

Andhra Pradesh State Road Transport Corporation

Case No.C2/437(46)/2020-Dy.CM(C-1)



O/o the VC&MD,
RTC House, Vijayawada.
Dated. 09.10.2020.

Joint OPD(C) & AD Circular No.02/2020-OPD(C), Dt. 09.10.2020.

Sub: Licenses - Concessions on payment of license fee of stalls and commercial establishments located in bus stations and other premises 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.

Ref: Corporation Board Resolution No.27 /2020, Dt. .10.2020.

APSRTC has awarded licenses for 5,992 stalls, canteens, parking lots, ATMs etc., in 423 Bus Stations spread in all 13 districts of Andhra Pradesh on payment of license fee of Rs.9.31 cr. per month.

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. TRANSPORTC(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 stalls and commercial establishments given on lease could not conduct any business during such lockdown period.

The Corporation Board has taken note of the Covid-19 pandemic induced crisis and resolved to extend certain concessions on collection of license fee of stalls and commercial establishments in Bus Stations and other premises of APSRTC during lockdown and subsequent period.

Vide reference cited, the Corporation Board approved:

- i) To collect license fee from all stalls and commercial establishments located in bus stations and other premises of APSRTC for 21 days in March, 2020 since lockdown was imposed from 22.03.2020 onwards.

- ii) To waive off license fee for the lockdown period from 22.03.2020 to 07.06.2020 to all stalls and commercial establishments in bus stations and other premises of APSRTC.
- iii) To collect license fee from 08.06.2020 or from the date of commencement of operations from the depot whichever is later from all stalls and commercial establishments located in bus stations and other premises of APSRTC in proportion to the percentage of operations at Regional level over schedule kms.
- iv) To collect minimum 20% of license fee though % operations are less than 20% in the Region and to collect full license fee from the licensees after attaining 80% level of operations in terms of kms. over schedule kms in the Region.
- v) To cancel the orders of allotment of stalls issued to new licensees if the allottees 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.
- vi) To permit the new stall licensees who failed to start the business due to Covid-19 Pandemic for commencement of business before 20.10.2020 without imposing penalties subject to payment of six months Security Deposit and one month Advance rent by the licensees.
- vii) To collect the license fee in case of ATMs, cell towers, DOT stalls, advertising contracts, BOT Projects and retail oil outlets as per usual terms of agreement.

Basing on the above mentioned approval of the Corporation Board, the following instructions are issued in connection with collection of license fee of stalls and commercial establishments in APSRTC.

I. Instructions:

1. License fee from all stalls and commercial establishments located in bus stations and other premises of APSRTC 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 all stalls and commercial establishments in bus stations and other premises of APSRTC is waived off.

3. License fee shall be collected from 08.06.2020 or from the date of commencement of operations from the depot whichever is later from all stalls and commercial establishments located in bus stations and other premises of APSRTC (irrespective of whether the licensee opened the stall 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 % operations are less than 20% in the Region and full license fee shall be collected from the licensees after attaining 80% level of operations in terms of KMs over schedule KMs in the Region.
5. The orders of allotment of stalls issued to new licensees can be cancelled if the allottees did not commence the business and also not willing to commence the business in view of Covid-19 Pandemic scenario and the EMD / Security Deposit / Bank Guarantee remitted by such allottees can be refunded.
6. The new stall licensees who failed to start the business due to Covid-19 Pandemic can be permitted for commencement of business before 20.10.2020 without imposing penalties subject to payment of six months Security Deposit and one month Advance rent by the licensees as per usual terms of agreement.
7. The license fee in case of ATMs, Cell Towers, DOT stalls, Advertising Contracts, BOT Projects and Retail Oil Outlets shall be collected as per usual terms of agreement.
8. License fee dues and other charges pertaining to post lockdown period i.e., from 08.06.2020 or from the date of commencement of operations from the depot whichever is later till 30.09.2020 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.
9. 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.
10. 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.

11. All the above concessions and instructions are applicable for Toilets and BOT Toilets in bus stations, as they are also considered as commercial establishments located in bus stations.

