



# Franchise Proposal

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# Company

# Overview

We introduce ourselves as **The Garage Shoppe** setup by **Sanghi group of companies** which is established in **1996** and have consistently strived to set the highest standards of customer service in the automotive after-market spare parts distribution industry.

Our founding principle was to supply **Original Equipment Manufacturer (OEM)** products to the retail market, ensuring top-notch quality for our customers.

Over the years, our dedication to excellence led us to expand our horizons. We ventured into Auto Electrical Service, further consolidating our position as a comprehensive player in the Automotive Sector. Sanghi Automotive Private Limited was formed in 1992 to strategically strengthen our role as a holistic participant in the automotive sector.



At Sanghi Automotive Pvt. Ltd; we take immense pride in our commitment to professionalism. Our dedicated team, built on the pillars of integrity & reliability.

# THE GARAGE SHOPPE

## → The Industry

The automotive industry market in India is one of the largest market in the world and is growing at a rapid pace. The car spare parts and accessories industry is a critical segment within this due the increasing number of vehicles on the road, growth in sales of Second Hand vehicles, rising consumer awareness of maintenance, and the expansion of organised automotive retail networks.

Key Industry Statistics (2023-2028):

The India - auto component market size is set to increase by **USD 115.79 billion, at a CAGR of 25.7% between 2025 and 2028**. The market growth analysis depends on several factors such as the growing middle-class population, the surge in demand for compact SUVs, and the government initiatives and policies for easy automotive industry setup procedures. The market is segmented into OEM (Original Equipment Manufacturer) parts, aftermarket parts, and remanufactured parts.



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## Growth Drivers:

Several factors are propelling the growth of car spare parts franchises in India:

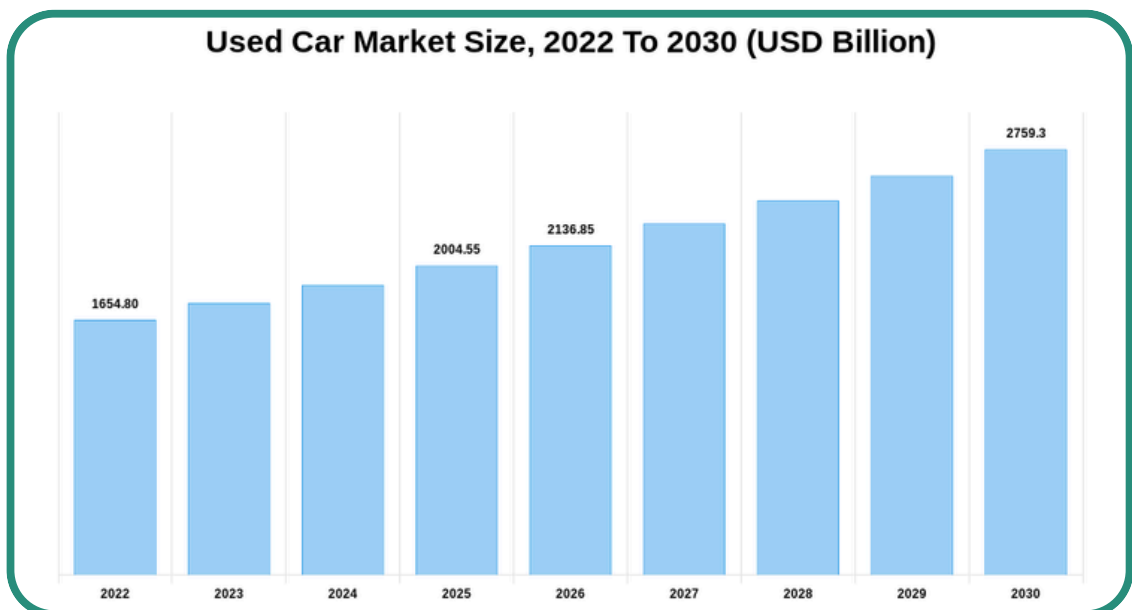
**Increasing Vehicle Sales:** The Indian auto industry sees a consistent growth, with rising car ownership across urban and semi-urban areas.

**Aging Vehicle Population:** As cars age, the need for replacements and spare parts increases, especially for vehicles beyond the warranty period.

