

# Joint Venture and Sample Collection Center Franchise Model of TCR Laboratory

## Introduction to TCR Engineering Services

Headquartered in Mumbai, TCR Engineering Services is a distinguished, ISO 17025 and NABL-accredited leader in Material Testing, Quality Assurance, and Non-Destructive Testing (NDT) services. Since its inception in 1973, TCR has partnered with over 5,000 clients worldwide across diverse industries, including Automotive, Oil & Gas, Petrochemicals, Defense, Fertilizer, Civil, and Manufacturing. With a presence extending across the Middle East in countries like Saudi Arabia, Kuwait, and Qatar, as well as Nigeria, TCR is more than a testing provider—we're a trusted partner in engineering excellence, ensuring that every project meets the highest standards and supports clients in their critical operations.

Our team of skilled engineers, scientists, and inspectors are leaders in their fields, providing global support that adapts to the specific challenges of each client. Whether it's assessing material integrity, enhancing product performance, or diagnosing failures, TCR brings reliability, transparency, and depth of expertise to every engagement.

## Core Divisions and Services

**TCR Engineering's services are structured across three main divisions, providing comprehensive support throughout the asset lifecycle:**

### 1. Material Testing Lab

- Mechanical Testing (Hot Tensile, Fatigue Testing, Fracture Toughness, etc.)
- Chemical Analysis (Wet Chemistry, RoHS Compliance, etc.)
- Construction/Civil Testing Lab
- Creep & Stress Rupture Testing
- Metallurgy Evaluation and Composite Testing
- Welder Certification & Qualification

### 2. Non-Destructive Testing (NDT) & Inspection

- Advanced NDT Techniques: ToFD, PaUT, Helium Leak Detection, Boiler & Tube Inspections, ARTiS
- Conventional NDT Services: Metallographic Replica, PMI, Gamma Radiography
- Specialized Inspections: High-Temperature Inspections, Pipeline Weld Inspection, Digitalization of RT Films, Robotic Storage Tank Inspection
- Civil NDT for Concrete, Inspection of Roads & Bridges

### 3. Asset Integrity Management (AIM)

- Asset Integrity Management (AiOM)
- Failure and Root Cause Analysis
- Pipeline Integrity, Engineering Critical Analysis
- Fitness for Service, Remaining Life Assessment

- Boiler Audits, CAD/CAM & Stress Analysis
  - Plant Reliability Training and Research & Development
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## **JOINT VENTURE MODEL**

### **Overview:**

As part of TCR's global expansion strategy, we seek to enter joint ventures or laboratory acquisitions with independent laboratories worldwide. Through a joint venture, partners gain access to TCR's established engineering talent, global client base, cutting-edge laboratory practices, and project expertise.

### **Value Proposition:**

- Access to TCR's state-of-the-art laboratory in Navi Mumbai, India, and dedicated lab outsourcing programs.
- Enhanced service offerings and market access facilitated by TCR's brand recognition.
- Confidential discussions to establish collaborative terms and long-term growth strategies.

### **Examples of TCR's Joint Ventures:**

- TCR Engineering Services in India has successfully partnered with local laboratories to establish TCR Arabia in Saudi Arabia and TCR Advanced Engineering in Baroda, India. These ventures have strengthened TCR's market reach and enriched the service capabilities of partner labs.
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# SAMPLE COLLECTION CENTER FRANCHISE MODEL

## **Purpose of Sample Collection Centers:**

TCR's Sample Collection Centers serve as localized bases for promoting and winning quality assurance business, enabling efficient sample collection and shipping directly to our headquarters in Mumbai. These centers operate as both marketing hubs and logistical centers, bridging clients and TCR's lab network.

## **FRANCHISE MODEL**

- **Ownership and Operations:** The franchisee will own and operate the center independently, with the flexibility to set customer rates to ensure profitability.
- **Royalty Structure:** Franchisees will remit a royalty based on gross billings every six months to TCR, with rights to utilize TCR's brand, listing on TCR's website, access to marketing materials, and periodic technical support.
- **Financial Terms:** Franchisees handle client payments directly and remit payments to TCR as per mutually agreed terms. TCR offers an initial credit line to support franchise growth, which may increase over time with positive business results.