For implementation of above instructions at field level, the following guidelines are issued. Example calculations of dues of license fee, GST & applicable interests are illustrated in the Annexure.

II. Guidelines:

1. License fee for March, 2020 :

- i. Where licensees have not paid license fee so far:
License fee shall be collected for 21 days along with actual other charges including penal interest on both license fee and GST till the date of payment.
- ii. Where licensees have paid license fee:
The waived off license fee & GST paid for 10 days in March, 2020 i.e., from 22.03.2020 to 31.03.2020 shall be adjusted in license fee amount payable for June, 2020 and subsequent months if any.

2. License fee for April, 2020 and May, 2020:

- i. License fee for the months of Apr, 2020 and May, 2020 are fully waived off.
- ii. However, other charges like electricity charges, water charges etc. shall be collected as per actual consumption, if any.
- iii. In case, license fee was already paid for April, 2020 & May, 2020, which was accounted in the Account Head No. 0618, the amount so paid shall be adjusted in the subsequent months towards license fee and GST.
- iv. GST invoices shall not be raised for the months of April, 2020 and May, 2020.

3. License fee for June, 2020:

License fee for June, 2020 shall be collected for applicable no. of days only from 08.06.2020 or from the date of commencement of operations from the depot whichever is later till 30.06.2020 basing on the current month % of operation, subject to a minimum of 20%.

4. License fee for July, 2020; August, 2020 and September, 2020:

License fee for July, 2020, August, 2020 and September, 2020 shall be collected based on the % of operation of the respective month, subject to a minimum of 20%.

5. Issue of demand notices and GST invoices for the months of June, 2020 to September, 2020 for the licensees who have not paid license fee:

In case of license fee pertaining to the months of June, 2020, July, 2020, Aug, 2020 and Sept, 2020, month wise demand notices shall be served to the licensee in the following manner:

- i. License fee : Applicable license fee for the month without penal interest.
- ii. GST : GST on above license fee with applicable penal interest.
- iii. Other charges : Actual charges without penal interest.

When the licensee turns up for payment of license fee, then only GST invoice shall be raised accordingly and the license fee with other charges shall be collected.

Time lines:

- The demand notices shall be served to all the licensees by 16.10.2020.
- License fee shall be collected without penal interest up to 31.10.2020.
- If the license fee dues are not paid by 31.10.2020, penal interest shall be charged on license fee dues @ 36% from 16.10.2020.

6. License fee for the months from October, 2020 till the month of attaining 80% level of operations in terms of KMs over schedule KMs:

License fee of the subject month shall be collected in proportion to the percentage of operated KMs over schedule KMs pertaining to the previous month in the respective Region rounded off to the next digit (since current month operational percentage cannot be estimated in advance), subject to a minimum of 20%. GST invoice shall be raised accordingly. However, other charges pertaining to current month can be collected as usual. This arrangement shall be continued till 80% of the operations are restored.

This has concurrence of FA & CAO.

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


Vice Chairman & Managing Director

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

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: All DMs for information and necessary action.

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| Due Details | Rs. | Credit balance available (Rs.) |
|--|-----------------|--------------------------------|
| Actual monthly license fee | 6,23,799 | |
| License fee on 20% (minimum) of operations for 23 days (6,23,799x20%x23/30) | 95,649 | |
| SGST @9% on 95,649 | 8,608 | |
| CGST @9% on 95,649 | 8,608 | |
| Interest on SGST & CGST for 122 days from 01.06.2020 to 30.09.2020 (2*8,608*18% *122/365) | 1,036 | |
| SGST @9% on Rs.1,036 | 93 | |
| CGST @9% on Rs.1,036 | 93 | |
| TOTAL | 1,14,088 | |
| Mar-20 credit adjusted from Rs.2,01,225 | 1,14,088 | 87,137 |

Note: Rs.87,137/- left over credit to be carried forward for adjustment in next month on similar lines till credit balance is adjusted.

