

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

Lr.No. IE-2/367(5)/2006-IED

Office of the VC & MD,MSRD
HYD-20, Dt.25.02.2006.

CIRCULAR No. 02/2006-IED

Sub:- DIS - Depot incentive Scheme and Special Incentive Scheme - Revision of rates of Incentive payments on Earnings Parameter and fixation of service-wise targets consequent to **FARE REVISION 2006**- Circular instructions issued - Reg.

- Ref:-**
1. Circular No.05/2006-OPD(P),Dt.06.02.2006.
 2. Circular No.08/2004-IED,Dt.10.05.2004.
 3. Circular No.06/2005-IED,Dt.05.09.2005.
 4. Circular No.03/2003-IED,Dt.26.02.2003.

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I. INTRODUCTION:

Vide Circular 1st cited, the Corporation has revised the fares in respect of District Ordinary, Express, Luxury,Hi-Tech, Semi Sleeper, Ghat road operations and City/Town services w.e.f. **08.02.2006**. In view of the revision of the fares, it is necessary to revise the rates of incentive payment on Earnings parameter, method of fixation of service-wise targets, EPB calculation to arrive special incentive to the DMs and team and rates of Collection Batta to Ex-TTD Transport Conductors and Drivers. The Circular instructions will come in to force w.e.f. **08.02.2006**.

II. PERCENTAGE OF FARE INCREASE:

The impact of the fare increase on various types of District services has been computed by adopting the existing and revised basic fares. While fixing the targets, the percentage of increase in basic fares shall be considered. The increase in percentage due to revision of fare hike is as shown below:

i) DISTRICT SERVICES:

S.No.	Type of Service	% of increase
1	Ordinary	8.57
2.	Express	10.00
3.	Luxury	8.89
4.	Hi-Tech/Del.	9.62
5.	A.C.Hi-Tech	16.67
6.	Semi Sleeper(Non A.C)	8.77
7.	Semi Sleeper A.C	6.67

ii) ALL CITY/TOWN SERVICES:

There is no change in the existing fares in respect of City/Town services.

For District services operated by the city depots of Hyderabad, Vijayawada, Visakhapatnam and Warangal Regions the percentage of fare increase is same as in the case of District services shown at item No.II.

III. FIXATION OF SERVICE-WISE TARGETS:

For easy understanding the method to be adopted for fixing the targets in respect of "**District Ordinary Services**" is illustrated below:

a) TARGETS FOR FEBRUARY 2006 and March 2006:

Increase the EPK of service by 8.57% for 3 months i.e. from October 2005 to December 2005 and obtain the average EPK for 3months. Multiply this average EPK with monthly correction factor 1.04 and Schedule Kms. to obtain the service Target.

b) TARGETS FOR APRIL 2006 to JUNE 2006 :

Increase the EPK of services by 8.57% operated in January 2006 month. Add the EPK of February 2006 and March 2006 and obtain the average EPK for 3 months. Multiply this average EPK with monthly correction factor 1.10 and Schedule kms. to obtain the service Target.

c) TARGETS FOR JULY 2006 ONWARDS:

Since in April '06, May '06 and June '06 the EPK obtained based on the revised fares, there is no need to multiply the average EPK of the service with percentage increase in basic fare. Hence from July 2006 onwards the target fixation may be arrived as per the existing circular instructions.

On similar basis the service-wise revised targets for other District Express, Luxury, Hi-Tech/Deluxe services etc., may be fixed with the respective percentage of increase as shown in this Circular Vide item No.II.i.

IV. RATES OF INCENTIVE PAYMENTS:

The following are the revised rates of incentive payments on earnings parameter for different types of District services to be implemented **w.e.f. 08.02.2006.**

1. ALL DISTRICT, ALPIRI and TML depot services:

Sl. No.	Type & Category	on reach target (%)	Above Target				
			>Tgt. to 110 (%)	> 110 to 120 (%)	> 120 to 130 (%)	> 130 to 140 (%)	>140 (%)
1	Ord./Gramani Conductor						
	Spot	0.37	2.29	2.74	3.66	4.57	5.49
	M.end	0.18	1.14	1.37	1.83	2.29	2.74
	Driver						
2	Express Conductor						
	Spot	0.23	2.03	2.25	2.70	3.60	4.50
	M.end	0.12	1.02	1.13	1.35	1.80	2.25
	Driver						
3	Lux/HT/Del/A.C.HT/S.Sleeper(Non A.C)/S.Sleeper(A.C)						
	Spot	0.18	1.82	2.05	2.28	2.73	3.19
	M.end	0.09	0.91	1.03	1.14	1.37	1.59
	Driver						
	Spot						
	Spot	0.18	1.82	2.05	2.28	2.73	3.19

2. ALL CITY REGION DEPOT Services:

As there is no change in the existing fares in respect of City/Town services, there is no change in the rates of incentive payment on earnings parameter.

For District services operated by the city depots of Hyderabad, Vijayawada, Visakhapatnam and Warangal Regions, as the percentage of fare increase is same as in the case of District services shown at item No.II.i, the rates of incentive payment on earnings parameter shall be paid as in the case of District depots services based on the type of service operated irrespective of the depot operating it.

