

# ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION



No. IE-2/367 (26)/2013 - IED.

O/o the VC & MD,  
Bus Bhavan, Hyd - 624.

## CIRCULAR No. 02/ 2015 - IED, Dated: 16-02-2015

Sub: **DIS:-** Special Incentive Scheme to Customer Relations Coordinator - Modified method for arriving growth in the revenue realized through sale of Marketing products - Circular instructions issued – Reg.

- Ref: 1) Circular No. 05/2011-IED, dated: 28.07.2011.  
2) Circular No. 06/2012-IED, Dated: 19-10-2012.  
3) Circular No. 07/2013-IED, Dated: 15-10-2013.  
4) Circular No. 23/2010-IED, dated: 26-11-2010.

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### 1.0 INTRODUCTION:

Vide circular cited at 1, the Special Incentive Scheme for Customer Relations Coordinator was introduced and implemented at all the Depots of the Corporation with effect from 01.08.2011 with a validity of one year i.e., upto 31.07.2012. Subsequently the scheme was extended from time to time.

In view of the revision of charges for SILVER CARDS and VIHARI CARD w.e.f 06.11.2013, it is necessitated to modify the method of arriving the % of growth in the revenue realized through the sale of Marketing products over the corresponding month of last year.

Now, the VC & MD with the concurrence of FA & CAO has accorded sanction for certain modifications of existing Special Incentive Scheme applicable to Customer Relations Coordinator at all Depots of the Corporation. The details of the scheme are as follows:

### 2.0 SALIENT FEATURES OF THE SCHEME :

The parameters considered for payment of incentive to Customer Relation Coordinator (CRC) at depots are as follows;

- Growth in the revenue realized through sale of marketing products
- % of service targets achieved for the month
- Traveling on low OR routes, following of low earning conductors and counseling of conductors for courteous behavior and observance of passenger friendly measures.
- Punctuality.

Initially the Marketing products consists of CAT, JHT, IJHT, CGG, VANITHA, SILVER and GOLD Cards. Later as per the Circular No.45/2012-OPD(MKTG),DATED:29.10.2012, the GOLD Cards were withdrawn. Later new NAVYA CAT CARD was introduced duly rationalizing the existing CAT CARD in the month of March 2013 as per the Circular No. 4/2013 – OPD(Mktg), Dated:06.03.2013.

Further a new Concessional VIHARI CARD was introduced on all types of services except in AC buses in the month of March 2013 duly dispensing with the prevailing JHT, IJHT and CGC cards as per the Circular No. 5/2013 – OPD(Mktg), Dated:06.03.2013. Thus all these products of GOLD,JHT, IJHT and CGC Cards were eliminated except NAVYA CAT, SILVER and VIHARI Cards.

The tariff of SILVER CARDS (Pallevelugu & Express) and VIHARI CARD was revised with effect from 06.11.2013, Vide Circular No. 47/2013 - OPD (MKG),Dated:04.11.2013 and Vide Circular No. 48/2013-OPD(MKTG), Dated: 04.11.2013 respectively.

### 3.0. PRODUCT WISE % OF INCREASE IN TARIFF:

The impact due to revision of Tariff for various types of marketing products is furnished here under;

| S.No. | Type of Product                             | Pre-Revised Tariff (Rs.) | Revised Tariff (Rs.) | % of Increase |
|-------|---|--------------------------|----------------------|---------------|
| 1     | Silver Cards Pallevelugu(Avg.Tariff per KM) | 22.47                    | 24.24                | 7.88%         |
| 2     | Silver Cards Express(Avg.Tariff per KM)     | 28.47                    | 31.29                | 9.91%         |
| 3     | VIHARI Cards                                | 500.00                   | 550.00               | 10.00%        |
| 4     | Navya CAT Cards (CAT)                       |                          | No Change            |               |
| 5     | VANITHA family cards                        |                          | No Change            |               |
| 6     | Others                                      |                          | No Change            |               |

In view of revision of tariff for various types of marketing products, the new methodology shall be adopted from November 2013 for payment of incentive to CRC on the % of growth in the revenue realized through sale of Marketing Products over the corresponding month of previous year by neutralizing the effect of revision of Tariff.

