

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION



No. IE-2/367(04)/2010-IED.

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

CIRCULAR No. 16/2010-IED, Dated: 05-05-2010.

Sub: - INCENTIVE: Revision of Rates of Incentive on Earnings parameter & Service targets consequent to fare revision with effect from 06/07-04-2010 for City/Town services- Communication of Approval - Reg.

- Ref: - 1) Circular No. 15/2010-OPD (P), dated; 06-04-2010.
 2) Circular No. 13/2009-IED, dated; 11-11-2009.
 3) Circular No. 04/2010-IED, dated; 29-01-2010.
 4) Circular No. 07/2010-IED, dated; 17-02-2010.
 5) Circular No. 12/2010-IED, dated; 20-02-2010.
 6) Circular No. 08/2004-IED, dated; 10-05-2004.

I. INTRODUCTION:

Vide circular cited at Ref, 1, the Corporation has revised the fares in respect of City/Town services, with effect from 07-04-2010.

In view of revision of the fares for City/Town services, it is necessary to revise the service targets, rates of incentive on earnings parameter, duly neutralizing the effect of fare revision.

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;

City/Town services				
S.No.	Type of Operation	Basic Fare in Ps.		% of fare reduction
		Pre-revise	Revise	
1	City Ordinary	57.00	54.05	5.18%
2	Metro Express	67.00	65.71	1.93%
3	Metro Deluxe	74.00	71.90	2.84%

III. REVISED RATES OF INCENTIVE FOR CITY & TOWN SERVICES:

The rates of incentive on account of fare revision in city & town 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:

Revised Rate of incentive payable to conductor / driver on th spot and month end City Town								
S. No.	Type	Revise Basic Fare in	On Reaching the targets	>Target & up to 110%	>110% & up to 120%	>120% & up to 130%	>130% & up to 140%	>140%
1	City Ordinary/Suburban	54.05	0.21%	1.20%	2.07%	2.75%	3.44%	4.12%
	Conductor Spot							
	Conductor Month end							
	Driver Spot		0.21%	1.20%	2.07%	2.75%	3.44%	4.12%

Revised Rate of incentive payable to conductor / driver on th spot and month end City/Town								
S. No.	Type	Revised Basic Fare in	On Reaching the targets	>Target & up to 110%	>110% & up to 120%	>120% & up to 130%	>130% & up to 140%	>140%
2	Vestibule	54.05						
	Conductor Spot		0.21%	1.20%	2.07%	2.75%	3.44%	4.12%
	Conductor Month end		0.11%	0.60%	1.04%	1.38%	1.72%	2.06%
	Metro Express	65.71						
Conductor Spot	0.19%		1.15%	1.98%	2.63%	3.29%	3.95%	
	Conductor Month end		0.10%	0.58%	0.99%	1.32%	1.65%	1.98%
	Driver Spot		0.19%	1.15%	1.98%	2.63%	3.29%	3.95%
4	Metro Delux	71.90						
	Conductor Spot		0.16%	0.83%	1.67%	2.34%	3.01%	3.67%
	Conductor Month end		0.08%	0.42%	0.84%	1.17%	1.51%	1.84%
	Driver Spot		0.16%	0.83%	1.67%	2.34%	3.01%	3.67%

- (Note: 1. For Vestibule/VOLVO City buses vide circular No. 13/2009-IED, dated: 11-11-2009, a special allowance @ Rs. 25/- per duty per driver is allowed in lieu of incentive to driver on HSD KMPL & Coach earnings for a period six months or a methodology evolved whichever is earlier
- 2). For JnNURM buses, the instructions communicated vide Circular No. 07/2010-IED, dated: 17-02-2010 and circular No. 12/2010-IED, dated: 20-02-2010, shall be followed without any deviation.

IV. Revision of Service Targets:

The fares of all city/town type services are revised, hence there is a need to revise the service targets to neutralize the fare revision.

