



## ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

No. OP2/200(1)/2022-MED

O/o The VC& MD,  
RTC House, VJA-13.

### Joint MED, SPD & AD Circular No.01/2023-MED, Dt.16.01.2023

Subject: **HSD OIL** - Procurement of HSD oil from local Retail outlets - Instructions issued - Reg.

Ref: Joint MED, AD & SPD Circular No.01/2022-MED, Dt.21.02.22.

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The bulk consumers prices of HSD oil have been increased abnormally by Oil Marketing Companies (OMCs) over and above retail consumer prices w.e.f 16-02-2022. In view of the additional expenditure on procurement of HSD oil w.e.f 16-02-2022, decision was taken to procure HSD oil from local retail outlets at discounted retail selling price(RSP). Accordingly, the joint MED, AD & SPD Circular vide ref. has been issued for implementation w.e.f 22.02.2022. An amount of Rs. 546 Cr. could be saved till 31.12.2022 on procurement of HSD oil from the local retail outlets.

As on 16.01.2023, the bulk consumer price still stood more than RSP by an average of Rs. 2.55 /per liter. Therefore, it is decided to continue to purchase HSD oil from the local retail outlets.

Recently, District Collector (CS), Anantapur, complained on the procurement of HSD by RTC from the retail outlets located at Puttaparthi who is purchasing from Karnataka State and supplying to the Depots of Anantapur district and evading legitimate Taxes to GoAP.

The Chief Commissioner of State Tax requested VC&MD to examine the feasibility of placing the retail dealers on black list, who are indulging in clandestine practices and evasion of payment of taxes, to safe guard the State Government revenue.

Under these circumstances, it is proposed to devise a 'Standard Operating Procedure (SOP) on procurement of HSD from retail outlets. The HODs committee has studied the existing procedure of HSD procurement and recommended the revised SOP for strict implementation.

The following are the details of revised SOP:

**Tender Committee:** The Tender committee consisting of Dy.CME(Zone/ District), Dy.CTM/Dy.CTM(O&C) and Dy.CAO/AO of the District shall finalize a LIST of sources for supply of HSD as per the criteria given below :

- The LIST all the registered HSD retail outlets within the district shall be obtained from the District Civil Supplies Department.
- Additional retail outlets in neighbouring Districts can also be added to the above LIST to get competitive offers for border Depots of adjoining Dist.
- Retail Outlets black listed, if any, shall be deleted from this LIST.
- The LIST of black listed retail outlets shall be obtained from Dy. Commissioner State Tax, Central Enforcement Wing of the District.

**Depot wise Tenders:** The District level tender committee shall call for the Depot wise tenders, from all the registered retail outlets as per the above LIST.

- The Tender form with terms and conditions is enclosed.
- The offers of the retail outlets having valid VAT, GST, PAN & Agreement with OMC, shall only be considered.
- Tenders received if any from Agencies/Firms other than the registered retail outlets covered in the LIST, shall be ignored.
- The initial contract period shall be for '2' months and extendable for another '2' months with mutual consent.
- The contract is liable for termination, in case of non supply/irregular supply, improper quality, regular short receipts of HSD, malpractices or any other violation of terms and conditions, besides "Black Listing" of the retail outlet from participating in future tenders also.
- The Net rate per liter of HSD shall be finalized for each Depot in terms of the instructions vide Circular No.01/2022-MED,Dt.21.02.2022 as reiterated here under:
  1. The retail outlet which quotes the Lowest Net Rate per Liter for a particular Depot, including the special discounts offered by the OMCs like Smart Card/Petro Card etc., will be awarded for that Depot. However efforts shall be made to protect the existing highest discount at which the present supplies are being received.
  2. The rate offered by the retail outlet shall be less than the retail selling price applicable to general public.
  3. The rate offered by the retail outlet shall be less than the bulk price applicable to APSRTC at any point of time.
- While finalizing procurement prices and retail outlets, for adjacent/nearest Depots, the committee shall negotiate to match the lowest net rate or to minimise the difference in net prices of the adjacent/nearest Depots, to the extent possible.
- The Tender committee may reject all offers received for any Depot/all Depots and call for re-tenders, if offers received are not competitive.



- **Quality & Quantity of product:**

The DC/ADC(Oils) & Security Incharge shall check the following:

- a) Specific Gravity(Density) of HSD
- b) Presence of water in truck tanks/ground tanks
- c) Delivery of proper quantity of HSD through dispensing pumps with 5 ltr brass can of APSRTC every day at random.

- **Accounting Procedure:**

- a) The details of HSD top up manuscript register maintained and certified by ADC & Security constable, shall be fed in the Depot computer as per the existing procedure to facilitate generation of reports such as vehicle wise KMPL, MTD-29R etc.
  - b) Out Depot Buses shall also be topped up at the retail outlet on the name of the local Depot and such top ups shall be transferred to the parent Depot every month as per existing procedure.
  - c) The Depot committee consisting of Accountant, Security incharge, Depot Clerk(Oils) and Garage Incharge Supervisor shall verify the records of HSD top up done on the previous day and certify the bill raised by the retail outlet to release payment.
- It is advised to maintain stock of at least 3 days consumption in the Depot ground tanks to top up the vehicles in case of emergency.

The Depot Managers are advised to implement the above instructions with utmost caution without giving scope for any complaints and malpractices.

EDs(Z), DPTOs & Dy. CMEs are advised to ensure implementation of the above instructions scrupulously and cross check the systems followed at Depots during their visits.

These instructions on revised SOP will come into force with immediate effect.

**Enclosed** : Tender form with terms & conditions.

  
20.01.2023  
**Managing Director**

**Copy to:**

ED(A), ED(E), ED(O), FA&CAO & All EDs(Zone) for Information,  
All DPTOs for necessary action,  
CE(IT) for necessary action,  
All Dy.CMEs, V&SOs and DyCAO/AOs of for necessary action,  
All Depot Managers for necessary action.

- In case of price revision by OMCs, the discount offered by the retail outlets shall not be reduced during the period of contract.
- A formal letter of supply/purchase order shall be released by the Depot Manager concerned, based on the approval of DPTO on the recommendations of the tender committee.
- The DPTO may extend the contract for another two months (total contract period 2 + 2 months) based on the recommendations of the Depot Manager.
- Retail outlets shall submit "OMC's invoice" along with the "Bill" for every consignment, so as to measure and compare the actual specific gravity of the product with the specific gravity mentioned in OMC's invoice. In case of any deviation of values over and above the permissible limits, the product shall be rejected. Submission of OMC's invoice will ensure that the supply points are within AP state only and also as a proof of payment of tax to the Govt. of AP.
- The payment to retail outlet will be made on "Next working day from the date of receipt and acceptance of product". Payment will be only through NEFT/RTGS, to the bank account of retail outlet.
- Tenders shall be finalized on 'L1' source only, at each Depot. However, in case of any difficulty expressed in writing by 'L1' source to meet the demand, tender may be awarded to 'L2' source also duly matching with 'L1' net rate.
- The existing procedure for receipt of HSD and accountal shall be followed. Top up of HSD at Retail Outlets shall be in the presence of ADC & Security Constable. Further dispensing pumps of retail outlets shall possess valid Calibration Certificates issued by Legal Metrology Dept., and periodical delivery test shall be carried out with 5 Liters "Calibrated Brass Can" to ensure correct delivery.
- The signed copy of the tender form with terms and conditions shall be obtained from the tenderer (retail outlets) along with other tender documents, where in their declaration is also incorporated as "We also undertake to comply with all the statutory obligations of Govt. of AP(including payment of VAT) and of Govt. of India from time to time".
- Supervision of HSD top-up activity at the identified retail outlet:
  - a) Topping of HSD shall be carried out at the identified retail outlet in the presence of ADC & Security Constable of the concerned Depot.
  - b) ADC & Security Constable shall maintain and certify the records of the HSD topped up in the manuscript register shift wise as per the proforma.
  - c) The quantity of HSD topped up and the name of the retail outlet shall be entered in each Log sheet.



## Tender Form

# ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

Tender No. for procurement of HSD through retail outlets

### Terms & Conditions :

- 1) **Tender process:** Depot-wise commercial bids will be invited from all retail outlets, as per the list.
- 2) **Specifications:** High Speed Diesel (HSD) to be supplied, shall be as per IS: 1460-2017 (VI Revision) meeting BS-VI norms. The product should conform to the revision of specifications by the Govt. of India from time to time.
- 3) **Supply point :** Supplies shall be from within State of Andhra Pradesh only.
- 4) **Bid evaluation criteria:** The retail outlet which quotes the Lowest Net Rate per Liter to a particular Depot, will be awarded that Depot.
- 5) **Price variation clause:** The price revisions (Rs./Liter) as decided by the OMCs as per the rules of the GoI from time to time, will be allowed. The discount offered by the retail outlet for that offer shall be "FIXED" for the entire period of contract/supply irrespective of subsequent price revisions of RSP.
- 6) **Payment terms:** The payment terms will be "Next working day from the date of receipt and acceptance of HSD" and payment through NEFT/RTGS.
- 7) **Contract period:** The initial contract is for a period of '2' months, extendable for another '2' months with mutual consent.
- 8) **Offer validity:** The offer of the tenderer shall be valid for a period of minimum '07' days from the date of opening of the tenders.
- 9) **Termination:** The contract is liable for termination in case of non supply, improper quality/shortages of HSD supplied, malpractices or any other violation of terms and conditions, besides "Black Listing" of the retail outlet from participating in future tenders also.
- 10) APSRTC reserves the right to accept or reject any (or) all offers received in the tender without assigning any reasons.
- 11) APSRTC reserves the right to terminate the contract, if APSRTC Bulk HSD prices fall below the Procurement Price finalized through tenders.