## **FRANCHISE SERVICES**

The Franchisee will market and collect samples for the following TCR services:

- **Material Testing Services:** Including Mechanical Testing, Chemical Analysis, Failure Analysis, and Corrosion Testing.
- **NDT and Inspection Services:** Including PMI, Dimension Checking, and in-situ metallography, with mobilization of personnel from Mumbai for on-site services as needed.
- **Consulting and Contractor Services:** For NDT contractors, PMI inspectors, AWS/API-certified personnel, and more.

## **FRANCHISE AGREEMENT AND TERMS**

- **Exclusive Rights:** We offer a five-year exclusive franchise agreement for specific countries or regions. This exclusivity allows the franchisee to establish TCR's brand presence in their market, with the possibility of TCR investing further in the franchise as the business develops.
- **Termination:** Either party may terminate the agreement before the five-year term, given that all outstanding payments are settled and a 90-day termination notice is issued.

## **Invitation to Visit TCR Headquarters**

We encourage potential franchisees to visit our flagship laboratory in Navi Mumbai to experience TCR's operations firsthand and meet our management team. This visit provides insights into the business, quality standards, and operational excellence that define TCR.

This agreement draft example document enclosed is intended as a legally binding document and represents the principles and terms under which TCR Engineering Services will engage in joint ventures and franchise partnerships. Further terms will be developed in consultation with each prospective partner to ensure clarity and alignment with regional legal requirements.

# Draft Agreement for Establishing a Sample Collection Center

*(This draft is intended as a preliminary document for discussion and should be finalized in consultation with legal advisors.)*

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## Agreement for Sample Collection Center Franchise

**This Agreement** is made and entered into on this \_\_\_ day of \_\_, 20, by and between:

1. **TCR Engineering Services Pvt. Ltd.** (“TCR”), an ISO 17025 and NABL-accredited laboratory headquartered at Navi Mumbai, India, herein referred to as “Franchisor.”
2. **[Partner’s Full Name or Entity Name]** (“Franchisee”), with a principal place of business located at [Address of Partner/Collection Center], herein referred to as “Franchisee.”

**Whereas**, TCR is a reputed and established provider of Material Testing and Quality Assurance services, with expertise across various industries, and

**Whereas**, Franchisee wishes to operate a Sample Collection Center in [City, Country/Region] to promote and collect samples for TCR’s Material Testing Services and send the samples to TCR’s laboratory in Navi Mumbai for analysis,

**Now, Therefore**, the parties agree as follows:

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## 1. Scope of Agreement

### 1.1. Appointment

- TCR appoints the Franchisee as an authorized Sample Collection Center (SCC) to market and promote TCR’s Material Testing Services within the defined territory of [City, Country/Region].

### 1.2. Territory Exclusivity

- TCR grants Franchisee exclusive rights to operate the SCC in the specified territory \_\_\_\_\_, subject to the terms and conditions stated herein.

### 1.3. Services Offered

- Franchisee shall collect samples for the following TCR services:
    - Material Testing Services, including Mechanical Testing, Chemical Analysis, Failure Analysis, and Corrosion Testing.
    - NDT and Inspection Services, where sample testing is required.
  - Franchisee may also market TCR’s services within the defined territory, provided that TCR performs all final testing and analyses.
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## 2. Operational Guidelines

### 2.1. Branding and Marketing

- Franchisee is authorized to use TCR’s branding, logos, and marketing materials solely for the purpose of promoting TCR’s Material Testing Services within the territory.

## 2.2. Sample Collection and Shipping

- Franchisee will handle all aspects of sample collection, packaging, and shipping to TCR's laboratory in Navi Mumbai.
- Franchisee shall ensure that all samples meet the handling and shipping standards specified by TCR to maintain sample integrity.

