General Guidelines on disposal of Condemned Vehicles

As discussed in civil surgeon’s conference on 18-11-2008 Condemned Vehicles of Punjab Govt. are disposed off as per instructions of Motor Vehicle Board No. STC-G (AT)/28/27691-741 dated 08-08-1996 (copy attached)

2. As per the above instructions the condemned vehicles at district level are disposed off by The Deputy Commissioner. You may get committee formed and approval by DC.

(i) Deputy Commissioner (Chairman)
(ii) DTO or his representative
(iii) Works manager Punjab Roadways/PRTC
(iv) Office of Health Dept.
(v) Accounts/Finance functionary Health Dept.

3. The departments thus leave the above work to the Distt. Transport Officer without any active participation due to which old vehicles keep piling up with little or no disposal of vehicles taking place. The following steps may be taken to dispose off condemned vehicles of the health departments.

(i) Prepare the data for each vehicle as per attached Performa of inspection report
(ii) Declare the vehicle condemned on completion of age/mileage as per instruction of motor vehicle board at para 2
(iii) Fix reserve price as per formula given at para 2 (ii) of motor vehicle board instructions
(iv) Take permission of the Deputy Commissioner for disposal of vehicles.
(v) Given advertisement for disposal of vehicles giving at least 2 weeks notice by tender. In case tenders are received and accepted takes signature of all members of board and give vehicle to highest bidder. If no tender received/accepted wait 15 days for category at para 2 (vi) of vehicle board instructions who can take the vehicle at reserve price. (Refer page 8)
(vi) In case the vehicle is still not disposed off readvertise as per para (v) above. It may be noted that if second tendering there is no need to wait for 15 days unlike (v) above.
(vii) In Case Vehicle still not disposed off readvertise for disposal by way of open action. Thus step vi & vii can be combined in a single advertisement i.e tender opening (for second time advertisement) at 12 noon. In case no successful tender is received disposal by way of open auction at 3 pm on the same day. In case the vehicle is still not disposed off then the reserve price of the vehicle is to be refixed by the committee same as disposal committee.

After re-fixing reserve price take steps in some manner as done earlier as 3(iv),(v), (vi),(vii).

4. Appoint an officer as committee member who shall be member secretary with the approval of the Deputy Commissioner.

5. The successful tenderers are required to pay VAT before lifting the vehicle. They try to pay VAT at rate applicable for scrap as VAT rates of scrap are lower than rates for old vehicles. The VAT at rates for old vehicle is to be paid. Take a copy of receipt of payment of VAT before handing over vehicle.

6. copies of advertisement which may be modified as required for 1st and 2nd tender are enclosed.

Attached 1. Motor vehicle Board Instructions
2. Inspection report Performa
3. Model advertisement 1st tender and 2nd time tender