



FRANCHISEE HOLDER AGREEMENT

THIS FRANCHISEE HOLDER AGREEMENT is made on this _____ Day of _____ 20____ at _____

BETWEEN

Laxmi Nidhi Mart Direct Sales & Marketing a company registered under the Companies Act 1956 having its Registered office at PLOT NO 52, ZONE 1, LANDMARK MANOHAR DAIRY, NEAR SANGAT PLAZA HOTEL, MP NAGAR, BHOPAL India acting through its Director Mr. Anil Lakhera (Hereinafter called Company which expression shall, unless repugnant to the context, include its successors in business, administrators, liquidators and assigns or legal representatives) of the **FIRST PARTY** AND

Mr. -----, Aged -----, Residing at -----
----- Hereinafter referred to as
"FRANCHISEE HOLDER" (Which expression shall unless repugnant to the context mean and include his heirs, executors, administrators and assigns) of the **SECOND PART**.

WHEREAS:-

WHEREAS the Company is carrying on the business as manufacturing/trading of all kind of consumable and Durable goods, Vegetables, fruits, Bakery, Hosiery, Readymade garments, Electric and technical goods and other relevant products and is establishing reputation and demand for his products and having all the requisite licenses and permission from the appropriate authorities. The Company has line of product (owned and tie-up product) to sell to general public ("the product") through its retail outlet and stores.

WHEREAS the Company in addition owns valuable goodwill and other identifying characteristics.
AND WHEREAS the COMPANY has proposed to expand their business all over India and for this purpose with this agreement appoints FRANCHISEE HOLDER.

AND WHEREAS the party of the SECOND part has approached to the COMPANY for becoming FRANCHISEE HOLDER of the COMPANY for operating/ managing the business in the area / territory.

AND WHEREAS at the request of the party of the SECOND part the COMPANY has agreed to appoint the party of the SECOND part as FRANCHISEE HOLDER of the COMPANY, and the party of the SECOND part has accepted such appointment as FRANCHISEE HOLDER for operating/ managing the business, on the terms and conditions hereinafter mentioned.

WHEREAS the COMPANY & FRANCHISEE HOLDER mutually agrees to narrate the same terms & conditions specifically in writing.

DEFINITION

A. Company

Company means Laxmi Nidhi Mart Direct Sales & Marketing.

B. Direct Selling

Means marketing or sales of goods directly to the end user consumer using word of mouth, publicity, display and/ or demonstrations of the goods/products, and/or distribution of pamphlets.

C. Direct Selling Entity/Company

Means a Company namely M/s . Laxmi Nidhi Mart Direct Sales & Marketing and running its main business in the name and style of _____

D. FRANCHISEE HOLDER

Means a Franchisee Holder appointed for distribution of products of the company.

E. Consumer

Means who buys goods or services for personal (self) use and not for resale or commercial purpose and shall have the same meaning as provided under the Consumer Protection Act, 1986.

F. Goods / Products

Means goods/products defined in the Sale of Goods Act, 1930 and section 3(26) of the General Clauses Act, 1897, is that, it shall include every kind of movable property other than actionable claims and money.

G. Sales/Commission/Profit incentive

Means amount of incentive payable to the FRANCHISEE HOLDER Seller for effecting sale of goods /products as stipulated in the contract between the FRANCHISEE HOLDER and Direct Selling entity.

H. Website

Means official website of the Company www.laxminidhimart.com

1. APPOINTMENT AND DURATION:

i. The COMPANY hereby appoints the party of SECOND part as FRANCHISEE HOLDER for the said Outlet, and allotted FRANCHISEE HOLDER Code: - _____

ii. FRANCHISEE HOLDER have agreed to deposit of Rupees _____ only as Non-Interest bearing Security Deposit (Refundable) for the scheme you have preferred / subscribed here below COMPANY shall refund the Security Deposit after termination or expiry of this agreement.

iii. FRANCHISEE HOLDER appointment will be effective and in force for a period of 1 (ONE) YEARS with effect from the date of signing of this Agreement, unless earlier terminated or otherwise extended in writing by the COMPANY in a manner consistent with the terms of this Agreement.

iv. The appointment of FRANCHISEE HOLDER shall be on Non – exclusive basis and the Company reserves unconditional right to appoint as many FRANCHISEE HOLDER within the area it deems fit. The Company also reserves unconditional right to change the outlet originally allotted to FRANCHISEE HOLDER by intimating him in writing at least 30 days prior to change.

v. FRANCHISEE HOLDER will update the company with the contact details, contact numbers and address and any other information of the Merchants appointed under FRANCHISEE HOLDER, as required by the company from time to time.

vi. The COMPANY reserves the Right to take the following actions within FRANCHISEE HOLDER Territory:

a. To make Sales directly to any or all customers of the same and/or other Company Products.

b. To sell and /or render services exclusively, on a direct basis, to certain types of Customers or specific accounts which COMPANY may, in its sole discretion, Designate from time to time in accordance with the current COMPANY policies. The COMPANY will notify FRANCHISEE HOLDER prior to appointing additional **FRANCHISEE HOLDERS** in its Territory.

