

Sales Circuit 3<sup>rd</sup> Floor Signature Towers, Opp Botanical Garden, Kondapur Hyderabad, 500084

# PROPOSAL & AGREEMENT

Stockist-Sales-Service

2024

**Statement of confidently /** This document is made by Sales Circuit an official partner of ANWI Systems for detailed understanding of the business proposal and agreement terms. This is intended for only specific audience not for public sharing. Any violation of sharing the terms is prohibited.

Prepared for:

Proposal Issued

Company Name Here

3/31/2024

Address Here

Proposal valid till:

4/30/2024

## Welcome!

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We are here to build next level products that win hearts of customers at the best possible price without compromising in quality.

Anwi & Sales Circuit

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#### **COVER LETTER**

Sales Circuit 3<sup>rd</sup> Floor Signature Towers, Opp Botanical Garden, Kondapur Hyderabad, 500084 3/31/2024

#### Dear Aspirant Franchisee

We thank you personally for considering our proposal. Sales Circuit is committed to ensuring that our franchise owners' capital is always in safe stocks. Our goal is not just to expand our network but to build a community where every member thrives on mutual success and shared values. We understand the importance of your investment and trust in us, and we're dedicated to providing comprehensive support, innovative products, and a proven business model that maximizes your return on investment.

Together, we'll navigate the challenges and seize the opportunities ahead, ensuring a prosperous future for all involved. Thank you for joining us on this journey. We look forward to achieving great success together.

Sincerely

Abhishek Avala Owner at Sales Circuit

#### **ABOUT US**



The agreement between ANWI Systems and Sales Circuit establishes Sales Circuit as ANWI's exclusive marketing arm, emphasizing a partnership model based on revenue sharing with franchise owners. This strategic alliance is designed to leverage Sales Circuit's distribution network for the widespread availability of ANWI's tech products, while ensuring mutual profitability and growth opportunities for both entities and their partners. Through this collaboration, ANWI and Sales Circuit aim to expand their market presence and deliver cutting-edge tech solutions to a broader audience.

#### 01 About ANWI

ANWI Specializes in laptops, all-inones, and Tablet Pcs, ANWI combines cutting-edge technology with sleek design, offering products that meet the modern professional's needs. As a franchise owner, aligning with ANWI means being part of a growing brand committed to quality and innovation, ensuring your investment taps into the ever-expanding tech market. This partnership promises not just a venture into retail but a stake in the future of computing.

#### 02 About Sales Circuit

Sales Circuit, the exclusive marketing arm for ANWI Systems, focuses on fostering strong partnerships by sharing revenue with all its partners. This collaborative approach ensures that franchise owners benefit directly from their contributions to the brand's growth, creating a win-win scenario for both the brand and its partners. By aligning with Sales Circuit, partners tap into a lucrative revenue-sharing model, ensuring mutual success in the competitive tech market.

## THE PROPOSAL



## Starts with low investment of 50 Lacs!

You can partner in a franchise outlet by just investing 50 Lacs. That gives consistent revenue and growth potential.



## Capital Assurance and risk free all capital in inventory!

All the capital invested will be in inventory, which safe guards the capital invested by franchise owners



## Faster Go Live in 45-60 Days!

Your outlet, your retailers and your team are ready to go in 45 to 60 days. Faster go to market



## Zero worries about operational costs!

Every outlet is managed and run by the Sales Circuit with a very process-oriented approach. Franchise need not worry about any of the operational issues.

Designed to minimize initial financial outlay while promising substantial returns, this model positions entrepreneurs at the forefront of the technology market. With Sales Circuit's comprehensive support, franchise owners are well-placed to thrive, making the most of this low-investment, high-return proposition.

## **Detailed Proposal**

#### Ol Investment

With a 50 Lakh investment, Sales Circuit presents a lucrative franchise venture, leveraging ANWI Systems' innovative tech. This model promises low initial costs with high returns, positioning franchisees for success in the tech industry, supported by Sales Circuit's extensive backing.

#### 02 Payment Terms

100% payment must be paid at the time of signing of the agreement via RTGS transfer in sales circuit specified bank account.

