

Procedure for appointment of new franchisees at places outside the State of Karnataka

Eligibility Criteria

1. Applicants should be Indian Nationals.
2. Age: Applicants should have completed 18 years as on the date of submission of application for franchise. One document among the Matriculation or Secondary School Leaving Certificate indicating date of birth, Voters ID card, Passport, Birth Certificate, Aadhar or Driving License (Permanent) shall be produced as proof of age.
3. Residential Status: Residents of Karnataka can apply for all locations. Residents of India belonging to other States can apply for franchise outside the State of Karnataka only. Copy of voter ID card, Driving License, Passport, Aadhar, Insurance Policy, Telephone Bills or Bank passbook shall be furnished as address proof.
4. Applicants shall submit a photo-identity card for ascertaining the identity of the applicant. Copy of voters ID card or Driving License or Passport or Income Tax PAN Card or Aadhar shall be submitted as proof of identity.
5. Married women with change of name after marriage should furnish a copy of the marriage certificate or an affidavit in support of the maiden name and name after marriage.
6. Disqualification:
 1. Persons who have been convicted for criminal offence involving moral turpitude/ economic Offences (other than Freedom struggle) are not eligible.
 2. Totally paralyzed or mentally unsound persons (who suffer from insanity) are not eligible.
 3. Totally deaf, dumb or blind persons are not eligible.
 4. Franchisees whose agreements were terminated by KSRTC or sister STU's of Karnataka for proven malpractices / violations are not eligible.
 5. Public servants are not eligible. They can apply if they are willing to resign from their current employment for considering the appointment as Franchisee.
 6. Persons dismissed / removed from the services of State / Central Government or their undertakings including KSRTC and its sister Corporations are not eligible.

Appointment Procedure:

1. Application is issued FREE of COST and photocopies / scanned / e-mail copies can also be used for submitting the application.
2. While submitting application for TEMPORARY appointment, the applicant shall submit processing charges of Rs.1000/- (Rupees one thousand only), which is non-refundable to the concerned Divisional Controller.
3. The appointment of franchisee for a particular place and location will be on WALK-IN basis subject to the requirement at that place and fulfillment of eligibility criteria.
4. Initially, the appointment will be TEMPORARY for a period of six months.
5. The selected franchisee will have to conduct booking transactions in AWATAR system only.
6. The selected franchisee will be required to remit the prescribed security deposit and he will be eligible for payment of commission as specified for different transactions.
7. Applicants shall submit photocopies of proof of identity, proof of address and proof of age along with the application.
8. Applicant shall produce the original documents in proof of identity, address and age for verification by the Divisional Traffic Officer while submitting the application.
9. The applicant shall have a suitably located good office, which is easily accessible to the general public for comfortably buying tickets. After signing the agreement, change of business address shall not be considered.
10. After completion of five months from the date of initial agreement, the franchisee, if interested to continue and get appointed as REGULAR franchisee, shall submit written application to the concerned Divisional Controller specifying the same.
11. No processing charges are applicable for conversion of franchisee from TEMPORARY to REGULAR franchisee.

12. Premises of TEMPORARY franchisees will be inspected by the Divisional Traffic Officer and/or any other officer nominated by the Divisional Controller during the initial five months so as to consider the same at the time of REGULAR appointment. During inspection, area (size) available for booking counter, distance from the major bus station (proximity to main roads), business potential etc. will be recorded. Inspection report will be recorded in duplicate and one filled-in copy will be handed over to the franchisee or his representative present at the time of inspection.
13. The Divisional Controller after verifying the booking transactions and premises of TEMPORARY franchisee will send his recommendations regarding conversion of franchisee from TEMPORARY to REGULAR franchisee. The appointing authority based on the recommendations of the Divisional Controller, will decide on the appointment of the franchisee as REGULAR franchisee.
14. The process of conversion from TEMPORARY to REGULAR franchisee will be completed in the sixth month before the expiry of the first agreement and new agreement for two-year period will be executed on the expiry of first agreement. Same security deposit will be applicable up to two years of REGULAR agreement, totally two years six months.
15. Applicants who are already doing travel agency business with the private operators and/or neighbouring State Transport Undertakings of KSRTC will be eligible only if, they undertake (in writing) to forth-with terminate such booking business on entering into agreement with KSRTC.
16. The Corporation reserves the absolute right to select as many Franchises as it deems necessary at any place or location and the Franchisees will have no right to question the same.

Security Deposit and Payment of Commission:

1. The selected Franchisee shall pay the stipulated security deposit and execute the deed of agreement within fifteen days from the date of receipt of appointment intimation. This deposit does not carry any interest.
2. The period of appointment or agreement or contract will be six months for initial appointment as TEMPORARY franchisee and will be two years for subsequent appointment as REGULAR franchisee.
3. Security deposit is Rs.30,000/-(Rupees Thirty thousand only).
4. The period of REGULAR appointment or agreement will be two years. This period may be extended two years at a time subject to the satisfactory performance of the Franchisee. However, the Franchisee will have to deposit additional security deposit of 10% at the time of every renewal.
5. Franchisees booking tickets will be paid commission on the value of tickets booked by them. No commission is payable on reservation fees and other levies so collected. This Commission will be paid once every month (before 10th of next month) or transferred on-line daily in the Awatar system.
6. The cancellation fee collected on cancellation of reserved tickets will also accrue to KSRTC and will be accounted for payment of commission to Franchisee.
7. In the event of cancellation of service by KSRTC, passengers are entitled to full refund of the fare they have paid. No commission is payable to the Franchisee in respect of these bookings and subsequent cancellations.
8. Commission payable for different transactions is detailed in Annexure-D.
9. Designating Franchisee counters as "Travel House" is intended to create Identity, uniformity in appearance, facilities, services etc. to promote KSRTC BRAND of services and to effectively compete with private operators.
10. Higher rate of commission will be payable to Franchisees designated as Travel House towards maintenance of standard facilities and increase in recurring costs. Details are listed in Annexure-D.
11. If the franchisee withdraws agency after completion of one year from the date of initial appointment as regular franchisee, complete (100%) security deposit will be refunded.

Penalty Clauses and Forfeiture Conditions:

1. Various types of conditions and penalties that shall be levied are listed in Annexure-D.
2. Before levy of penalties and/or termination of Franchisee, the KSRTC will issue notice to the Franchisee listing the violation of conditions committed. Franchisee will be required to submit his written reply in seven days from the receipt of the notice. KSRTC will take action on the Franchisee thereafter considering the reply submitted by the Franchisee if any.
3. Violation of Conditions and penalties listed in Annexure-D are broad in nature. KSRTC reserves the right to take action against other violation of conditions like transfer / sale of Franchisee rights, appointment of sub-Franchisee, higher rate of cancellation of tickets causing financial loss to KSRTC, loss of image to KSRTC, passenger inconvenience, frauds/actions with ulterior motives, booking for private bus operators, colluding with private operators/other STU's, violation of conditions which are not foreseen etc.,
4. KSRTC reserves the right to take more stringent action like levy of higher penalties and/or termination of the Franchisee by forfeiting the entire security deposit. KSRTC reserves the right to initiate legal proceedings against the Franchisee, if deemed necessary for recovering the loss caused or any other claims arising out of the violation committed.
5. In case of termination of agreement because of default, KSRTC may forfeit the security deposit completely.
6. If any violation of conditions are committed by the representative / employee of the Franchisee, the Franchisee himself is responsible and accountable for such actions. Appropriate action shall be taken by the Franchisee on reports of misbehaviour by his employees with the passengers, KSRTC Officers / Officials, Statutory authorities.
7. If the franchisee withdraws agency before completion of one year from the date of initial appointment as regular franchisee, security deposit will be forfeited completely (100%).
8. KSRTC also reserves the right to terminate the contract for any reasons it thinks fit.

Procedure for booking of tickets:

1. The selected Franchisee shall have his own computer, printer and internet connectivity with adequate speed, bandwidth and hardware/software compatibility to conduct bookings. The hardware/software and other technical specifications will be as specified by the Chief Systems Manager, KSRTC, from time to time.
2. The Internet and the recurring costs shall be borne by the Franchisee himself.
3. KSRTC will train the personnel of the Franchisee for a day or two to understand the working and procedure for bookings and other transactions.
4. Franchisees are allowed to book tickets for regular passengers (fare paying passengers) only. They are not allowed to book tickets for passengers coming under various concessions like Blind Persons, Disabled Persons, Freedom Fighters, Police Motor Warrants, Family Pass to employees, Duty Passes to employees etc.
5. Passengers booking seats at Franchisee counters are allowed to book onward and return journey tickets simultaneously.
6. Various types of discounts like Group Booking discount, Return Journey Discount, Senior citizen discount and any other Discounts as and when introduced will be extended to the passengers based on the bookings without any manual interference.
7. Franchisees will be allowed all transactions related to advance booking and other activities like booking casual contracts, chartered services, package tours, luggage etc. as and when introduced.
8. To the extent the Franchisee deposits the amount in excess of the Security Deposit, the application will permit issue of tickets.
9. The Franchisee shall replenish the deposit amount as and when the same is exhausted. This will be through cash payment or e-payment or Demand Draft at the designated Bus Stand or Depot or Divisional Office to which the Franchisee is attached.
10. The Franchisee shall use pre-printed tickets and other stationery supplied by KSRTC only, which have to be collected from the Bus Stand or Depot or Divisional Office to which the Franchisee is attached.
11. Franchisees are allowed to book seats for all services covered under advance reservations excluding those seats, which

may have been blocked for VIPs and/or Franchisees working on minimum seat guarantee basis and/or for any other administrative reasons. Franchisee will have no claim in this regard.

