

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

No. TR1 /815(7)/2001 -MED

Office of the VC & MD
Mushirabad, Hyderabad-20.
Date: 13-12-2001.

CIRCULAR No. 37/2001-MED, DT. 13-12-2001.

SUB. :— TYRES - Utilisation of TRS/WL exclusively for recapping of Outsiders tyres - Reg.

The Corporation has started retreading activity in Conventional (HOT) process initially at VJA. HYD & CDP and subsequently established Tyreshops at other places. The advanced Procured (COLD) process technology was implemented during 1989-96 at all Tyreshops. Standardisation of Electrical curing of Procured RC Tyres was done in 1996.

Consequent to introduction of the latest technology and standardisation of recapping methods. RC stage tyre life of the Corporation has increased considerably. Further, repair content per tyre has also decreased considerably throughout the Corporation on account of the improvements brought in by the tyre manufacturers and better tyre maintenance at Depots. Tyre shops at KRMR, WL & VJA., have been working at low proforma Efficiency Levels at the inflow of tyres decreased considerably.

In view of the above reasons, the Corporation has decided to utilise the Tyre shop, Warangal exclusively for processing tyres of Outsiders. Approval of the Board was obtained vide Resolution No. 132/20001, dt. 27-9-2001.

The terms & conditions, the plan of action and modalities for recapping exclusively the tyres of outsiders at TRS/WL are given below.

1. a) Worm smooth tyres with 2mm left over Non Skid Depth on Crown shall be accepted for recapping. Tyres having the following defects/damages shall not be accepted for recapping.

i) Injury size exceeding 2"xl" size on New Tyres and 1"x 1" size in case of other tyres

ii) Deep cuts on wall extending beyond 2 plies, iii) Radial cracks affecting more than 2 plies, iv) Bead chaffing and exposed bead wires.

v) Ply separation or Tread separation.

vi) Chipping on Crown upto breaker plies or damages on side wall.

vii) Circumferential cuts/cracks affecting more than 2 plies.

viii) Loose cards or casing fracture strain marks due to run flat etc.

ix) All signs of going viz., hard casing, weather cracks etc.

b) Tyres shall not be accepted for exclusive repairs, However, the incidental repairs on the tyres accepted for RC are to be attended at additional cost.

2. The rates chargeable inclusive of APGST, for recapping and repairing of tyres are given below.

			<u>Invoice Price</u>
Recapping per tyre	Rs. 1600/-
Repair per patch	Rs.. 142/_

The billing rates are subject to review and revision once in a quarter.

3) Performance Guarantee of 15,000 kms or 45 days whichever is earlier shall be given towards processing defects i.e., against Loose Tread (Tread Lift), Under Cure and Patch Failure. Material being procured for APSRTC consumption shall be applied on the

outsiders tyres. No brand preference shall be entertained.

- 4) The Dealer shall hand over the tyres or process at TRS/WL at his cost along with WORK ORDER in the format prescribed by APSRTC duly giving the particulars of each tyre.
- 5) The Committee consisting of SHC, AVF and Sr. Asst. (F) of Tyreshop, WL shall accept the tyres for process after scrutiny of relevant papers and physical inspection of tyres.
- 6) a) Processed Tyres shall be delivered within FOUR Days. Payment shall be received in full on tyres collection day (i) either in cash or (ii) in the form of Account Payee crossed Demand Draft or Banker's Pay Order drawn in favour of "Dy. Chief Accounts Officer, APSRTC Warangal" payable at State Bank of Hyderabad, Nakkalagutta, Hanamkonda Branch only.
b) Payments shall be accepted from Dealers in the form of cash upto 15.00 hours. The Dy. CAO/WL shall depute one Accounts Supervisor/Senior Assistant (Finance) to Tyreshop on all working days of TRS/WL. He shall receive Cash tendered by the Dealer at TRS and issue Money Receipts. He shall remit the Cash collected every day with a Summary Statement before 12.30 hrs. on the next working day at the Dy. CAO's Office. An Iron Safe and Cash Chest shall be provided for keeping Cash in TRS/WL. In case of payment by cash, tyres shall be delivered from 10.30 hrs. onwards.
c) In case of payment through Demand Draft, Dealers shall remit the same either at Dy. CAO's Office or to the Accounts Supervisor/Senior Assistant (F) at TRS/WL before 12.00 hours. In case of remittance by Demand Draft at Dy. CAO's Office, the Dy. CAO shall deposit Demand Drafts in the Bank and after getting confirmation of clearance and credit. The Dy. CAO shall issue Money Receipt. The AME (Tyres) shall arrange to collect the MRs from Dy. CAO's Office.
d) The Demand Drafts collected by the Accounts Supervisor/Senior Assistant (Finance) at TRS/WL, shall be sent to Dy. CAO's Office by AME(T). Dy CAO's office shall deposit the DDs in bank and issue Money Receipt after ensuring that the amount of the DD is credited to APSRTC. Tyres shall be delivered to party only after issue of Money Receipt. In case of payment by DD tyres shall be delivered from 15.00 hrs. onwards, after issue of Money Receipt.
e) In case any customer is willing to keep amounts ranging from Rs. 1.00 to Rs. 2.00 lakhs with APSRTC as deposit and utilise the same as revolving amount for payment of bills instead of paying several times through DD/cash at the time of each delivery, the same shall be allowed.
- 7) If any party approaches directly, (i. e., without Dealers) with a minimum of 4 tyres they can be accepted for process without insisting for the Security Deposit subject to paying the full recapping cost by the party in advance.
- 8) Tyres are to be lifted by the Dealer within 10 days (including the day on which tyres were delivered at TRS) from the date of acceptance for process. Storage Charges shall be collected in case of delay in lifting processed tyres @ Re. 1/- per day per tyre from 11th day onwards.
- 9) In case of any dispute on the acceptance, delivery, performance guarantee, premature failures etc., the decision of WM (KRMR) is final. Any dispute shall be limited to Warangal jurisdiction.
- 10) A Discount of Rs. 50/- shall be paid per tyre in case the Dealer gives more than 100 tyres in a calendar month i.e., from the 1st tyre onwards. This Discount is also applicable to the Institutional, quasi Govt., Organizations.

