



PRESENTS

DISTRIBUTOR NETWORK STRATEGY

WOULD YOU
LIKE TO BECOME
DISTRIBUTOR?





ABOUT US



• SIESTO SYSTEMS PVT LTD

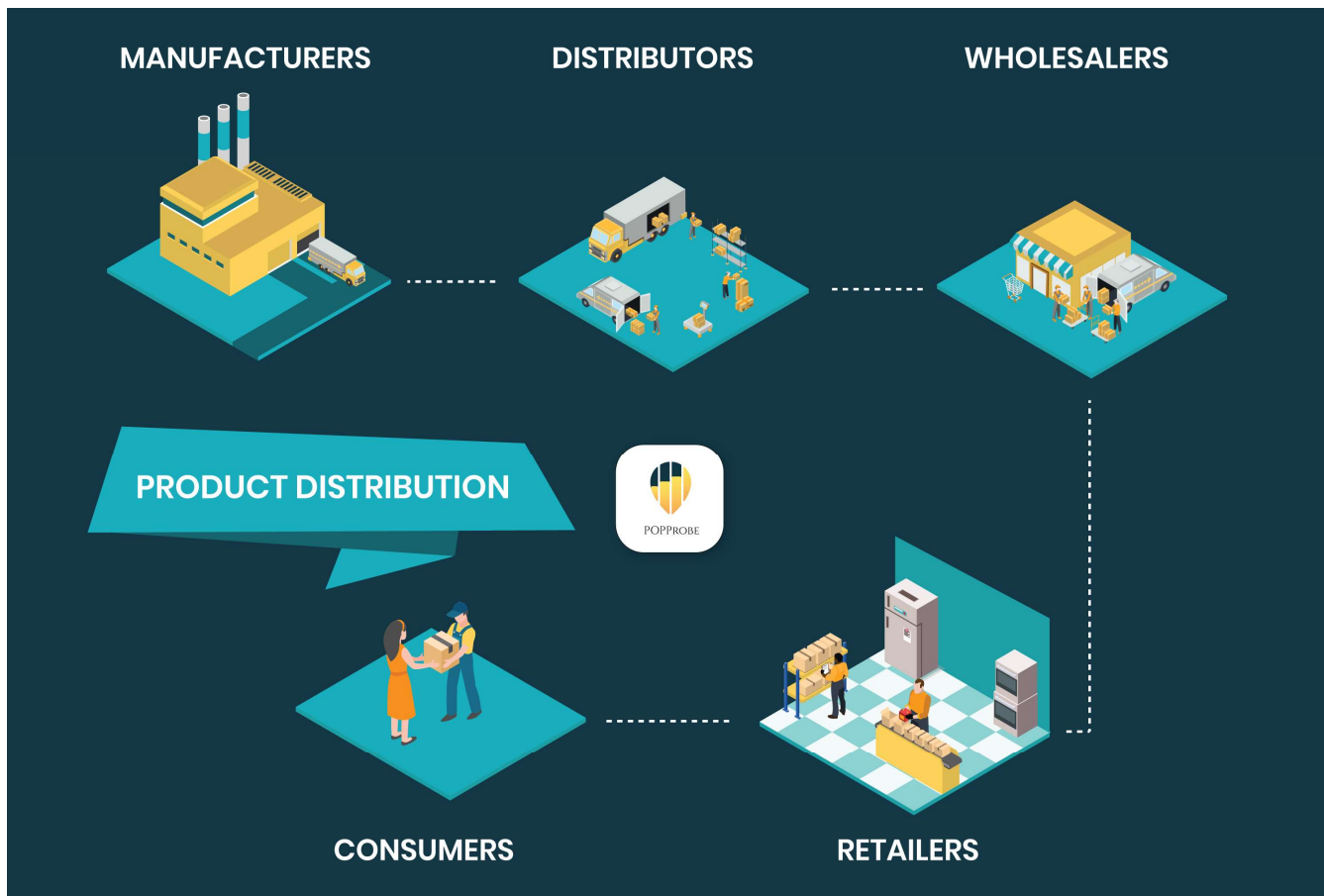
- A Multi-national Company, with various business verticles and multiple offices in India and Abroad
- Part of BHIMSARIA GROUP of Companies, owner of Brands like SIESTO SYSTEMS, LAKADEE.COM
- Global Marketing and Promotion Rights for SRT Manufactured products
- Expert in Designing and development of Franchise Model of distribution
- Expert Team Members experienced in Franchise Model
- Modern and highly equipped Office for Modern day Marketing Activities
- Established in the Year 2008
- 20000 sft Office, Display Centre, Training centre, Godowns etc
- International Business Experience and exposure



