

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

No. IE-2/367(12)/2011-IED.



O/o the VC & MD,
MSRD, Hyd-500624.

CIRCULAR No. 08/2011-IED, Dated: 03-08-2011

Sub: - INCENTIVE: Revision of rates of incentive on earnings parameter & service targets consequent to fare revision with effect from 16-07-2011 – Communication of Approval - Reg.

Ref: - 1) Circular No. 33/2011-OPD (P), dated: 14-07-2011.
2) Circular No. 23/2010-IED, dated: 26-10-2010.
3) Circular No. 03/2011-IED, dated: 05.04.2011.

I. INTRODUCTION:

Vide circular reference cited at 1; the Corporation has revised fares in respect of all types of stage carriage buses (Mofussil and City) except City Sheethal services, with effect from 16-07-2011.

In view of revision of the fares, it is necessary to revise the service targets, rates of incentive on earnings parameter, incentive to drivers operating services with TIM for different types of services, duly neutralizing the effect of the fare hike.

II. Percentage of Fare Increase:

The Impact of the fare revision on various types of services computed in term of percentages is furnished here under:

District Services			
Type of Service	Basic Fare per KM in Ps.		% of increase
	Pre revised	Revised	
Pallevelugu/Gramini	46.00	50.00	8.70%
Express	54.00	62.00	14.81%
Deluxe	60.00	70.00	16.67%
Super Luxury	70.00	82.00	17.14%
Meghadooth Non AC	70.00	82.00	17.14%
City Services			
Type of Service	Avg. Basic Fare per KM in Ps.		% of increase
	Pre revised	Revised	
City/Town Ordinary	54.05	61.19	13.21%
Metro Express	65.71	72.86	10.88%
Metro Deluxe	71.90	79.05	9.94%

III. REVISED RATES OF INCENTIVE:

The rates of incentive on account of fare revision in district & city services on reaching the target and crossing the targets are at various levels of growth in earnings on various type of operation are as follows:

District Services:

Revised Rate of incentive payable to conductor driver on th spot and month end (Mofussil)							
S. No.	Type & Category	On Reaching the Target	Above Target				
			>Target to 110%	>110% to 120%	>120% to 130%	>130% to 140%	>140%
1	Pallevellu/Gramini/Mini Buses	Basic Fare= 50 Ps.					
	For Conductors on the Spot	0.28%	1.73%	2.06%	2.76%	3.45%	4.15%
	For Conductors at the month end	0.14%	0.87%	1.03%	1.38%	1.73%	2.08%
	For Drivers on the spot	0.28%	1.73%	2.06%	2.76%	3.45%	4.15%
2	Express	Basic Fare= 62 Ps.					
	For Conductors on the Spot	0.16%	1.41%	1.56%	1.87%	2.50%	3.13%
	For Conductors at the month end	0.08%	0.71%	0.78%	0.94%	1.25%	1.57%
	For Drivers on the spot	0.16%	1.41%	1.56%	1.87%	2.50%	3.13%
3	Deluxe	Basic Fare= 70 Ps.					
	For Conductors on the Spot	0.12%	1.24%	1.39%	1.55%	1.86%	2.17%
	For Conductors at the month end	0.06%	0.62%	0.70%	0.78%	0.93%	1.09%
	For Drivers on the spot	0.12%	1.24%	1.39%	1.55%	1.86%	2.17%
4	Super Luxury/Meghadooth Non AC	Basic Fare= 82 Ps.					
	For Conductors on the Spot	0.12%	1.23%	1.38%	1.54%	1.84%	2.15%
	For Conductors at the month end	0.06%	0.62%	0.69%	0.77%	0.92%	1.08%
	For Drivers on the spot	0.12%	1.23%	1.38%	1.54%	1.84%	2.15%

City/Town Services:

Revised Rate of incentive payable to conductor/driver on th spot and month end City/Town							
S. No.	Type & Category	On Reaching the Target	Above Target				
			>Target to 110%	>110% to 120%	>120% to 130%	>130% to 140%	>140%
1	City ordinary/Mini Buses/ Vestibule	Calculated Average Basic Fare= 61.19 Ps.					
	For Conductors on the Spot	0.18%	1.04%	1.80%	2.39%	2.99%	3.58%
	For Conductors at the month end	0.09%	0.52%	0.90%	1.20%	1.50%	1.79%
	For Drivers on the spot	0.18%	1.04%	1.80%	2.39%	2.99%	3.58%
2	Metro Express	Calculated Average Basic Fare= 72.86 Ps.					
	For Conductors on the Spot	0.17%	1.02%	1.76%	2.34%	2.93%	3.52%
	For Conductors at the month end	0.09%	0.51%	0.88%	1.17%	1.47%	1.76%
	For Drivers on the spot	0.17%	1.02%	1.76%	2.34%	2.93%	3.52%
3	Metro Deluxe	Calculated Average Basic Fare= 79.05 Ps.					
	For Conductors on the Spot	0.14%	0.75%	1.50%	2.11%	2.71%	3.31%
	For Conductors at the month end	0.07%	0.38%	0.75%	1.06%	1.36%	1.66%
	For Drivers on the spot	0.14%	0.75%	1.50%	2.11%	2.71%	3.31%

IV. Revision of Service Targets:

The basic fare of all types buses are revised upward, hence there is a need to revise the service targets to neutralize the bus fare hike.

