



Andhra Pradesh State Road Transport Corporation  
Corporate Office: Operations (PLG) Department, RTC House-Vijayawada.

No: P9/359(28)/2020-OPD(P)

Circular No. 16/2020-OPD (P), Dated 30/09/2020.

Sub:-Hiring- COVID19- Non operation of Hire buses w.e.f. 22.03.2020 due to COVID-19 Pandemic -Exemption of penalties on hire buses from 22.03.2020 to till restoration of hire buses operation and also for belated production of MSTC-5 tender notification buses as well as delay caused to the existing hire buses for production after carrying refurbishing/CO time etc.-Approval of the board - Instructions issued - Reg.

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To control and prevent spread of COVID-19, as per the Disaster Management Act,2005 and as per the orders of Ministry of Home Affairs(MoHA) , Government of India (Gol), the Government of Andhra Pradesh imposed LOCKDOWN from 22.03.2020 to 31.05.2020. Accordingly, APSRTC suspended the operations from 22.03.2020 to 20.05.2020.

As per the unlock guidelines of MoHA/Govt. of India, the Govt of A.P. ordered to restore the operation of buses with certain precautionary measures. Accordingly, operation of buses was commenced, phase wise, w.e.f. 21.05.2020. The hire buses operation has not yet been commenced.

The Regional Managers are seeking directive on imposing penalty for LOCKDOWN period for non-operation of hire buses, penalty for belated production of MSTC-5 Tender introduction of hire buses , issue of time for CO/refurbishing of bus i.e 20 days /10 days to the hire buses which have completed stipulated period of agreement ( 6years/4years) and delay caused to effect transfer of ownership of hire buses etc.

In this regard, the Board, vide Resolution No 25/2020, Dt: 10.09.2020 has resolved as follows:-

- To extend the agreement of all existing hire buses to the extent of days lost in not allowing the buses for operation during the lock down and subsequent period i.e. from 22.03.2020 to till restoration of hire buses operation at various depots depending on the local circumstances prevailing.
- Not to impose penalties as per the terms and conditions of agreement for the days of non-operation period of Hire Buses since Hire Bus operations could not be continued during lock down and subsequent period i.e. from

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22.03.2020 to till restoration of hire buses operation at various depots depending on the local circumstances prevailing.

- c. Not to impose penalties as per the terms of agreement for the delay in production of new hire buses as per December,2019 e-Tenders, for the entire period from 22.03.2020 to till approval for operating buses.
- d. Not to impose penalties as per the terms and conditions of agreement for the delay in production of old Hire Buses after complete overhaul/re-furbishing due to the conditions prevailing in the Covid-19 pandemic scenario.
- e. Not to impose penalties for the delays in getting ownership of the vehicles transferred as per the guidelines issued through Circular No 38/2018-OPD(P) dated 14.02.2018 due to the conditions prevailing in the Covid-19 pandemic scenario from 22.03.2020 to 31.05.2020

Accordingly, the following instructions are issued for adherence and compliance.


1) To extend the agreement period of all hire buses by a period equal to the number of days lost in Lockdown/ Covid period i.e. from 22.03.2020 to till restoration of hire buses operation duly entering into supplementary agreements for the extended period with the other terms and conditions being the same as in the main agreements on a Rs.100/- non judicial stamp paper at the cost of the Hire Bus Owner, as detailed below.

a) For the on roll hire buses and also the hire buses which have completed 4/6 years period of agreement and due for extension during the lock down/hire bus non-operation period:

i) If the vehicle is in the initial 4 years' period of agreement, the agreement shall be extended for the number of days lost, duly entering into a supplementary agreement as illustrated below:

*Example: If a vehicle is allotted in MSTC-1 Tenders, whose period of agreement is valid from 01.11.2018 to 31.10.2022 and if the no. of days lost due to lock down i.e from 22.03.2020 to till restoration of hire bus operation are say 238 days, (assuming that hire bus operation is restored on 15<sup>th</sup> November), the agreement shall be extended upto 26.06.2023 (31.10.22+238 days).*

ii) If the vehicle is in 5<sup>th</sup> and 6<sup>th</sup> years of agreement or in 7<sup>th</sup> to 9<sup>th</sup> years for PVG buses or 7<sup>th</sup> to 8<sup>th</sup> /9<sup>th</sup> to 10<sup>th</sup> year for City Ordinary buses, the current period of agreement shall be extended for the no.of days lost as shown above, duly entering into supplementary agreement.