• SRT AGRO SCIENCE PVT LTD

- An Agriculture products company with expertise in manufacturing of Bio Fertilizers & bio Pesticides
- Owner of Many Patents and Research works
- Bio Capsule – A Patented Technology developed in association with ICAR-IISR
- One of the biggest Manufacturing Facilities and Research Facilities for Bio Products in India
- Own Farms and Dairy (100+ Gir Cows) for research and development
- Established in the year 2008
- In house farmers Training Facilities
- More than 100000 sft of Covered Production and storage facilities
- Have Been into farming Business for 200+ Years

Roles & Responsibilities - Distributor



- Single point contact for SIESTO In their Region
- Maintaining Godowns as per Regions Requirement
- Lifting Materials from Factory / SIESTO Warehouse
- Delivering Material to Dealers Godown / Retailers Shop / Clients
- Maintaining Stocks as per future Requirements
- Obtaining Licenses for himself & Network for their Region
- Developing Network of Dealers / Retailers as per Company Norms
- Appointing Retailers in all Villages
- Getting Approvals for products sales in Region from various departments / associations / mandis / communities / societies etc
- Getting registered with state department for govt. supplies / Rate Contracts etc
- Marketing and Promotion Campains for Brand
- Participating in Expos / events

Setup Required - Distributor



- Minimum 10000 Sft Godown - Covered, well protected, ventilated, water proof, truck Entry road, safe from heat sources
- Godown to be outside City Limits or truck entry 24 Hrs
- 2 x Trucks – 6 tyre, Container Type, driver + helper with Siesto Branding (can be hired – Initially)
- 2 x Small Trucks (Pick up or equivalent) – Container Type, Driver + Helper with Siesto Branding (can be hired Initially)
- 500 Sft Office with Boss Cabin, Manager Cabin, Staff Cubicles, Computers, Printers, Wifi, Networking system, Peon, Pantry, Toilets etc
- Sales Team (2 -3 pax) for Marketing & Promotion
- Loading unloading Machines
- Pallets for storing goods
- Re packaging Area in Godown
- Softwares (company approved) for smooth billing, stock keeping, reporting, order management, purchase and delivery management.