#### 03 Identify the right place

Identify the outlet where the most of the buying happens in the local market, at least 500 Square Feet Commercial space is required to start the outlet with at least 3 years agreement. Ground floor mandatory to bring the footfall.

#### O4 Right team will be appointed by sales circuit.

Our expert team will hire the right team for your outlet, 1 Store Manager, 1 Store helper, 1 Service Engineer will be hired. Franchise owner can recommend any suitable candidates but the decision of hiring remains with sales circuit. If the number

#### 05 Income for a franchise owner

Each franchise outlets serves as stockist that serves at least 30-40 outlets that already exists in the market. Direct sales by walk in customers. B2B Orders and bulk orders, e-commerce orders received from that area, orders from retail chains like Reliance digital, Bajaj electronics etc. are served from this outlets an incentive of **Rs 800**/- are paid to the franchise owner with deduction of 5% TDS.

#### 06 Capital payback

At the time of the exit by the franchise owner has to intimate 3 months in advance, the invested capital is returned to the franchise owner. The Agreement can be renewed if its mutually agreed by both parties but the investment may vary depending on the income potential. Time period for this agreement is 3 Years with a lock in period of 1 Year.

## Business Plan: Numbers

We have taken three year period as standard of the agreement and done the income computations for franchise owners is shown in this table.

Year one Projections				
Description	1-3 Months	3-6 Months	6-9 Months	9-12 Months
Unit Sold per Outlet Per Month	200	250	250	300
Stockist Incentive Expense per laptop	800	800	800	800
Average Stockist Incentive per month	160000	200000	200000	240000
Total Units per Quarter	600	750	750	900
Stockist Earning per quarter	480000	600000	600000	720000
Total units sold Annually	3000			
Stockist Earning per year	2400000			
Year Two Projections				
Description	13-15 Months	16-18 Months	19-21 Months	22-24 Months
Unit Sold per Outlet Per Month	300	325	325	350
Stockist Incentive Expense per laptop	800	800	800	800
Average Stockist Incentive per month	240000	260000	260000	280000
Total Units per Quarter	900	975	975	1050
Stockist Earning per quarter	720000	780000	780000	840000
Total units sold Annually	3900			
Stockist Earning per year	3120000			
Year Three Projections				
Description	25-27 Months	28-30 Months	31-33 Months	34-36 Months

Unit Sold per Outlet Per Month	325	325	350	350
Stockist Incentive Expense per laptop	800	800	800	800
Average Stockist Incentive per month	260000	260000	280000	280000
Total Units per Quarter	975	975	1050	1050
Stockist Earning per quarter	780000	780000	840000	840000
Total units sold Annually	4050			
Stockist Earning per year	3240000			
3 Year Profit Computation				
Projected Sale in Three Years	10950			
Deviation	-950			
Expected Sale units in three Years	10000			
Profit Margin for Stockist in three Years	8000000			
Investment return after three years	5000000			

## Responsibility Matrix

Responsibility	ANWI Systems	Sales Circuit	Store Employees	Franchise Partner
Product Development	Lead	Provide feedback	Provide market feedback	-
Quality Assurance	Lead	Monitor & report issues	Report customer feedback	-
Inventory Supply	Ensure supply	Coordinate distribution	Manage inventory, place orders	-
Marketing & Branding	Develop brand assets	National campaigns, provide materials	Local marketing, uphold brand standards	-
Sales Strategy	Outline strategies	Implement strategies, set targets	Achieve sales targets	-
Customer Service	Set standards	Train the service personnel	Deliver service, handle local issues	-
Staff Training	Provide product training	Train on sales techniques & operations	Store Manager to train the staff	-
Operational Support	Empower with Automation Suite	Cover operational costs, Rent, Salaries, Power, Transport	Monitor day-to-day operations, try to improve	-
Financial Management	-	Manage finances, reporting	Make the payments and deposits at the end of the day	-
Expansion & Growth	Plan product line	Identify expansion opportunities	Achieve Sales Targets	Opt in for multiple outlets/regions
Compliance & Legal	Ensure product compliance	Ensure franchise compliance	Adhere to legal standards, brand policies	
Lease & Property Management	-	Approve the ideal location and advise the franchise owner to setup an Ideal location	-	Select and secure locations, benefit from rent-free setup period

## FAQs of Franchise owners

## 1. As a new brand, how do you ensure you will build trust in the market and that sales will happen?

"Sales Circuit, in collaboration with ANWI Systems, leverages a combination of quality product offerings, robust marketing strategies, and excellent customer service to build market trust. Our products' competitive pricing and tech-forward design are geared to meet the demands of the modern consumer, ensuring a strong market presence and sales traction."

