

# ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

No. IE-2/367(02)/2010-IED.



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

## CIRCULAR No. 04/2010-IED, Dated: 29-01-2010

Sub: - INCENTIVE: Revision of rates of incentive on earnings parameter & service targets consequent to fare revision with effect from 07-01-2010 – Communication of Approval - Reg.

- Ref: - 1) Circular No. 02/2010-OPD (P), dated; 06-01-2010.  
2) Circular No. 03/2010-OPD (P), dated; 07-01-2010.  
3) ED (O & MIS) letter No. R&D/535(2)/09, dated; 06-01-2010.  
4) Circular No. 08/2004-IED, dated; 10-05-2004.  
5) Circular No. 04/2005-IED, dated; 15-06-2005.  
6) Circular No. 02/2006-IED, dated; 25-02-2006.  
7) Circular No. 05/2007-IED, dated; 12-10-2007.  
8) Circular No. 13/2009-IED, dated; 11-11-2009.

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### **I. INTRODUCTION:**

Vide circular cited at Ref; 1 & 2, the Corporation has revised the fares in respect of Pallevelugu, Express, Deluxe, Super Luxury, AC, Garuda and City/Town services etc, with effect from 07-01-2010.

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, rate of incentive on sale of TAYL and rates of incentive for sale of RJT/SJT ghat (TPT-TML) duly neutralizing the effect of 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;

S.No.	Type of Operation	Basic Fare in Ps.		% of fare hike
		Pre-revise	Revise	
<b>District Services</b>				
1	Pallevelugu	38.00	46.00	21.05%
2	Express	44.00	54.00	22.73%
3	Deluxe	49.00	60.00	22.45%
4	Super Luxury/Meghdooth Non AC	57.00	70.00	22.81%
5	Super Luxury AC/Meghdooth AC	70.00	85.00	21.43%
6	Meghamala	65.00	80.00	23.08%
<b>City/Town services</b>				
1	City Ordinary	37.17	57.00	53.35%
2	Metro Express	43.27	67.00	54.84%
3	Metro Deluxe	48.00	74.00	54.17%

### 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	Revise Basic Fare in Ps.	On Reaching the targets	>Target & up to 110%	>110% & up to 120%	>120% & up to 130%	>130% & up to 140%	>140%
1	Pallevelugu/Gramini	46.00						
	Conductor Spot		0.31%	1.89%	2.26%	3.02%	3.78%	4.54%
	Conductor Month end		0.16%	0.95%	1.13%	1.51%	1.89%	2.27%
2	Express	54.00						
	Conductor Spot		0.19%	1.65%	1.83%	2.20%	2.93%	3.67%
	Conductor Month end		0.10%	0.83%	0.92%	1.10%	1.47%	1.84%
3	Delux	60.00						
	Conductor Spot		0.15%	1.49%	1.67%	1.86%	2.23%	2.61%
	Conductor Month end		0.08%	0.75%	0.84%	0.93%	1.12%	1.31%
4	Super Luxury/Meghdooth Non AC	70.00						
	Conductor Spot		0.15%	1.48%	1.67%	1.86%	2.22%	2.60%
	Conductor Month end		0.08%	0.74%	0.84%	0.93%	1.11%	1.30%
5	Super Luxury AC/Meghdooth AC	85.00						
	Conductor Spot		0.15%	1.50%	1.69%	1.88%	2.25%	2.63%
	Conductor Month end		0.08%	0.75%	0.85%	0.94%	1.13%	1.32%
6	Meghamala	80.00						
	Conductor Spot		0.15%	1.48%	1.67%	1.85%	2.22%	2.59%
	Conductor Month end		0.08%	0.74%	0.84%	0.93%	1.11%	1.30%
	Driver Spot		0.15%	1.48%	1.67%	1.85%	2.22%	2.59%

#### City/Town Services:

Revised Rate of incentive payable to conductor/driver on th spot and month end City/Town								
S. No.	Type	Revise Basic Fare in Ps.	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	57.00						
	Conductor Spot		0.20%	1.14%	1.96%	2.61%	3.26%	3.91%
	Conductor Month end		0.10%	0.57%	0.98%	1.31%	1.63%	1.96%
2	Vestibule	57.00						
	Conductor Spot		0.20%	1.14%	1.96%	2.61%	3.26%	3.91%
	Conductor Month end		0.10%	0.57%	0.98%	1.31%	1.63%	1.96%
3	Metro Express	67.00						
	Conductor Spot		0.19%	1.13%	1.94%	2.58%	3.23%	3.87%
	Conductor Month end		0.10%	0.57%	0.97%	1.29%	1.62%	1.94%
4	Metro Delux	74.00						
	Conductor Spot		0.16%	0.81%	1.62%	2.27%	2.92%	3.57%
	Conductor Month end		0.08%	0.41%	0.81%	1.14%	1.46%	1.79%
	Driver Spot		0.16%	0.81%	1.62%	2.27%	2.92%	3.57%

(Note\*\*: For Vestibule 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).

#### 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 7-01-2010 to 31-03-2010: 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 multiplied by the correction factors communicated and schedule KMs of that service. Since the service targets is already fixed taking the average EPK achieved during previous quarter i.e. Oct' 09, Nov' 09 and up to 24-12-2009 by multiplying the correction factor of present quarter and schedule KMs of that service in district service operation only. For city and town services quarterly targets have to be fixed without correction factors. The targets fixed in pre-revised basic fare shall be, multiplied by the type wise % of increase shown in the tables furnished at clause No. II.