Opportunities - Distributor

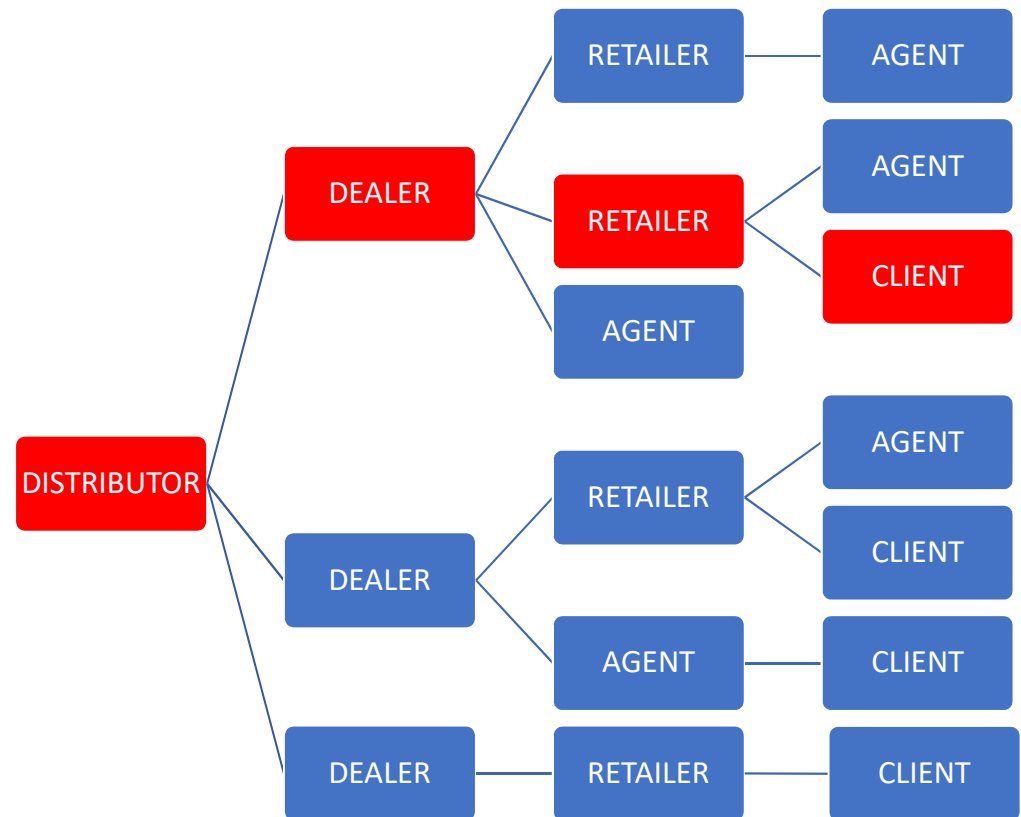


- Central Governments Vision to reduce Chemical fertilizers by 50% till 2025 and 100% by 2050
- Ever Growing Demands and Necessity for Food Products
- New Product Launches Like Seeds / new fertilizers / Pesticides
- Farmer friendly Government approach
- Government Scheme for distribution of Fertilizers to Farmers
- Ever growing Demands for Bio Fertilizers and Bio Pesticides
- Increasing Awareness for use of Bio Products to save Environment
- New Policies to encourage Organic Products
- Consumers ever increasing demands for organic / chemical free foods and vegetables
- Network will help in introducing new products on regular basis

