



VioletForce, a division of La Marca Knowledge and Services Pvt Ltd, in an effort to augment its supply chain is setting up its product distribution network by establishing chain of outlets in the name an style of VioletStores. These stores will typically be city specific and will cater to the business in the specified territory.

## “Proposal for VioletStore

### What Does it Take to own a VioletStore

1. The Person(s) interested in becoming a Franchisee for Violetforce Products and agreeable to open a Violet Store must have their own space *(either owned or rented)* where the violetstore can be opened.
2. The area should be a minimum of 500 sqft. Preferably in a marketplace or a place easily approachable for the customers of VioletForce to reach.
3. The prime responsibility of Franchisee owning a Violet store is to provide product distribution and pick up services to Micro Commerce Entrepreneurs attached to VioletForce.
4. The Store has to maintain set standards specified by the company and should project the reputation of company and its Brand.



## Store Responsibilities

**The prime responsibility of Franchisee owning a Violet store is to provide product distribution and pick up services to Micro Commerce Entrepreneurs (hereinafter referred to as MCEs) of Violetforce.in. The Store has to maintain set standards specified by the company and should project the reputation of company and its Brand.**

- ▶ The store should maintain adequate stock of products required to be distributed to the MCEs of the Company. Based on the off take pattern the stocks will be sent to the store on a regular basis by the company.
- ▶ The Franchisee is responsible for all the stocks kept in his premises and has to ensure proper housekeeping measures to prevent fire/theft and must maintain adequate preventive measures commensurate with the size of the store (like fire extinguishers, proper locking of the store etc.).
- ▶ The Company will obtain necessary GST registration and the Proprietor must cooperate in every respect for use of the store address for this purpose.
- ▶ The Franchisee must also give access to the Company's Auditors for carrying out verification of stocks and books pertaining to stocks and expense claims.
- ▶ The franchisee is responsible for appointment of necessary work force at the store at his own expense.
- ▶ The Franchisee must submit a statement of Stocks as on 15th and last day of each month.
- ▶ The franchisee will use only the company portal and login I'd given to him to access the company system
- ▶ He will use the company portal to download the Invoices directly in the name of its MCEs / customers and the store should enclose the Invoice with the package that is being sent to the MCE.
- ▶ Daily dispatch system has to be maintained as per the orders placed by the MCEs.
- ▶ In the event of repacking of products the packaging to be delivered should be as per company guidelines.
- ▶ The company will help the franchise to have necessary tie-up with Courier Company who will be responsible for onward delivery of the products to doorsteps of MCEs.





- ▶ Pick-up facility by the MCE is something which is not allowed by company but if it is done it will be the sole responsibility of Franchisee to ensure that the right person receives the material. Any discrepancy in such case will be the responsibility of the store franchisee.
- ▶ The store has to make sure that product package quality and quantity should not be compromised at Store or courier level.
- ▶ The store is just a delivery point and will not have right to claim anything on the behalf of company.
- ▶ The store is primarily responsible for the town for which the franchise is awarded. The store should support company to deliver goods to nearby towns **if and when required**.

## Commercial Terms

**The Store will be used exclusively for the existing channel and existing products as well for upcoming channels and products of Violetforce products only.**

- ▶ A onetime (non-refundable) franchisee fee of Rs. 50,000.00 (Rupees Fifty thousand only) is payable by the franchisee to the company.
- ▶ The person(s) must deposit an initial amount of Rs. 2,50,000.00 (Rupees Two lakh fifty thousand only) to cover the cost of products stored at Violet Store. These will be replenished as and when the stock levels at the violetstore decrease
- ▶ The commission on First purchase of MCEs is 3.5% and on all kinds of repurchase will be 5%. This is for existing channel and products.
- ▶ The Expense reimbursement and commission will be paid to the store on a monthly basis.
- ▶ The company on its part will provide all the branding both inside the store as well as outside the store at its expense.
- ▶ As the business grows and more MCE join and the product range also increases, the amount of deposit will be increased proportionately to the value of products kept at the store.
- ▶ Expense incurred on packaging material and delivery charges will be reimbursed on submission of bills on a monthly basis.
  - A) *It is the responsibility of the store to submit all claims by 6th day of the following month. The claims for commission and expenses reimbursement should be separate. The Store should allow 10 working days for receiving the payment.*
  - B) *Shortage/Breakage/ Leakage will be taken fulfilled/replaced by the company.*
  - C) *The brand and POP materials will be provided by company.*