### 4.0. METHOD OF ARRIVING GROWTH IN THE EARNINGS REALIZED THROUGH THE SALE OF IDENTIFIED MARKETING PRODUCTS:

#### I. For the months of November 2013 to February 2014:

The Tariff of NAVYA CAT Cards and Vanitha Family Cards was not revised. As the Tariff of Silver Cards Pallevelugu and Silver Cards Express was revised, the actual revenue realized through the sale of these products for November 2012 shall be increased with 7.88 % & 9.91% respectively to obtain the anticipated revenue realized for November 2012 to neutralize the effect of revision of Tariff.

As the VIHARI Product was newly introduced in the month of March 2013, the % growth in the revenue realized for this product cannot be calculated for the month of November 2013 over the corresponding month of previous year as there will be no comparison data to be considered for the month of previous year (November 2012). Hence not included to calculate the growth.

Then the total % of growth shall be arrived for the month of November 2013 by adding the actual revenue realized through the sale of all these above products (except VIHARI Cards) for November 2013 over the anticipated revenue realized for Silver cards Pallevelugu & Express along with actual revenue realized by all other products (except VIHARI Cards) for the corresponding month of previous year.

## **II. For the months of March 2014 to October 2014:**

In case of VIHARI Cards , the actual revenue realized through the sale of this product for March 2013 shall be increased with 10% to obtain the anticipated revenue realized for March 2013 to neutralize the effect of revision of Tariff.

Then total % of growth shall be arrived for the month of March 2014 by adding the actual revenue realized through the sale of all these above products (including VIHARI Cards) for March 14 over the anticipated revenue realized for Silver cards Pallevelugu & Express and VIHARI cards along with actual revenue realized by all other products for the corresponding month of previous year (March 2013).

## **III. From November 2014 onwards:**

From November 2014 onwards there is no need to follow the above procedure i.e to increase the earnings for neutralize the effect of revision of Tariff and the % of growth achieved in amount realized through sale of all Marketing products over corresponding month of last year shall be worked out as usual as per the procedure mentioned in the circular 05/2011 – IED, Dated. 28.07.2011 since the fare revision has been effected from November 2013.

For easy understanding an Illustration is furnished at Annexures - A & B enclosed.

## **5.0 TERMS AND CONDITIONS :**

- These circular instructions will come into force with effect from 01.11.2013 and the scheme is valid upto March 2015.
- The existing scheme is modified to the extent stated in this circular.
- All other terms and conditions communicated vide Circular No.05/2011-IED, Dated: 28.07.2011 shall remain unchanged.
- Whenever the fares are revised, the above clauses are to be reviewed and revised.
- The I.T. Department is informed to make necessary modifications in the software programme (DCP) for the payment incentive to the CRC's as per the procedure.

- The Accounts Department is informed to continue the same Account Head to book the expenditure incurred on the special incentive scheme applicable to the CRC's.

**Encl:** As above



**CHIEF ENGINEER ( IE )**

Copy to: Secretary to Chairman for kind information please.

: Personal Secretary to VC & MD for kind information please.

: Director(V&S),JMD, All EDs/ FA & CAO/ED(Zones) for kind information please.

: All RMs / HODs.

: **Chief Manager(A&S) to continue the same Account Head for the payment.**

: Sr.RAO(AG), Bus Bhavan for information please.

: All Dy. CTMs / DVMs/ Dy. CMEs/ Dy. CAOs.

: Dy. CAO(TA & I) 20 copies.

: Principals of ZSTCs / Principal of Transport Academy

: **Dy.CME (Sr. Manager-IT) to provide necessary software programme for the implementation of the scheme and to keep the scanned copy of this circular in Web under " IED " Circulars.**

: Training Officer / HO for inclusion in monthly index.

: All DMs / AOs .

: The Secretary General, APSRTC,E.U,Satyanarayana Reddy Marg, Hyd.

: The General Secretary, APSRTC, NMU, Vidyanagar, Hyderabad.

: The General Secretary, APSRTC, TMU, Hyderabad.

: The General Secretary, APSRTC Class-II Supervisor's Association.

: The General Secretary, APSRTC, SWF, H.No. 01-07-130/5, Risala Khursheed Jahi, Zamistanpur, Hyderabad.

