

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

No.C5/243(259)/2004-OPD(C)

Corporate Office
Operations (Commercial) Dept.
Mushirabad,Hyderabad-20

CIRCULAR NO.46/2004-OPD(C),DT.6.10.2004.

Sub :- LICENSING :- Allotment of Canteens, Stalls/Shops, Office accommodation, Cycle Stands at Bus stations and Corporation premises - Reduction in minimum period of doing business - Instructions issued - Regarding.

Ref :- Circular No.17/2003-OPD(C), dated 20.2.2003.

Instructions were issued vide Circular cited, on allotment of Canteens, Stalls/Shops, Office accommodation, Cycle / Scooter Stands in Bus stations and premises of the Corporation.

In the Circular, at Para II, it was stipulated that the licensees of Canteens, Stalls/Shops, Space/ Office accommodation have to carry on the business for a minimum period of SIX years and the licensees of Cycle/Scooter Stands have to run the business for a minimum period of FOUR years.

Some of the Regional Managers have expressed that, fixation of minimum period of business at 6 years/ 4 years as the case may be, may discourage the prospective tenderers as they are rather forced to do business, though the business is not economically viable and it is also not practically possible to collect the balance amount of licence fee (which falls short of the amount equivalent to stipulated licence period of 6 yrs. / 4 yrs as the case may be) from the licensees who vacates the premises prior to completion of licence period.

Hence, after considering the views of the Regional Managers on re-fixation of minimum period of doing business by the licensees of Canteens, Stalls/Shops, Cycle/Scooter Stands etc., it is decided to reduce the minimum period of doing business.

The following instructions are issued for strict compliance.

1. The minimum period of doing business by the licensees of Canteens, Stalls/Shops, Space/ Office accommodation, Telephone Booths shall be TWO years and Cycle/Scooter Stands, the minimum period of business shall be ONE year, from the date of commencement of agreement period.
2. If any of the licensee intends to vacate the premises for whatsoever reasons before completion of minimum period of 2 years/ 1 year as the case may be, the licensee has to pay the balance amount of licence fee, which falls short equivalent to stipulated minimum period of 2 years/ 1 year as the case may be.
3. If any of the licensee intends to vacate the premises on completion of minimum period of 2 years / 1 year as the case may be, he/she can do it by serving three months advance notice. The three months advance notice given by the licensee shall be accepted only after completion of minimum licence period of 1 year 9 months in case of Canteens, Stalls/Shops, Space/Office accommodation and after completion of 9 months period in case of Cycle/Scooter Stands.
4. In the Tender Notification to be published in daily News Papers, the physical position of the Stall proposed for allotment - whether it is a pucca stall or open space (area) with dimension (size) of the Stall or extent of open area/space shall invariably be specified. Apart from that, each Stall (whether it is pucca Stall or Open space) in each Bus station shall be given with a number like Stall No.1, 2, 3, 4 so on and so forth. This arrangement enables the prospective tenderers to have knowledge on the geographical location and dimension of the Stall, before participating in tenders.

5. The Security Deposit and one month advance licence fee shall be collected from the successful tenderer/allottee within seven days from the date of receipt of allotment letter or within fifteen days from the date of issue of allotment letter, whichever is earlier. If the allottee fails to pay the security deposit within the stipulated period, the EMD paid by he/she is liable for forfeiture.

6. The successful tenderer/allottee shall enter into an deed of licence and commence the business within 15 days from the date of payment of Security Deposit. If the allottee fails to enter into deed of licence and commence the business within 15 days from the date of payment of Security Deposit, the Security deposit and one month advance licence fee is liable for forfeiture.

If the allottee/successful tenderer gives in writing to the Divisional Manager concerned that, he/she is willing to pay the licence fee from the date of entering into an agreement, without actual commencement of business, such cases shall be considered, with the approval of Regional Manager.

However, the grace period between the date of entering into deed of licence and actual commencement of business shall not exceed three months, even if the licensee gives in writing his/her willingness to pay the licence fee from the date of commencement of licence period.

7. In the allotment letter to be issued to the successful tenderer and in the Deed of licence/Agreement to be entered into with the allottee/successful tenderer, the licence period and periodical enhancement of licence fee as communicated vide Circular No.17/2003-OPD(C), Dated 20.2.2003 shall invariably be incorporated, to avoid possible legal complications in future.

8. The Tender Committee shall prepare its proceedings, stall-wise containing the following particulars/information.

- (a) Name of the immediate earlier licensee of the particular Stall.
- (b) Licence period of the immediate earlier licensee (from _____ to _____).
- (c) Date of vacation of the Stall by the immediate earlier licensee.
- (d) Reasons for vacation of the Stall, if it is vacated/terminated prematurely in the middle of the licence period.
- (e) Dates on which tenders were called earlier for allotment of the Stall (after vacation by the earlier licensee), no. of tenders received, name of the highest tenderer on each occasion of calling tenders and the monthly licence fee quoted by the highest tenderer on each occasion of calling tenders.
- (f) Clear and valid justification for allotment of the Stall.

9. The files seeking approval of VC&MD for allotment of Canteens, Stalls/Shops etc. wherever required, shall be processed to Corporate Office through Executive Director (Zone).

The above instructions are applicable in respect of licensees of Canteens, Stalls / Shops, Space / Office accommodation, Cycle / scooter stands etc., to be allotted in pursuance of Tender Notification published on or after 1.10.2004.

The other instructions communicated vide Circular cited shall remain unchanged.

Please acknowledge.



**VICE CHAIRMAN &
MANAGING DIRECTOR**

To
All Regional Managers,
A.P.S.R.T.C.

Copy to Executive Directors of Zones - for information.
Copy to All Divisional Managers - for information and necessary action.
Copy to All Depot Managers - for information and necessary action.