

GIRIJAN COOPERATIVE CORPORATION LIMITED, EAST POINT COLONY, VISAKHAPATNAM – 530 017, AP.

Rc.No.50/2018/RMD

Date: 29.03.2018.

THE MODALITIES FOR SETTING UP EXCLUSIVE OUTLETS

CRITERIA FOR APPOINTMENT OF EXCLUSIVE FRANCHISE OUTLETS

I. Criteria for entrustment of franchise outlets:

- a. Agencies in the similar field and able to invest to a tune of Rs.3.00 lakhs for volumes of retail business through franchise outlets need to apply. They have to produce documentary evidence that they are in the relevant field with valid GST number / Bank Accounts etc.
- b. Any unemployed educated youth seeking business avenues such as establishing franchise outlets and financially sound to invest towards working capital to a tune of Rs.2.00 lakhs are also considered to apply for GCC franchise outlets.
- c. Educated housewives capable to invest time and working capital to an extent of Rs.2.00 Lakhs to run the franchise outlet are also considered to apply.

II. <u>Vacant space at prime location to be shown by the applicant:</u>

a. The aspirants (Agencies/entrepreneurs/educated youth/ house wives) need to show a vacant commercial space or shop to an extent of 150 to 200 sq. ft at prime location.

As a proof, the documents showing the commercial space owned by the individual need to be produced.

- b. In absence of commercial space or shop of their own, the individual should be in a position to furnish lease / tenant agreement that the commercial space / shop will be at his / her position for at least a period of 3 years.
- III. <u>List of outlets proposed to be established and Criteria for choosing the place in major towns:</u>

Franchise Outlets will be established across the AP & Telangana in major cities / Towns / Mandals.

The number of outlets proposed to be established at each Mandal / Town / City will be basing on population and location importance /crowed pulling areas.

The proposals from applicants for preferred area will also be taken into consideration.

However, distance @ 2.0 to 2.5 Sq. KM will be maintained between each franchise outlet in the area.

IV. <u>Selection of candidate:</u>

The applications received will be short listed, area wise and the credentials will be verified by Committee of GCC officers take a decision and Proceedings will be issued from GCC, CHO, Visakhapatnam on allotting the Franchise Outlet.

V. <u>Cost of establishing franchise outlet is responsibility of the selected person:</u>

- a. The selected Agencies / Entrepreneurs / educated youth shall have to establish franchise outlets on their own by investing on furniture /glass racks/ flexies / rentals etc.
- b. A proto type flexy design as finalized by GCC will be issued to selected franchisee for affixing the same at inside and rear side of the outlet.
- c. Product standees, danglers, posters, pamphlets, handouts and other promotional material will be given free of cost from time to time.
- d. The required Gemini filter for serving liquid hot Arakuvalley coffee and Soda fountain machine for Nannari & Bilwa sharbats, GCC will coordinate with Source Supplier for arranging credit supplies to franchisee.
- e. Supply of GCC RMD products are against on-line payment to GCC RMD products only.

VI. Supply of Products to franchise outlets in the area:

- a. RMD godowns in respective areas will cater products requirement of franchise outlets. The supplies are up to outlet. The RMD Godown incharge will ensure supplies from RMD Godown point in GCC own vehicle or by local transport or by booking in lorry transport to nearest franchise outlet location on paid LR basis.
- b. In case of supplies in Twin Cities, the C & F agency shall have to arrange for transportation of stocks upto franchise outlet. The transport charges @ 2% will be settled by GCC to C & F agency along with other trade account.
- c. The supplies to Franchise outlets are against on-line payment to GCC RMD account only.

VII. Issue price & margins allowed to franchisee:

The supplies to Agency operating franchise outlet will be at Super Distributor price. (the franchisee gets about 30% margin and price list will be issued to selected franchise.

VIII. <u>Proposals to meet initial expenses of franchisee till they break even:</u>

The margins will be extended to franchisee are at Super Distributor price. Basing on the sales generated at Franchise outlet and till they break even, the franchisee expenses @5% maximum will be met by GCC subject to monthly target of Rs.1.00 lakh in urban /city areas, Rs.70,000/- in semi urban /towns and Rs. 50,000/- in Rural / Mandal levels.

Reimbursement of such initial expenses to franchise outlets will be examined on case to case basis at sole discretion of GCC.

If the franchisee is not able improve beyond six months nor self-sustainment while reaching minimum target read above, their services will be dispensed with after six months.

IX. Calling for prospective to run franchise outlets by displaying through GCC website:

The criteria, Terms & Conditions along with application format will be displayed in GCC web site www.apgirijan.com and at Notice board of CHO, GCC Ltd., RMD Godown points, major distributors to bring awareness among interested candidates. If need be paper ad will be given enabling there to download the information from GCC website.

Sd/- S.Ashok Kumar
For VC & Managing Director

GIRIJAN COOPERATIVE CORPORATION LIMITED: VISAKHAPATNAM

APPLICATION FOR FRANCHISE OUTLET

1. Name of the Applicant :	
2. Apply for Franchise outlet in the : Capacity of (Strike off which ever is not required)	Individual Agency/ unemployed youth/ House wife
3. Whether having any GST Registration: If yes mention GST No.	Yes / No : GST No:
4. Willing to invest towards working Capital (Value to Specify)	: Rs
5. a. Vacant space (address details) Proposed by Applicant to establish Franchise outlet	:
b. Whether the space is owned / rented (to please specify)	: Owned/Rented
c. To provide copy of document sale de of ownership / tenant deed for 3yrs.	•
d. Expected footage (consumers prefer to visit the outlet)):
e. Photographs of the proposed outlet/ Commercial space	: Furnished / Not furnished
6. Expected business per month	: Rs.
I / We have gone through the crioutlet atMan also willing to incur costs involved in estable	
I am in a position to invest working capital for the purpose of supply GCC products on Franchise model and I / We will adhere to stipulated Terms & Conditions of GCC with out any deviation	
Station:	
Date:	(Signature of the Applicant)