

NEWSPAPER ADVERTISEMENT



Tribal Cooperative Marketing Development Federation of India Ltd.(TRIFED)

(Ministry of Tribal affairs, Govt. of India),

**NCUI Building, 2nd Floor, 3, Siri Institutional Area,
August Kranti Marg, New Delhi-110016.**

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FRANCHISE OPPORTUNITIES

TRIBES INDIA is a popular brand of tribal handicrafts promoted by Tribal Co-operative Marketing Development Federation of India Ltd (TRIFED), an Organisation working under the Ministry of Tribal Affairs, Government of India. The unique artifacts handcrafted by master craftsmen are directly sourced from the tribal artisans and are marketed through our showrooms located in different parts of the country in the name of **TRIBES INDIA**. The items includes tribal handicrafts relating to metal craft, pottery, painting, jewellery, heritage textiles in silks, cottons and woolens as well as cane & bamboo items and natural products, totaling more than 5000 items.

TRIFED proposes to expand its sale operations by appointing franchisees in different cities across the country. The Interested parties having **an annual sales turnover of Rs. 25 lakhs and premises of about 500 sq ft and furnish a Bank Guarantee of atleast Rs. 1 lakh** may visit our website or contact the undersigned at our office on any working day between 10 am to 6 pm for detailed terms and conditions and application form.

Interested parties who are prepared to work as franchisee of “Tribes India” may contact us.

Dy. General Manager (M)

Modified Guidelines for opening of Franchise Outlets.

In order to revamp the Retail Marketing Activity for scaling up of sale operations, in line with the objectives of TRIFED for providing marketing support to maximum number of tribal artisans and increase the sales of tribal products expeditiously, it has been decided that all the Regional Offices will be opening franchise outlets in each states on Franchise Model where tribal products could be given for sale as per the following broad guidelines:

1. Under this expansion model, any individual, Partnership, Cooperative/ Companies/ Firms/ Organisationsetc could be empanelled as Franchisee for Tribes India for selling our tribal products.
2. The **basic criteria** for such individual/ Partnership/ Cooperative/ Companies/ Firms/ Organisations etc. for empanelment as franchisee to Tribes India are as under:
 - The party must be a registered entity under the provisions of any act of Govt. of India / State Govt. as an organisation dealing with handicrafts/ handlooms/ natural products/ textile/ paintings/ pottery/ cane & bamboo/ jewelleryetc as traders/ sellers/ producers/ manufacture/ Commission Agent/dealers/stockiest/Brokers etc.
 - The party must have a sale premise of about 500 sq. ft.
 - The party must have an annual sales turnover of Rs. 25 lakhs.
 - Interested parties shall have to pay minimum Rs. 1.00 lakhs as interest free security deposit, which shall be refundable after expiry of the period of franchise. The security deposit shall be submitted in form of demand draft, bankers cheque or bank guarantee. However, the security deposit is not required to be submitted in case of Government Organisations. The stock supply shall be limited to the amount of security deposit which can be enhanced against equivalent additional payment. The value of stock for supply to the Franchisee against the security deposit shall be calculated on Purchase Price of TRIFED.
 - The interested parties must have a valid GST, PAN and bank account. Applicant has to deposit 5-6 photographs of premise, copies of pan card, 5 passport size photograph of authorized representative, identity proof, address proof, copy of sales registration, GST, ownership or rent deed of its premise, aadhar card etc. must be attached with the application form.

3. Procedure for assigning of franchisee:

- Individual Parties can approach TRIFED for becoming franchisee of Tribes India. TRIFED Regional Offices shall also promote this scheme through different channels including print media by inviting expression of interest from interested organisations satisfying the basic eligibility criteria of becoming franchisee of 'Tribes India' through local newspaper advertisements and other effective publicity mode including one-to-one business meetings.