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**ILLUSTRATION FOR PAYMENT OF INCENTIVE ON GROWTH IN THE REVENUE  
REALIZED THROUGH SALE OF MARKETING PRODUCTS TO CRCs**

**I. From November 2013 to February 2014:**

- a) Name of the Depot : “ X ”  
 b) Month: November 2013  
 c) Revenue from sale of Marketing products:

| S.No. | Type of product                               | For the month of November 2013 (Rs.) | For the month of November 2012 |               |   | % of Growth   |
|-------|---|--------------------------------------|--------------------------------|---------------|---|---------------|
|       |   |                                      | Actual for the month (Rs.)     | % of Increase | Projected revenue for the month due to revision of Tariff (Rs.) |               |
| 1     | Revenue from sale of VIHARI                   | To be considered From March 2014.    |                                |               |   |               |
| 2     | Revenue from sale of Pallevelugu SILVER CARDS | 234640                               | 149920                         | 7.88          | 161734  |               |
| 3     | Revenue from sale of Express SILVER CARDS     | 175920                               | 131120                         | 9.91          | 144114  |               |
| 4     | Revenue from sale of Navya CAT                | 173550                               | 164750                         |               | 164750  |               |
| 5     | Revenue from sale of VFC                      | 13420                                | 8330                           |               | 8330  |               |
| 6     | Revenue from sale of Others                   | 0                                    | 0                              |               | 0   |               |
|       | <b>Total Revenue</b>                          | <b>597530</b>                        |                                |               | <b>478928</b>   | <b>24.76%</b> |

- d. Minimum growth to become eligible over the corresponding month of = 10 % last year for payment of incentive
- e. Maximum Ceiling Limit for payment of incentive per month = Rs. 500 /-
- f. % of growth achieved for the month over the corresponding month of last year through Marketing Products =  $(597530 - 478928) \times 100 / 478928 = 24.76\%$
- g. Incentive amount payable =  $(597530 - 478928) \times 1\% = 118602 \times 1\% = \text{Rs. } \underline{1186.02}$
- h. Incentive amount eligible after ceiling = Rs. 500.00

**ANNEXURE - B****II. From March 2014 to October 2014:**

- a) Name of the Depot : “ X ”  
 b) Month: March 2014  
 c) Revenue from sale of Marketing products:

| S.No. | Type of product                               | For the month of March 2014 (Rs.) | For the month of March 2013 |               |   | % of Growth   |
|-------|---|-----------------------------------|-----------------------------|---------------|---|---------------|
|       |   |                                   | Actual for the month (Rs.)  | % of Increase | Projected revenue for the month due to revision of Tariff (Rs.) |               |
| 1     | Revenue from sale of VIHARI                   | 119940                            | 99950                       | 10.00         | 109945  |               |
| 2     | Revenue from sale of Pallevelugu SILVER CARDS | 234640                            | 149920                      | 7.88          | 161734  |               |
| 3     | Revenue from sale of Express SILVER CARDS     | 175920                            | 131120                      | 9.91          | 144114  |               |
| 4     | Revenue from sale of Navya CAT                | 173550                            | 164750                      |               | 164750  |               |
| 5     | Revenue from sale of VFC                      | 13420                             | 8330                        |               | 8330  |               |
| 6     | Revenue from sale of Others                   | 0                                 | 0                           |               | 0   |               |
|       | <b>Total Revenue</b>                          | <b>717470</b>                     |                             |               | <b>588873</b>   | <b>21.84%</b> |

- d) Minimum growth to become eligible over the corresponding month = 10 % of last year for payment of incentive
- e) Maximum Ceiling Limit for payment of incentive per month = Rs. 500 /-
- f) % of growth achieved for the month over the corresponding month of last year through Marketing Products =  $(717470 - 588873) \times 100 / 588873 = 21.84\%$
- g) Incentive amount payable =  $(717470 - 588873) \times 1\% = 128597 \times 1\% = \text{Rs. } \underline{1285.97}$
- h) Incentive amount eligible after ceiling = Rs. 500.00

The procedure for payment of incentive for remaining parameters on special Incentive scheme to CRCs shall be followed as per the instructions communicated.