- 11) The Committee consisting of WM/KRMR, COS/KRMR and Dy. CAO/WL shall identify interested Dealers to process their tyres at TRS/WL. They shall verify the papers submitted by the Dealers, inspect their office and other establishments and confirm empanelment subject to fulfilling the requirements by 15-12-2001.
- 12) a) An amount of Rs. 25.000/- or Bank Guarantee valid for one year shall be deposited by each Dealer with Dy. CAO/WL before placing the first Work Order.
 b) However, if the party wishes to discontinue the business with APSRTC earlier than an year the Bank Guarantee would be returned at such time duly ensuring that no claims are pending.
- 13) The Sales Tax component shall be shown separately in Invoice and Invoices shall be invariably signed by AME/(T)WL. Assistant Accountant/Sr. Asst. (F) of Tyreshop/WL shall assist AME (T) in preparation of Invoices, Cash and Bank Transactions, preparation of statutory returns to be filed with Govt. Departments. He shall work under the functional control of Dy. CAO/WL. All the statements, Returns etc., related to Sales Tax shall be invariably counter signed by Dy. CAO/WL and submitted to Govt., through Corporate Office.
- 14) a) The composite Purchase Orders released from Contract Cell for procurement of retreading materials from different firms shall be bifurcated and exclusive Purchase Orders shall be placed for TRS/WL as per the specification given by MED.
 b) Transfer of materials from and to TRS/WL should be avoided. However, in case of any emergency transfers, the material should be replaced physically.
- 15) Form C & Form G to be given to the Suppliers shall be prepared and issued by Head Office at the end of the year. All the relevant details necessary for incorporation in these forms shall be submitted by Dy. CAO (WL) to Dy. CAO (SP & A). Corporate Office.

ACCOUNTING PROCEDURE :

- i) After inspection the Estimate for recapping and repairs of each tyre shall be recorded on the Work Order.
- ii) The Dealer/Representative and the person preparing the Estimate shall sign on the Work Order.
- iii) Serial number and Date shall be recorded on each Work Order. The No., of tyres accepted for recapping and repairs as well as date of delivery shall also be indicated on the Work Order.
- iv) 1st copy of the Work Order shall be retained at TRS/WL, the 2nd copy shall go to Accounts Wing and 3rd copy shall be given to the Dealer.
- v) After accepting of tyres for recapping and repairs, the tyres shall be processed on FIRST come First served basis duly maintaining Job Card for each tyre.
- vi) The Invoice cum delivery Challan shall be prepared in quadruplicate as per Annexure-B with distribution as follows.

1st Copy Dealer	2nd copy Accounts
3rd Copy Security	4th Copy Office Copy

The Security shall pass out the processed tyres after verifying the details furnished in Invoice cum Delivery Challan.
- vii) For the purpose of control over Dealers Accounts , Dealers Ledger as per Annexure-C shall be maintained.

viii) Discount @ Rs. 50/- per tyre shall be allowed to Dealer in case the Dealer gives more than 100 tyres in a calendar month right from the 1st tyre itself and this discount has to be conspicuously shown on the invoice.

**Sd/-
Chairman & Managing Director**

Vice

// Attested //
Sd/-
(CH. RAGHAVENDRA RAO)
Executive Director (Engg)