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ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

OFFICE OF THE
VICE-CHAIRMAN & MANAGING DIRECTOR
MUSHIRABAD : HYDERABAD.

No.COS©I/Dis/OMPR/07-08/SPD. Dated.13-8-2007

CIRCULAR NO.1/Dis/SPD/2007-08, Dt.13-8-2007.

Subject:- **DISPOSALS** – Disposal of Un-Serviceable Vehicles /
Materials/ Tyres etc., through Periodical Tender-Cum-
Auctions / Limited Tenders – Revised Guidelines –
Regarding.

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As per the directive of Vice-Chairman & Managing Director, the existing Auction Procedures laid down in SPD Manual (Section-G), Terms and Conditions of the Tender-Cum-Auction, all the relevant Circulars in force and Delegation of Powers – Section-6 of 2005, are studied by a Committee consisting of CFM/ CCOS / Dy.CAO (B&F) / COS© -I. The Committee had recommended to incorporate certain changes in the present system. The recommendations submitted by the Committee are approved by the Vice-Chairman & Managing Director with the concurrence of FA/CAO. Accordingly, Existing procedures shall get revised for effective functioning of the disposal activity. In this regard the following are the revised instructions/guidelines in respect of Disposal of Un-Serviceable Vehicles/ Materials/ Tyres etc., through Periodical Tender-Cum-Auction / Limited Tenders to be followed with immediate effect (In respect of items for which no revised procedure/guidelines are given, the existing procedure/guidelines stand good).

ITEM **EXISTING PROCEDURE**
No.

REVISED PROCEDURE

I **ISSUE OF SALE ORDERS OF ED(Z)
& MD APPROVED LOTS**

Item 3(d), (e) of release procedures of Disposal section Section-G of SPD manual-Page-182-d

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| a) Choice shall be left to the dealer to take separate Sale Orders for ED(Z) approved lots or wait till approval of MD is also received and take a single consolidate sale order. | a) No change |
| b) While indicating the due dates for payment, the practical feasibility of releasing the lots, on those dates shall be kept in view. | b) No change |

II **CLASSIFICATION OF ITEMS**

Item 9 of Classification of U/S Lots of Disposal Section-G of SPD manual page 171 classification of A,'B',&'C' class items is done based on the value of individual lots as under :

A'Class Items: Lot Value more than Rs.10,000/-

'A' Class items: Lot value more than Rs.50,000/-

B'Class Items: Lot Value between Rs.1,000/- and Rs.10,000/-

'B' Class items: Lot Value between Rs.5,000/- and Rs.50,000/-

'C' Class items: Lot value less than Rs.1000/-

'C'Class items: Lot value less than Rs.5,000/-

<u>ITEM NO</u>	<u>EXISTING PROCEDURE</u>	<u>REVISED PROCEDURE</u>
III	<u>DELEGATION OF POWERS : ED(ZONE)</u> As per DoP 2005, item 27 of Section 6 "Purchase and disposal of Stores" ED(Zone) is delegated with the following powers a) Powers to approve the disposal of 'A' Class material/vehicle / equipment lots when the rates obtained or equal to or more than previous <u>three</u> approved auction rates and upset values (wherever fixed) b) Full powers in respected of 'B' & 'C' Class material lots.	a) Powers to approve the disposal of 'A' -Class material /vehicle / equipment lots when the rates obtained are equal to or more than previous <u>two</u> approved actions rates and upset values(wherever fixed) b) No change.
IV	<u>VALIDITY OF TENDER</u> Item(2) of Terms & Conditions for sale-RTC-257 "The offer should be valid for <u>three months</u> from the date of Tender cum auction."	"The offer should be valid for <u>50 days</u> from the date of Tender cum Auction"
V	<u>LIFTING OF MATERIALS AFTER PAYMENT.</u> Item 9 of Terms & Conditions for sale-RTC-257 a) After obtaining the Money Receipt for full payment a period of <u>7 working days</u> from the date of payment will be given for lifting at the purchaser's risk	a) After obtaining the Money Receipt for full payment a period of <u>15 working days</u> from the date of payment will be given for lifting at the purchaser's risk.

