



sanelite®

Solar Private Limited

## NEW FRANCHISE GUIDELINES

2016-17

## New Dealership Guidelines

- ❖ The principal objective of the SSPL Franchise Scheme shall be
  - To establish a wide business network for solar rooftop systems EPC of SSPL and to increase its reach.
  - To promote, popularize and showcase identified SSPL systems
  - To improve market share and sales figures in long run
  - To make people aware about solar rooftop systems via business network
  
- ❖ List of Documents to be attached herewith the franchise application:

<b>In case of Individual</b>	<b>In case of Organization</b>
<ul style="list-style-type: none"><li>- Photograph</li><li>- PAN Card</li><li>- Address proof</li><li>- ITR (last 2 year)</li><li>- Blank Cheques</li></ul>	<ul style="list-style-type: none"><li>- Organization registration proof</li><li>- Partnership deed / AOA-MOA</li><li>- PAN card of organization</li><li>- Contact person photo</li><li>- Person PAN card</li><li>- Person Address Proof</li><li>- ITR - (last 2 year with balance-sheet and P&amp;L)</li><li>- Blank Cheques</li></ul>

- ❖ The Applicant should carefully go through the Instructions to Applicant and Terms & Conditions and fully understand the terms and conditions governing their appointment as SSPL's franchise prior to submission of their application.
- ❖ The Applicants should acquaint themselves about the operations to be done by them by meeting the concerned representative on any working day during working hours by prior appointment.
- ❖ The applicant should familiarize themselves with the location and the working of the SSPL location / premises / manufacturing plant from where materials will normally be delivered to the franchisees during the course of the operation of the agreement.
- ❖ The Applicant, by the very act of applying, will be deemed to have fully understood the terms and conditions governing their appointment as also

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familiarized themselves with the location of our Branch and Stockyard at the time of their applications.

- ❖ Details required to be filled in by the Applicant as per the form given for the purpose should be clearly indicated along with the documentary proof wherever applicable/possible.
- ❖ The Application Form completed in all respect will be submitted so as to reach the concerned Sales Office within the due time and the date if mentioned.
- ❖ Incomplete applications not accompanied by the required documents, applications with insufficient information and applications with any counter condition(s) are liable to be summarily rejected. The application shall remain valid for acceptance up to a period of 60 days from the date of submission.
- ❖ Application will be evaluated generally on the basis of the following parameters:
  - a. Individual / Company Profile
  - b. Financial Standing
  - c. Vision of Market share Capture
  - d. Intention / Desire / Seriousness of Business
  - e. Any other criteria which the Company considers necessary to take into account while evaluating the application.
- ❖ Applicant should be prepared to offer his infrastructure facilities for inspection of SSPL team, if necessary. During such inspection all the relevant documents etc. substantiating the statements made in his application should also be produced to the SSPL team's satisfaction.
- ❖ Assessment of the Company shall be final and binding. Company reserves the right to accept or reject any or all the application (s) without assigning any reasons whatsoever.
- ❖ Franchisee shall mean the successful applicant, who shall store, sell and deliver materials or products as authorized by the Company and also to render such services to the customer(s) as per the instructions of the Company from time to time.
  - 'Excepted matters' are those for which the decision of the Company is final as per the conditions contained herein.

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- 'On-grid Rooftop System' of certain capacity shall mean to include following material of that capacity:
  - Solar PV Modules
  - Solar Inverter
  - Mounting Structure as per standard design
  
- ❖ The products covered \ under the scheme shall as under:
  - Installation & Commissioning of on-grid solar rooftop systems in Residential and Institutional Market
  - The scale of the systems will be 1 KW to 20 KW
  - Support and services for abovementioned system to clients for 5 years

The Company shall, however, have the liberty to include / withdraw any of the product categories / sizes of the Company, any time during the tenure of this Agreement.
  
- ❖ The Franchisee has to mandatorily achieve a minimum off take / targets under the scheme from the date of registration given by SSPL time to time. If minimum targets are not met, franchisee will have to pay for systems that fall short from target.
  
- ❖ The Franchisee will be given compensation / commission and terms of payment declared by company from time to time.
  
- ❖ Basic scope of work of "**Franchisor**" is listed below:
  - Provide the 'On-grid Rooftop System' as and when required by the franchisee upon advance request
  - Pass on any solar roof top inquires to relevant franchisee
  - Provide onsite technical support for initial 2 installations if required and offline technical support for contract period
  - Provide support for guarantee & warrantee of the products
  - Marketing & branding activities to generate more prospects
  - Liasioning with government bodies for registration and subsidies

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Basic scope of work of “**Franchisee**” is listed below:

- Capture the market and grow business in your own way
  - Handle new inquiries
  - Propose necessary solutions for on-grid rooftop systems and finalize the orders
  - Feasibility study and design the system (electric & structure) as per requirement
  - Documents collection from customers and submit to franchisor for registration in govt. for subsidies and net metering
  - Installation & commissioning of solar rooftop system
  - Service and maintenance support for a period of 5 years from the date of installation for all installations done by the franchisee irrespective of validity of this agreement
  - Any additional work decided and assigned by the company time to time
- ❖ The franchisee shall have to purchase the materials under the scheme prices notified by the Company time to time normally against following terms:
- THE COMPANY shall fix the Maximum Recommended Retail Price (MRRP) for the sales. Franchisee shall be obliged to charge the prices within the MRRP.
  - No dispute on MRRP shall be entertained by the Company
  - Compensation paid out 50% at the time of installation and 50% at time of net meter installation
  - Franchisee will charge the clients on the subsidized rates for the system installed (after deducting the subsidy)
  - The franchisee shall send invoice on its name and shall not take any additional charges from client other than extra structure cost
  - Any discounts / offers given to the customers by a franchisee will not be borne by the company

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- ❖ The Franchisee shall furnish non refundable and / or refundable registration cost declared by company time to time.
  - The franchisee shall submit 10 blank cheques which THE COMPANY shall use in case required to recover the delayed or non-payment from the franchisee.
  - No interest shall be payable on the security deposit.
  - Upon termination of contract, THE COMPANY may consider a time of 30 days for payment of security deposit after final settlement of all dues between the two parties.
  
