

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

No.T3/441(2)/2001-OPD-T

Office of the VC & MD,
Mushirabad, Hyderabad.CIRCULAR NO. 40/2001-OPD-T, DATED: 03-09-2001.SUB:-PERFORMANCE - Review of performance - Targets
vs. Actuals - Issue of instructions - Reg.

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The occupancy ratio has been declining year after year during the last five years though the fares have been increased in November-1999 and October-2000. With this background in view, the targets for whole year 2001-2002 and quarter-wise in respect of EPK, OR and CPK were set and circulated during the EDs/HODs/RMs meeting held on 29-03-2001. These targets were fixed based on the actual EPK obtained during the year 1998-99 plus the percentage of fare increase (i.e., 30%) with slight changes from Region to Region.

It was also informed that CPK targets were fixed basing on the CPK upto Feb-2001, considering all factors except diesel hike and wage revision and also assuming that the BSR will be reduced on account of implementation of TIMs, single crew duties etc.

It was clearly informed that the targets are realistic, as the base year 1998-99 had no impact of fare revision and directed to show special attention and achieve them.

Subsequently, monthly targets were also communicated through letters every month.

A series of meetings were convened in the month of June-2001 wherein each of the Regional Managers has made a computer based Power Point presentation on the plan of action for the next one year or so. During the interaction, all RMs have explained the various logistics and plan of action to be adopted by them to achieve/excel the targets set for them. Minutes were also communicated accordingly.

Further, during the Zonal level meetings convened with Depot Managers at Kakinada, Ananthapur and Warangal, the Depot Managers, Divisional Managers and Regional Managers were directed to improve the both physical and financial performance keeping in view the targets communicated and strive hard for achieving them.

Regional Managers have assured during all these meetings/presentations that targets would be achieved. But on a review of daily operational performance, it is noticed that though the EPK and OR have marginally improved, there is a drop in volume of operation (kilometres), revenue realisation, vehicle utilisation and earnings per bus.

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Thereby, it is understood that a wrong signal has gone to the Field Managers that the occupancy ratio alone should be improved. In the process of improving occupancy ratio the Managers are reducing volume of operation, resulting in drop in VU and EPB. Efforts should be made in such a way that the occupancy ratio is improved, while maintaining volume of operation at optimum level.

Our emphasis on occupancy ratio should not be misconstrued as a licence to ignore performance on other key result parameters such as volume, traffic revenue, VU and EPB.

The Managers should understand the real motto behind the communication of targets and make efforts in that direction. Care shall be taken to plan and operate buses and crew to the maximum extent in a resourceful manner for improving all key parameters such as vehicle utilisation, EPB, EPK and OR.

Please acknowledge.

Sd/-R.P.SINGH, IPS.,
VICE-CHAIRMAN &
MANAGING DIRECTOR.

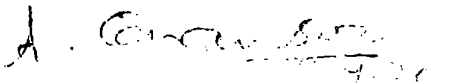
To

All Executive Directors of Zones.
All Regional Managers.
All Divisional Managers.
All Depot Managers.

COPY TO:

All EDs/HODs in Corporate Office for information.
All Dy.CTMs (M&C) in Zones for information & n/a.
All Dy.CMEs in Zones for information & n/action.
Dy.CTM(Plng) for information & necessary action.
Dy.CTM(M), Dy.CTM(C), Dy.CTM(R&D) and CSTO for infmn.

ATTESTED BY



(A. GNANESHWAR)
EXECUTIVE DIRECTOR (OPERATIONS).