**Demand for Genuine Parts:** Consumers prefer genuine and branded spare parts due to their reliability and warranty offerings.

**Growing Aftermarket Services:** The rise of organized service centres, repair workshops, and e-commerce platforms is boosting the demand for high-quality spare parts.

The spare parts franchise business offers a lucrative opportunity, especially in urban and semi-urban areas. Franchises benefit from the backing of established brands, streamlined supply chains, and brand recognition.



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## Popular Franchise Models in India:

**Single-Brand Retail:** Focuses on selling parts for a specific brand (e.g., Maruti Suzuki Genuine Parts, Tata Motors Genuine Parts).

**Multi-Brand Retail:** Offers spare parts for multiple car brands and models, catering to a wider customer base.

**Service-Cum-Spares Franchise:** Combines spare parts retail with a service center, providing repair and maintenance services alongside spare parts.

## Market Division

**Urban Areas:** High demand due to a large number of vehicles and better consumer awareness.

**Tier 2 and Tier 3 Cities:** Rapid growth as car ownership rises in these regions, along with a need for reliable spare parts.

**Rural Markets:** Emerging demand, particularly for affordable aftermarket parts for older vehicles.

## Challenges in the Spare Parts Franchise Market.

- **Counterfeit Products:** The presence of counterfeit parts remains a major issue, affecting consumer trust and brand reputation.
- **Supply Chain Disruptions:** Issues like import restrictions and logistical delays can impact the availability of certain parts.
- **High Competition:** Both organized and unorganized players are vying for market share, making differentiation challenging.
- **Technological Advancements:** As vehicles become more advanced (electric, hybrid), franchisees need to stay updated with the latest parts and service offerings.



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- Preference for Genuine Parts: Consumers are willing to pay a premium for genuine, branded parts that come with warranties.
- Online Purchases: There is a growing trend of consumers buying spare parts online, driven by convenience and competitive pricing.
- Trust only in Established Brands: Brand reputation and service quality play a significant role in consumer decision-making.

## **Overcoming Challenges**

Investing in a car spare parts franchise in India presents a promising opportunity, given the rising demand and evolving consumer preferences. Franchisees can focus on:

- Partnering with trusted brands to ensure a steady supply of genuine parts.
- Establishing a strong online presence and considering digital sales channels.
- Offering value-added services like, installation, warranty support, and quick delivery.
- Staying informed about technological advancements in automotive parts, especially with the advent of EVs.

WHY FRANCHISE?

# THE GARAGE SHOPPE

## Our Franchisee Model

Our Franchisee model proposal outlines the process and commitments required to secure a franchise and the comprehensive support we offer to help your franchise thrive. With a structured training program, effective marketing strategies, and exclusive procurement advantages, The Garage Shoppe ensures that each franchise is fully equipped for its steady growth.

## Phase I-Hyderabad Urban

As part of its expansion strategy, **The Garage Shoppe** is set to open several new branches in Franchisee Model, bringing its unique blend of high-quality automotive services to more locations.

These new branches will be strategically placed in high-demand areas, providing customers with easy access to expert vehicle care, repairs, and maintenance services.

With a focus on maintaining exceptional service standards and customer satisfaction, the upcoming branches will uphold The Garage Shoppe's reputation as a trusted destination for all automotive needs. This expansion aims to strengthen the brand's presence and deliver consistent, reliable service to a growing customer base.

[VIEW MAP](#)  
[LOCATIONS](#)



# THE GARAGE SHOPPE



## Finalising The Location

### Outlet Selection and Setup

After the completion of staff training, the franchise outlet will be finalized in consultation with both the franchisee and the management team of The Garage Shoppe. Once the location is mutually agreed upon, we will begin assembling the necessary infrastructure to meet our branding and store design guidelines.

**Custom Store Design:** The layout, interior design, and branding elements will be tailored to reflect the unique identity of The Garage Shoppe.

**Infrastructure Support:** We will provide detailed support for setting up shelving, display units, signage, and more. This includes creating a store ambiance that draws customers in and promotes ease of shopping.

All aspects of the outlet, including fixtures, branding materials, and technology setup, will be managed taken care by us initially to ensure consistency across all franchises.