#### 2. When is my payment made?

"Franchise owners receive payments on monthly basis for sales made. This regular and timely payment schedule is designed to support the cash flow needs of our franchise partners."

#### 3. Can I see my daily earnings?

"Yes, through our proprietary franchise management portal, you will have real-time access to your daily earnings, sales data, and performance metrics to help you to increase your business visibility."

#### 4. What is the visibility of the stock and sales in each outlet?

"Sales Circuit provides a transparent inventory management system, which allows you to monitor stock levels and sales performance for your outlet in real time, ensuring you can manage your inventory efficiently."

#### 5. Can I own multiple outlets and take exclusivity for a specific region or state?

"We offer the opportunity for successful franchise owners to expand their business by owning multiple outlets. Exclusivity rights can be discussed and potentially granted based on performance and strategic market considerations."

#### 6. What are the responsibilities of a franchise owner?

"As a franchise owner, you are responsible for the daily operation of your outlet, maintaining ANWI Systems' brand standards, managing your staff, and providing exceptional customer service. You will also execute local marketing initiatives and manage inventory and sales performance."

#### 7. What are the marketing efforts done by Sales Circuit to push the products?

"Sales Circuit conducts comprehensive marketing campaigns encompassing digital, print, and outdoor advertising to enhance product visibility and customer engagement. Additionally, we provide our franchise owners with promotional materials and support for local marketing efforts."

## 8. If my store is not performing well, what is my exit plan? How is my investment safeguarded?

"We offer a structured exit strategy, which is outlined in our franchise agreement. Should your store not perform as expected, we will work with you to develop a turnaround strategy. If the decision is made to exit, we ensure a buy-back of the remaining inventory at market value and assist in the transition process to safeguard your investment."

#### 9. What is the minimum lock-in period?

"The minimum lock-in period for our franchise agreement is typically one year. This period is necessary to establish the outlet, build customer loyalty, and ensure a reasonable timeframe for return on investment."

#### 10. If the staff are not performing well, can a franchise owner ask for a change?

"Absolutely. While we provide support and training resources, as the franchise owner, you have the autonomy to manage your team, including making staffing changes as needed to maintain the quality of service and operational efficiency." But this must be discussed and notified to Sales circuit, sales circuit will act on this as the employs will be on the pay rolls of sales circuit.

#### TIMELINE & RESPONSIBILITY

Timeline	Task	Responsible
Day 0	RTGS Transfer Received	Franchisee
Day1-3	Identify 3 Outlet locations Send for approval	Franchisee
Day 3	Recuitment team start Identifying the right staff	Sales Circuit
Day4-7	Visit by Sales Circuit team for Feasability Study	Sales Circuit
Day 7-10	Approval of the location	Sales Circuit
Day 10-14	Agrrements and Hand over of the premisies	Franchisee
Day 15	Identify the outlets in your teritory	Sales Circuit
Day 15-40	Interior work begins	Sales Circuit
Day 15-20	Onboard Store Manager.	Sales Circuit
Day 26-30	Visit all the prospective retail partners	Sales Circuit
Day 35-40	1st Batch of Inventory Dispatched (All in ones)	Sales Circuit
Day 45-60	Completion of the outlet fully ready to start.	Sales Circuit
Day 45-50	2nd batch of invenotry dispatched (Laptops)	Sales Circuit
Day 44-49	News and media, local hoardings, posters will start.	Sales Circuit
Day 50-60	Start the Sales.	Sales Circuit