12. Franchisee is not required to return the cancelled tickets, re-used tickets (treated as Obsolete), reservation vouchers (after issue of reservation tickets), torn or re-printed tickets, duplicate ticket validation forms etc. to KSRTC. However, he shall write the words "CANCELLED" or "RE-PRINTED" in big letters diagonally on the ticket or voucher to validate that this ticket is cancelled and not valid for journey to avoid possible mis-use. Franchisee is required to store these tickets and other stationery for a period of six months for verification of claims, if any or for verifications required by KSRTC inspecting officer/officials and destroy these tickets/stationery thereafter.
13. The KSRTC will correspond with the Franchisee only at the telephone number, e-mail ID and business address indicated by the Franchisee.
14. The Franchisee will be responsible for subsidiary work such as attending to passenger enquiries, boarding of passengers at pick up points, boarding of luggage etc.
15. The Franchisee shall provide a copy of the rules and regulations governing the advance reservations and other transactions for the information of the general public.
16. To maintain uniformity in working of KSRTC and Franchisee counters, the bookings at Franchisees will be allowed between 0700 hrs and 2300 hrs.
17. Either the franchisee or the operator appointed by him for the booking in the counter should know to speak, read and write Kannada.
18. The booking procedure may be changed time to time as per KSRTC requirement. The franchisees shall abide by the latest procedure.

Other terms and conditions:

1. The Franchisee shall maintain a complaint/suggestion book, which shall be placed at the disposal of the passengers intending to record their complaints & suggestions. The said book shall be made available for scrutiny and inspection by the officers/officials of the Corporation.
2. The Franchisee shall not book or load any type of prohibited luggage into the bus as accompanied luggage or parcels.
3. The Franchisee has to pay all rents/taxes due by him to the municipal / local authorities and statutory authorities.
4. All taxes including service tax, income tax and other tax applicable will be deducted from the commission payable. The Accounts Department will take necessary action to deduct the taxes applicable from the commission payable to the franchisee before making payment.
5. Commission / any other amount payable shall be subject to statutory levies viz, service tax, income tax etc as applicable from time to time.
6. The Franchisee shall not appoint a sub-agent or sub-franchisee.
7. All Franchisees are authorised to canvas and publicise about the KSRTC services being provided. KSRTC will also, when need arises take up publicity.
8. A month implies 'Calendar Month' except where otherwise specified.
9. The KSRTC reserves the right to modify or alter any of the terms and conditions by giving due intimation to the Franchisee and after considering his reply, if any.

I. Rate of commission based on transaction			Annexure-D
1	Revenue from Advance booking	4.5 % for regular counters and 5.5 % for Travel Houses.	

	Preponement / Postponement / duplicate ticket fee collected	4 % for regular counters and 5 % for Travel Houses.	
2	Revenue generated by cancellation fee (partial / full) excluding 100% refund.	2 % for regular counters and 2.5 % for Travel Houses.	Commission on cancellation fee that accrues to KSRTC.
3	Modification of tickets	Rs.2/- per ticket	
4	Revenue from issue of tickets to Blocked seats for VIPs on payment.	2 % for regular counters and 2.5 % for Travel Houses.	
5	Revenue from Bookings for PRTCL (earlier, PTDC) & MSRTC.	NIL	This will be introduced subject to acceptance by these Corporations.
6	Revenue from casual contract booking	2 % for regular counters and 2.5 % for Travel Houses.	As and when introduced.
7	Revenue from booking package tours	4% for all counters and 5% for Travel Houses.	
8	Revenue from luggage booking & parcel booking	4% for all counters and 5% for Travel Houses.	
9	Revenue from issue of Monthly Passes and Weekly Passes	1.0 % for all counters and 1.5 % for Travel Houses.	
10	Revenue from issue of Identity Cards for Monthly Passes	Rs.5/- per ID card	
11	Revenue from booking Hotel accommodation	To be decided.	As and when introduced.
12	Printing of Tripsheet at remote counters and pick up points, where specified	Rs.2/- per tripsheet	
13	Door delivery of tickets	NIL	Rs.10/- per ticket can be collected from passengers.

