

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

No. C5/437(125)/07-OPD-(C)

Office of the VC & MD,
Mushirabad, Hyderabad.20

CIRCULAR No. 48/ 2007-OPD (C) Dt. 31-12-2007

Sub: **LICENSING** : Empowering the Regional Managers and Executive Directors of Zones for allotment of Canteens, Stalls, Space / Office accommodation, Cycle/Scooter Stands at Bus Stations and other premises of the Corporation on reduced licence fee – Instructions issued – Reg.

Ref:	1.	This Office Cir. No. 21/1999-OPD-(C)	dt.30-03-1999
	2.	This Office Cir. No. 75/2001-OPD(C)	dt.29-12-2001.
	3.	This Office Cir. No. 31/2002-OPD(C)	dt.18-5-2002
	4.	This Office Cir. No. 17/2003-OPD(C)	dt.20-2-2003
	5.	This Office Cir. No. 99/2003-OPD(C)	dt.20-12-2003
	6.	This Office Cir. No. 46/2004-OPD(C)	dt.6-10-2004
	7.	This Office Cir. No. 14/2006-OPD(C)	dt.8-5-2006

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I. INTRODUCTION: In accordance with the instructions communicated vide circulars 1st and 3rd cited, the Regional Manager concerned is the competent authority for allotment of Canteens, Stalls, Space / Office accommodation, Cycle/Scooter Stand at Bus Stations and other premises of the Corporation, in cases where highest amount of licence fee offered in the tenders is equivalent or more than the licence fee realised from the immediate earlier licensee of respective Canteen, Stall etc., **How ever in case of licence fee offered by the highest tenderer is less than the licence fee realised earlier, files are being referred to Corporate Office for approval of VC & MD.**

II. SPECIAL DRIVE: A massive drive has been under taken to improve the commercial revenue through various innovative measures and novel schemes presently at various stages of implementation. A reasonable target of Rs.100 Crores for the period Aug'07 to July'08 was set and Region-wise targets circulated duly drawing a road map for its achievement. A commercial fortnight was also held from 16-09-07 to 30-09-07 to stay focused on commercial activities.

As of now, 17.5% of stalls are lying vacant throughout the Corporation and an amount of Rs.8.00 Crores is expected to be realised if all the vacant stalls are occupied.

III. EMPOWERING RMs / EDs (Zones): In order to speed up the matters of allotment of Canteens, Stalls, Space / Office accommodation, Cycle & Scooter stands to the successful tenderers by minimizing the procedural delays, it has been now decided to authorize Regional Managers and Executive Directors of Zones to sanction for a period of one year, in cases where the licence fee offered is less than the licence fee realised earlier, instead of referring the files to Corporate Office for the approval of VC & MD. It is expected with this authorization, Regional Managers and Executive Directors of Zones will be motivated to make concerted and relentless efforts to allot Commercial establishments on priority without loss of time.

IV. REVISED INSTRUCTIONS: The following revised instructions are therefore issued for implementation:

1. The Regional Managers are empowered to accord approval to the proceedings / recommendations of the Regional Tender Committee of concerned Region for allotment of Canteens, Stalls, Space / Office accommodation, Cycle & Scooter stands to the successful tenderers, in cases where the licence fee offered is less than **20% to the licence fee realised earlier** to the respective Canteen, Stall, Space etc., (even in the tenders called for the first time after vacation of the premises by the immediate licensee), if the Tender Committee/ Regional Manager is of the opinion that the licence fee offered is reasonable in the given circumstances and that there is no scope of getting better offer even if tenders called again.
2. The Executive Directors of Zones are empowered to accord approval to the proceedings of Regional Tender Committee recommended by the Regional Manager for allotment of Canteens, Stalls, Space / Office accommodation, Cycle & Scooter stands to the successful tenderers where ever the licence fee offered exceeds 20% to the licence fee realised earlier to the respective Canteen, Stall, Space etc., (even in the tenders called for the first time after vacation of the premises by the immediate earlier licensee), if ED (Zone) is convinced that the licence fee offered is reasonable in the given circumstances and that there is no scope of getting better offer even if tenders called again.
3. The licence fee realised from the immediate earlier licensee of respective Canteen, Stall, Space etc., shall be taken as the basis for deciding allotment when only the earlier licensee runs the business at least for a minimum period of two years in respect of Canteens, Stalls, Space / Office accommodation and one year in respect of Cycle/Scooter stand.

4. While according approval to the proceedings of the Regional Tender Committee for allotment of Canteens, Stalls, Space / Office accommodation, Cycle & Scooter stands on reduced licence fee, the Regional Manager / Executive Director of Zone concerned shall scrutinize licence fee realised and business potential of each one of them available in the Bus Station, and **satisfy himself that the licence fee offered is justifiable in the prevailing circumstances and as per market trends.**

No file should come to Corporate Office seeking approval of VC & MD for allotment of Canteens, Stalls, Space / Office accommodation, Cycle / Scooter stands through tenders.

5. The Regional Managers are empowered to accord approval to the proceedings of the Regional Tender Committee for allotment of **vacant space** at Bus Stations / other premises of the Corporation for running short term business by following the guidelines / instructions communicated vide circular 2nd cited.
6. As per the instructions communicated vide Circulars 6th and 7th cited, the minimum period of doing business by the licensees of Canteens, Stalls, Space / Office accommodation is two years and the minimum period for Cycle & Scooter stands is one year. **Now, the minimum period of business for Canteens, Stalls, Space / Office accommodation and Cycle / Scooter stand, shall be of one year,**
7. The Executive Directors of Zones are empowered to revoke the orders of termination of licence (due to default in payment of licence fee or for any other violation of terms and conditions of the allotment /agreement) **subject to the fulfillment of the following conditions:**
 - a). If the licensee pays all the due amounts towards licence fee, electricity and water charges from the date of termination of licence / closure of stall to the re-opening date with penal interest and without break either in licence fee or in licence period.
 - b). The stall (whose licence is terminated) should not have been included in the Tender notification published consequent to termination of licence of the earlier licensee.
8. The instructions communicated vide circular 5th cited regarding allotment of stalls at 'C' class Bus Stations on nomination basis and through local tenders under the circumstances explained therein, shall remain unchanged.

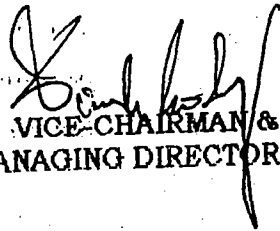
These instructions are summarised and shown in tabular form of Annexure to this circular.

V. VALIDITY OF THE REVISED INSTRUCTIONS: These instructions shall come into force with effect from 1.1.08 and they will be in existence for a period of one year i.e., upto 31-12-2008 and review will be made and decision to continue or otherwise will be intimated.

VI. STATUS OF EARLIER INSTRUCTIONS: The instructions communicated vide circulars 1st to 7th cited shall stand modified only to the extent stated above and other instructions remain valid.

VII. OBJECTIVE OF EMPOWERMENT: Empowering ED(Zones) and RMs as above are aimed to motivate them to put best of their efforts to achieve set target of Rs.100 Crores by the end of target period. The Regional Managers and Executive Directors of Zones therefore shall leave no stone unturned to accomplish the given task with in the stipulated period.

Please acknowledge.


VICE-CHAIRMAN &
MANAGING DIRECTOR

Encl: Annexure

To

**All Regional Managers,
APSRTC.**

Copy to the Director (V&S), FA, CAO, all EDs of Corporate Office for infn.
Copy to EDs of Zones for information and necessary action.
Copy to the HODs / Dy.CTMs in Head Office for information.
Copy to Dy.CTMs/Dy.CAOs in all Regions for infn. and necessary action.
Copy to All the Depot Managers for infn. and necessary action.
Copy to the ATMs in Bus Stations for infn. and necessary action.
Copy to POs / AOs in all Regions for infn. and necessary action.
Copy to the Dy.EEs / AEs (Commercial Business Developers) in all
Regions for information and necessary action.

ANNEXURE

Sl No.	Circular Reference	Existing guidelines / instructions	Revised instructions / guidelines
1.	21/99-OPD(C) Dt.30-3-1999 31/02-OPD(C) dt. 18-5-02	RM is authorized to allot Canteens, Stalls, Space/ Office accommodation, Cycle & Scooter Stand on the recommendations of the tender Committee when the licence fee offered is equivalent or more than the licence fee realised earlier. In case, the licence fee offered is less than the licence fee realised earlier, VC & MD is the competent authority to allot.	a). The RM is authorized to allot Canteens, Stalls, Space/ Office accommodation, Cycle & Scooter Stand on the recommendations of the tender Committee when the licence fee offered is less by 20% to the licence fee realised earlier Under the circumstances explained in the revised circular. b). The ED(Zone) is authorized to allot Canteens, Stalls, Space/ Office accommodation, Cycle & Scooter Stands on the recommendations of the tender Committee when the licence fee offered is less by more than 20% to the licence fee realised earlier under the circumstances explained in the revised circular.
2.	75/2001-OPD(C) dt. 29-12-2001	VC & MD is the competent authority to accord approval to the proceedings of Regional Tender Committee for allotment of vacant unused space for short term business.	RM is the competent authority to accord approval to the proceedings of Regional Tender Committee for allotment of vacant unused space for short term business.
3.	46/2004-OPD(C) dt.6-10-2004 14/2006-OPD(C) dt. 8-5-2006	Minimum period of doing business by the licensees of Canteens, Stalls, Space / Office accommodation is two years and the minimum period for Cycle Stands is one year.	Minimum period of doing business by the licensees of Canteens, Stalls, Space / Office accommodation, cycle/scooter stand is one year only.
4.	—	VC & MD is the competent authority to revoke termination of licence of a Canteen, Stall etc.	ED(Zone) is the competent authority to revoke termination of licence of a Canteen, Stall etc. subject to fulfillment of conditions explained in the revised circular.