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## Training Program

### For Franchise Operations

One of the cornerstones of our franchise success is the extensive training program we provide for franchisee and their designated staff. This program is designed to empower your team to run the day-to-day operations efficiently, in alignment with The Garage Shoppe's standards covering the following key areas.

- Practical knowledge about the product's application & fitment.
- Racking & location of the parts.
- On field interactions with workshops.
- Interchangeable parts.
- Differences between OEM and aftermarket products.

### For Accounts Management:

- Training on financial record-keeping, handling transactions, and maintaining accurate sales and expense reports.

### For Procurement and Inventory Control:

- Techniques to manage stock levels, monitor inventory turnover, and optimize stock procurement from the principal covering Training on managing vendor relationships, placing orders with the principal, and maintaining optimal stock levels.

### For Sales Customer engagement and product knowledge:

- Customer service and sales skills to increase foot fall, drive conversions, & enhance the experience. Training to staff to ensure expert customer care.

### For Marketing and Promotion

- Strategies to leverage local marketing channels, online presence, and promotions to boost brand awareness in your area.

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## Enrollment Fee

### **Adjustable Deposit and Security:**

To secure the exclusive rights to a chosen location, an adjustable deposit of **INR 5 lakhs** is to be made by you. This deposit acts as a security to reserve the location for your franchise and ensure no other franchisee of ours operates within the same territory.

The INR 5 lakhs deposit will be fully reimbursed against the cost of stock procurement at the time of your Store's grand opening.

If the franchise is withdrawing for any reason after the agreement, INR 2 lakhs will be retained as a training fee, while the remaining amount will be refunded.

This security deposit system ensures both parties are committed to the success of the franchise, while providing flexibility in stock procurement.

### **Initial Investment:**

The required initial investment ranges between ₹50 lakhs and ₹75 lakhs.

The variation depends on the selected franchise model, location, and operational scale.

The investment covers infrastructure setup, equipment, initial inventory, branding, and marketing support.

### **Space Requirement:**

A minimum area of 1,000 to 1,500 square feet is necessary to set up the franchise.

The space should be strategically located in a high footfall area to maximize visibility and customer engagement.

### **Additional Benefits:**

**Comprehensive Training Program:**

Franchisees will receive thorough training, including operational guidelines, product knowledge, and customer service best practices.

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## Client Assessment

Assessing Client Genuineness and Territory Management

The Garage Shoppe will provide support in evaluating the genuineness of potential customers within your area. This will help ensure that your store's client base consists of serious buyers who contribute positively to your growth. This ensures that your franchise is aligned with the right target audience, increasing the likelihood of sustained growth and success.

### **Brand Loyalty Programs:**

Customer loyalty programs will be implemented to encourage repeat business and foster long-term relationships with clients.

### **Client Profiling:**

We will assess client data to help you understand customer demographics, preferences, and buying behaviour, allowing you to tailor your offerings to meet their needs.



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## → Stock Procurement

### **Exclusive Stock Procurement**

All stock and materials for the franchise will be supplied by SAPL (The Garage Shoppe's principal). This ensures that your store is stocked with high-quality products at competitive prices.

### **Competitive Pricing:**

The stock procured from SAPL will always be offered at prices lower than those available in the open market, providing you with a pricing advantage.

### **Product Consistency:**

The exclusive supply chain ensures that you maintain consistent product quality, which is vital for maintaining brand reputation and customer satisfaction.

### **Inventory Management:**

Regular inventory audits and stock replenishment schedules will be maintained to ensure that your store has the right stock at the right time, avoiding shortages or excess stock.

Access to stocks across all The Garage Shoppe stores

SAPL's supply chain is built for efficiency, allowing your store to operate smoothly without the hassle of third-party procurement.

# THE GARAGE SHOPPE



## Marketing Support

### Marketing Strategies and Customer Base Development:

A critical aspect of franchise success is effective marketing. As a franchisee, you will benefit from both local marketing campaigns and centralized brand promotions driven by The Garage Shoppe's marketing team.

### **Pre-Launch Marketing:**

As soon as the franchise location is finalized, we will kick off targeted marketing campaigns in your area to build anticipation and generate customer interest ahead of the store's opening.

### **Digital Campaigns:**

Digital marketing efforts, including social media advertising, Google Ads, and SEO optimization, will ensure that your store gains maximum visibility online.