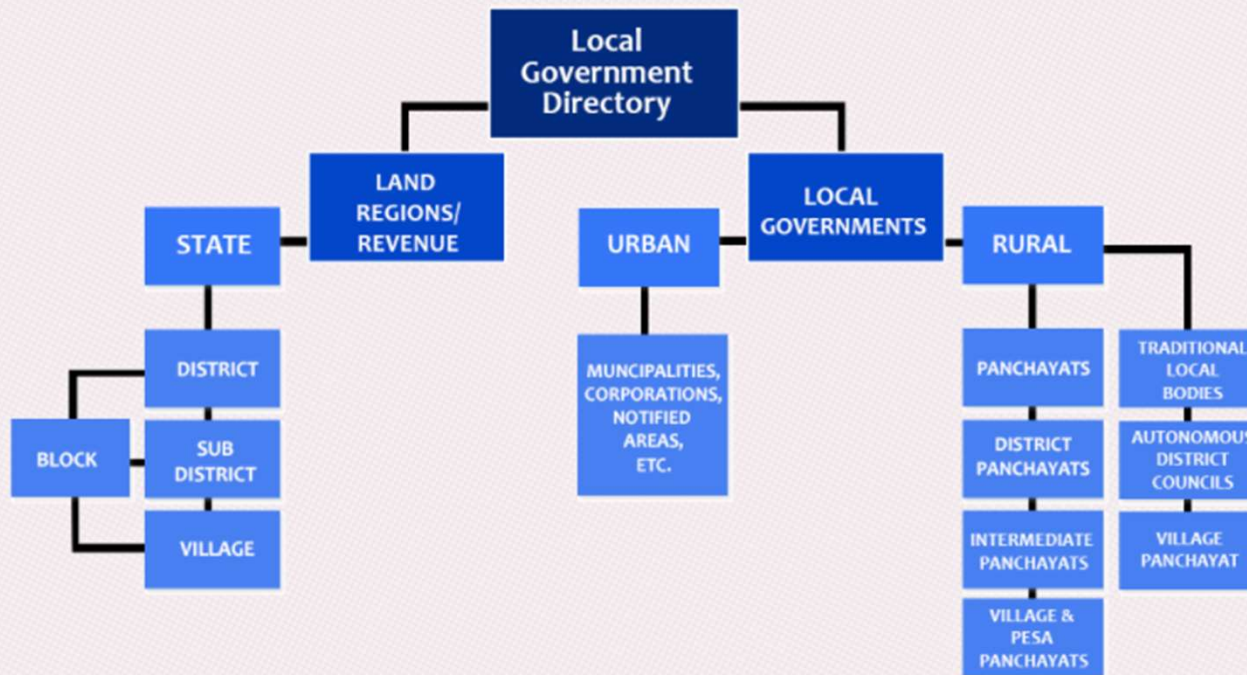


Distributor Network

- Every District to have at least 1 Dealer – CG = 28 Districts
- Every District has 350 to 400 Village Panchayat – CG = 11000+ Villages
- Every Village Panchayat can have at least One Retailer = 11000+ Retailers
- Every Retailer to Have at least 2 Agents – 22000+ Agents
- Every Dealer Must Have at least 2 Agents – 50+ Dealer Agents
- Every Retailer's target at lease 50 Farmers of their Region



Distributor Network



STATE

- DISTRIBUTOR 1 OR MORE SUBJECT TO INVESTMENT CAPACITY, HANDLING CAPACITY, NETWORK MANAGEMENT, NO. OF DEALERS / RETAILERS
- ADDITIONAL DISTRIBUTOR TO BE APPOINTED WHERE NO OF DISTRICTS ARE MORE THAN 20

DISTRICT

- EVERY DISTRICT TO HAVE 1 OR MORE DEALER SUBJECT TO SIZE AND REACH OF DEALER AND NO. OF RETAILERS
- CAN BE FURTHER DIVIDED INTO SUB DISTRICTS