## 2.3. Quality Control and Compliance

- Franchisee shall adhere to the guidelines and instructions provided by TCR regarding sample handling, documentation, and any applicable local regulations.
  - Franchisee agrees to participate in periodic quality assessments and training sessions conducted by TCR.
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## 3. Compensation and Financial Terms

### 3.1. Client Payments

- Franchisee is responsible for invoicing clients and collecting payments directly.
- Franchisee shall transfer payments to TCR for services rendered based on the rates agreed upon in Schedule A (attached).

### 3.2. Royalty and Fees

- Franchisee shall remit a royalty of [Percentage]% of gross billings to TCR every six months.
- Payment terms, including royalties, will be reviewed annually and may be adjusted based on mutual agreement.

### 3.3. Initial Credit Line

- TCR shall extend an initial credit line of INR [Amount] to Franchisee, repayable based on the business volume generated.
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## 4. Term and Renewal

### 4.1. Initial Term

- The initial term of this Agreement shall be five (5) years from the date of execution unless terminated earlier as provided herein.

### 4.2. Renewal

- This Agreement may be renewed for an additional term of five (5) years upon mutual agreement and successful business performance.

### 4.3. Termination

- Either party may terminate this Agreement with a 90-day written notice.
  - All outstanding financial obligations must be settled prior to termination.
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## **5. Rights and Obligations of TCR**

### **5.1. Support and Training**

- TCR shall provide the Franchisee with initial and ongoing training on sample collection protocols, shipping standards, and marketing guidelines.
- TCR will offer technical support to address any queries or challenges related to TCR's testing services.

### **5.2. Quality Assurance**

- TCR shall ensure all testing is conducted according to ISO 17025 standards and that timely and accurate test reports are provided to the Franchisee.
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## **6. Rights and Obligations of Franchisee**

### **6.1. Sample Collection Center Operations**

- Franchisee shall establish and maintain a suitable facility for sample collection that complies with the standards outlined by TCR.
- Franchisee is responsible for the costs related to setting up and operating the SCC, including rent, utilities, staffing, and shipping.

### **6.2. Adherence to TCR Policies**

- Franchisee shall adhere to all guidelines set forth by TCR and ensure that TCR's brand is represented professionally and accurately.

### **6.3. Confidentiality and Data Security**

- Franchisee agrees to maintain the confidentiality of all client data and test results and to protect TCR's proprietary information.
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## **7. Intellectual Property and Confidentiality**

### **7.1. Intellectual Property Rights**

- TCR retains all rights, titles, and interests in its trademarks, trade names, and other intellectual property.
- Franchisee may use TCR's intellectual property solely for the purposes stated in this Agreement.

### **7.2. Confidentiality Obligations**

- Both parties agree to keep all proprietary and confidential information obtained during the term of this Agreement confidential, including test results, client data, and business strategies.
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## 8. Indemnity and Liability

### 8.1. Indemnification by Franchisee

- Franchisee shall indemnify TCR against any claims, damages, or losses arising out of its operation of the SCC, including claims related to sample handling, shipping, or client interactions.

### 8.2. Limitation of Liability

- TCR shall not be liable for any indirect, incidental, or consequential damages arising from Franchisee's operation of the SCC.
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## 9. Dispute Resolution

### 9.1. Governing Law

- This Agreement shall be governed by the laws of India in the courts of Mumbai.

### 9.2. Dispute Resolution

- Any disputes arising from this Agreement shall be resolved through good-faith negotiations between the parties. Failing resolution, the dispute may be submitted to arbitration in Mumbai, India, with both parties agreeing to abide by the arbitrator's decision.
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## 10. Miscellaneous

### 10.1. Entire Agreement

- This Agreement constitutes the entire agreement between the parties and supersedes any prior agreements, representations, or understandings.

### 10.2. Amendments

- Any amendments to this Agreement must be made in writing and signed by both parties.

### 10.3. Severability

- If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in effect.
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**In Witness Whereof**, the parties have executed this Agreement as of the date first above written.

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<b>TCR Engineering Services Pvt. Ltd.</b> By: _____ Title: _____ Date: _____	<b>Franchisee</b> By: _____ Title: _____ Date: _____
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**Schedule A:** [Attach detailed service pricing and financial terms]