### **GOALS & OBJECTIVES**

- 1. **Expand Market Reach**: Broaden the distribution network through strategic franchise partnerships, ensuring Sales Circuit products are available across diverse geographical locations, thereby increasing market penetration and brand visibility.
- 2. **Enhance Customer Experience**: Commit to offering a seamless and superior shopping experience, both in-store and online, leveraging technology and training to ensure customer satisfaction and loyalty.
- 3. **Drive Innovation in Product Offerings**: Collaborate with ANWI Systems and other partners to continuously innovate and expand the product lineup, meeting evolving customer needs and staying ahead of market trends.
- 4. **Sustain Financial Growth**: Achieve sustainable financial growth through efficient operations, strategic sales initiatives, and effective cost management, ensuring profitability for both Sales Circuit and its franchise partners.
- 5. **Foster Strong Franchise Relationships**: Build and maintain strong, supportive relationships with franchise partners, providing them with the tools, training, and support needed to succeed, thereby creating a mutually beneficial ecosystem.
- 6. **Operational Excellence**: Streamline operations for efficiency and effectiveness, implementing best practices in inventory management, customer service, and store management to optimize performance across all outlets.
- 7. **Brand Leadership**: Position Sales Circuit as a leading brand in the technology retail sector, known for quality, innovation, and customer-centric services, thereby building a strong and loyal customer base.
- 8. **Embrace Sustainability**: Integrate sustainable practices into all aspects of the business, from product development to store operations, minimizing environmental impact and promoting social responsibility.
- 9. **Cultivate a Dynamic Workforce**: Attract, develop, and retain a talented and motivated workforce, fostering a culture of excellence, innovation, and teamwork across the Sales Circuit network.
- 10. Leverage Data and Analytics: Utilize data analytics to gain insights into customer behavior, market trends, and operational performance, driving informed decision-making and strategic adjustments.
- 11. **E-Commerce Integration**: Successfully integrate e-commerce channels with physical stores, offering customers a seamless omnichannel shopping experience and capturing a larger share of the digital retail market.
- 12. **Community Engagement**: Engage with local communities through outreach programs, charitable activities, and support for local businesses, building goodwill and enhancing the brand's reputation.



Please Affix Rs 100 Revenue Stamp only

#### Franchise Agreement

This Franchise Agreement ("Agreement") is a	made effective as of [Date], between Sales
Circuit ("Franchisor"), a company registered (	under the laws of India with its principal
office located at3rd Floor Signature Towers,	Opp: Botanical Garden, Kondapur,
Hyderabad 500084 and	("Franchisee"), an
individual/business entity located at	

**Recitals** WHEREAS, Sales Circuit is a distributor of ANWI Systems' technology products, including but not limited to laptops and all-in-one computers, looking to expand its retail presence through a franchise model; WHEREAS, the Franchisee wishes to invest in the Sales Circuit franchise, investment rather than daily operations;

Grant of Franchise Sales Circuit hereby grants the Franchisee the exclusive right to establish and operate a franchise outlet located at \_\_\_\_\_ under the terms and conditions of this Agreement.

#### 2. Roles and Responsibilities of Sales circuit and Franchise

#### 2.1. Staffing and Human Resources:

Sales Circuit is responsible for recruiting, hiring, and managing all staff for the franchise outlets. This includes training staff in customer service, sales techniques, and product knowledge to ensure a uniform brand experience across all locations.

Franchisee plays no direct role in day-to-day staffing or HR management but may provide feedback on staff performance and customer service based on customer feedback and personal observations.

#### 2.2. Operational Management:

Sales Circuit oversees the entire operational management of each franchise outlet, including inventory management, sales operations, customer service, store maintenance, and compliance with health and safety regulations.

Franchisee can monitor operational performance through reports and communications from Sales Circuit but does not engage in operational decision-making.

#### 2.3. Financial Management and Reporting:

Sales Circuit manages all aspects of financial operations, including sales tracking, financial reporting, budgeting, and managing expenses. Sales Circuit

ensures transparency with franchisees through regular financial reports and performance updates.

Franchisee reviews financial reports provided by Sales Circuit to monitor the health of their investment and the performance of their designated zone.

#### 2.4. Marketing and Sales:

Sales Circuit is responsible for all marketing and promotional activities, both at a national level and local level, to drive traffic and sales to franchise outlets. This includes online marketing, local advertising, promotions, and loyalty programs.

Franchisee receives benefits from the marketing efforts through increased sales in their exclusively allotted zone and may suggest local marketing initiatives or partnerships, subject to approval and implementation by Sales Circuit.