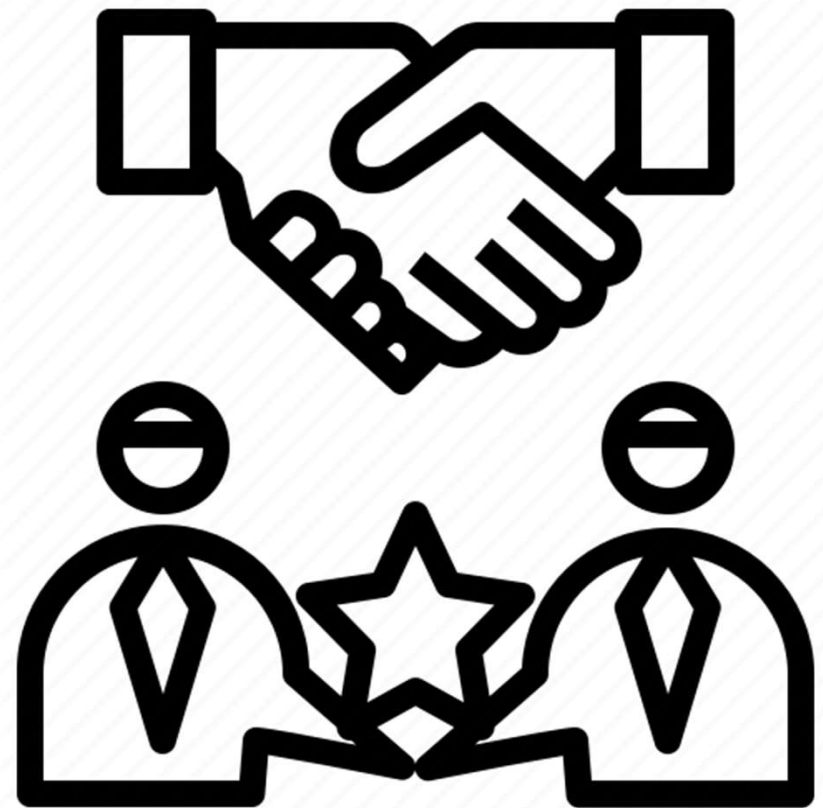
VILLAGE

- 1 OR MORE SUBJECT TO PERFORMANCE, SIZE OF VILLAGE PANCHAYAT

Distributor Network - DEALERS



- Dealers to be appointed in all districts so that delivery of goods to retailers / clients can be planned in shorter span of time
- Dealers will help distributor in sharing distribution load of material along with providing additional stock keeping support
- They will support in managing and executing work at micro level / district level
- Distributor load will be to supply material to dealers
- Dealers will coordinate with district level organizations like forest, Farmers groups, associations etc
- They will help in faster development of retail network
- They will search and shortlist retailers for their respective districts along with providing support to them
- They will develop team of Agents for direct selling of goods to Big farmers
- Will also act as consultants to farmers on some occasions

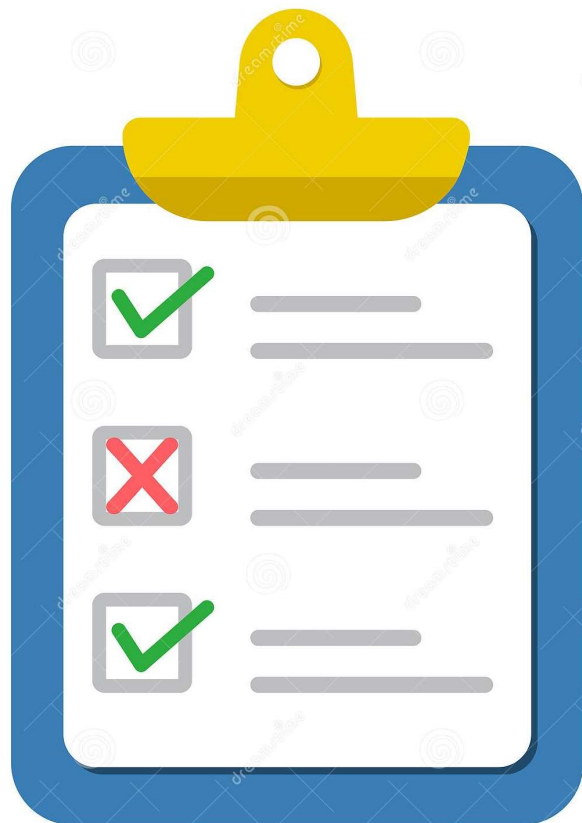


Distributor Network - RETAILERS



- Retailers will be the back bone of the system, they will deal with the end consumers
- They will maintain their shops at Village Panchayat Level
- They will cater to local farmers along with providing consultancy to them
- They will help farmers in field trials and product sampling
- They will help farmers in using products regularly
- They will act as consultants to farmers by providing right solutions at right time, along with right product and right implementation
- They will help in engaging farmers at micro level
- They will help system in getting regular and repeated orders
- They will provide ground reports to dealers / distributors / company
- Retailers network will help distributors and expanding business rapidly
- Because of this network we can plan to introduce new products in system regularly

Checklist for Becoming- Distributor



- ✓ Investment Capacity 2 CR or More Initial
- ✓ If Firm or Partnership then owner or Partner has to be a Bsc Graduate
- ✓ If Company – Main Responsible Person should be a Bsc Graduate
- ✓ Godown at prominent Location with access to Labour / Transport Facilities / easy to Drive / out side City Limits
- ✓ One Full Time Active Member of the Family
- ✓ Government Network / Liasioniong Links
- ✓ Sales & Promotion Team
- ✓ Transport Vehicles
- ✓ Previous Experience of Distributor Network - to be preffered
- ✓ State Level Working Experience
- ✓ No Previous Criminal Record
- ✓ Knowledge of Agriculture Related Experience will be preffered

