

# Andhra Pradesh State Road Transport Corporation



Case No.C1/9(17)/2020-Dy.CM(C-1)

O/o the VC&MD,  
RTC House, Vijayawada,  
Dated: 03.02.2021.

## Joint OPD(C) & AD Circular No.04 /2021-OPD(C), Dt.03.02.2021.

Sub: **Licenses** - Concessions on payment of license fee of advertising contracts of APSRTC during lockdown and subsequent period in view of non-operation of buses and closure of bus stations to public due to Covid-19 - Instructions issued - Reg.

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APSRTC leases out spaces on movable and immovable assets of Corporation for display of advertisements to generate non-traffic revenue. These advertising contracts are classified into 7 streams namely Ads on buses, passenger seat backs, TIM tickets, inside bus stations & cladded pillars, CCTVs, Electronic Digital screens, Hoardings & Unipoles. An amount of Rs. 25.08 cr was realised from these advertisement streams during the year 2019-20.

APSRTC has suspended bus operations w.e.f. 22.03.2020 onwards across the state of Andhra Pradesh in view of lockdown announced vide G.O Rt. No. 209, Dt.22.03.2020 of Govt. of AP and also by MHA in order to control and contain spread of Covid-19. Bus stations were closed to the public up to 20.05.2020. Bus operations were restored partially and gradually from 21.05.2020 onwards as permitted by Govt. of AP vide Memo No. TRANSRTC(AMRT)/18/2020-TRP-II, of TR&B Dept. Dt.20.05.2020. Further, Govt. of India, vide Order No.40-3/2020-DM-I(A), Dt.30.05.2020 has permitted for reopening of Shopping Malls / Restaurants / Hotels & other Hospitality services in areas outside containment zones w.e.f. 08.06.2020. The commercial activities in bus stations were affected during such lockdown period due to non-operation of buses.

On consideration of representations of licensees of advertising contracts in APSRTC for extending concessions on payment of license fee during lockdown and subsequent period in view of the Covid-19 pandemic induced crisis, the following concessions are extended to the licensees of advertising contracts in APSRTC.

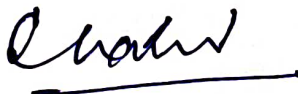
1. To collect license fee from the licensees of all advertising contracts in APSRTC for 21 days in Mar'2020 since lockdown was imposed from 22.03.2020 onwards.
2. To waive off license fee of all advertising contracts in APSRTC for the lockdown period from 22.03.2020 to 07.06.2020.
3. To collect license fee from 08.06.2020 onwards from all the licensees of advertising contracts in APSRTC in proportion to the percentage of operations at Regional level over schedule KMs.

4. To collect minimum 20% of license fee though percentage of operations are less than 20 % in the Region and to collect full license fee from the licensees of advertising contracts after attaining 80% level of operations in terms of KMs over schedule KMs in the Region.
5. To cancel the orders of allotment issued to new advertising contracts if the allottee did not commence the business and also not willing to commence the business in view of Covid-19 pandemic scenario and to refund the EMD/Security Deposit / Bank Guarantee remitted by such allottees.

Basing on the above, the following instructions are issued in connection with collection of license fee from licensees of advertising contracts.

**Instructions:**

1. License fee from all the licensees of advertising contracts shall be collected for 21 days only in March, 2020 since lock down was imposed from 22.03.2020 onwards.
2. License fee for the lockdown period from 22.03.2020 to 07.06.2020 to the licensees of advertising contracts is waived off.
3. License fee shall be collected from 08.06.2020 onwards from all the licensees of advertising contracts (irrespective of display of advertisements by the licensee or not), in proportion to the percentage of operations at Regional level over schedule KMs.
4. Minimum 20% of license fee shall be collected though percentage of operations are less than 20% in the Region and full license fee shall be collected from the licensees of advertising contracts after attaining 80% level of operations in terms of KMs over schedule KMs in the Region.
5. The orders of allotment issued to new advertising contracts shall be cancelled if the licensee of advertising contract doesn't wish to commence the business in view of Covid-19 pandemic scenario and the EMD/Security Deposit / Bank Guarantee remitted by such allottees shall be refunded.
6. License fee dues and other charges pertaining to post lockdown period i.e., from 08.06.2020 till 28.02.2021 shall be collected without imposing penal interest.  
However, penal interest is applicable for GST dues as Corporation is bound to pay GST on such amounts from the day of accrual.

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7. License fee dues pertaining to pre lockdown period i.e., upto 21.03.2020 shall be collected with applicable penal interests on license fee and GST.
8. Percentage of operation of KMs in the Region for a month over schedule KMs shall be calculated as percentage of average operated KMs per day over average schedule KMs per day.

Schedule KMs of a Region approved by OPD/HO in the month of March, 2020 and communicated vide Circular No.10/2020-OPD(T), Dt.30.03.2020 shall be taken into consideration in order to maintain uniformity in all Regions of the Corporation.

For implementation of above instructions at field level, the guidelines issued vide Circular No: 02/2020-OPD(C), Dt: 09.10.2020 and letter No: C2/437(51)/2020-Dy.CM (CI), Dt: 04.11.2020 shall be followed.

**Time lines:**

- The demand notices shall be served to all the licensees by 15.02.2021.
- License fee shall be collected without penal interest up to 28.02.2021.
- If the license fee dues are not paid by 28.02.2021, penal interest shall be charged on license fee dues @ 36% from 15.02.2021.

This has concurrence of FA & CAO.

Therefore all the Regional Managers are advised to take immediate necessary action on the above instructions as per guidelines issued and report compliance.

  
Vice Chairman &  
Managing Director 3/2

Copy to: FA & CAO & EDs (Z) for information.

Copy to : RMs & CM (F&A) for necessary action.

Copy to: OSD to VC & MD for information.

Copy to: Asst. Director (Vigilance) for information.

Copy to: Dy. CAOs, Dy.CTMs, POs and AOs of Regions for infn and n/a.