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NO.

EXISTING PROCEDURE

REVISED PROCEDURE

- b) Cir.No.POC/I/Dis/Penalties(DD)/2001-2002/SPD,dated.09-11-2001 - Zonal COSS/Dy.CAOs were asked to advise the successful highest tenderers to obtain the Demand Drafts payable on the respective State Bank of India and State Bank of Hyderabad with which the Zonal stores is having account, to facilitate faster realization of Demand Drafts.

As per practice in vogue
Whenever the balance payment
by Demand Drafts is made by
the scrap dealer the
Money Receipt is issued
" Subject to Realisation".

- b) Whenever the balance payment by Demand Drafts is made by the scrap dealer, the date of submission of Demand Drafts is to be reckoned as the date of payment

- c) For calculation of penalties, the date of submission of Demand Drafts should be taken as the date of payment and not the date of realization of Demand Drafts.

- c) No change.

VI

NEGOTIATIONS

Sl.No.21 of Disposal Section Manual of SPD page 176 Negotiations are being made as per the following manual instructions "If the Corporation is going to derive substantial benefit by **entering into negotiations**, the competent authority at Head Office may authorize negotiations."

Considering the revised validity time/delay involved in the negotiation process and for quick disposal, recommendations shall be given either to accept or reject the highest offer, without proposing any negotiations.

<u>ITEM NO</u>	<u>EXISTING PROCEDURE</u>	<u>REVISED PROCEDURE</u>
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VII EMD (EARNEST MONEY DEPOSIT)
Item 4 of Terms & Conditions for sale-
RTC-257

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| <p>a)All the offers should be accompanied by <u>Earnest Money Deposit (EMD) @ 5%</u> of the total value offered for the LOTs.</p> <p>b)After opening of the tenders, the highest Bidder or Tenderer will have to pay an additional 5% EMD</p> <p>c)Tenderers shall also be entitled to bid in the auction and shall deposit their Earnest Money Deposit(<u>EMD</u>) <u>@ 5%</u> of the bid value immediately after the fall of the hammer during the Auction</p> | <p>a)All the Tender offers should be accompanied by Earnest Money Deposit(<u>EMD</u>)<u>@ 10%</u>of the total value offered for the LOTs.</p> <p>b) deleted</p> <p>c)Tenderers shall also be entitled to bid in the auction and shall deposit their Earnest Money Deposit (<u>EMD</u>) <u>@ 10%</u> of the bid value immediately after the fall of the hammer during the Auction</p> |
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VIII U/S TYRES – LOT QUANTITY

Circular	No.COS©-I/DIS/55-2/95-96-SPD, dt.27-2-1997	The lots of Unserviceable Tyres shall contain not more than <u>500 numbers</u> in each lot.
	The lots of Unserviceable Tyres shall contain not more than <u>100 numbers in each lot.</u>	

IX) Other instructions contained in the SPD MANUAL and CIRCULARS given earlier remain unchanged.

X) The auction committee shall refer the cases requiring the sanction of VC & MD within 10 working days from the date of auction to Executive Director (P&AM) / CCOS with the recommendations of concerned ED of the Zone.

This has the approval of VC & MD with the concurrence of FA / CAO.

Please acknowledge receipt.

TVS N...
EXECUTIVE DIRECTOR (P & AM)
13/8/2007

CC to All Executive Directors for information & necessary action please.

CC to FA / CAO/ CFM for information pl.

CC to The Director (V&S) for favour of information please.

CC to The Chief Manager(HRD) for necessary action.

CC to All COSs / Dy.CMEs / WMs / DY.CAOs (Zones)/ Dy.CAO (B&F) / Dy.CAO(CE) for information & necessary action.

CC to All Stores Officer (D&T)s/AOs/V&SO(Zones) for inmfn.& n/a.

CC to COS(MYP) for updating the Tender-cum-Auction terms and conditions (RTC-257)

cc circulation file

[Signature]
8/9/07