



**ONLINE FRANCHISE AGREEMENT**

**(Valid only if Franchisee fees is paid)**

**Candid GS Pvt Ltd**

This agreement is made on this the \_\_\_\_\_ day of May 2020 between Major Pravin Singh, aged about 48 years S/o Late Shiv Prasad Singh, **Director, Candid GS Pvt Ltd**, a Company registered under the Indian Companies Act, 1956 having its Corporate Office at **E 2/55, Sector 7, New Rajendra Nagar, Raipur (C.G.)** (here in after referred to as '**Franchisor**' which expression shall unless repugnant to the context mean and include its successors, affiliates, subsidiaries and assigns of the **FIRST PARTY**).

AND

Mr. \_\_\_\_\_ aged about \_\_\_\_\_ years S/o \_\_\_\_\_ for running the security agency franchisee under the brand, in the name and style of Candid GS Pvt Ltd having its office at " \_\_\_\_\_ " . (hereinafter referred to as "**Franchisee**" which expression shall unless repugnant to the context mean and include its successors, affiliates, subsidiary and permitted assigns of the **SECOND PARTY**).

Franchisor and Franchisee are hereinafter collectively referred to as "Parties" and individually as "Party".

Whereas the FIRST PARTY has a Security Company in the name and style of Candid GS Pvt Ltd and granting franchise to the interested parties for using its brand name, study materials, marketing assistance, software and security intelligence and surveillance system throughout the nation /state or city for which the franchisee fees has been paid by franchisee.

That the SECOND PARTY and FIRST PARTY have mutually agreed to conduct business in profit sharing model of franchisee in which FIRST PARTY will be granting SECOND PARTY the Franchisee rights to conduct business in the name of the company of the FIRST PARTY. **The bottom line is that Candid GS Pvt Ltd. Will not be investing any amount on sales tour, marketing or tendering expenses like EMD/Security Deposit etc which must be done by Franchisee apart from the franchise fees (nonrefundable) payable once a year.**

Profit Sharing Percentage on all such business generated by franchisee will be as under: -

**a) Franchisee looking after sales, marketing and operations and company handling accounts only**

Company Share	Franchisee Share (Second Party)
40%	60%

**b) Franchisee looking after sales and marketing only and operations plus accounts to be looked after by the company**

Company Share	Franchisee Share (Second Party)
60%	40%



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GENERAL OF RESETTLEMENT  
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NOW THEREFORE IT IS HEREBY MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

I. Definitions

For the purpose of this agreement, unless otherwise specified in the context, the following terms shall be deemed to have the following meaning:

'Agreement'	shall mean this Franchise Agreement executed between the Parties and any amendment to this Franchise Agreement duly signed between the parties.
'Business'	shall mean marketing, display and selling of the services.
'Business Name and Logo'	shall mean the name Candid GS Pvt Ltd and the logo
'Intellectual Properties'	shall mean and include trademark, brand name, copy right, patents and other intellectual property rights of the Franchisor in the Business Name/Logo and/or Products/ Services.
'Share'	shall have the meaning ascribed to it in Clause 4 hereof.
'Operational Office'	shall mean such place from where the Franchisee would carry on the Business.
'Territory'	shall mean (City where operational office is to be opened).
'Term'	shall have the meaning ascribed to it as under

NOW THEREFORE IT IS AS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS

The **FIRST PARTY** has agreed/or the proposal of the **SECOND PARTY** for a period of one year (renewable on mutual consent of both parties) as per the terms and conditions as under:-

1. It is agreed between the parties that the **SECOND PARTY** shall be responsible to run the security business of Candid GS Pvt Ltd which shall include sales and marketing, recruitment and deployment for which adequate training and other support will be given by the **FIRST PARTY** to the **SECOND PARTY**. **FIRST PARTY will share the sixty percent of entire profit generated with SECOND PARTY on monthly basis ONLY ON THE BUSSINESS GENERATED BY SECOND PARTY IN INDIA** AND NOT REPEAT NOT ON THE EXISTING BUSSINESS OR BUSSINESS GENERATED BY FIRST PARTY or other Franchisee in same region ,state or city. However if the franchisee is not able to handle the operations or requests the company to handle the day to day operations, company will take operations in its hand for the brand image of the company wherein the profit sharing ratio will be reversed and only 40% profit sharing will be done with the franchisee.

