

FINAL

**SELECTION
OF
FRANCHISEE
FOR FLAVOURIT SPICES TRADING LIMITED
*“Franchisee Owned Franchise Operated
(FOFO) Model & Shop-in-Shop Model”***

Flavourit Spices Trading Ltd,
D. No: 32/1463B,
Spices Board, Sugandha Bhavan,
N H Bypass Road, Palarivattom,
Cochin-25.

Introduction

Flavourit Spices Trading Limited(FSTL) is a Company , fully owned by Spices Board, Govt. Of India, Ministry of Commerce & Industry.

The main objects of the company are to procure, clean, process, pack, brand, store, trade, export spices and spice products, agricultural inputs and other food products. M/s FSTL is formulated to promote finest quality of Indian spices and to promote sustainability in all levels of the spice industry. The business model focuses on creating social and economic development by streamlining the efforts of people working at grassroots with market forces. The enterprise directly procure spices and spice products from progressive farmers, farmers groups and grass root organizations; thereby strengthening the producers and entrepreneurs of the spice sector by providing a platform to showcase their produce as well as facilitating market linkages. The ultimate aim is to create a wide network of farmers, collectively working towards creating a brand that is pure, clean and has the highest global standards.

M/s FSTL markets an array of spices and culinary herbs along with value added spices products across various segments which include lifestyle and personal care products, cosmeceuticals, spice gift boxes of different types, spice flavoured chocolates, Spices Kathakali, Spice Essential Oils and Extracts of different spices, Spice Boats of different size and shape & flavored honey of different spices, under the brand name "**Spices India**" and "**Flavourit**".

Flavourit Spices Trading Limited invites applications for FRANCHISEE from reputed and experienced entrepreneurs for spreading the franchisee network of the Company under brand names "**Spices India**" and "**Flavourit**" through franchising under Franchisee Models; **Franchisee Owned Franchise Operated (FOFO) Model & Shop-in-Shop' Model** all over India and abroad with the objective of increasing sales and revenue of the Company.

We call upon you to submit your terms and conditions for operating as a FRANCHISEE of Flavourit Spices Trading Limited for individual **States of the Union of India, Pan India & abroad. The duties and responsibilities of the Franchisee also includes Inspection of the Franchisee Outlets, its functioning etc. Broad guidelines for operation of Franchisee are given below.**

Section : 1 Expression of Interest

- a The applicants willing to be considered for their selection as FRANCHISEE are advised to carefully read instructions given in this document.
- b The Applicants meeting the Eligibility Criteria given at Section 2 below may express their interest to work as Franchisee for the specified territory , on which FSTL will take appropriate decision.

Section : 2. Eligibility Criteria

The Applicant should meet the following eligibility criteria for selection as ‘ Franchisee 'under Flavourit Spices Trading Limited.

- a. Should be a Company / Partnership firm / Society / Proprietorship Firm / Joint Venture Firm.
- b. Should have valid GST Registration/ Income Tax Registration as on date of submission of proposal.
- c. Should be in the line of FMCG/Retail Marketing Segment by running Franchisee network for the past two years as on 01.07.2021.
- d. Should have a space of minimum 750-1000 sq. ft carpet area at a prime location.
- e. Should have experience in running a business having minimum cumulative turnover of Rs. 20.00 Lakhs in the last two years.
- f. The Applicant should submit documentary evidence in support of each of the above eligibility criteria

Applicants with lesser experience and facility can also apply and in which case FSTL will take appropriate decisions based on their merits in qualification criteria.

Section 3. Rights of FSTL

We and our affiliates retain the right, among others, in any manner and on any terms and conditions that we deem fit, and without granting you any rights therein:

3.1 To own, acquire, establish, and/or operate, and license others to establish and operate, other Franchised Businesses at any location outside the Territory earmarked for a particular Franchisee.

3.2 To own, acquire, establish and/or operate, and license others to establish and operate businesses under other proprietary marks or other systems, whether such businesses are the same, similar, or different from the Franchised Business, at any location within or outside of the Territory.