Illustration -3

Calculation of license fee for July-2020:

License fee of Dormitory & A/C Lounge at PNBS, VJA-Krishna Region based on % of operation in Jul-20:

| | |
|---|----------|
| Average scheduled KMs per day of Krishna Region | 5,00,000 |
| Average KMs operated per day by Krishna Region | 1,70,000 |
| % of operation in Jul-2020 | 34.00 |

| Due Details | Rs. | Credit balance available (Rs.) |
|--|-----------------|--------------------------------|
| Actual monthly license fee | 6,23,799 | |
| License fee for full month on 34 % of operations (6,23,799x34%) | 2,12,092 | |
| SGST @9% on 2,12,092 | 19,088 | |
| CGST @9% on 2,12,092 | 19,088 | |
| Interest on SGST & CGST for 92 days from 01.07.2020 to 30.09.2020 (2*19,088*18%*92/365) | 1,732 | |
| SGST @9% on Rs.1,732 | 156 | |
| CGST @9% on Rs.1,732 | 156 | |
| TOTAL | 2,52,312 | |
| Mar-20 balance credit adjusted Rs.87,137 | 87,137 | |
| Balance amount payable by licensee | 1,65,175 | |

Note:

- % of Kms of Sept, 2020 shall be taken as basis for estimation of license fee to be collected for Oct, 2020. If the actual % of operations in Oct, 2020 exceeds by say 15% over the previous month, the difference of license fee for Oct, 2020 shall be collected in Nov, 2020.
- For easy understanding of calculation, license fee amount is only considered and other charges are not shown in examples. However, other charges at actuals are to be collected for all months, without apportioning with % of operation.

Annexure to Joint OPD(C) & AD circular No. 02/2020, Dt: 09.10.2020

Illustration -1

Calculation of license fee for the month of Mar-2020:

- a) Calculation of license fee for the month of Mar-2020 for the Licensees who have not paid license fee till 30-09-2020.

License fee of Dormitory & A/C Lounge at PNBS, VJA-Krishna Region.

| Due Details | | Rs. |
|---|--|-----------------|
| Actual monthly license fee | | 6,23,799 |
| License fee for 21 days (6,23,799x21/31) | | 4,22,574 |
| SGST @9% | | 38,032 |
| CGST @9% | | 38,032 |
| TOTAL | | 4,98,638 |

Penalty on license fee including GST for Mar-2020 upto 30.09.2020

| Due Details | | Rs. |
|--|----------|-----------------|
| No. of days of delay (01.03.2020-30.09.2020) | 214 days | |
| Penal Interest on License fee including GST (4,98,638)x36%x214/365) | | 1,05,247 |
| SGST @9% on Penal interest | | 9,472 |
| CGST @9% on Penal interest | | 9,472 |
| TOTAL | | 1,24,191 |

- b) Calculation of License fee for Mar-2020 for the Licensees who have paid license fee in time i.e, by due date

License fee of Dormitory & A/C Lounge at PNBS, VJA-Krishna Region.

| Due Details | License fee for 21 days. (Rs.) | Invoice issued (Rs.) | Refund/ Adjustment (Rs.) |
|----------------------------------|--------------------------------|----------------------|--------------------------|
| Actual monthly license fee | 6,23,799 | 6,23,799 | |
| Pro rata license fee for 21 days | 4,22,574 | 6,23,799 | |
| SGST @9% on full rent | 56,142 | 56,142 | 0 |
| CGST @9% on full rent | 56,142 | 56,142 | 0 |
| TOTAL | 5,34,858 | 7,36,083 | 2,01,225 |

Note: Full GST content on actual rent was already invoiced and paid to Government. Hence no refund allowed on GST.

Illustration -2

Calculation of license fee for June-2020 (08.06.20-30.06.20 i.e., 23 days):

License fee of Dormitory & A/C Lounge at PNBS, VJA-Krishna Region based on actual operation, subject to minimum operation of 20%.

% of operation in Jun-20:

| | |
|---|----------|
| Average scheduled KMs per day of Krishna Region | 5,00,000 |
| Average KMs operated per day by Krishna Region | 80,000 |
| % of operation in Jun-2020 | 16.00 |