

TENDER NO. BPPI/LOGISTICS/CFA-004/2017
TENDER FOR APPOINTMENT OF: C & F AGENTS
FOR

Bureau of Pharma Public Sector Undertakings of India

(Set up under the Department of Pharmaceuticals, Govt of India)

IDPL corporate office Complex, Old-Delhi-Gurgaon Road, Dundahera, Gurgaon 122016

Telephone: 0124-4556756; Fax: 0124 - 2340370

Website –janaushadhi.gov.in

TENDER FOR APPOINTMENT OF C & F AGENTS (CFA) FOR BUREAU OF PHARMA PUBLIC SECTOR UNDERTAKINGS OF INDIA(BPPI) AT THE FOLLOWING LOCATIONS:

1. Maharashtra
2. Uttar Pradesh
3. Tamil Nadu
4. Madhya Pradesh
5. Gujarat
6. Jharkhand
7. Rajasthan
8. Bihar
9. North East Region (To be placed at Mizoram or Manipur or Nagaland only)
10. West Bengal
11. Jammu and Kashmir
12. Telangana State

- | | |
|---|--|
| 1. Tender Reference | : BPPI/LOGISTICS/CFA004/2017
Dated: 08/04/2017 |
| 2. Last date & time for submission of documents | : 04.00 PM on 26.04.17 |
| 3. Time & date for opening of bids | : 04.30 PM on 26.04.17 |
| 4. Place for opening of Bids | : Bureau of Pharma Public
Sector Undertakings of India,
IDPL corporate office Complex,
Old Delhi – Gurgaon Road, Dundahera,
Gurgaon – 122016 (Haryana) |
| 5. Address for communication | : Bureau of Pharma Public
Sector Undertakings of India,
IDPL corporate office complex, Old Delhi –
Gurgaon Road, Dundahera,
Gurgaon – 122016 (Haryana) |
| 6. Contact person for clarification, if any | : Mr. Satish Kumar,
Dy. Manager Logistics , Phone - 0124-4556773 |

Alternatively, the tender document can be downloaded free of cost from the website of BPPI: janaushadhi.gov.in and eprocure.gov.in/publish/app.

1. **INTRODUCTION**

PRADHAN MANTRI BHARTIYA JANAUSHADHI PARIYOJANA (PMBJP) – GENESIS

The branded (Generic) medicines are sold at significantly higher prices than their un-branded generic equivalents, though are identical in the therapeutic value. Therefore, it has been decided to make available reasonably priced quality generic medicines in the market would benefit everyone including poor people who could not afford to buy branded medicines. With this objective, the Pharma Advisory Forum in its meeting held on 23rd April, 2008, decided to launch the Jan Aushadhi Campaign - starting with the sale of generic medicines through dedicated sales outlets i.e. Jan Aushadhi Stores (JAS) and now is called PRADHAN MANTRI JAN AUSHADHI KENDRA (PMJAK) in various locations of the country. The Govt of India is committed to open 3000 PMJAK across India.

BPPI- Bureau of Pharma Public Sector Undertakings of India (BPPI)

BPPI, the implementation agency for Pradhan Mantri Jan Aushadhi Yojana was established in December, 2008 under the Department of Pharmaceuticals, Government of India, with the support of all the CPSUs and has been registered as an independent society under the Societies Registration Act, 1860 as a separate independent legal entity in April, 2010. BPPI follows the provisions of GFR, 2005 as amended from time to time, the CVC guidelines, and instructions from the Department of Pharmaceuticals. The defined roles of BPPI are as follows:

- Make quality generic medicines available at affordable prices for all
- Marketing of generic drugs through the Pradhan Mantri Jan Aushadhi Kendra (PMJAK)
- Procurement of medicines from Central Pharma PSUs and Private Sectors • Monitoring proper running of PMJAK

For serving this purpose of an efficient supply and distribution system, BPPI is inviting eligible CFA's to partner with it to further the cause of the Jan Aushadhi program.

The salient duties of the CFA would be as follows;

1.1 The CFA will be responsible for stocking Medicines, Drugs, Surgicals & Promotional Items and serving BPPI Distributors, Pradhan Mantri Jan Aushadhi Kendra (PMJAK), Hospital distributors and also institutional supplies, located in the state/states for which application is being made.

1.2 CFA is expected to deliver supplies to the distributor as fast as possible and must ensure that all orders get executed within 24 hours of receipt and goods dispatched.

