

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

Office of the VC & MD,  
Mushirabad, Hyderabad.  
Date:22.02.2007.

No. 01/535(2)/2007-OPD-T

**CIRCULAR NO.5/2007, DATED:22.02.2007**

Sub:-**OPERATIONS** – Plan of action for improving the Occupancy Ratio thereby revenues of the Corporation – Issue of comprehensive guidelines - Reg.

Ref:-This Office Circular No.2/2004, Dated 02.01.2004.

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The implementation of various pro-active measures mentioned in the Circular No.2/2004-OPD(T), Dated 07.01.2004 have resulted in substantial improvement of all traffic parameters like EPK, VU, OR etc. The judicious fare increase in the year February-2006 has not resulted in reduction of OR as in the past but on the contrary improved the OR. The following table gives the year on year increase of the various traffic parameters after field officers have taken steps to implement instructions given in the circular cited.

| Sl. No: | PARAMETER                      | 2003-04 | 2004-05 | 2005-06 | 2006-07 (Upto Dec-06) |
|---------|--------------------------------|---------|---------|---------|-----------------------|
| 1       | Fleet                          | 19,108  | 19,609  | 19,407  | 19,442                |
| 2       | Kilometers(in Crores)          | 226.65  | 232.50  | 238.08  | 183.16                |
| 3       | Traffic Earnings(Rs.in Crs)    | 2786.44 | 2949.50 | 3198.97 | 2735.82               |
| 4       | Avg. Veh. Utilisation(KMs)     | 326     | 332     | 335     | 345                   |
| 5       | O.R.                           | 60      | 62      | 65      | 68                    |
| 6       | Earnings per bus               | 4004    | 4207    | 4495    | 5154                  |
| 7       | Crew Utilisation(KMs/day)      | 142     | 149     | 152     | 156                   |
| 8       | Employees Productivity(in KMs) | 50      | 51      | 53      | 55                    |

While the growth in key result areas of the traffic parameters has shown positive trend, still, the Corporation has to increase the earnings because of need to bridge the gap between revenue and expenditure. The expenditure is bound to increase because of recent wage hike and price hike of other inputs. Thus, there is an urgent need to take further steps in this regard to bridge the gap.

In partial modification of the Circular No.2/2004 vide reference cited above, the following revised action plan is suggested for improving the OR and consequent traffic revenue.

1. **Elimination of Inter-Depot Competition and Upgrading of services:**

Inter-Depot competition has to be avoided by re-scheduling the timings, routes structure etc. The Regional Manager concerned are to be entrusted with this responsibility. It is also necessary since the traffic in buses is not of homogeneous group, the different segments travelling in the buses should be segregated. For the time sensitive travellers speedier transport between origin and destination can be provided by upgrading the present type of service. This upgradation will incidentally result in increased-realization of revenue for the same KMs traversed. Wherever scope of upgrading exists it should be examined with economics of the operation in view, for example ordinary services can be upgraded to Express, Express services to Deluxe, Deluxe services to Super Luxury and Super Luxury services to Volvo. While there will be advantages because of upgrading, care should also be taken that the upgraded services do not result in incurring losses or inconvenience to the travelling public.

2 **Vehicle & Crew Productivity:**

a). **Improving productivity through Central / Zonal / Regional Schedule**

**Cells:**

The Regional and Zonal Schedule Cells should be activated and recommendations of the schedule cells either at the Regional level or Zonal level or Central level should be invariably implemented. Action should also be initiated against the Officers/Supervisors concerned for not implementing recommendations of Schedule Cells. Periodical meetings of Schedule Cell at Zonal level and Regional level should be held and the minutes be communicated to the Head Office. Both at Regional and zonal level, the Schedule Cell should concentrate on taking steps to avoid inter-depot and intra-depot competitions and suggest for corrective measures. The implementation of Central Schedule Cell recommendations had already resulted in recurring saving of Rs. 23.04 Crores per year and another savings to the extent of Rs. 20.68 Crores by way of saving buses and improving vehicle productivity.

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