



ವಾಯುವ್ಯ ಕರ್ನಾಟಕ ರಸ್ತೆ ಸಾರಿಗೆ ಸಂಸ್ಥೆ,  
North-Western Karnataka Road Transport Corporation  
ಕೇಂದ್ರ ಕಛೇರಿ - ಗೋಕುಲ ರಸ್ತೆ - ಹುಬ್ಬಳ್ಳಿ  
Central Offices - Gokul Road - Hubli - 30  
(ಲೆಕ್ಕ-ಪತ್ರ ಇಲಾಖೆ)

No. NWKT/CO/HBL/ACC/BS/450/21-22

Date:14-07-2021

To,

The Branch Manager,  
All Banks

Sir,

**SUB:** Availment of Rs. 300.00 Cr Loan (Rs.200.00Cr for payment of Employees Provident Fund contribution dues & Rs.100.00Cr for Payments of Gratuity of Retired Employees dues).

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On 1-11-1997 NWKRTC was bifurcated from KSRTC and since then NWKRTC has been working independently. NWKRTC covers 6 districts, which are the most backward areas, and is playing an important role in improving the social, financial and educational status of these people by providing transport services to the travelling public. NWKRTC is functioning as a connecting bridge between the people of North Karnataka.

NWKRTC is a service oriented organisation with 45% of its operation in rural sector. The Corporation has been providing various types of concession passes to the students of these areas, and free passes to blind persons, handicapped persons, freedom fighters and widows of freedom fighters. The Corporation also provides 25% concession in fares to Senior Citizens who are travelling in NWKRTC Buses. In these ways NWKRTC owes public obligations with a motive of providing public service and is not profit oriented.

As per the orders from the Government the wages of the employees of the Corporation have been revised w.e.f 01.01.2016 resulting in an additional financial implication of Rs.85.00Cr per annum and also the increase in the prices of High Speed diesel (HSD) regularly has further lead to an additional burden of Rs.90.00 Cr annually on the Corporation. The nationwide lockdown during March-2020 to June-2020 & during April-2021 to June-2021 due to COVID-19 and conditional operation as per the Govt order has affected the Transport operation of the Corporation which inturn further led to the decrease in the revenue of the Corporation.

As a result the outstanding liability of the Corporation at the end of June-2021 has increased.

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NWKRTC is not able to pay Employees Provident Fund contribution dues and Gratuity dues out of daily traffic revenue. To overcome from the present financial position, it is proposed to raise a loan of Rs.300.00Cr for payment of Employees Provident Fund contribution dues and payment of Gratuity dues so as to avoid legal complications and reasons narrated as supra.

The security for raising a loan of Rs.300.00Cr for payment of Employees Provident Fund contribution dues and payment of Gratuity dues will be provided in the form of pledging the documents of land and buildings as collateral security.

The Corporation's daily average revenue is of Rs.4.30 Cr and has ability to repay the monthly installment in time. It may be mentioned here that this Corporation has an established best track record of repayment of loan, through Escrow account.

Bankers may kindly note that preference will be given to the Bank quoting for the entire amount required by the Corporation. However, in case any Bank does not quote for the entire amount, their offer for part amount of loan will also be considered. The approval of Government for raising loan from Banks will be furnished at the time of agreement. The Corporation would like to draw the loan at any time during 2021-22.

Any other document required by the Banks may be obtained by contacting the undersigned. You are requested to communicate the best competitive interest rate MCLR for 01 year and 06 months to this office on or before **05.08.2021 at 15.00 hrs.** The quotes will be opened in the presence of Bank Representatives at **16.30** hours on the same day and the best offer will be accepted. The Corporation is at liberty to cancel or reject the offer without assigning any reason whatsoever.

It is appreciable if the Bank quotes their best possible offer/rates without keeping an eye on, or expecting to make any further incremental gains by quoting more than the best possible rates/offers to match the nearest offers by others.

**In view of this you may kindly quote your best offer and participate.**

Thanking you,

Yours faithfully,

**Sd/-**

Chief Accounts Officer-cum-F.A.  
N.W.K.R.T.C., Central Offices, Hubli

**// OTHER CONDITIONS //**

1. Offers are invited from Nationalized /Commercial Banks and Financial Institutions.
2. The period of Term Loan will be for eighty four (84) months and the repayment will start from 30 days from the date of release of loan amount.
3. Most competitive Interest rate floating MCLR for 01 year & 06 months be quoted for Term Loan and repayment in 84 monthly installments.
4. The conditional offer without the prior sanction from their Head Offices will be rejected. The Banker shall quote the best rate of interest for a period of 84 months and the Bank shall release the term loan within 15 days from the opening of offers.
5. Rs 200.00 Cr will be required for payment of Employees Provident Fund contribution dues and Rs.100.00Cr required for payment of Gratuity dues of retired employees.
6. 100 % Financing has to be done without deduction of margin money.
7. Processing fees/charges should not be levied by the Bank for Term Loan.
8. Up front fees/ charges should not be charged for availing Term Loan. In case of fore-closure of term loan, Banker should not charge any commitment charges.
9. Stamp duty required may be intimated for executing Bank document at the time of availing Term Loan.
10. The Term Loan sanctioned has to be released by issuing cheque in the name of Chief Accounts Officer-cum-F.A., N.W.K.R.T.C., Central Offices, Hubli.
11. The Corporation is at liberty to cancel or reject the offer without assigning any reason whatsoever.

**Sd/-**

Chief Accounts Officer-cum-F.A.,  
N.W.K.R.T.C., Central Offices, Hubli

Copy f.w.cs to: Personal Assistant to Managing Director N.W.K.R.T.C. Central Offices, Hubli to bring it to the notice of Managing Director.