01. Fixation of service targets from 00.00 Hrs of 7-04-2010 to 30-06-2010: In the Existing circular No. 08/2004-IED, dated; 10-05-2004, vide para 3.1.1, twelve month are divided in four quarters. Fixation of service targets is being done based on the quarterly average EPK and schedule KMs of that service. Since the service targets are already fixed taking the average EPK achieved during previous quarter i.e. Jan' 10, Mar' 10 and up to 24-03-2010 by multiplying schedule KMs of that service, the targets fixed in pre-revised basic fare shall be, multiplied by the type wise % of decrease shown in the tables furnished at clause No. II.

For example a city ordinary service target is fixed as Rs. 2920.00 in the pre-revised fare, now the target of that service has to be fixed in revised fare, the following procedure shall be followed;

City Ordinary Service target in Pre-revised fare	: Rs. 2752.00
% of decrease in basic fare of City Ordinary	: 5.18%
City service target in revised fare = (2752.00-2752.00 X 5.18%)	
(Rs. 2752.00 - Rs. 142.55 = Rs. 2609.45) or say	: Rs. 2609.00

Similar calculation shall be done for all types of services.

02. Fixation of service targets from 01-07-2010 to 30-09-2010: To fix the target for ensuing quarter for a service, the average EPK realized from 01-04-2010 to 24-06-2010 has to be taken. Since the fare hike is implemented from 00.00 Hrs of 06/07-01-2010, the earning realized from 01-04-2010 to 06-04-2010 has to be reduced by the % of decrease in

basic in the 1st phase; then the earnings realized and from 00.00 Hrs of 07-04-2010 to 24-06-2010 has to be added to arrive at total earnings of that service during 01-04-2010 to 24-06-2010 in the 2nd phase. The total KMs operated during the period from 01-04-2010 to 24-06-2010 shall be taken in 3rd phase. The total earnings calculated in 2nd phase shall be divided by the KMs taken in 3rd phase, to arrive at average EPK for the period from 01-04-2010 to 24-06-2010. The calculated average EPK has to be multiplied by 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 FOR THE QUARTER JULY' 2010 TO SEPTEMBER' 2010

Name of the depot	: ABC
Type of service	: City Ordinary
Name of the service	: XYZ
Schedule KMs	: 160 ----- S
Earnings realized from 01-04-2010 to 06-04-2010	: Rs. 16512.00 ----- A
Impact of fare reduction in % after revision.	: 5.18% ----- B
Neutralization of fare reduction on earnings from 01-04-2010 to 06-04-2010	
[{A X (100-B)} = Rs. 16512.00 X 94.82%] = Rs. 15656.68 or Say: Rs. 15657.00 ----- C	
Earnings realized from 07-04-2010 to 24-06-2010	: Rs. 213616.00 ----- D
KMs operated from 01-04-2010 to 24-06-2010	: 13600 ----- E
Earnings to be considered from 01-04-2010 to 24-06-2010=(C+D)	: 229273.00 ----- F
EPK to be considered from 01-04-2010 to 24-06-2010 = (F/E)	: Rs. 16.86 ----- G
Service target for the quarter JULY' 2010 to SEPTEMBER' 2010	: S X G ----- I
160 X 16.86 = Rs. 2697.60 or Say	: Rs. 2698.00 ----- I

Service target (I) : Rs. 2698.00

These circular instructions come into force with effect from 07-04-2010, 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 Financial Advisor.

RV Jayant
 Chief Engineer (IT) 5/5/2010

- 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),
 All HODs/ All RMs Hyd, Sec, VJA, VSP, TPT and WL,
 Dy. CTMs/Dy. CMEs/DVMs/DY. CAOs/AOs of Hyd, Sec, VJA, VSP, TPT and WL
 Dy. CAO (TA&I) 20copies
 Principals of ZSTCs/Dy. CME (Computers) for necessary action
 Training Officer for inclusion in monthly index.
 All DMs / AOs / A.G. Audit, RTC Branch, Hyd.
 The General Secretary, APSRTC, NMU, Vidyanagar, Hyderabad.
 The Secretary General, APSRTC, E.U, Satyanarayana Reddy Marg, Hyderabad.
 The General Secretary, APSRTC, SWF, H.No.1-7-130/5, Risala Khursheed Jahi,
 Zamistanpur, Hyderabad.