2. RESPONSIBILITIES AND DUTIES OF COMPANY:

i. The COMPANY will supply to FRANCHISEE HOLDER the appropriate signboard, logo and other promotional material at the cost of COMPANY.

ii. The Company will supply software to the FRANCHISEE HOLDER for INR 40000.

iii. The COMPANY will pay the commission /incentive/profit on basis of product margin and the margin of products will differ product to product.

iv. Addition, Discontinuance and Modification of Products. The COMPANY shall have the right at any time to introduce new Products, and services and discontinue the sale of any of its any products and services and make changes in the design or construction of any of such Products without incurring any obligation or liability whatsoever.

v. During the term of this agreement, the COMPANY shall take reasonable action to assist FRANCHISEE HOLDER to promote and sell Products, including the provision of reasonable Quantities of support materials

such as product information and sales Promotional literature. The interest free security deposit kept with COMPANY shall be refunded after 1 year from the date of initialization of this agreement .

vi. If the Company, for any reason whatsoever, fails or is unable to deliver any Products ordered by FRANCHISEE HOLDER, the COMPANY shall refund the amount if any, paid by FRANCHISEE HOLDER to the COMPANY for such Products/services.

vii. Nothing in this agreement will restrict the right of the COMPANY to deduct TDS from the commission payable to FRANCHISEE HOLDER / FRANCHISEE HOLDER's network of merchants.

3 RESPONSIBILITIES AND DUTIES OF FRANCHISEE HOLDER:

i. FRANCHISEE HOLDER shall be solely responsible for appointing Merchants for operating / managing the business of various products & services.

ii. FRANCHISEE HOLDER is required to take sales tax/ VAT Tax Identification number (TIN) as per the applicable laws to specific territory/state.

iii. FRANCHISEE HOLDER is required to make proper arrangements for the safety of products/goods, of the company.

iv. FRANCHISEE HOLDER agrees to use its best efforts vigorously and actively to promote the sale of COMPANY Products in the Territory. In connection with such efforts, FRANCHISEE HOLDER, at its sole cost and expense, shall organize and maintain a sales force and shall maintain adequate sales and Services facilities within the Territory those are satisfactory to the COMPANY.

v. FRANCHISEE HOLDER agrees to maintain an inventory equal to the amount prescribed by the COMPANY and MASTER FRANCHISEE HOLDER from time to time.

vi. That the FRANCHISEE HOLDER is at liability to raise objection/complaint in writing to the company qua the quality of goods received, however the complaint/objection shall be raised by the FRANCHISEE HOLDER within seven days of receipt of goods.

vii. The FRANCHISEE HOLDER agreed that in case no complaint is raised qua quality of goods within seven days from receipt, it shall be deemed that the quality of goods supplied by company is up to standard.

viii. FRANCHISEE HOLDER agrees to Resell Products only to merchants who are located within his network FRANCHISEE HOLDERS Territory.

ix. The FRANCHISEE HOLDER has agreed that the goods received from the company under his/her order shall not be taken back by the company.

x. Each printed advertisement, flyer, handbill, Television spot, radio script, yellow pages listing, webpage or any other Advertising or promotional material bearing or using the trademark or trade name Recharge Point or pertaining to COMPANY Products must be approved by the COMPANY in writing prior to its use by FRANCHISEE HOLDER or its network of FRANCHISEE HOLDER.

xi. FRANCHISEE HOLDER shall continually maintain to the Satisfaction of the COMPANY a general reputation for honesty, integrity and good credit standing and shall maintain the highest quality standards.

xii. FRANCHISEE HOLDER shall arrange the premises (whether owned or leased) for the said office from where FRANCHISEE HOLDER will operate / manage the business of the Company.

xiii. FRANCHISEE HOLDER will be responsible for collecting and providing valid and authentic KYC information (Know Your Customer) of the retailers appointed by him within 7 days of the activation of the merchant. The information should include a valid ID proof of the merchant (PAN, Voters ID etc), address proof of the retailers etc among other things. If the FRANCHISEE HOLDER fails to provide the KYC information or provides incorrect or invalid information to COMPANY. COMPANY reserves the right to deactivate such retailers. In such case there will be no refund of the activation charges by COMPANY.

xiv. FRANCHISEE HOLDER shall return any good's & product before 3 month of expiree date.