3. RATES OF PAYMENT OF COLLECTION BATTAs TO Ex-TTD TRANSPORT CONDUCTORS AND DRIVERS:

S.No	Type & Category	Rate of payment of Collection - Batta
1	Short Routes (Less than 100 KMs.)	0.29 % of Collection for each Conductor and Driver or plain road allowance @ 2Ps.per KM Whichever is higher.
2	Long Routes (More than 100 KMs.)	0.15 % of Collection for each Conductor and Driver or plain road allowance @ 2Ps.per KM Whichever is higher.

V. SPECIAL INCENTIVE SCHEME FOR D.Ms AND SUPERVISORS:

Vide para No.6 of Circular No.IED-18/1999, Dt.31.08.1999, it was clearly mentioned that whenever fare hike occurs, the percentage of fare hike has to be calculated. The EPB of corresponding month of previous year shall be increased by the above percentage and compared with the actual EPB of the current month. This scheme is valid up to August 2006.

Hence, from February 2006 to August 2006, **fare hike factor** has to be calculated every month and EPB of corresponding month of last year shall be multiplied with this fare hike factor of the month and then compared with EPB of current month. The monthly fare hike factor has to be calculated as shown below:

$$\text{(No.of Dist. Ord./Gram Veh.X 8.57+No.of Exp.Veh.X 10.00+No.of Lux.Veh.X 8.89+No.of H.T.Veh.X 9.62+No.of A.C.HT Veh.X 16.67+No.of Semi.Slepeer(N. AC)X8.77+No.of Semi Sleeper ACX6.67+No.of City Ord.Veh. X 0+No.of Green Exp.veh.X 0+No.of Metro/City Exp.Veh. X 0+ No.of Metro/ City Liner Veh.X 0+ No.of Sub-urban Veh. X 0}$$

$$\text{Fare Hike Factor} = 1 + \frac{\text{Total Fleet held during the month X 100}}{\dots}$$

$$\% \text{ Growth in EPB} = \frac{\text{EPB of current month} - (\text{EPB of corresponding month of last year X Fare Hike Factor})}{\text{EPB of corresponding month of last year X Fare Hike Factor}} \times 100$$

After obtaining the percentage growth in EPB as per above procedure, incentive pool is calculated and the same is distributed among D.M and Supervisors as per the existing Circular.

1. FOR THE MONTH OF FEBRUARY '06:

- i) Earnings from 1-2-2005 to 7-2-2005 = A
- ii) Earnings from 8-2-2005 to 28-2-2005 = B

- iii) Earnings for the month of February 2005 = C= A + (B X Fare Hike Factor)
- iv) EPB for February 2005 = C/ Cum.Fleet held during Feb'2005

The EPB for February 2005 calculated as shown above shall be compared with actual EPB of February 2006 to calculate the % of growth in EPB.

$$\% \text{ Growth in EPB} = \frac{\text{EPB of Feb'06} - (\text{EPB of Feb'05 as calculated above})}{\text{EPB of Feb'05 as calculated above}} \times 100$$

2. FOR THE MONTH OF MARCH '06:

$$\% \text{ Growth in EPB} = \frac{\text{EPB of Mar '06} - (\text{EPB of Mar'05 X Fare Hike Factor})}{\text{EPB of Mar'05 X Fare Hike Factor}} \times 100$$

3. FOR THE MONTH OF APRIL '06:

$$\% \text{ Growth in EPB} = \frac{\text{EPB of Apr'06} - (\text{EPB of Apr '05 X Fare Hike Factor})}{\text{EPB of Apr '05 X Fare Hike Factor}} \times 100$$

4. FOR THE MONTH OF MAY '06:

$$\% \text{ Growth in EPB} = \frac{\text{EPB of May '06} - (\text{EPB of May '05 X Fare Hike Factor})}{\text{EPB of May '05 X Fare Hike Factor}} \times 100$$

5. FOR THE MONTH OF JUNE '06:

$$\% \text{ Growth in EPB} = \frac{\text{EPB of Jun '06} - (\text{EPB of Jun '05 X Fare Hike Factor})}{\text{EPB of Jun '05 X Fare Hike Factor}} \times 100$$

6. FOR THE MONTH OF JULY '06:

$$\% \text{ Growth in EPB} = \frac{\text{EPB of Jul '06} - (\text{EPB of Jul '05 X Fare Hike Factor})}{\text{EPB of Jul '05 X Fare Hike Factor}} \times 100$$

7. FOR THE MONTH OF AUGUST '06:

$$\% \text{ Growth in EPB} = \frac{\text{EPB of Aug '06} - (\text{EPB of Aug '05 X Fare Hike Factor})}{\text{EPB of Aug '05 X Fare Hike Factor}} \times 100$$

The rates of incentive payments shown in detail at item No.IV are subject to further revision in fare structure in future. The revised rates of incentive payments are effective from 08.02.2006.

All the Depot Managers shall fix the revised service-wise targets from 08.02.2006 as per the procedure detailed at item No.III and arrange payment of incentive amounts as per the above revised rates. Any amounts paid from 08.02.2006 pre-revised rates shall be reviewed and excess/short payments shall be adjusted.

The Regional Managers are requested that while fixing the service-wise targets from Feb '06 shall ensure that fare hike effect is given for the preceding months service-wise EPK as detailed above and confirm to CE(IT & MS) along with a copy of service-wise target fixation sheets of all depots for the month of February 2006.

All other terms and conditions communicated vide circulars cited, remain unchanged.

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

X. Sudhakar Rao
25.2.06.
CHIEF ENGINEER (IT & MS)

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