Marketing & Promotion Activities to be Performed by **Distributor**



- Distributing Network Development District wise
- Marketing & Promotion Required to Attract Retailers
- Marketing & Promotion Required to Attract Farmers
- Exhibitions and Fairs
- Field Trials
- Farmers Meet
- Road Shows
- Printing of Brouchers / Crop Schedules etc



Government Registration at State Level by Distributor



- ☐ Sale Permit for Brand From State Agricultural University for himself and his Network
- ☐ Rate Contract with State Government for Supply of Goods
- ☐ Registration with all Societies for Supply of Goods
- ☐ Registration with All DFO's
- ☐ Registration with all Agricultural Universities / colleges

Human Resources Required Distributor



HR Structure - DISTRIBUTOR

Designations		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Year 1	Year 2	Year 3	Year 4	Year 5
Owner	-	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Billing and Accounts	15,000	1	1	1	1	1	1	2	2	2	2	3	3	3	3	3	3	3
Driver	12,000	2	2	2	2	2	2	3	3	3	3	4	4	4	4	4	4	4
Driver Helper + Labour	9,000	6	6	6	6	6	6	8	8	8	8	10	10	10	10	10	10	10
Godown Incharge	15,000	1	1	1	1	1	1	2	2	2	2	3	3	3	3	3	3	3
Office Assistances	15,000	1	1	1	1	1	1	2	2	2	2	3	3	3	3	3	3	3
Manager (Sales)	20,000	2	2	2	2	3	3	3	3	3	3	3	3	3	3	3	3	3
Manager (Govt)	35,000	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
peon/housekeeping	8,000	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Sub-Total		16	16	16	16	17	17	23	23	23	23	29	29	29	29	29	29	29
Pay-out		206,000	206,000	206,000	206,000	226,000	226,000	301,000	301,000	301,000	301,000	376,000	376,000	3,232,000	4,512,000	4,512,000	4,512,000	4,512,000
Annual appraisal Factor	10%													1	1.1	1.2	1.3	1.5
Actual Pay-out		206,000	206,000	206,000	206,000	226,000	226,000	301,000	301,000	301,000	301,000	376,000	376,000	3,232,000	4,963,000	5,460,000	6,005,000	6,606,000

- Start up Team Required – 12 to 15 staff
- After 5 Dealers or 50 Retailers conversion – need additional team as per requirement
- Drivers, Helpers and Labors Included in Team
- Marketing and Promotion Team Required from Start up
- Back office Team Required from Start up



Financial Report Distributor



Distributor Setup Cost

Minimum Carpet Area in Sq. Ft

10,000

SUMMARY

A Leasehold Improvements	450,000
B Machinery Requirement	5,900,000
C Inventory & Business Promotion	12,200,000
D Franchise Deposit	2,000,000
Project Cost	20,550,000

A Leasehold Improvements

Plant Rental & Warehouse Improvement & Branding	450,000	* Per Sq Ft Cost for 3 month deposit
Sub-Total (A)	450,000	

B Machinery Requirement

Storage Racks / Pallets / loading trolley / pallets	500,000
Truck x 2 (6 TYRE CONTAINER TYPE)	3,000,000
Small Van / Pick up x 2 (CONTAINER TYPE)	1,500,000
VEHICLE BRANDING	100,000
computers / printers / wifi / mobiles etc	300,000
SOFTWARE & ITS LICENSES	200,000
Misc	300,000
Sub-Total (B)	5,900,000

C Working Capital Requirement & Others

Year 1

Stock	10,000,000
Working Capital	2,000,000
Business Licenses	200,000
Sub Total (C)	12,200,000