**FIRST PARTY** will be sending reports of profit sharing to the **SECOND PARTY** on monthly basis. The fact sheets about working and accounting of profit share will be transparent and will be payable by Bank Payment (cheque) to **SECOND PARTY** after deduction of TDs which shall final and binding upon the **SECOND PARTY**.

2. That the parties further agreed that the **SECOND PARTY** shall maintain the operational working office as per the rules and regulations laid down by the **FIRST PARTY** and shall maintain changes in rules in due course as per requirements of the **FIRST PARTY**. All documentation will be done by **SECOND PARTY** of the security personals as per the guidelines and SOP (Standing operating procedures) issued by **FIRST PARTY**. (Enrolment form, police verification, duty/attendance sheet, salary/wages sheet etc) has to be uploaded on software for compliance to PSARA act 2005. Second party will ensure opening bank account of all guarding personal and same will be updated on web site for disbursement of wages in their respective accounts. **Under no circumstances the salary of guarding person will be credited to franchisee account.**



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3. That the SECOND PARTY shall solely bear all the expenditure for running the Agency of the FIRST PARTY all marketing support and training will be provided by FIRST PARTY. The cost of uniform will be deducted from guards salary and paid to the SECOND PARTY, which should be of the make and colour as specified by the FIRST PARTY. ***Since this is a franchisee and business on profit sharing model and not an employer employee relationship no cost or expenditure bill on any account will be payable by the FIRST PARTY to the SECOND PARTY.*** FIRST PARTY will be responsible for payment of salary/wages of security personals after realization of cheque against our bills from the clients by the PARTY and FIRST PARTY will be paying the ***profit share of Sixty percent to SECOND PARTY after statutory dues and taxes.*** No other claims or expenses will be claimed by SECOND PARTY or will be liable on FIRST PARTY. Any such expenses for which First Party has authorized Second party for business promotion, advertisement or for specific job on mail with proper purchase order shall only be reimbursed to the Second Party. ***Any supervisory staff or field staff that is employed after generation of business his salary will be shared in the same ratio as that of profit sharing of franchisor and franchisee.***

4. In case of failure of second party to run the contract smoothly and first party has to invest or get involved in operation, as per clause of this agreement first party will share only 40% of profit share to second party and take over the operation and work contract to protect the brand image and profit share will be reduced to 40% instead of 60%.

5. That the SECOND PARTY shall provide service/assistance for implementing any new projects by the other division of the FIRST PARTY for which share profit will be given to Second party as per the products e.g. electronic surveillance equipment, video analytics, software etc.

5. The FIRST PARTY shall bear the entire expenditure of the marketing materials, brochures, software, online line digital marketing as per the requirements to run the security agency the franchisee or the SECOND PARTY. FIRST PARTY will be given the leads to follow up and shall be responsible for all other corporate function of the agency like doing the presentation to the clients, getting work order and deployment. First party or Candid GS Pvt Ltd will be responsible for other functions related to account, taxation, audit and statutory dues only and will get involved in operations only if the franchisee is not able to handle it.

6. The SECOND PARTY shall not reproduce the materials supplied by the FIRST PARTY, such as course materials, slides, overhead, videos; training and operational manuals, workbook, and CDs etc and all the materials supplied by the FIRST PARTY are copyrighted and may not be reproduced.

