

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

C2/437(17)/2017-CTM(C&P)

Office of the VC&MD,
RTC House
Commercial Wing.

CIRCULAR NO: 02 /2017 -Comm. Dt: 04 -07-2017

Sub:-**COMMERCIAL REVENUE** – Commercial Revenue realized from various sources – Lapses noticed in Accountal & realizing Commercial revenue, non entering into agreements and non adherence to circular instructions etc. - Commercial Audit on the all aspects of commercial activities for strengthening and uniform implementation of systems – Issue of circular instructions- Reg.

Corporation, with a view to augment its revenues, undertakes commercial activity through different means viz leasing out of spaces for Stalls, display of ads and Transportation of Parcels and Couriers. Circular instructions are issued from time to time on allotments of licence/contracts, realisation/accountal of revenues etc. It has been observed in the recent past that the laid down systems are not followed at field level in true spirit.

During the review of monthly periodicals submitted by the Regions and during the periodical meetings conducted with POs and Dy. CTMs (M&C) of Zones, certain lapses have been observed in realization & accountal of commercial revenue, in adhering to circular instructions, and in entering into agreements particularly related to Advertisements.

During the meeting of Dy. CTMs (M&C) & ATMs (Comm.) with ED(C&P) on 10.05.2017 on verification and review of records the following lapses are noticed:

1. Non entering of agreements for long periods even after collection of security Deposit and commencement of business.
2. Delay in finalization and allotment of stalls to the successful bidders stretching beyond 10 days after opening of Tenders.
3. Non Allotment of Stalls in C class Bus Stations/ Unused Bus Stations on nomination basis when there is no response for 3 times through Tenders, invoking circular instructions.
4. Changing of nature of business in case of no response in tenders for Open Spaces.
5. Calculation of penal interest on license fee in case of belated payments.
6. Non issue of timely notices to the defaulting licensees

7. Encroachment of spaces by licensees
8. Non invitation of tenders 3 months before completion of license period duly maintaining the yearly calendar.
9. Non exhibition of price list for the items permitted for sale in the stalls.
10. Unauthorized sale of non-permitted items.
11. Non-defacement of advertisements on the buses/ Passenger Seat backs after completion of the advertisement period by the ad agency.
12. Non-collection of defacement charges from the ad agency in case of defacement done by APSRTC.
13. Lack of review on the revenue realized through way side Dhabas
14. Non collection of Service Tax from the licensee.
15. Non conducting Censes on no. of buses given for ad rights once in 4 months.
16. Non collection of property tax from DOT stalls licensees etc.
17. Delayed settlements and Refund of S.D after completion of contract period.

In the light of above observations, it is proposed to conduct Commercial Audit at 2 stages i.e., one by the team from HO and the other at Zonal level by Dy. CTMs(M&C) in order to ensure uniform systems at Regions and depots in operation of commercial activities.

Advantages through Commercial Audit:

- Improvement of Commercial Revenue and identifying new sources.
- Systems improvement and uniformity in maintaining systems.
- Proper accountal of revenue stream wise.
- Minimization of outstanding license fee.
- Minimization of vacant stalls.
- Minimization of litigations.
- More coordination between HO & Regions.

The commercial audit at Regional level will be done as below:

1. Commercial Audit by H.O – Two Regions per month.
2. Commercial Audit by Dy.CTM (M & C) – One Region pertaining to the zone/ (each region will be audited for every 3 months)

The checklists containing items that are proposed to be observed at Regions during the commercial Audit are enclosed to the circular.

Dy. CTMs of Regions shall ensure during the periodical inspection of Depots

- a. Realization of Out Standing License fee licensee wise.
- b. Action initiated on the defaulting licensees
- c. Display of MRPs in all Stalls.
- d. Encroachments by licensees if any.
- e. Unauthorized sale of non permitted items
- f. Collection of Royalty amount from Way Side Dhabas.
- g. Proper collection of Service Tax collection
- h. Collection of Property Tax from DOT stalls.
- i. Carrying of permitted business in DOT Stalls or not.

The inspection reports of Dy. CTMs shall depict their observations on the above aspects.

Dy. CMEs of Regions shall ensure that the Asst. Engineer(M) maintains the Registers as prescribed at Annexure-15 and Annexure-16 and shall depict their observations in inspection reports.

All The Regional Managers shall ensure that the information as mentioned in the annexure are filled and certified by the respective officer by the time audit commences.

Encl: Annexures-18 Nos


VICE CHAIRMAN &
MANAGING DIRECTOR

Copy to All the Officers of Corporation

DETAILS OF OUT STANDING AMOUNT OF ALL THE STALLS IN THE REGION AS ON _____ Annexure-4

DEPOT: _____ CLASS OF B.S _____

Sl. No	Stall No	Nature of Business	Period of Agreement	Monthly license fee	License fee on water bottles	Out standing Amounts			Action Initiated	Remarks
						License Fee	Electricity Charges	Service Tax		
1										
2										
3										
4										

SIGNATURE OF THE PERSONAL OFFICER
Annexure-5

DETAILS OF PENDING FINAL SETTLEMENTS IN THE REGION _____ Annexure-5

Sl. No	Depot	Bus Station	Stall No	Period of Agreement	No of days settlement delayed	Reasons for delay	Remarks
1							
2							
3							
4							

SIGNATURE OF THE PERSONAL OFFICER

DETAILS OF WAYSIDE DHABAS IN THE REGION _____ Annexure-6

Sl. No	Name of the Dhaba	Location	Permission Given by	Agreement period	Royalty Details	No of Buses	Total Amount	Outstanding amount if any	Nearest Bus Station	Whether Canteen exists in near by Bus Station	Remarks
1											
2											
3											
4											

Note: The P.O shall arrange to produce relevant records being maintained at concerned/ regarding collection of amount.