SUBJECT TO TURNOVER
IT HAS TO BE
REDUCED/INCREASED AS
PER NORMS

D License Fee / Deposit

Sub-Total	2,000,000
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Capital Structure		Commercials
Debt Portion in Total Capital %		70%
Equity Portion in Total Capital %		30%
Loan Term in Years		3
Reducing Rate %		10%

- Total Investment Required 2 CR (Approx)
- Investors Funding required around 60 Lakh
- 70% Loan in form of vehicle Loan and Cash Credit considered
- 4 Vehicles worth 45 Lakh can be 90% financed
- Upto 1 CR Bank CC Limit considered
- 20 Lakh Security Deposit can be used as Credit Limit
- Godown setup Investment – deposits for godown, Racks, pellets, trolleys, etc
- Office setup Investment – Computers, printers, softwares, furniture
- Total Investment to increase in proportion to Sales as and when required

Financial Report Distributor



3 Income Statement - DISTRIBUTOR

INCOME PROJECTIONS						
	Key Assumption	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues from Sales						
Net Revenue on Sales to Dealers	Sales Mix % 100%	434,800,000	1,556,960,000	3,443,500,000	6,116,640,000	9,516,250,000
Net Sales		434,800,000	1,556,960,000	3,443,500,000	6,116,640,000	9,516,250,000
Net Sales in Crore		43.48	155.70	344.35	611.66	951.63
YoY Growth In Sales %			258%	121%	78%	56%
COGS						
Cost of goods	90.0%	391,320,000	1,401,264,000	3,099,150,000	5,504,376,000	8,564,625,000
Direct Cost (Diesel / vehicle / freight)	1.50%	6,522,000	23,354,400	51,652,500	91,749,600	142,743,750
Total COGS	91.5%	397,842,000	1,424,618,400	3,150,802,500	5,596,125,600	8,707,368,750
Cogs in Crore		39.78	142.46	315.08	559.67	870.74
Gross Profit (Margin Earned)	8.50%	36,958,000	132,341,600	292,697,500	519,914,400	808,881,250
GP / Month		3,079,833	11,028,467	24,391,458	43,326,200	67,406,771
GP Margin %		8.50%	8.50%	8.50%	8.50%	8.50%
Cost of Operations						
Employee Cost (Indirect Cost)	1.00%	4,348,000	15,569,600	34,435,000	61,166,400	95,162,500
Rent Per Sq. Ft	0.50%	2,174,000	2,608,800	3,130,560	3,756,672	4,508,006
Utilities						
Misc. Charges	0.50%	2,174,000	7,784,800	17,217,500	30,583,200	47,581,250
Total Cost of Operations		8,696,000	25,963,000	54,783,000	95,506,000	147,252,000
	2.00%		1.67%	1.59%	1.56%	1.55%
EBITDA (Operating Profit) Per Year		28,262,000	106,379,000	237,915,000	424,408,000	661,629,000
Operating Profit Per Month		2,355,000	8,865,000	19,826,000	35,367,000	55,136,000
Operating Margin %		6.5%	6.8%	6.9%	6.9%	7.0%
Less Interest Expense		1,243,781	790,774	290,330	-	-
EBT		27,018,219	105,588,226	237,624,670	424,408,000	661,629,000
EBT Monthly		2,251,518	8,799,019	19,802,056	35,367,333	55,135,750
Pre Tax Margin %		6%	7%	7%	7%	7%
Project Cost Year on Year		20,550,000	-	-	-	-
ROI (%)		131%	514%	1156%	2065%	3220%
Cumulative ROI (%)		131%	645%	1802%	3867%	7086%
Payback Calculation		0.76	-	-	-	-
Payback (Yrs.)		9 Months				