7. That the SECOND PARTY shall be solely responsible for any loss due to postponement and incompleteness for job and the FIRST PARTY shall not be responsible for any losses including pecuniary loss. However, the loss incurred due to deduction of client will be share in the same ratio as that of profit sharing of franchisor and franchisee.

8. That the SECOND PARTY shall allow the personnel and duly authorized by the FIRST PARTY to inspect the premises, financial records, software and hardware at any time.

9. That the FIRST PARTY alone in its name shall issue bills to the clients on successful completion of sales job, issue of LOI/Work order from the clients at the Franchisee covered by the agreement after complying with required conditions. No bills will be raised by the SECOND PARTY and same will be done by online software with monthly billing summary for accounting and taxation purpose.

10. That the FIRST PARTY shall provide necessary training for marketing and software and



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call center support of technical personnel. FIRST PARTY will credit salary of security personals as per the wage's sheets based on online attendance by guard's app having geo fenced locations.

11. That the FIRST PARTY shall provide transfer facility to the person from one centre to another centre after SECOND PARTY FIRST PARTY complying with the required conditions.

12. That the SECOND PARTY shall collect the cheques from the clients for services offered which will be account payee only in favour of Candid GS Pvt Ltd by issuing the receipts supplied by the FIRST PARTY bearing their name and not otherwise. The SECOND PARTY shall not print any receipt book for collection of money from clients and for any other purpose and no bills will be collected in cash from the clients under any circumstances. No billing will be done by franchisee nor will any cash be collected from client by franchisee. In case of any such incident all service tax/GST and other liability of non reported clients will be responsibility of franchisee apart from legal action may be initiated against them for violation and breach of contract and trust.

13. That the second party must start the business and sales within one month from the date of agreement.

14. This agreement is valid for one years from the date of agreement and this agreement is subject to renewal in each years with mutual consent and franchisee failing to generate any business in first year the franchisee agreement will automatically stand terminated and FIRST PARTY will be at liberty to offer the franchisee of the city to any other interested franchisee as per the current terms and conditions of franchising of the company.

15. That if the SECOND PARTY is found misusing the name of the FIRST PARTY, the FIRST PARTY shall be at liberty to cancel the license with one month prior notice and shall be at liberty to request to law course as may be warranted in such circumstances.

16. That without the permission of the FIRST PARTY the Second Party shall not take any franchise from any company within the validity of the agreement.

17. That if any dispute arises between the parties then the Raipur Civil and Session Court stationed at Raipur shall be Jurisdiction to decide the same.

#### **Miscellaneous**

#### **18. Warranty of power to enter Agreement**

Each of the Parties represents and warrants that it has the power to enter into this Agreement and has taken all approvals to give effect to this Agreement.

#### **19. Force Majeure**

Neither Party shall be responsible or liable for or deemed in breach hereof, because of any delay or failure in the performance of its obligations hereunder (except for obligations to pay money due) due to any event or circumstance and which is beyond the reasonable control of the Party such as national emergency, war, governmental regulation or act of god. The affected party shall give notice to the other party of any event constituting force majeure as soon as reasonably practicable, but not later than 10 days after the date on which affected party knew or should reasonably have known of the commencement of the event constituting force majeure. The affected party shall give notice to other Party of the condition and cessation of the relevant event constituting force majeure.

In the event, the performance of the any party's obligation is suspended due to an event of force majeure, for more than 28 days, the Franchisor may terminate this Agreement at his sole discretion.



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## 20. Whole agreement

The Franchisee acknowledges that this Agreement contains the whole agreement between the Parties and it has not relied upon any oral or written representation made to it by the Franchisor or its employees or agents and has made its own independent investigations into all matters relevant to the Business.

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### a. Supersedes prior agreements

This Agreement supersedes any prior agreement between the Parties whether written or oral and any such prior agreements between the Parties.

### b. Discretion

No decision or approval of any matter mentioned in this Agreement or arising from it shall be deemed to have been made by the Franchisor except if in writing and shall be as its sole discretion unless otherwise expressly provided in the Agreement.