3.3 To exercise control on Franchisee/Sub Franchisee by inspection at periodical intervals.

3.4 FSTL reserves the right to cancel the Franchisee Arrangement with any party on sufficient ground in the opinion of the Company, without assigning reasons by giving one month notice

Section 4 Terms and Conditions.

Terms and Conditions of operation of Franchisee in territorial area shall **be put forth by the Franchisee** which shall be analyzed by FSTL, to chalk out terms which shall be mutually acceptable to both the parties. The terms mutually agreed upon shall include:-

a) appointment of franchisee and their area of operation . The commission on sale on each product shall be determined by mutual consultation. The franchisee shall sell stock at the Price fixed and printed on the cover by FSTL.

b) control on franchisee and inspection by FSTL

c) lay out and face look of shops and establishments of **franchisees**

d) terms of sale from franchisee and settlement of accounts

e) all sale from FSTL to **franchisee** will be only on cash and carry basis at agreed rate of discount, franchisee has to make payment before delivery through bank or through any approved mode of payment such as debit/credit card, google pay, pay TM etc. Cash and cheques will not be accepted.

f) use of brand name /logo of FSTL will be subject to restrictions as directed by FSTL from time to time.

g) Franchisee shall pay an initial non refundable fee of Rupees One Lakh for the Franchisee for the initial period of Two Years and a subsequent non refundable renewal fee **of Rupees Twenty Thousand** for the subsequent renewal of Franchisee Agreement. Dues of any form to FSTL will be charged interest @ 12% for the delay in payment.

h) In case an area is exclusively marked for a master franchisee, subject clause 3.1 and 3.2, subsequent appointment of sub-franchisee in that area will be done by Master franchisee operating in that area. However where franchisee appointed by FSTL is already in operation when that area is considered for awarding master franchisee, then master franchisee will not be allowed to operate in the area where a franchisee has already been appointed by FSTL

Section 5. Period of operation and termination of franchisee

5.1 Initial Term

The initial term of this Agreement shall commence upon payment of non refundable Franchise Fee of Rupees One Lakh (date of payment will be the effective date) and shall expire two (2) years from the Effective Date, unless sooner terminated under the terms of this Agreement. You shall have no right or option to extend or renew the term of this Agreement except as provided in Section 6 of this document.

Section 6. Options to Renew

6.1 Franchisee shall have the option to renew the Agreement, on the terms and conditions set forth in the Agreement for a further of two years at a time upon written notice given by the Franchisee to FSTL within not less than three months prior to the scheduled expiration date of the term then in effect, provided that each of the following conditions are satisfied:

6.2 Franchisee shall have satisfied all monetary obligations owed to FSTL and shall have timely met those obligations throughout the term of this Agreement.

6.3 Franchisee shall execute our then-current form of Franchise Agreement and any addenda thereto for the renewal term, and such renewal agreement shall supersede this Agreement in all respects.

6.4 Franchisee shall comply with our then-current eligibility criteria and training requirements.

Section 7. Termination at End of Term

7.1 If the Franchisee do not elect to extend the term of the Franchisee Agreement, the Agreement shall terminate at the end of the term of initial period of two years.

7.2 The franchisee shall furnish proper release document on termination/ cessation of franchisee

Those who are interested in becoming a Franchisee of Flavourit Spices Trading Limited in specified territory in **States /UTof the Union of India.** are directed to submit their proposal with details.

8.Application for franchisee

If the interested party is in agreement with the terms and conditions specified in Section Four of this document and on their request detailed application shall be forwarded for applying for Franchisee of FSTL. The contact address is as under:-

Flavourit Spices Trading Ltd,
D. No: 32/1463B,
Spices Board, Sugandha Bhavan,
N H Bypass Road, Palarivattom, Cochin-25.

E- Mail flavouritspices@gmail.com.
Contact Nos. 8281902890, 0484-2333610 Extn.249

DIRECTOR (FSTL)