- The interested parties fulfilling the aforesaid basic criteria, can be assigned as franchisee to Tribes India. The initial period of franchise shall be for one year. However, the franchise may be extended by the respective Regional Manager of TRIFED depending upon performance of franchisee.
- An agreement shall be executed between the respective Regional Manager of TRIFED and the eligible franchisee, as per the laid standard terms & conditions, before operationalization of the franchise arrangement with the party. The respective Regional Manager of TRIFED is authorized to execute the agreement on behalf of TRIFED with authorized representative of party.

4. Terms & Conditions:

- (i) The location of franchisee outlet could be preferably in urban areas having good sales prospects.
- (ii) The Franchise shall sell the products of TRIFED in the brand name of Tribes India from their Sales Outlets with their manpower and other resources.
- (iii) Franchises shall have liberty to decide the selling price of the products of TRIFED sold through Franchise outlets and may sell at their price tags, which will not be less than MRPs of TRIFED. The Franchise shall be free to decide their selling prices and also to offer discounts as per their choice.
- (iv) Sales proceeds shall be remitted once in a month by franchisee within 10 days from the last day of the preceding month of sales to “TRIFED”.
- (v) The franchisees have to submit security deposit (in form of demand draft, bankers cheque or bank guarantee) of minimum Rs.1.00 Lakhs (Rupees One lakh) in favour of TRIFED towards the security of the stocks from a nationalized Bank before executing the agreement with the respective Regional Manager of TRIFED.
- (vi) Under this model, franchisee shall submit the indents for the stocks in advance on monthly basis. The indents placed once will not be cancelled. However, quantity of the indents can be increased or decreased to the extent of 20%.
- (vii) Based on the indent of franchisee to its TRIFED Regional Office, the respective Regional Office of TRIFED shall get the stocks delivered at the franchisee premise within its area of jurisdiction. The stock supply shall be limited to the amount of security deposit which can be enhanced against equivalent advance additional payment.
- (viii) The responsibility of TRIFED will cease once stocks are delivered to franchisee and thereafter no claim will be entertained in respect of quality or quantity of the stocks. TRIFED will insure goods for transit risks till the destination (franchisee outlet).
- (ix) Franchisee shall maintain the stock in good condition and ensure proper display for maximizing the sales in its showroom. Franchisee shall take responsibility for all risks and loss for the goods put up for sale in its premise.
- (x) All the products supplied by TRIFED shall carry “Tribal Craft Mark” in form of hologram/ label/ tag for its genuineness and authenticity.

- (xi) Transportation cost, GST etc on the stock supplied to the franchisee shall be borne by the TRIFED. Applicable GST/taxes on retail sales by franchisee through its outlets shall be collected and remitted as applicable by franchisee to the respective tax authority.
- (xii) TRIFED Regional Office shall ensure replenishment of stocks regularly, based on the requirements of the Franchisee and takes back the slow-moving stocks. The Franchisee shall take proper care in handling tribal products in its outlets. The stocks which is damaged, soiled and spoiled in the Franchise Outlets shall not be taken back by TRIFED
- (xiii) The franchisee Outlet shall report the sales realized by them on daily basis to the respective TRIFED Regional Office.
- (xiv) The respective Regional Manager shall have right to terminate the arrangement by giving one month notice to franchisee and settle all accounts within notice period.
- (xv) The standard format for application form, draft agreement and bank guarantee are enclosed.
- (xvi) The Franchisee shall be offered user rights of Polaris Retail Inventory Software on which TRIFED is maintaining its stocks by paying user fee as per actual charges of Polaris, which is optional.

FRANCHISEE BENEFITS

A. REVENUE

I. Service charges

The commission of 20% on all products (except food & natural products) and 10% on food & natural products shall be payable to franchisee on TRIFED's sale price. The aforesaid commissions shall be payable on net sale value by 'TRIFED' which will be deducted by franchisee while remitting the sales proceeds to TRIFED. In case, TRIFED allows any discount then the commission shall be calculated on discounted price.

II. Quantity based service charges

An additional commission of 5% on all products (except food & natural products) on net sale value shall be payable to franchisee who submits interest free security deposit equivalent to Rs. 10.00 lakhs & above and takes the equivalent value of stock from TRIFED for sale through their outlet.

III. Turnover based service charges

In order to attract big Franchisee and upscale sales through Franchisee, the following annual incentive shall be paid to Franchisee based on rotation of stock equivalent to security deposit submitted to TRIFED:

Sl No	Condition	Incentive(%age)
1	On achieving sale of 2 - 5	3

	times of SD deposited	
2	On achieving sale of above 5 times of SD deposited	5

B. **NON REVENUE**

- I. Respective Regional Office will incur reasonable expenses on advertisement and publicity for its products being sold at the Franchisee's showroom through different modes of advertisement as mutually agreed.
- II. TRIFED will provide its logo and sign Board for the shop highlighting the logo.
- IV. Technical advice in identification of products from time to time.
- V. Accept return of the products which franchisee is not able to sell within a reasonable period provided the stocks is not damaged, soiled and spoiled in the Franchise Outlets.

- Encl: 1. Format of Application Form
2. Standard Draft Agreement
3. Standard format for Bank Guarantee

APPLICATION FORM

S.No.	Particulars	Description
01	Name & Address of the Respondent: with Phone Nos, email id and Fax no.	
	a) Registered Office	
	b) Showroom (s) Address	
02	Nature of constitution of Respondent (Whether individual, Partnership, firm or company registered under Companies Act/Societies Act/Cooperatives Act/Central/State Govt Agency) Enclose certificate, MOU, AOA, Partnership Deeds, etc.)	
03	Date and Place of Incorporation:	
04	Name and address of the proprietor / partner / Director/ Head	
05	Details of authorized signatory/nominated representative for this franchise:	Name Position Telephone Direct Telephone Mobile Email Address

		Mailing Address
06	Other place of business with full address	
07	Details of Registrations	
	a) Sales tax	
	b) Income tax	
	c) GST	
	d) Income tax PAN number	
	e) Aadhar no.	
	Enclose the photocopies of the above documents alongwith last year's income tax clearance certificate.	
08	Date of commencement of business	
09	Bank Account details:	<ol style="list-style-type: none"> 1. Account No. 2. Name: 3. Type of Account: Saving/Current 4. Bank Name: 5. Branch Address: 6. IFSC Code:
10	Sales Turnover during last financial year Enclose the photocopy of Balance sheet for last financial year	(Rs in lakhs)
11	Area of the proposed outlet premise (in sq. ft)	
12	Number of sales person deployed at the proposed outlet premises	
13	Security Deposit details	<ol style="list-style-type: none"> 1. Amount: 2. In form of demand draft/ bankers cheque/ bank guarantee:

		3. Dated: 4. Bank details:
14	Whether blacklisted by any of the Central or State Government or Government Organisations/Agencies in past?	Yes/ No
15	Any other relevant information	

Name of the Agency/Organisation/NGO/Firm (with Seal):

Signature of Authorised Signatory :

Name of the Authorised Signatory:

Address:

Phone No.:

Fax No.

Date:

“AGREEMENT”

THIS AGREEMENT is made and executed at on this day of
(Two thousand)

BETWEEN

.....
.....
hereinafter referred to as ‘Franchisee’ the party of the **FIRST PART**

AND

Tribal Co-operative Marketing Development Federation of India Ltd (TRIFED), a Multi State Cooperative Society registered under the Multi State Cooperative Society Act 1984 with the Central Registrar of Cooperative Societies, New Delhi having its Registered Office at NCUI Building, 2nd Floor, 3, Siri Institutional Area, August Kranti Marg, New Delhi-110016 represented by its Regional Manager, TRIFED, presently located at TRIFED Regional Office,
.....
..... hereinafter referred to as “TRIFED” the party of the **SECOND PART.**

WHEREAS the party of the First Part is having its showroom dealing in
..... products at their Showroom
namely“.....”situated at
.....

AND WHEREAS, the party of the First Part “Franchisee” has approached TRIFED the party of the Second Part and offered to sell tribal products of TRIFED on sale or return basis and TRIFED has agreed to deliver the stocks to the “Franchisee” at and the Consignee has agreed to sell the same on commission basis on the following terms and conditions:

1. The Franchise will sell the products of TRIFED in the selling prices fixed by the Franchisee at its showroom namely The products will be sold with Tribes India brand tags with selling prices as decided by the Franchisee, which will not be less than MRPs of TRIFED.
2. The commission of 20% on all products (except food & natural products) and 10% on food & natural products shall be payable to franchisee. The aforesaid commissions shall be payable on net sale value by 'TRIFED' which will be deducted by franchisee while remitting the sales proceeds to TRIFED. In case TRIFED allows any discount then the commission shall be calculated on discounted price.
3. The Franchise shall sell the products of TRIFED in the brand name of Tribes India from their Sales Outlets with their manpower and other resources. An additional commission of 5% on all products (except food & natural products) on net sale value to compensate incidental likes manpower etc shall be payable to franchisee who submits interest free security deposit equivalent to Rs. 10.00 lakhs & above and takes the equivalent value of stock from TRIFED for sale through their outlet.
4. Sales proceeds will be remitted once in a month by the "franchisee" within 10 days from the last day of the preceding month of sales to "TRIFED".
5. The "franchisee" will maintain the stock in good condition and ensure proper display for maximizing the sales in the showroom.
6. The franchisee will submit the indents for the stocks in advance on monthly basis. The indents placed once will not be cancelled. However, quantity of the indents can be increased or decreased to the extent of 20%.
7. The responsibility of TRIFED will cease once stocks are delivered to franchisee and thereafter no claim will be entertained in respect of quality or quantity of the stocks.
8. The "franchisee" has submitted a security deposit in form of of Rs..... Lakh (Rupees only) in favour of TRIFED towards the security of the stocks from Bank located in in the prescribed format forwarded by TRIFED.
9. TRIFED will supply stock of tribal products equivalent to the amount of security deposit i.e. Rs..... Lakh (Rupees only) at a given point of time, to the "franchisee" for sale through its outlets located in

10. In case of any default on the part of the said “franchisee” in respect of making payment of sales proceeds to TRIFED as per the clause 3 and other terms and conditions of this agreement, the “franchisee” will be considered in breach of terms and conditions in which case TRIFED shall reserve the right to invoke the security deposit.
11. Transportation cost, GST at the destination showroom will be borne by ‘TRIFED’.
12. Stocks will be transported on consignment basis by ‘TRIFED’ as stock transfer to the showroom of the “franchisee” at and no tax liability is born by TRIFED on such stock transfer.
13. Sales tax/GST on retail sales at the “franchisee” showroom will be remitted as applicable by the “franchisee” to the Sales Tax authority and will be deducted from the sale proceeds of TRIFED.
14. TDS as applicable on commission amount shall be charged by TRIFED from the “franchisee”. The amount of TDS accrued shall be remitted to TRIFED along with the sale proceeds by 5th of following month.
15. ‘TRIFED’ will insure stocks put up for sale in the Showroom; of the “franchisee” at.....
16. Unsold stocks after 6 months from the date of supply will be returned by “franchisee” at the cost of ‘TRIFED’.
17. The “franchisee” will take responsibility for all risks for the goods put up for sale in the premises of the franchisee’s Showroom.
18. TRIFED ensures periodic replenishment, at least, once in a quarter with fresh stocks of fast moving varieties and take back the slow and non-moving stocks.
19. The Franchise agrees to take proper care in handling tribal products in its outlet. The stocks which is damaged, soiled and spoiled in the Franchise Outlets shall not be taken back by TRIFED.
20. A separate Sales/Stock Register will be maintained by “franchisee” on daily basis. The Register and other commuted records shall be made available to TRIFED, if so required.