### c. Notices

All notices, returns of material, requests, consents and other communications required, permitted or desired to be given hereunder to be served upon or given to the Parties hereto shall be deemed duly served and given when received after being sent by confirmed facsimile transmission or delivered by hand or sent by registered or certified mail, return receipt requested, postage prepaid, e-mail notices to be followed up by signed hard copies.

### d. Dispute Resolution

In the event of any dispute or difference arising out of or otherwise relating to this Agreement, the Parties will endeavor to settle it amicably within 30 days of such differences/dispute having so arisen.

Any unresolved dispute will be referred to arbitration of three arbitrators, one to be appointed by the Franchisor, the other to be appointed by the Franchisee and both the arbitrator so appointed, shall appoint the third arbitrator who shall act as the Presiding Officer and shall be governed as per the provisions of the Arbitration and Conciliation Act 1996, as amended from time to time.

The venue of Arbitration shall be Raipur and the language of arbitration would be English.

### e. Confidentiality

i. The Franchisee agrees and undertakes that during the Term of this Agreement it has shall not disclose or make available to any third party, any confidential and proprietary information's, trade secrets of the Franchisor, including, without limitation, financial information and information relating to the Products, techniques and modes of merchandising, marketing techniques, source of the Products, procedures and know-how, and terms of this Agreement;

ii. **This clause shall survive termination of this Agreement.**

### f. Proper law and jurisdiction

This Agreement shall be governed by laws of India in every particular including formation and interpretation.

### g. Waiver

Waiver of the breach of any term or provision of this Agreement by any Party shall not be deemed to be or operate as to be construed as a waiver by that Party, of any other subsequent breach of this Agreement by the other Party.



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#### **h. Severability**

If any part or parts of this Agreement is or are invalid or unable to be enforced for any reason, the invalidity or unenforceability shall not affect the operation, construction or interpretation of any other provision unless it would be contrary to or materially alter the express or implied intention of the Parties.

#### **i. Modification of the Agreement**

No amendment, modification or addition to this Agreement shall be effective or binding on either of the Parties unless set forth in writing and executed by them through their authorized representative and subject to obtaining requisite Approvals, if any, following such execution.

#### **j. Costs**

Each of the Parties shall pay their own costs and expenses incurred by it in connection with negotiation and execution of this Agreement.

#### **k. Counterparts**

This Agreement may be executed in counterparts and each of which would be treated as an original.

#### **l. Assignment**

This Agreement cannot be assigned or transferred by the Franchisee nor can the Franchisee grant any sub-license and/or the right to operate the business and/or delegate any duties or obligations arising under this Agreement to third parties without the prior written permission of the Franchisor.

**In view of the total shut down this agreement will be signed online which will be executed on stamp paper once the shutdown is over. Second party to fill up their details and attach their PAN card, Aadhar card and deposit one nonrefundable franchisee in our account as mentioned below will be considered as agreement.**

#### **One-time nonrefundable franchisee fees are as under: -**

- a) Class C City = Rs 50,000/- plus GST
- b) Class B City = Rs 75,000/- plus GST
- c) Class A City = Rs 1,00,000/- plus GST
- d) Entire state = Rs 2.5 lac plus GST
- e) 7 Psara states = Rs 7 lacs plus GST

**\*Classification of cities is attached at the end of the agreement.**

**Our Bank Account details are as under**

**Candid Guard Service Pvt Ltd**

**ICICI Bank Current Account Number - : 134805001341**

**Ifsc Code : ICIC0001348**

**Details of franchisee fee paid : UTR No \_\_\_\_\_**

**Dated \_\_\_\_\_ Amount Rs \_\_\_\_\_**



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Since its an online agreement both parties will post an image of their signature to certify they have read and understood the agreement and both parties agree to all the clause of the agreement and will abide by it in letter and spirit. (Online agreement will be deemed to have been signed only after depositing of franchisee fee with tax and shall be followed by proper agreement on stamp paper which will be send by courier).