  
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- b) For the hire buses whose total tenure of agreement is completed: For these vehicles, agreement may be extended for the period equal to the no of days lost in Lockdown/ Non operation period i.e., from 22.03.2020 to till completion of the total tenure of agreement of the respective hire bus, duly obtaining willingness of the Hire Bus owner and entering into the supplementary agreement for the extended period.

*Example: If an Express vehicle is introduced in 2013 Tenders, whose total period of agreement is valid from 01.08.2014 to 31.07.2020 and if the number of days lost due to lock down is 132 days (i.e from 22.03.2020 to 31.07.2020) supplementary agreement shall be entered for a period of 132 days as and when hire buses operation commenced.*


- c) MSTC-5 hire buses: Some of the MSTC-5 hire buses produced before lockdown were unable to be pressed into operation and nor were there any agreements. A few of the MSTC-5 tender Hire Buses were produced during/after lock down. Inspection of all such buses produced during the lock down/non operation period shall be carried out immediately, if inspection is pending for any reason. For the buses, whose inspection is completed, it is advised to enter into a fresh agreement with the owners of Hire Buses as and when the operation of respective hire bus commences.

- d) This extension of agreement period will not be applicable to the hire buses which were already issued NOC/CC.

2)As per the agreement conditions, there are penalty clauses for non-operation of hire buses. Since APSRTC suspended all hire buses operations, it is advised not to collect penalty for non-operation of hire buses during the COVID-19 LOCKDOWN/Non operation period i.e. from 22.03.2020 to till restoration of hire bus operation.

3)E-Tenders were called in Dec-2019 for 239 hire buses, out of which 141 buses were allotted to the successful entrepreneurs. Allotment letters were issued to all the successful bidders on 26-12-2019 to produce the vehicle on or before 23-02-2020. As per the tender conditions the successful entrepreneur has to produce the bus for inspection before 60 days without penalty(i.e., until 23.02.2020), and penalty will be imposed @ 1000/- penalty per day from 61 to 90 days and @ Rs.2000/- per day from 91<sup>st</sup> to 120<sup>th</sup> days. The 60 days' period was completed by 23-02-2020, the 90 days period completed by 24-03-2020 and 120 days period was completed by 23-04-2020. Some of the hire buses were produced during/after lockdown period.

In respect of MSTC-5 tender buses which were produced during / after lock down period, penalty may not be imposed for the period from 22.03.2020 till restoration of the operation of the respective Hire Buses. However, penalty shall be collected for the

  
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period from 24.02.20 to 21.03.2020[i.e., commencement date of lockdown], as per the item No 6(e) of the terms and conditions of tender schedule of MSTC-5.

4)As per the terms and conditions of the Tender Schedule and agreement there is need to provide 20 days' time for PVG/City ordinary buses which completed 6 years agreement period and 10 days' time for all buses after completion of initial 4 years agreement period to carry out CO/refurbishing for extending further period of agreement. For delay beyond the allowed time an amount of Rs. 500/-per day will be imposed as penalty.

In view of the Board resolution, penalty may not be imposed for the period from 22.03.2020 till restoration of operation of the Hire Buses, for the delay caused in production of the existing hire buses, which have completed stipulated period of agreement (6years/4years,)after carrying out refurbishing works/CO.

5)In case of Transfer of ownership of vehicles, as per the existing circular no 38/2018-OPD(P) Dtd:-14.02.2018, delay in getting transfer of ownership effected by Transport Department within 45 days from the approval of the competent authority, a penalty of Rs.300/-per day shall be collected from 46<sup>th</sup> to 90<sup>th</sup>day and from 91<sup>st</sup>to 120<sup>th</sup> day a penalty amount of Rs.600/-per day shall be collected. If transfer is not effected within 120 days, the approval stands cancelled and fresh approval shall be sought on payment of stipulated fees.

In cases of the delay in getting transfer of ownership of vehicles, effected by Transport Department, penalty may not be imposed for the period from 22.03.2020 to 31.05.2020.The other terms and conditions of the Cir No.38/2018-OPD(P), Dt.14.02.2018, shall hold good.

Therefore, all the Regional Managers are hereby advised to take necessary action on the above lines. Separate instructions will be issued for restoration of Hire Bus operations and on entering of supplementary agreements with the Hire Bus owners in the standardized format.

This has the concurrence of FA& CAO.

  
Executive Director(O) 09/16/20

To  
All Regional Managers, APSRTC.

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