- ROI – LESS THAN 1 YEAR (SUBJECT TO EXECUTION OF OBJECTIVES)
- Total Investment Includes Stock, deposit, vehicle, working capital etc whereas their loan repayment tenure will be 3 years or more
- If we decrease Bank Loans from Investment than ROI will be less than 6 Months
- COST INCLUDED – TO & FRO Freight, diesel, labour, rent, packaging, handling, electricity etc
- Minimum margins of 10% taken for calculation – where as real margins are above that
- Net Sales Figures are based on 5 dealers x 40 retailers annually – whereas potential is much more than that – please refer distributor network page
- Year on year growth are based on addition of more dealers and retailers every year
- Rent / employee cost are also calculated in proposition to sales and YoY increment provisions
- Detailed financial report available separately, which includes details of dealers rollout scheme and retailer rollout scheme

SIESTO'S SUPPORT TO Distributor



- National and International Footprint
- Uninterrupted supply of Goods
- Technical Knowledge and guideline
- Product and Field Trial Training & Support
- Network Development Ideas and strategies
- Designing and Artwork development Support
- Licenses as per government norms
- New product development
- Better quality of Goods in respect to Market
- Competitive pricing strategy
- Quarterly & Annual Target Benefits
- Crop Schedules for all crops
- Dedicated softwares for smooth functioning of business
- Government Tender specification Planning support
- R & D for new and Innovative technologies



STEPS TO BECOME Distributor



STEP 1

- APPLICATION FOR DISTRIBUTOR
- ACCEPTANCE TO FOLLOW ALL DISTRIBUTORS NORMS
- 1 TO 1 MEETING WITH SIESTO – INTERVIEW

STEP 2

- DEPOSIT CHEQUE WITH OTHER RELEVANT ACTIVITIES
- LETTER OF APPOINTMENT AND AGREEMENT COPY
- GODOWN & OFFICE FINALIZATION
- 'O' FORM TO BE ISSUED

STEP 3

- APPLY FOR SALES PERMIT IN STATE (AS PER STATE NORMS)
- TRAINING @ RAIPUR (CHATTISGARH)
- OBTAIN SALE PERMIT AND OTHER RELEVANT LICENSES (IF ANY)
- APPOINT TEAM AS PER REQUIREMENT

STEP 4

- INITIAL ORDER BOOKING
- DEALER / RETAILER NETWORK DEVELOPMENT INITIATIVE
- OTHER MARKETING ACTIVITIES
- PR ACTIVITIES AT VARIOUS GOVT DEPARTMENTS / PRIVATE ETC

STEP 5

- DEALER / RETAILER APPOINTMENT, TRAINING , SETUP, SALES PERMISSIONS
- ONLINE SALES SETUP / DIRECT SALES SETUP
- BULK FARMERS SALES / RATE CONTRATS / FOREST TIE UP
- ROUTINE BUSINESS ACTIVITIES

Why SIESTO Distributorship

- One of the few companies in India to have full range of Bio Products
- State of Art manufacturing Facilities of sister Company SRT AGRO SCIENCE PVT LTD
- Many Patented Products like capsule technology
- Most product available in POWDER / LIQUID / CAPSULE form
- Unique distribution network through Franchising
- International Footprints
- Sasta , Sundar , Tikau Product Range
- Dynamic Price Strategy
- Attractive Margins and low cost model
- Future Prospects and oppurtunities
- Siesto & SRT Experience & Knowledge



PRODUCT RANGE – USP's



- Most products available in Powder / Granule / Liquid / Capsule form
- Multiple packaging options
- Range of products , sufficient enough for a shop to run and earn
- Complete range to cater all requirements of farmers from soil preparation to harvesting
- Most advanced product category like 1st in World encapsulated Capsules (Patented)
- New and advanced Product Research going on for more products to help overcome farmers problem
- Quality Material to generate satisfied customers
- Product mix to cater all crop type / plantations / varieties etc
- Easy to handle / easy to use products
- Environment friendly products with zero carbon footprint
- For detailed list of products visit website www.siestogreen.com or ask for e-Broucher

DISTRIBUTOR FORM





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siesto.green@gmail.com
8817400702