SIGNATURE OF PERSONAL OFFICER

DETAILS OF CYCLE STANDS AS ON _____ Annexure-7

DEPOT: _____ BUS STATION: _____ CLASS OF B.S: _____

Sl. No	Stall No.	Location of Cycle Stand	User Charges displayed/not	Shelter provided Covering total parking area	User Charge details	User charges at Rly. Stn/ Theaters/ Markets	Remarks
1							
2							
3							

SIGNATURE OF DEPOT MANAGER

STALLS INFORMATION TO BE SUBMITTED FOR AUDIT AS ON _____

S.NO	PARTICULARS
1	No. of stalls allotted / extention on nomination basis Reasons in Remarks column)
2	Latest 6 Tenders dates (List of stalls included in Tenders to be furnished)
3	Chrging of 36% penalaty for delaied licence fee payments either from 1st or 10 th ofthemoth
4	Charging penalty on delayed payment of other charges Electricity charges water charges propertry tax service tax
5	collecting Electricity charges per unit. (H.Oinstructions copytobeenclosed)
6	No.of DOT stalls vacant with Reason
7	whether thevacant DOTs are inculded in Tenders
8	Whether permissios are given for 6 months for short term business for the last 3 years. (relavnt records shall be submitted)
9	Allotment of stalls for SC STs '(Details shall be furnsihed)
10	No.of legal cases pendingwith details:
11	Copies of Agenda andmeeting minutes of RM's meetings with DMs for3 months

SIGNATURE OF THE PERSONAL OFFICER

Annexure-9

ADVERTISEMENTS INFORMATION TO BE SUBMITTED FOR AUDIT AS ON _____

S.NO	PARTICULARS
1	Complaints if any from AD agents
2	The details of complaints and action taken shall be furnished) Service tax is being collected (Y/N)
3	Chrging of 36% penalaty for delayed licence fee payments either from 1st or 10 th ofthemoth
4	Charging penalty on delayed payment of other charges Electricity charges service tax
5	No.of legal cases pending with details:
6	Pending cases with H.O ifany -Details

SIGNATURE OF THE PERSONAL OFFICER

Annexure-10

ADVERTISEMENTS INFORMATION TO BE SUBMITTED FOR AUDIT AS ON _____

S.NO	PARTICULARS
1	Garage/Traffic/Security incharge areinformed of terms and conditions of the agreement
2	Incase ofADs on Buses and Ads onseat backs Garage, Security incharge are informed through proper letter.
3	whether Garage incharge maintains a register inconnection with ADs on Buses and Ads on seat Backs
4	Weather Traffic Incharge maintains Register on stalls

SIGNATURE OF THE DEPOT MANAGER

Annexure-11

DETAILS OF PROPERTY TAX COLLECTED FROM DOT STALLS IN THE REGION AS ON

DEPOT:

Sl. No	Depot	Bus Station	Class	DOT Stall No.	Area	Year	Property Tax Paid for B/S	BUS STATION:		CLASS OF B.S:	
								Plinth Area of B/S	Property Tax for DOTStall	Notice Served	Amount Paid by Licensee

SIGNATURE OF PERSONAL OFFICER

Annexure-12

DETAILS OF DIFFERENT AD STREAMS IN THE REGION

Sl. No	Stream	Agreement	Date of Allotment	Agreement entered	Security Deposit Received from HO	DMs Communicated/ Not	TDS Exemption Communicated/ Not	Remarks

SIGNATURE OF PERSONAL OFFICER

Annexure-15

REGISTER TO BE MAINTAINED BY GARAGE IN CHARGE IN CONNECTION WITH ADS ON BUSES

CONTRACTOR: AGREEMENT FROM: TO: CONTACT DETAILS

DATE	BUS NO	TYPE	AD DETAILS	PERMISSION		DEFACE MENT DONE ON	PENALTY ON NON DEFACE MENT	REMARKS
				FROM	TO			

Annexure-16

REGISTER TO BE MAINTAINED BY GARAGE IN CHARGE IN CONNECTION WITH ADS ON SEAT BACKS OF BUSES

CONTRACTOR: AGREEMENT FROM: TO: CONTACT DETAILS

DATE	BUS NO	TYPE	AD DETAILS	PERMISSION		DEFACE MENT DONE ON	PENALTY ON NON DEFACE MENT	REMARKS
				FROM	TO			

Parcel service:

1. Location size of Space provided for parcel office at Bus Station.
2. Availability of storage facility.
3. Availability of weighing machine.
4. Availability of complaints registers.
5. Revenue accountal systems.
6. Maintenance of Records.
7. Delivery practices of parcels.
8. "To-pay" system accountal procedure.
9. Average time taken for dispatch of parcels.
10. Average time taken for delivery of parcels.
11. Tariff details and exhibition of tariff details.
 - a. Bulk transportation.
 - b. Contracts for Dickey booking.
12. Action taken on complaints if any on crew/licensed porters.
13. Collection of storage charges on the not delivered goods.
14. Action taken on Loss/ theft of consignments.
15. Commission paid to LBDs and no of employees enrolled as LBDs.
16. Commission paid to ATB Agents who booked parcels through APSRTC Logistics.
17. Procedure followed in transportation of items with insurance facility.
18. Parcels through Business facilitators system – No of Business facilitators enrolled.
19. Interaction with ATM(Comm.)
 - a. List of main goods transported frequently.
 - b. Potentiality of goods transportation in the area and action improving business.