1. Fixation of service targets from 00.00 Hrs of 16-07-2011 to 30-09-2011:

In the Existing circular No. 23/2010-IED, dated: 26-11-2010, vide para 3.1, twelve months are divided into four quarters. Fixation of service targets is being done based on the quarterly average EPK multiplied by the correction factor of the unit communicated and schedule KMs of that service. Since the service targets is already fixed taking the average EPK realized during previous quarter i.e., 01.04.2011 to 24.06.2011 by multiplying with the related correction factor of unit and schedule KMs of that service in district and city operation. The targets fixed in pre-revised basic fare shall be revised upward with effect from 16.07.2011 by the type wise % of increase shown in the tables furnished at clause No. II.

2. Fixation of service targets from 01-10-2011 to 31-12-2011:

To fix the target for next quarter (Oct' 2011 to Dec' 2011) for a service, the average EPK realized from 01.07.2011 to 24.09.2011 has to be taken. Since the fare hike is implemented from 16.07.2011, the service target for the next quarter (Oct' 2011 to Dec' 2011) shall be done in 3 stages:

Stage (i): The earning realized for a service from 01.07.2011 to 15.07.2011 has to be raised upward by the % of increase in basic fare to that corresponding type of operation.

Stage (ii): The earning realized for a service from 16.07.2011 to 24.09.2011 has to be added to the calculated earnings arrived at stage (i) and has to be considered as the earnings realized for the period 01.07.2011 to 24.09.2011.

Stage (iii): The total KMs operated by that service during the period from 01.07.2011 to 24.09.2011 shall be taken. The total earnings calculated at stage (ii) shall be divided by the KMs operated, to arrive at average EPK for the period from 01.07.2011 to 24.09.2011. Finally the calculated average EPK has to be multiplied by the quarterly correction factor (Oct' 2011 to Dec' 2011) of respective unit and schedule KMs of that service to fix the service target.

For better understanding an illustration is furnished as follows:

ILLUSTRATION FOR FIXATION OF SERVICE TARGETS

Name of the depot	: ELURU
Type of service	: District Express
Name of the service	: V012
Impact of fare hike on District Express basic fare	: 14.81% --- A
Daily Schedule KMs	: 488 ----- B
Pre-revised Target for the quarter Jul' 11 to Sep' 2011	: ₹ 8955----- C
Earnings (Forecast) from 01.07.2011 to 15.07.2011	: ₹ 134325-- D

Revised Service Target for the Period 16-07-2011 to 30-09-2011

Revised Target for the period 16.07.2011 to 30.09.2011	: C X (100 + A) %
₹ 8955.00 X 114.81% = ₹ 10281.24 or Say	: <u>₹ 10281/-</u>

Similar calculation shall be done for all types of services.

Revised Service Target for the Quarter Oct' 2011 to Dec' 2011 (Express)

Upward projection of earnings realized from 1.7.11 to 15.7.11	
{ C X (100+A)}: ₹ 134325 X 114.81% = ₹ 154218.53	: ₹ 154219-- F
Earnings realized (Projected) from 16.07.2011 to 24.09.2011	: ₹ 791637-- G
KMs operated (Projected) from 01.07.2011 to 24.09.2011	: 44896 ----- H
Earnng. to be considered from 01.07.2011 to 24.09.2011 (F+G)	: ₹ 945856-- I
EPK to be considered from 01.07.2011 to 24.09.2011 (I/H)	: ₹ 21.07 ----J
Correction factor of ELR Depot for the Quarter Oct to Dec	: 1.03 ----- K
Service target for the quarter Oct' 11 to Dec' 11	: B X J X K
488 KMs X ₹ 21.07 EPK X 1.03 Correction factor	: ₹ 10590.62

Or Say : ₹ 10591/-

Service Target: ₹ 10591/-

V. Revision of Incentive rate to Drivers operating service with TIM:

1. Vide clause No. 05.2 of circular No. 23/2010-IED, dated: 26-10-2010, incentive amount on sale of tickets issued through TIM was communicated, payable to driver operating service with TIM on the spot with a ceiling limit of Rs. 2000.00 per month per driver. (Including machine handling allowances)
2. Due to fare revision, the incentive to TIM driver for all type of services except City and Pallevelugu, shall be paid at the rate of Re. 1/- towards incentive per passenger, ticket worth up to Rs. 80.00, and for the tickets worth above Rs. 80.00 an amount of Rs. 2.00 shall be paid towards incentive per passenger, issued through TIM.
3. Rest of the terms and condition communicated time to time shall remain unchanged regulating the incentive scheme for the drivers operating services with TIM.

Arrears of incentive amount shall be paid after pre-audit by Regional Accounts Office.

These circular instructions come into force with effect from 16-07-2011, and rest of the terms and conditions issued time to time shall remain unchanged.

This has the approval of VC & MD and the concurrence of CAO.


8/8/2011
CHIEF ENGINEER (IT)

Copy to: Secy. to Chairman for kind information please.
PS to VC & MD for kind information please.
Director (V & S), All EDs/FA/CAO/ED (Zones),
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