

## Andhra Pradesh State Road Transport Corporation

Case No.CM(C)/BOT/110(12)/2020-21



O/o the VC&MD,  
RTC House, Vijayawada.  
Dated. 06.01.2021.

**Joint OPD(C) & AD Circular No.02/2021-OPD(C), Dt. 06.01.2021.**

**Sub: BOT Projects** - Concessions on payment of lease rents, penal interests during lock down and subsequent period in view of Covid-19 Pandemic on BOT Projects in APSRTC- Instructions issued - Reg.

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Development of vacant sites by construction of commercial complexes under Build, Operate and Transfer (BOT) scheme, installation of Retail Oil Outlets (ROs) by Oil Companies were taken up by APSRTC for generation of non traffic revenue since 2005.

The Corporation so far has taken up 28 projects under Build, Operate and Transfer (BOT) scheme in 26.78 Ac. of land with a revenue of 9.91 Cr. in 2020-21 for generation of non traffic revenue.

Out of the 28 sites allotted under BOT, 13 BOT projects are under commercial operation. 8 BOT Projects are under construction and the remaining are yet to commence the construction activity.

Due to Covid-19 pandemic the Govt. of India advised the states to take measures to control the pandemic and accordingly the Govt. of Andhra Pradesh vide G.O Rt. No. 209, Dt.22.03.2020 issued lock down orders. Based on the orders of Govt. of India and Govt. of AP complete lockdown took place throughout the state of Andhra Pradesh bringing halt to all business activities except operation of Retail Outlets, Cell Towers, Hospitals etc.

The Govt. of India, vide Order No. MHA / 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 stalls and commercial establishments given on lease could not conduct any business during such lockdown period. Gradually, based on the prevailing local conditions and basing on the needs of the society the Govt. of AP have issued unlock guidelines from time to time in accordance with the guidelines of Govt. of India.

:2:

Representations have been received from concessionaires of BOT projects for waiver of lease rents, penal interests & other concessions on payment of lease rents etc., during lock down and subsequent period in view of Covid-19 pandemic.

On perusal of the representations submitted by the Concessionaires of different BOT Projects for waiver of lease rents, penal interests etc., the competent Authority has taken note of the Covid-19 pandemic induced crisis and the hardship faced by the developers of BOT Projects and approved to extend the following concessions on BOT Projects of APSRTC:

- i) To collect lease rents from concessionaires of BOT projects for 21 days in March, 2020, since lock down was imposed from 22.03.2020 onwards.
- ii) To waive off lease rents for the lockdown period from 22.03.2020 to 07.06.2020 to all BOT projects.
- iii) To collect 50% of lease rents from 08.06.2020 to 31.08.2020 from concessionaires of all BOT projects.
- iv) To collect full lease rents from concessionaires of all BOT projects from 01.09.2020 onwards.
- v) To extend lease rent holiday for construction period from 08.06.2020 by the number of days falling in the lockdown period from 22.03.2020 to 07.06.2020 for the BOT projects under construction as per terms & conditions of the agreement.

Basing on the above mentioned approval of the competent authority, the following instructions are issued in connection with collection of Lease rent of BOT Projects.

**Instructions:**

1. Lease Rent from the concessionaires of all BOT Projects shall be collected for 21 days only, on pro-rata basis, in March, 2020 since lock down was imposed from 22.03.2020 onwards.
2. Lease Rent for the lockdown period from 22.03.2020 to 07.06.2020 on pro-rata basis is waived off to all BOT Projects.
3. 50% of Lease Rent shall be collected for the period from 08.06.2020 to 31.08.2020, on pro-rata basis from the concessionaires of all BOT Projects, irrespective of conducting commercial operation / construction activity of the project or not, i.e. 50% of Lease Rent is waived off for the period from 08.06.2020 to 31.08.2020 to all BOT Projects.

:3:

4. Full Lease Rent shall be collected from 01.09.2020 onwards from the concessionaires of all BOT Projects, irrespective of conducting commercial operation / construction activity of the project or not.
5. Lease Rent dues pertaining to post lockdown period i.e., from 08.06.2020 till 31.01.2021 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.

6. For some of the BOT Projects the project construction completion date falls in the lock down period as per Agreement. For such projects only, lease rent holiday is extended from 08.06.2020 by the number of days the project construction completion date falling in the lockdown period from 22.03.2020 to 07.06.2020. During such extended period the concessionaires are exempted from payment of Lease Rent, and for the subsequent period all concessions as approved and communicated through this circular are applicable.
7. Lease Rent dues pertaining to pre lockdown period i.e., upto 21.03.2020 shall be collected with applicable penal interests on Lease rent and GST. Penal interest and GST there on shall be made applicable for such dues for the lock down and subsequent period also.
8. Lease rent includes any amount of License fee payable by the Concessionaires viz. Annual Premium, Additional Development Premium, Commercial License Fee, Ground License Fee etc., but doesn't include Security Deposit. Waiver / Concessions are not extended for Upfront Amount.
9. Lease rent waiver / concession for the lock down and subsequent period shall be made applicable on pro-rata basis of the annual lease rents, as per respective agreements.
10. Security Deposit (SD) shall be collected as per schedule of payments in respective Agreements. Waiver / Concessions are not extended for Security Deposit.
11. The percentage of penal interest on delayed payments shall be as per respective BOT Agreements, duly taking in to consideration the concessions accorded on payment of penal interest as per this Circular. GST @ 18% per annum shall be collected on penal interest also.
12. Lease rent for further period shall be collected as per the respective BOT Agreements.
13. However, other charges like electricity charges, water charges etc., if any, payable during the lock down and subsequent period shall be collected as per actual consumption and GST there on. No waiver is allowed for such utility charges.

:4:

14. In case, Lease Rent was already paid by the Concessionaires for the period of concessions granted under this circular, the same shall be adjusted in the subsequent period towards Lease Rent and accordingly the demand notices / GST invoices shall be raised on net Lease Rent.
15. GST paid on waived off Lease Rent cannot be adjusted in subsequent period since GST content on Lease Rent was already invoiced and paid to Government. However, Lease Rent waived off shall be adjusted in subsequent period and GST shall be collected on net Lease Rent only.
16. Demand notices for lease rents and other charges shall be served by 20.01.2021 to the concessionaires for payment of dues.
17. Lease Rent and other charges, if any, for the lockdown and subsequent period shall be collected without penal interest up to 31.01.2021. However, applicable GST thereon and penal interest on GST shall be collected.
18. If the Lease Rent & Security Deposit dues for lockdown and subsequent period are not paid by 31.01.2021 then such Lease Rent & Security Deposit dues with GST, penal interest and GST there on as applicable shall be collected, for the number of days of delay.
19. The Concessionaires of other BOT projects shall be informed by 31.01.2021 about the amount of concessions accorded.
20. Necessary entries shall be carried over in the Books of Accounts after vetting by Commercial Department, Head Office, before issue of demand notice or intimation to Concessionaires.

This has concurrence of FA & CAO.

All the Regional Managers are advised to take immediate necessary action on the above instructions issued and report compliance.



Vice Chairman &  
Managing Director

Copy to: ED (A), ED (E), FA & CAO & EDs (Z) for information.

Copy to: All RMs, CM(F&A) for information and necessary action.

Copy to: OSD to VC & MD for information.

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

Copy to: Dy. CTMs, Dy. CAOs, POs and AOs for information and necessary action.

Copy to: EEs(C), Dy.EEs(C) for information and necessary action.