- ❖ The franchisee shall take necessary care in respect of the materials during storage pending delivery or during delivery regarding the quality and specifications of the materials. The company shall not be responsible for any damage caused to the material.
  
- ❖ The Company shall have the right and liberty to inspect the franchisee premises at anytime during the validity of the agreement and the franchisee shall extend all facilities for such inspection and will have to produce such records and /or documents as may be asked by the Company's representative for verification. Also company shall have right and liberty to inspect the final installations at client's sites and it is franchisee's responsibility to arrange such site visits.
  
- ❖ **GRIEVANCES / QUALITY COMPLAINTS**
  - a) It is franchisee's responsibility to provide post sales support and services to the customers including matters of settlement of quality complaints.
  - b) All quality complaints will be settled as per company procedures and the decision of executive of THE COMPANY shall be final and binding in respect of quality complaints.
  
- a) Tenure for franchisee shall be up to March 2017, with provision to review basis. The contract shall be extendable / renewable on yearly basis upon completion of contract tenure subject to satisfactory

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performance. In case the performance of a franchisee is not satisfactory upon review by the company, it may lead to termination of contract.

### **❖ TERMINATION CLAUSE**

- a) Non-performance or repeated failure (for two quarters or more) by the franchisee in achieving the agreed targets shall render liable for termination of his franchisee ship.
- b) The Company can also terminate the contract at any time, by serving 15 days show-cause notice after taking one or more factors in consideration as per follows:
  - Unsatisfactory Performance
  - Adverse customer feedback
  - Repeated complaints from either customers or other franchisees
  - Non-compliance of MRRP
  - Acts detrimental to the interest of the company

### **❖ GENERAL**

- a) The franchisee shall be required to submit a monthly report of performance to concerned branch or office of the company. In addition to that, franchisee needs to furnish the list of customers dealt with and orders supplied to them on monthly basis to concerned branch or office.
- b) Franchisees shall be evaluated for award / recognition on the fulfillment of criteria and various parameters of the company annually.
- c) The franchisee CANNOT perform any kind of work similar to mentioned in this agreement with any other company/entity. Breach of this condition shall result in severe disciplinary actions including termination of contract and fine upto Rs. 2,00,000/-
- d) The franchisee can deal with any project, tender, PSUs, industrial unit etc. not mentioned in this agreement; however, prior approval from THE COMPANY is required.
- e) THE COMPANY will enter into fresh agreement with the franchisee through exchange of letter accepting revised terms and conditions.

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- f) THE COMPANY shall retain rights to change any terms and conditions as per requirements without prior notice or communication.

### **❖ RESOLUTION OF DISPUTES**

- a) In the event of any dispute / difference whatsoever arising between the parties relating to or arising out of the contract; the parties shall endeavor to resolve such dispute through conciliation as per provisions of the Arbitration and Conciliation Act.
- b) Any dispute or difference arising shall be settled first by conciliation in accordance with the provision of the Arbitration and Conciliation Act and the Settlement so rendered between the parties in pursuance thereof shall be final and binding on the parties.
- c) In case conciliation fails, all questions, claims, disputes or differences of any kind whatsoever arising between the parties relating to or arising out of the contract shall be referred by the parties hereto for the decision by a Sole Arbitrator to be appointed as hereinafter mentioned.
- d) The notice regarding the invoking of the arbitrator clause shall be served by registered post at registered office address mentioned above and addressed to the Managing Director, Sanelite Solar Private Limited.
- e) Matters in question, dispute claim or differences other than the excepted matters shall be referred for decision to a Sole Arbitrator to be appointed by the Managing Director, Sanelite Solar Pvt. Ltd. (or by whatever name he may designate at that time).
- f) The Arbitrator, so appointed, shall adjudicate upon all the disputes between the parties hereto.
- g) The Arbitrator shall hear the cases independently and impartially and shall not represent the interest of any party.
- h) The question of procedure for conduct of the arbitration proceedings shall be decided by the Arbitrator in consultation with the parties before proceedings with the reference. The Arbitrator may hold preparatory meeting (s) for this purpose. In the preparatory meeting(s) as aforesaid, the Arbitrator in consultation with the parties shall also determine the manner of taking evidence, the summoning of the expert



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evidence and all such matters for the expeditious disposal of the arbitration proceedings.

- i) The Court at Ahmedabad shall have jurisdiction over all matter of dispute.
- j) The venue of the Arbitration shall be the registered office / headquarter of THE COMPANY or as decided by arbitrator time to time.
- k) Work / supply under the contract shall be continued by the franchisee under the contract and pending Conciliation / Arbitration proceedings and recourse to Conciliation / Arbitration shall not be bar to continue with the work / supply unless specifically notice of stop working issued by arbitrator.