### **Local Promotions:**

Support for local events, product launches, and promotions to drive foot traffic and establish a loyal customer base.

Our goal is to create brand recognition and ensure that customers in your area are aware of your store's presence and its unique offerings.



WHY FRANCHISE?

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## Digital Marketing Support

### **Building a Strong Online Presence:**

In today's competitive retail landscape, having a robust online presence is essential. The Garage Shoppe will manage digital media promotions and provide social media support for your franchise.

### **Website and Social Media Management:**

Your franchise will be featured on The Garage Shoppe's main website, ensuring customers can easily locate your store. Social media channels will highlight new products, promotions, and customer testimonials.

### **Content Creation:**

We will provide professionally designed content, including graphics, videos, and promotional material, to keep your audience engaged and increase foot traffic.

### **Advertising Campaigns:**

Paid advertisements across social media platforms and search engines will target potential customers in your area, maximizing brand exposure and sales.

Our goal is to build an integrated online and offline strategy that positions your franchise as the go-to destination for customers in your territory.





# THE GARAGE SHOPPE



## Exit Clause

**The Exit Clause** provides a buyback option for franchisees after the completion of an 18-month lock-in period. During this period, the franchisee is expected to operate and build the brand without the option of exiting or selling their stake in the business. Once the lock-in period concludes, the franchisee may choose to exercise the buyback option, subject to a 3-month notice period.

Upon exercising the exit option, the franchisee must notify The Garage Shoppe, at least 3 months in advance. This notice period allows both parties to make necessary arrangements and ensure a smooth transition.

The buyback payment will be calculated based on the available stock in the store, with a focus on the inventory that has been exclusively purchased from SAPL (the authorized supplier). The valuation will be determined by the current stock levels. The buyback will cover the cost of the stock at the prevailing purchase prices as recorded in SAPL's system. This ensures fairness and transparency in the buyback process, allowing both the franchisor and franchisee to resolve the exit amicably.

In the event of the buyback, all remaining inventory must be transferred to the franchisor or the designated purchaser in accordance with the terms set out in the franchise agreement.



WHY FRANCHISE?

# THE GARAGE SHOPPE



## Synopsis

With the support and resources provided, The Garage Shoppe franchise offers a highly rewarding business opportunity. Through in-depth training, strategic marketing, streamlined procurement, and comprehensive brand support, the franchising model is designed to ensure success in your chosen territory.

Partnering with us will help you establish a thriving business while collaboratively growing The Garage Shoppe brand to new heights.

[CLICK HERE TO  
REGISTER](#)



# THE GARAGE SHOPPE

|   |   |  |   |  |
|---|---|--|---|--|
| <br><b>MARUTI SUZUKI</b> | <br><b>HYUNDAI</b> | <br><b>TOYOTA</b>         | <br><b>TATA</b>       | <br><b>Mahindra</b> |
| <br><b>VW</b>            | <br><b>ŠKODA</b>   | <br><b>NISSAN</b>         | <br><b>Ford</b>       | <br><b>RENAULT</b>  |
| <br><b>KIA</b>          | <br><b>Audi</b>   | <br><b>Mercedes-Benz</b> | <br><b>CHEVROLET</b> | <br><b>HONDA</b>   |

|   |  |   |  |   |
|---|--|---|--|---|
| <br><b>idemitsu Lubricants</b><br><small>The Heart of Technology</small> | <br><b>Mobil</b>    | <br><b>Shell</b>           | <br><b>Castrol</b>   | <br><b>TVS-Girling</b> |
| <br><b>GOLDEN CRUISER</b>  | <br><b>Rane</b>     | <br><b>NGK SPARK PLUGS</b> | <br><b>BANDO</b>     | <br><b>Lucas-TVS</b>   |
| <br><b>elofic</b>  | <br><b>Accurate</b> | <br><b>BANDO</b>           | <br><b>BRAVO</b>     | <br><b>Neej</b>        |
| <br><b>Valeo</b>   | <br><b>BOSCH</b>    | <br><b>LUK</b>             | <br><b>UNO MINDA</b> | <br><b>MONROE</b>      |



Start your Franchise Journey with Confidence, Zero Risk & Full Potential