II. Penalties for violation of conditions & termination clauses

1	Possession of cancelled tickets without CANCELLED words	Rs.100/- for each ticket upto 5 tickets at a time.	If more than 5, Rs.200/- per ticket upto 10 tickets. If 10 or more tickets are found, Rs.300/- per ticket or the franchisee may be terminated.
2	Excess Fare collection	Rs.500/- for each instance.	For second such instance in a month, penalty will be Rs.1000/- per instance. For third and subsequent instance in a month, penalty will be Rs.1500/- per instance or the franchisee may be terminated.
3	Misbehaviour by franchisee or his staff with KSRTC Officers / Officials	Rs.500/- for each instance	AS ABOVE (SI No. 2)

4	Issue of Duplicate Tickets without proper validation.	Rs.500/- for each instance	AS ABOVE (SI No. 2)
5	Booking prohibited luggage / parcels	Rs.500/- for each instance	AS ABOVE (SI No. 2)
6	Change of booking location without the approval of the concerned authority	Rs.1000/- for each instance	For second such instance within six months from the first instance, penalty will be Rs.2000/-. For third instance within six months, the franchisee may be terminated.
7	Misbehaviour by franchisee or his staff with passengers	Rs.100/- for each complaint upto 5 complaints in a month	If more than 5, Rs.200/- per complaint up to 10 complaints. If 10 or more complaints are received, Rs.300/- per complaint or the franchisee may be terminated.
8	Refusal to cancel tickets, print On-line tickets, book Blocked Seats, Issue Duplicate Tickets etc.	Rs.100/- for each complaint upto 5 complaints in a month	AS ABOVE (SI No.1)
9	Any other Public complaints	Rs.100/- for each complaint upto 5 complaints in a month	AS ABOVE (SI No.1)
10	Refusal to print tripsheets where made compulsory	Rs.50/- for each complaint upto 5 complaints in a month	If more than 5, Rs.100/- per complaint upto 10 complaints. If 10 or more complaints are received, Rs.150/- per complaint or the franchisee may be terminated.
11	Any other complaints / frauds in booking transactions, financial misappropriation booking for private buses / other STU buses, issue of fake tickets, working of the counter, shifting of the counter etc.	Will be decided by the Competent Authority (Director (Operation) or higher officers) based on the nature of offence	Right for termination is reserved.
12	Low bookings: If the bookings per month is less than 50 seats at places where franchisees are < 5, and bookings per month is less than 100 seats at places where franchisees are > 5, it is considered as low booking.	The action to be taken will be decided by the competent authority. Right to termination is reserved.	First six months of working will be grace period for new agents.

**KARNATAKA STATE ROAD TRANSPORT CORPORATION
CENTRAL OFFICES: BANGALORE - 560 027.**

SPECIMEN APPLICATION FORM

Note: Applicants are advised to carefully read and understand "Terms and conditions" provided with this application before filling-in the application form.

Application for Location: _____ **Place:** _____

From:

Correspondence Address:

Business Address:

Landmark _____

Tel. No. _____

Mobile no (Business) _____

e-mail ID:

To

Affix self-attested
Photograph

Sir,

Subject: Appointment of Franchisee at _____.

I hereby apply for appointment as KSRTC Franchisee for a period of six months (TEMPORARY) from the date of agreement for the above-mentioned Location in _____ (Place), District _____.

Age in completed years - _____ years as on the date of submission of Application (Age proof to be given).

My permanent address is (Address proof to be given);

Tel. No. _____

Presently, I am booking for private / neighbouring STU buses of following operators:

Name of Operator	Destination	Since (Date)

I am enclosing herein a DD No. _____ dated _____ drawn on _____ Bank for a sum of Rs.1,000/- being the Processing Fee.

My experience in the trade is stated below:

UNDERTAKING

1. I undertake to produce Originals of all documents related to proof of Age, identity and residential status for verification as and when called for. In the event, I fail to produce the originals, my application for appointment as Franchisee may be disqualified and processing fee forfeited.
2. I am not a public servant / I am a public servant and willing to resign from my current employment if appointed as Franchisee.
3. I have not been dismissed / removed / terminated from the services of State / Central Government or their undertakings including KSRTC and sister Corporations.
4. I will discontinue booking for private and/or KSRTC neighbouring STU buses, in case I am selected as Franchisee by KSRTC.
5. I have carefully read and understood the terms and conditions appointment procedure of franchisee and agree to abide by them. In case my application is accepted, I shall execute a deed of agreement at my cost.
6. I hereby certify that the information given above is true to the best of my knowledge and belief. Any wrong information / suppression of facts will disqualify me from being considered for the Franchisee apart from taking appropriate legal action against me by the Corporation.
7. I understand that the appointment as TEMPORARY franchisee does not confer me right for appointment as REGULAR franchisee.

Enclosures:	1. DD for Rs.1,000/- as Processing fee	YES / NO
	2. Proof of age	YES / NO
	3. Proof of address (for residential status)	YES / NO
	4. Proof of Identity	YES / NO
	5. Any other, please specify	

** Strike out whichever is not applicable.*

Yours faithfully,

(Applicant Signature)

Date: _____
Place: _____