#### 2.5. Product Supply and Inventory:

Sales Circuit ensures a steady supply of products to franchise outlets, managing relationships with suppliers, and maintaining optimal inventory levels to meet customer demand without overstocking.

Franchisee benefits from a well-managed inventory system that maximizes sales potential without the risk of inventory mismanagement.

#### 2.6. Compliance and Legal:

Sales Circuit ensures that all franchise operations comply with local, state, and federal laws and regulations, including employment laws, health and safety standards, and consumer protection laws.

Franchisee relies on Sales Circuit to manage these aspects, reducing the regulatory burden on them and focusing on the financial returns of their investment.

#### 2.7. Royalty Payments:

Sales Circuit calculates and disburses royalty payments to the franchisee based on sales performance in the exclusively allotted zone, after deducting applicable taxes such as TDS.

Franchisee enjoys the royalty paid for sales within their zone, providing them with a return on investment without the complexities of operational management.

#### 3. Franchisee's Investment and Handover of premises

- **3.1. Investment**: The Franchisee agrees to Invest an initial capital of Rs Fifty Lacs/ Rs Seventy-Five Lacs for obtaining the franchisee exclusive that geographical location\_\_\_\_\_\_.
- **3.2. Premises Handover:** Upon completion of the setup and stocking, the Franchisee will hand over the premises to Sales Circuit for operational management.

#### 4. Geographical Exclusivity and Sales Channels

#### **4.1.** Exclusive Territory Rights:

Sales Circuit grants the Franchisee exclusive rights to operate and generate sales within a defined geographical area, ensuring no other direct franchise outlets are established within this territory by Sales Circuit.

Franchisee agrees to actively market and sell ANWI Systems products within this exclusive territory, leveraging all available sales channels to maximize market penetration and sales volume.

#### 4.2. Exceptions for Government Orders:

Notwithstanding the above exclusivity, Sales Circuit reserves the right to directly handle and fulfill government orders from any geographical location, including the exclusive territories allotted to franchisees.

Sales Circuit commits to transparently reporting any such direct sales activities to the relevant franchisee and ensuring that these actions do not disadvantage the franchisee's market position.

#### 4.3. Incentive for Store-Generated Government Leads:

In cases where a government order lead is generated at the franchisee's store level or through the franchisee's marketing efforts, Sales Circuit agrees to recognize and compensate the franchisee for such leads.

Franchisee will receive a predetermined incentive for government orders stemming from leads generated within their territory, acknowledging their contribution to the sale despite the order being fulfilled directly by Sales Circuit.

#### 4.4. Reporting and Transparency:

Sales Circuit will provide regular reports detailing sales activities within the franchisee's territory, including direct government orders, to maintain transparency and trust via DMS Platform.

Franchisee agrees to report any government leads to Sales Circuit in a timely manner, facilitating efficient processing and fulfillment of such orders.

#### 5. E-Commerce Sales and Distribution

#### **5.1.** Integration of E-Commerce Sales:

Sales Circuit commits to integrating its e-commerce platform with the geographical exclusivity agreement. This ensures that any online orders placed by customers within the franchisee's exclusive territory are attributed to and fulfilled by the franchisee's outlet, when possible.

Franchisee agrees to fulfill e-commerce orders in accordance with Sales Circuit's operational standards, including packaging, shipping, and customer service protocols.

#### 5.2. Routing and Fulfillment:

Sales Circuit will develop and maintain an order routing system that automatically identifies the franchisee's territory based on the customer's delivery address and routes the order to the franchisee's outlet for fulfillment.

Franchisee is responsible for ensuring timely and efficient fulfillment of e-commerce orders routed to their outlet, maintaining customer satisfaction and service quality.

#### 5.3. Revenue Sharing and Incentives:

Sales and revenue generated from e-commerce orders fulfilled by the franchisee will be included in the franchisee's sales figures, contributing to their overall revenue and applicable incentives.

Sales Circuit outlines the revenue-sharing model for e-commerce sales, ensuring the franchisee is compensated fairly for their role in fulfilling these orders, after deducting any associated costs like shipping and handling.