4. TAX AND LEVY:

FRANCHISEE HOLDER " shall be liable to pay any other state, central or local taxes and levies such as sales tax, service tax etc, as are applicable at the time of sales or supply of services or may become applicable thereafter in respect of the services supplied or sold hereunder.

5. COMPLIANCE WITH STATUTES:

COMPANY & FRANCHISEE HOLDER" hereby undertakes to observe and comply with all laws, orders, rules, regulations and other legal requirements and notifications, amendments made from time to time.

6. OWNERSHIP RIGHTS AND INFRINGEMENT:

FRANCHISEE HOLDER acknowledges that COMPANY owns all rights, title and interest in COMPANY's name and logo type, will not acquire any interest in any such trade names by virtue of this Agreement, its activities under it or its Affiliates with COMPANY.

FRANCHISEE HOLDER shall forthwith give notice in writing to COMPANY on any infringement or colorable imitation of any of the trade names or trademarks, which are used on or applied to, the products. „ FRANCHISEE HOLDER " shall at all times, if so required by COMPANY tender to COMPANY all assistance in its power to restrain the infringement or colorable imitation of any such trade descriptions trade names or trademarks. „ FRANCHISEE HOLDER " shall forthwith cease and desist from using the name, logo, letter heads and other material having COMPANY"s name or logo on termination of this agreement as provided in Termination clause below

7. CONFIDENTIALITY:

- i. FRANCHISEE HOLDER agrees that all aspects of the contents of the Agreement shall be treated as confidential and that no information in respect to the content of the Agreement shall be disclosed without the prior written consent of COMPANY except as necessary to implement the Agreement and inform customers.
- ii. Notwithstanding the liability provisions of this Agreement, the Parties will disclose Information only to their directors, employees, professional advisers and agents who need to know such Information for the purposes of providing roaming services and any transaction resulting there from, or for the borrowing of funds or obtaining of insurance and who are informed of the confidential nature of such Information. FRANCHISEE HOLDER shall be liable under this Agreement to COMPANY in respect of any unauthorized use or disclosure of such information.
- iii. In addition to the above, Information and the contents of this Agreement may be transmitted to Governmental, judicial or regulatory authorities, as may be required by any Governmental, judicial or regulatory authority including quasi judicial bodies.

8. RELATIONSHIP OF PARTIES:

In the performance of this Agreement the Parties to this Agreement shall at all times be independent entities and nothing in this Agreement shall constitute, or be deemed to constitute, either Party as being the agent, partner or joint venture partner of the other.

9. TERMINATION:

Either Party shall have the right to terminate this Agreement, if:

- i. The other Party fails to perform any material obligations under this Agreement, and such failure continues unheeded for a period of (60) days following receipt of written notice of such failure, or
- ii. By giving three month notice to other party, with or without assigning any reason or
- iii. Default by FRANCHISEE HOLDER the agreement may be terminated by the Company immediately upon the failure of FRANCHISEE HOLDER to pay for products or services purchased by FRANCHISEE HOLDER in accordance with the terms of this agreement

10. SERVERABILITY:

In the event that any of these terms, conditions or provisions or those of any schedule or attachment hereto will be determined by any competent authority to be invalid, unlawful or unenforceable to any extent such term, condition or provision will to that extent be severed from the remaining terms, conditions and provisions which will continue to be valid to the fullest extent permitted by law.

11. FORCE MAJEURE:

Neither the COMPANY nor FRANCHISEE HOLDER shall be liable for any inability to fulfill their commitments hereunder occasioned in the whole of, or in part, by force majeure, including, but not restricted to, strike, lock-out, fire, break –down, war, act, or regulation, or restriction of Government, inability to secure Government

authorization or approval, or any other cause beyond their reasonable control. Such force majeure occurrence shall be notified to the other party in writing immediately. The Company shall, in such event, have the right to allocate available Products among its customers in its sole discretion

12. ARBITRATION

All disputes arising between the company and FRANCHISEE HOLDER to the interpretation, operation, or effect of any clause in this deed or any other difference/disputes arising between the company & FRANCHISEE HOLDER cannot be mutually resolved, shall be referred to the sole arbitration to be appointed by the company, who shall adjudicate the dispute in accordance of arbitration & conciliation Act, 1996. The parties agreed that the place of arbitration shall be at Bhopal and language of proceedings shall be English.

IN WITNESS WHEREOF, the party hereto have hereunto set and subscribed their respective Hands and seals this day ____ of _____, 20__. For Laxmi Nidhi Mart Direct Sales & Marketing.

Authorized Signatory

Witness:

Signature_____

Name: -

Address: -

Authorized Signatory.

Witness:

Signature_____

Name:-

Address: