

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

**Office of the VC & MD,
Mushirabad, Hyderabad.
Dt: April 11, 2001**

No. PRD1/745(1)/2001-MED

CIRCULAR No. 9/2001 MED, Dt. 11.4.2001

SUB :— UPSET VALUE - Fixing of upset value for the obsolete model & least serviceable aggregates for sale in "as is where is condition" - Procedure-Reg.

**REF:— 1) Cir. No. 38/96-MED, Dt: 24.10.96
2) Cir. No. 3/98-MED, Dt: 5.2.98**

1.0 After obtaining sanction from the Corporate Office, scrap Vehicles are generally sent from depots to scrap yard duly fitting the scrap units supplied by workshop which are assembled with unserviceable spares. Detailed guidelines were issued through Circulars referred above on fixation of upset values for "scrap units and scrap vehicles". Procedure for assessment of upset value of the aggregates of current model which are fitted with "least service-able" major spares viz., Cylinder head, Crankshaft, FA beam etc., was also stipulated.

2.0 At some workshops, in order to provide adequate floats of aggregates to depots and workshops, least serviceable major aggregates were withdrawn by workshops about 7-8 years back, from the scrap Vehicles of old version i.e., aggregates of 1210, 1510 model Telco Vehicles and aggregates of Ashok Leyland Viking Vehicles fitted with 370 engines. This was done with the approval of Corporate Office to avoid expenditure on procurement of new aggregates for provision of floats to depots and workshops.

3.0 M/ s Telco have brought-in many changes in their Chassis during past few years. They have introduced Air brake system, 24 Volts Electrical system in their 1510 Vehicles. Last year, M/ s Telco have introduced 1512 TC Vehicles. Similarly, M/ s Ashok Leyland have introduced, Hino engine, F/axle of 5 ton type and they have converted both Front and Rear axles into Spigot type.

4.0 The floats of aggregates of old version provided earlier for depots and workshops have become surplus to the requirements as old version fleet is getting replaced year after year with the latest model vehicles.

5.0 Demands from Depots for CO units of the obsolete model have declined drastically. The obsolete model aggregates which are found to be surplus to the requirement have accumulated in workshops and they have been rusting besides giving shabby appearance and causing space problem in the workshops.

6.0 Stripping and re-building of scrap units from accumulated obsolete model aggregates is found to be a futile exercise. After detailed study, it was decided to dispose off the surplus aggregates of obsolete model in "as is where is condition".

7.0 Instructions were given to WMs during the meeting held at Corporate Office on 21.9.2000 to keep small quantities of obsolete model aggregates of different types (say 5 Nos. each) in tender-cum-auction in "as is where is condition". Works Managers were advised to estimate the upset values of the obsolete aggregates as per the guidelines issued through the circulars referred above.

7.1 Accordingly, Works Managers have taken steps to dispose off small quantities of the obsolete model aggregates in "as is where is condition" during Sep. to Dec.2K. These aspects were discussed at length in the Works Managers' meeting held on

22.12.2K&3.4.2001.

7.2 Works Managers have proposed to dispose off these obsolete aggregates at the earliest as any further delay would result in reduction of realisation amounts through sale due to rust formation and deterioration of components of the aggregates.

8.0 After discussing with Works Managers at length, it is decided to follow the procedure as stated hereunder to assess the surplus quantities of obsolete model aggregates for sale in "as is where is condition".

8.1 Requirement of floats of obsolete model aggregates shall be estimated correctly duly involving Dy. CMEs and Dy. CAOs based on the types of fleet held by the Region/ Zone.

8.2 Excess floats of obsolete model aggregates shall be assessed by Works Managers based on the floats reconciliation conducted recently duly keeping 10% additional floats to meet sudden demands.

8.3 Depot-wise requirements of floats of outgoing and current model units shall be assessed afresh and adjusted. The net excess quantities of each obsolete aggregate shall be pooled in workshop duly withdrawing from depots.

9.0 The criteria to be followed for selection of obsolete model aggregates for sale in "as is where is condition" is prepared considering the views expressed by WMs and the same is given below.

9.1 Engine should have completed 10.00 lakh Kms or 10 years of life whichever is earlier, when it was received from depot after rendering CO life. The obsolete engine can be scrapped in as is where is condition if the engine was overhauled previously duly providing Crankshaft of 0.40 undersize and above in respect of Main journals or Pins, or both. In case, the engines fitted with Crankshafts of 0.30 undersize and below are proposed for scrapping in "as is where is condition", Crankshafts of the same model shall not be procured for a period of at least one year.

9.2 Rear axle should have completed 10.00 lakh Kms or 10 years of life whichever is earlier, when it was received from depot after rendering CO life. The obsolete rear axle can be scrapped in as is where is condition if (a)the Crown Wheel 8B Pinion has covered minimum 4.00 lakh Kms if new set was fitted at the time of previous overhaul, (b) atleast one teeth of Pinion/Crown was damaged/ broken beyond repair/retrieval.

9.3 Front axle should have completed 10.00 lakh Kms or 10 years of life whichever is earlier, when it was received from depot after rendering CO life to scrap in "as is where is condition".

9.4 SELF STARTER & ALTERNATOR (12 Volts system)- To the extent possible Works Managers should avail buy-back scheme offered by M/s Lucas TVS and procure 24 Volts system aggregates in exchange of obsolete model aggregates of 12 Volts system.

9.4.1 After exhausting the buy-back scheme, the following criteria shall be adopted to dispose off surplus quantities of 12V system aggregates. The obsolete units can be scrapped in as is where is condition if (a) the Self Starter/Alternator has completed minimum 8.00 lakh Kms of overall life and minimum 0.80 lakh Kms after the previous over-haul.

9.5 FTP & Injectors:- The obsolete model FIP can be scrapped in as is where is condition if (a) the FIP has completed minimum 8.00 lakh Kms. of overall life and 0.80 lakh Kms. from the previous overhaul.

9.5.1 The Injector sets of obsolete model proposed for sale shall be stripped and reassembled with unserviceable Nozzles. The clause "sale in as is where is condition" is

not applicable for obsolete model Injector sets.

10.0 The obsolete aggregates meeting the above requirements and identified for disposal in "as is where is condition" shall be treated as equivalent to scrap which are assembled in workshops duly fitting with all unserviceable/least serviceable spares.

11.0 The guidelines issued through circulars cited at ref.(1) & (2) on fixation of upset values for the scrap units and vehicles stands good. Also, upset values of the out going model aggregates in "as is where is condition" shall be estimated as per the guidelines issued through these circulars i.e., by incorporating additional costs for the least serviceable major aggregates to the upset value arrived treating the unit as unserviceable.

12.0 All WMs, Dy.CMEs and COSs shall take steps detailed above and dispose off the surplus quantities of obsolete model aggregates accumulated in workshops without any delay.

13.0 These instructions come into force with immediate effect.

Sd/-

(R. P. SINGH)

Vice Chairman 8B Managing Director

**\\ ATTESTED **

Sd/-

(P. ARJUNA)

Executive Director (E)