For example a district ordinary bus service target is fixed as Rs. 5920.00 in the pre-revised fare, now the target of that service has to be fixed in revised fare, the following procedure shall be followed;

Pallevelugu Service target in Pre-revise fare	: Rs. 5920.00
% of increase in basic fare of Pallevelugu	: 21.05%
Pallevelugu service target in revised fare = (5920.00 X 21.05% + 5920.00)	
(Rs. 1246.16 + Rs. 5920.00 = Rs. 7166.16) or say	: Rs. 7166.00

Similar calculation shall be done for all types of services.

2. Fixation of service targets from 01-04-2010 to 30-06-2010: To fix the target for ensuing quarter for a service, the average EPK realized from 01-01-2010 to 24-03-2010 has to be taken. Since the fare hike is implemented from 00.00 Hrs of 07-01-2010, the earning realized from 01-01-2010 to 06-01-2010 has to be hike by the % of increase in basic in the 1<sup>st</sup> phase, then the earnings realized and from 00.00 Hrs of 07-01-2010 to 24-03-2010 has to be added to arrive at total earnings of that service during 01-01-2010 to 24-03-2010 in the 2<sup>nd</sup> phase. The total KMs operated during the period from 01-01-2010 to 24-03-2010 shall be taken in 3<sup>rd</sup> phase. The total earnings calculated in 2<sup>nd</sup> phase shall be divided by the KMs taken in 3<sup>rd</sup> phase, to arrive at average EPK for the period from 01-01-2010 to 24-03-2010. The calculated average EPK has to be multiplied by the corresponding quarter correction factor and schedule KMs of that service to fix the service target. For city and town services the targets fixation is also similar but without a correction factor. For better understanding an illustration is furnished as follows;

**ILLUSTRATION FOR FIXATION OF SERVICE TARGETS FOR THE QUARTER  
APRIL' 2010 TO JUNE' 2010**

Name of the depot	: ABC	
Type of service	: District Express	
Name of the service	: XYZ	
Daily Schedule KMs	: 520 -----	S
Earnings realized from 01-01-2010 to 06-01-2010	: Rs. 50014.00 -----	A
Impact of fare hike after revision of basic fare	: 22.73% -----	B
Neutralization of fare hike on earnings from 01-01-2010 to 06-01-2010		
[{A X (100+B)} = Rs. 50014.00 X 122.73%] = Rs. 613382.18 or Say: Rs. 61382.00 ---		C
Earnings realized from 07-01-2010 to 24-03-2010	: Rs. 785969.00 -----	D
KMs operated from 01-01-2010 to 24-03-2010	: 43160 -----	E
Earnings to be considered from 01-01-2010 to 24-03-2010=(C + D):	Rs. 847321.00 ---	F
EPK to be considered from 01-01-2010 to 24-03-2010 = (F/E)	: Rs. 19.63 -----	G
Correction factor for quarter April to June	: 1.10 -----	H
Service target for the quarter April' 2010 to June' 2010	: S X G X H	
520 X 19.63 X 1.10 = Rs. = 11228.36 or Say	: Rs. 11228.00 -----	I

**Service target (I) : Rs. 11228.00**

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

1. Vide clause No. III of circular No. 05/2007-IED, dated: 14-09-2007, 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. 1800.00 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, worth up to Rs. 60.00, and for the tickets worth above Rs. 60.00 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.

**VI. Travel As You Like tickets:**

Vide clause No. 3.5 of circular No. 08/2004-IED, dated 10-05-2004, incentive is allowed to conductor on sale of Travel As You Like tickets (TAYL) @ Re. 0.25 per ticket. Vide circular No. 04/2005-IED, dated; 15-06-2005 the scheme is extended to the depots located in neighboring district of Hyderabad/Secunderabad, Vijayawada and Visakhapatnam cities with similar terms and conditions. In the revise fare applicable from 07-01-2010, the revised rate of tickets is communicated, vide circular No. 03/2010-OPD (P), dated; 07-01-2010. Hence it is proposed to allow the same rate of incentive i.e. Re 0.25 per ticket irrespective of face value of tickets in the depots of Hyderabad, Secunderabad, Vijayawada Town, Visakhapatnam town and in the depots of neighboring district. Rest of the terms and condition regulating the incentive payment on TAYL, communicated time to time shall remain unchanged.

**VII. Tirupathi-Tirumala (TPT-TML) Ghat road operation;**

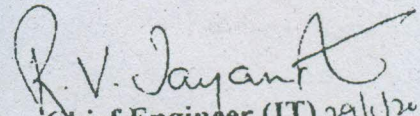
Vide clause No. 3.6 of circular No. 08/2004-IED, dated; 10-05-2004 incentive to conductor on sale of Express type Single Journey Ticket & Return Journey Ticket, for the journey between TPT-TML (Adult & Child) is communicated (Re. 1.00, for RJT Adult, and Re. 0.50 for RJT Child/SJT Adult & Re. 0.25 for SJT Child). In the fare revision with effect from 07-01-2010, revise fare of these tickets is communicated. It is proposed to continue the existing incentive per tickets and the details are as follows;

S. No.	Type	Pre-revised Fare in Rs.	Revised Fare in Rs.	Incentive allowed in pre-revised fare in Re.	Incentive allowed in revised fare in Re.
1	RJT adult (Express )	44.00	54.00	1.00	1.00
2	RJT Child (Express )	22.00	27.00	0.50	0.50
3	SJT Adult (Express )	24.00	30.00	0.50	0.50
4	SJT Child (Express )	12.00	15.00	0.25	0.25

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

These circular instructions come into force with effect from 07-01-2010, 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.

  
Chief Engineer (IT) 29/1/2010

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 RMs / HODs,  
All DY.CTMs / DVMs / DY.CMEs / DY.CAOs / 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,  
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