#### 5.4. Service Area Expansion:

Both Sales Circuit and the Franchisee agree to periodically review the serviceable area for e-commerce fulfillment, considering factors such as delivery logistics, customer demand, and the potential for territory expansion.

#### 6. Financial Arrangements

- **6.1. Security and Incentive**: The Franchisee's investment is secured against the store inventory, with Sales Circuit committing to a monthly incentive payment to the Franchisee, reflecting a return on investment @ 800 Rs per unit sold either a laptop on All in ones. Other products incentive is declared separately.
- **6.2.Monthly Incentives**: Calculated based on a fixed perce of total sales, subject to a 5% TDS, paid within 15 days following the end of each month.

#### 7. Term and Termination

- **7.1. Term**: This Agreement shall commence on the Effective Date \_\_\_\_\_and continue for a term of 3 years, unless terminated earlier as outlined herein.
- **7.2. Termination and Exit Strategy**: Details conditions under which the Agreement may be terminated and outlines the process for store premises handover and final settlement.
- **8.** Compliance and Legal Obligations Ensures both parties comply with applicable laws and regulations, maintaining high standards of business practice and ethical conduct.

#### 9. Marketing and Branding

- **9.1. National Marketing**: Sales Circuit shall conduct national marketing campaigns to enhance brand visibility and support outlet sales efforts.
- **9.2. Local Marketing**: The Franchisee is encouraged to engage in local marketing activities, adhering to Sales Circuit's branding guidelines and utilizing materials provided by Sales Circuit.
- **9.3. Co-Op Marketing**: Sales Circuit may offer a co-operative marketing fund, matching a percentage of the franchisee's local marketing expenditure for approved campaigns.

#### 10. Training and Support

- **10.1. Initial Training**: Sales Circuit agrees to provide comprehensive initial training to the Franchisee and their key staff on product knowledge, sales techniques, and operational procedures.
- **10.2. Ongoing Support**: Sales Circuit commits to ongoing support, including access to sales and operational training materials, updates on product developments, and operational advice.

#### 11. Technology and Systems

- **11.1. POS Systems**: Sales Circuit will provide the Franchisee with access to its preferred Point of Sale (POS) system, ensuring efficient sales transactions and inventory management.
- **11.2. Data Reporting**: The Franchisee can access all system transactions, enabling accurate sales reporting and inventory tracking via app and portal. This gives transparent visibility of earnings and inventory in real time.

#### 12. Renovation and Maintenance

- **12.1. Store Appearance**: The Franchisee agrees to maintain the franchise outlet in a condition that meets Sales Circuit's brand standards for cleanliness, design, and customer experience.
- **12.2.** Renovations: Any significant renovations or changes to the outlet's layout or design must receive prior approval from Sales Circuit to ensure brand consistency.

#### 13. Intellectual Property

- **13.1.** Use of Trademarks: The Franchisee is granted a limited, non-exclusive license to use Sales Circuit's trademarks and branding materials strictly in accordance with the guidelines provided.
- **13.2. Protection of Intellectual Property**: The Franchisee agrees to take no action that would infringe upon, harm, or dilute Sales Circuit's intellectual property rights.

#### 14. Succession and Transferability

- **14.1. Succession Planning**: In the event of the Franchisee's incapacity or death, provisions for the transfer of franchise rights to a qualified successor will be outlined.
- **14.2. Transferability**: The Franchisee may not transfer or assign the franchise agreement without the prior written consent of Sales Circuit, which will not be unreasonably withheld.

#### 15. Indemnification

**15.1. Mutual Indemnification**: Both parties agree to indemnify and hold each other harmless against any claims, damages, or legal fees arising from their respective breaches of this agreement.

#### 16. Entire Agreement

- **16.1. Completeness**: This Agreement constitutes the entire agreement between Sales Circuit and the Franchisee, superseding all prior discussions, understandings, and agreements.
- **16.2.** Amendments: Any amendments to this Agreement must be in writing and signed by both parties.

#### **Signatures**

Sales Circuit Representative	e:
Signature:	
Printed Name:	
Title:	
Date:	
Franchise Owner: Signature: Printed Name: Date:	

## LET'S BEGIN THE JOURNEYI

SALES CIRCUIT

An Exclusive Sales and

Marketing partner of