**FIRST PARTY**

**SECOND PARTY**

CANDID GUARD SERVICES PVT. LTD.

  
AUTHORISE SIGNATORY

Major Pravin Singh  
Director  
Candid GS Pvt. Ltd.  
Raipur

Mr. \_\_\_\_\_  
"Franchisee Holder"

City: \_\_\_\_\_  
State: \_\_\_\_\_

**CLASSIFICATION OF CITIES A, B & C**

CLASSIFICATION OF AREAS				
AREA - "A"				
Ahmedabad	(UA)	Hyderabad	(UA)	Faridabad complex (M.Corpn)
Bangaluru	(UA)	Kanpur	(UA)	Ghaziabad (UA)
Delli	(UA)	Chennai	(UA)	Noida
Greater Mumbai	(UA)	Nagpur	(UA)	Secunderabad
Kolkata	(UA)	Lucknow	(UA)	Gurgaon (M. Corpn)
Navi Mumbai	(UA)	Pune	(UA)	
AREA - "B"				
Agra	(UA)	Gwalior	(UA)	Port Blair (UA)
Ajmer	(UA)	Hubli-Dharwad	(M. Corpn)	Puducherry (UA)
Aligarh	(UA)	Indore	(UA)	Raipur (UA)
Allahabad	(UA)	Jabalpur	(UA)	Raurkela (UA)
Amravati	(M. Corpn)	Jaipur	(M. Corpn)	Rajkot (UA)
Amritsar	(UA)	Jalandhar	(UA)	Ranchi (UA)
Asansol	(UA)	Jalandhar-Cantt.	(UA)	Saharanpur (M. Corpn)
Aurangabad	(UA)	Jammu	(UA)	Salem (UA)
Bareilly	(UA)	Jamnagar	(UA)	Sangli (UA)
Belgaum	(UA)	Jamshedpur	(UA)	Shillong
Bhavnagar	(UA)	Jhansi	(UA)	Siliguri (UA)
Bhiwandi	(UA)	Jodhpur	(UA)	Solapur (M. Corpn)
Bhopal	(UA)	Kanur	(UA)	Srinagar (UA)
Bhubaneswar	(UA)	Kochi	(UA)	Surat (UA)
Bikaner	(M. Corpn)	Kolhapur	(UA)	Thiruvananthapuram (UA)
Bokaro Steel City	(UA)	Kollam	(UA)	Thirissur (UA)
Chandigarh	(UA)	Kota	(M. Corpn)	Tiruchirappalli (UA)
Coimbatore	(UA)	Kozhikode	(UA)	Tiruppur (UA)
Cuttack	(UA)	Ludhiana	(M. Corpn)	Ujjain (M. Corpn)
Dehradun	(UA)	Madurai	(UA)	Vadodra (UA)
Dhanbad	(UA)	Malappuram	(UA)	Varanasi (UA)
Durgapur	(UA)	Malegon	(UA)	Vasai- Virar City (M. Corpn)
Durg-Bhilai Nagar	(UA)	Mangalore	(UA)	Vijayawada (UA)
Erode	(UA)	Meerut	(UA)	Vishakhapatnam (M. Corpn)
Ferozabad		Moradabad	(M. Corpn)	Warangal (UA)
Goa		Mysore	(UA)	
Gorakhpur	(UA)	NandedWaghala	(M. Corpn)	
Greater Vishakhapatnam	(M. Corpn)	Nasik	(UA)	
Gulbarga	(UA)	Nellore	(UA)	
Guntur	(UA)	Panchkula	(UA)	
Guwahati	(UA)	Patna	(UA)	

Note 1-Area 'C' shall comprise all areas not mentioned in this list but to which the Minimum Wages Act, 1948 (11 of 1948) extends.



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