21. This arrangement shall be valid for a period of one year from the date of signing the agreement. However, on review of performance by the Regional Manager, TRIFED, the agreement may be extended for further period.
22. The “franchisee”and TRIFED shall be at liberty to terminate the agreement with a notice of one months. In case of termination of the agreement “franchisee”will remit all dues and balance stock within the notice period of one month.
23. All disputes or difference, whatsoever arising between the parties within or relating to the construction / meaning / operation / effect and /or dispute with regard to this agreement or the breach of contract thereof shall be referred to the Arbitrator, appointed by the Managing Director, TRIFED and the award made in pursuance thereof shall be binding on both the parties in accordance with the provisions of the Arbitration & Conciliation Act 1996 at New Delhi.
24. This Agreement is subject to jurisdiction and only Court of competent jurisdiction atshall have exclusive jurisdiction in regard to the matter under the Arbitration and Conciliation Act, 1996. The parties hereto agree and confer jurisdiction to Courts in the event of any unresolved dispute and that no other court shall have jurisdiction in this regard to any matter under this agreement.

IN WITNESS WHEREOF, the parties herein have set and subscribed their names and signatures to this Agreement on the day, month and year first above mentioned in the presence of the following witnesses.

For and on behalf of ‘TRIFED’

For and on behalf of the “franchisee”

WITNESSES:

1.

2.

“BANK GUARANTEE”

(To be stamped as an agreement in accordance with the Stamp Act in force)

To
Regional Manager
TRIFED
Regional Office
Address:

BANK GUARANTEE NO :
ISSUE DATE :
AMOUNT OF GUARANTEE :
GUARANTEE COVER FROM :
LAST DATE OF LOGDEMENT OF CLAIM : TO
.....

THIS DEED OF BANK GUARANTEE made this.....day
of.....between the Bank of(hereinafter called “the Bank”) of the one
part, and Tribal Cooperative Marketing Development Federation of India Ltd. (TRIFED)
(hereinafter called “ the Federation”) of the other part;

WHEREAS
.....
..... has
approached the Federation for sale of TRIFED’s products on franchise basis through
their“.....”Shop being run by her at
..... in accordance with the
arrangement made under the Agreement executed onbetween the Federation
and

WHEREAS to safeguard the interest of the Federation against any claim that may arise against
the stocks supplied by the Federation to
..... and the sale proceeds of
the stocks, the Bank at the request of the
..... has agreed to issue this Bank
guarantee on her behalf.

NOW THIS DEED WITNESSES as follows:

1. That in consideration of having issued the stocks by the Federation for franchise to , the Bank as also its successors and assigns, do hereby bind itself unconditionally and irrevocably that in the event of any default or failure on the part of the to observe all or any of the terms and conditions of the arrangement made for franchisee, the Bank shall on first demand by the Federation without protest, demur, or proof and without reference to and irrespective of and notwithstanding any contestation by or the existence of any dispute, whatsoever between the Federation and pay forthwith to the Federation or its successors and assigns any sum up to Rs..... Lakh (Rupees only) that the Federation demands.
2. That the Bank further agrees that this guarantee shall constitute an independent and autonomous contract between the Bank and the Federation and shall not in any way be affected by any dispute or difference between Federation and the aforesaid
3. That finally, the Bank confirms that on presentation of a mere letter from the Federation under the signature of its Authorized Signatory asking to the Bank to pay the amount of Bank Guarantee, the Bank undertakes to pay the said amount without any objection or protest.
4. That notwithstanding anything contained herein above the Bank's liability under the bank guarantee shall not exceed Rs..... (Rupees only).
5. That this Bank Guarantee shall remain in force upto----/-----/2018 and all claims/demand hereunder should be received by the Bank on or before ----/----/2018 and unless such claim is received in writing on or before the said day i.e.----/----/2018 all the rights under this guarantee shall be forfeited and we shall be released and discharged from our all liabilities there under.

This Bank Guarantee deed must be returned to us i.e. issuing bank upon expiration of the period of guarantee.

EXECUTED THIS DAY OF2017.

Signature:
 Name with Designation:
 (in Block Letters)
 Address of Bank

Witness:

1.....

2.....