised Security Deposit
1.	Villages & Mandal HQRS	Rs.1,000	Rs.1,000
2.	Municipalities	Rs.5,000	Rs.2,500
3.	Corporations & Interstate locations	Rs.10,000	Rs.5,000

Wherever existing ATB Agents are enrolled as Logistics Business Facilitators also no additional security deposit is needed.

All other procedure and conditions remain unaltered.

3. Provision of pickup charges for Agents:

At present, appropriate pickup charges for Agents to bring booked parcels to the nearest Bus Station for loading are being recommended by a Committee consisting of ATM(C), DM & AO. On its approval by RM, it is being communicated to HO for incorporation in software module.

Now, it is approved to regularize the process as follows:

A committee consisting of ATM(C), DM & AO/Finance Supervisor in DPTO office will recommend appropriate location specific pickup charges for agents to bring booked parcels to the nearest Bus Station for loading. On its approval by DPTO, it shall be communicated to HO for incorporation in software module.

Activity	Existing procedure	Revised procedure
Pickup charges	Recommending Committee: ATM(C), DM & AO. Approving authority: RM	Recommending Committee: ATM(C), DM & AO/Finance Supervisor in DPTO office. Approving authority: DPTO

4. Procedure for enrollment of agents in new Districts:

Vide Circular No.13/2017-OPD-Comm-2, Dt.27.05.2017, the procedure of enrolling logistics business facilitators in Regions was prescribed in detail. Now, in light of



reorganization of Regions into new Districts, the following procedure for enrollment of agents is approved.

Activity	Existing procedure	Revised procedure
Enrollment of business facilitator	<p>Recommending Committee: Dy.CTM, DM, ATM(C) & Dy.CAO/AO of Region.</p> <p>Approving authority: RM</p>	<p>Recommending Committee: DM, Depot Traffic incharge & Depot Finance Supervisor.</p> <p>Approving authority: DPTO</p>

All other procedure and conditions remain unaltered.

5. Renaming of LBF as APB Agent:

Vide Circular No.13/2017-OPD-Comm-2, Dt.27.05.2017, the agent is named as Logistics Business Facilitator (LBF). Now, it is approved to rename the agent as APB Agent (Authorized Parcel Booking Agent) on par with ATB Agent (Authorized Ticket Booking Agent).

The above instructions will come into force with effect from 01.05.2022.

The impact of revised commission on volume of business shall be reviewed closely by all concerned field officers.

On enhancement of Agent commission and liberalization of other procedures, all EDs(Z), DPTOs, DMs & other field officers shall make all out efforts to realize targeted Logistics revenue of Rs.250 Cr. in 2022-23.


 27.4.2022
Managing Director

Copy to: All Executive Directors of HO & Zones and FA&CAO for information.

All DPTOs, Dy.CTM, Dy.CAOs and DyCTMs(O&C) for information & n/a.

All DMs, AOs and ATMs(C) for information & n/a.

OSD to MD for information.

All other concerned Officers of Corporation.