1.3 CFA will be responsible for following activities:

- Coordinate, follow-up and receive indents for supply from various sale points
- Receiving and scheduling orders for supply
- Dispatching to Distributors, PMJAK, Hospital distributors and Institutions.

- Billing and receiving payment against supplies.
- Stock transfer to other BPPI locations as and when required
- Generation of replenishment indents to the Central Warehouse / Supplying Locations.
- Depositing the payments in BPPI bank accounts as provided by BPPI
- Stores Management - Receipt, Storage, Handling and Issue
- Inventory management - inventory status and accuracy
- Maintain the complete range of medicines and surgicals of BPPI stock list and always keep 2 months of Inventory in hand to meet unforeseen circumstances
- Compliance with local statutory requirements
- Providing daily MIS reports to BPPI
- Any other related item of work as directed by BPPI.

1.4 The CFA would be responsible for collection of payment from Distributors in their states. In other states (if allotted) C&F will be responsible to collect "Post Dated Cheques (PDC)" before supplies are made to the Distributors.

1.5 **BPPI reserves the right to appoint CFA's as per the priority and need, and no representation in this regard would be entertained.**

1.6 **Last Date for receipt of Tender:**

(i) Sealed Tenders Will be received till: 04.00 PM on 26/04/17 by the Tender Inviting Authority - Bureau of Pharma Public Sector Undertakings of India, IDPL corporate office complex, Old- Delhi-Gurgaon Road, Dundahera, Gurgaon 122016 (Haryana). Tenders received after the prescribed date and time as above will not be accepted.

(ii) Bid/offers received through fax / Email / Proxy manner would not be accepted, and no clarification in this regards would be entertained.

2. ELIGIBILITY CRITERIA

S.No	ELIGIBILITY CRITERIA	SUPPORTING DOCUMENTS TO BE SUBMITTED ALONG WITH APPLICATION
1	Applicant should have been operating as CFA for not less than one years for reputed pharmaceutical companies & should be dealing with minimum 1 Pharmaceutical company.	List of the Pharmaceutical companies along with required period for whom application is operating as CFA with documentary proof.
2	The average annual sale turnover of pharmaceutical items handled by the applicant in the preceding financial year should not be less than Rs. 1.5 Crores.	<p>Annual sales turnover handled by the applicant for last two financial year i.e. 2015-16 & 2016-17 duly certified by Chartered Accountant in the format given in Annexure- A</p> <p>Copies of Annual Reports including the Balance Sheet and Profit & Loss account for the last two years i.e. 2014-15 and 2015-16 duly certified by the Chartered Accountant.</p>
3	Applicant should have commercial space (owned / Hired) minimum of 5000 Sq. Ft. as per Table (2) page no-12 (depending on location) For exclusively carrying out the CFA activities for BPPI at applied location with separate space for office.	Proof of availability of space in shape of owned, rented or agreement of rent is necessary.
4	Applicant should have following good infrastructure facility:	
	i. Computer system	Yes / No
	ii. Printer	Yes / No
	iii. Scanner	Yes / No
	iv. Fax	Yes / No
	v. Internet (minimum 1 mbps speed)	Yes / No
	vi. Telephone	Yes / No

	vii. Storage Racks for storing of medicines in the controlled temperature.	Yes / No
	viii. Storage facility as per Drugs and Cosmetic Act	Yes / No
5	Consent for co branding with PMJAK by PMJAK printing PMJAK MISSION statement on sales Invoice on the software to be given by BPPI .	BPPI ERP software would be mandatorily be used for all purposes.
6	Financial standing with bank reference	Certificate from Bank
7	Should have efficient delivery system to its serving Distributors with 24-hour dispatch capability	Applicant will provide supporting documents which will be verified at the time of field visit.
8	The applicant should be an income tax assesses for last 3 years.	Copy of Income Tax Returns filed for the last 3 Years
9	The applicant should not have been convicted by any court of law or any statutory authorities under Drugs & Cosmetic Act related offences of Pharma Companies. They should also submit details of litigations (if any).	The Non- Conviction Certificate from the applicant has to be submitted in support of declaration stating that the applicant is not convicted by any court of law or any statutory authority under Drugs & Cosmetic Act related offences of Pharma Companies duly countersigned by the Public Notary

Applicants need to submit all supporting documents applicable for each of the eligibility conditions stipulated.

3. GENERAL CONDITIONS

3.1 The tender document can be downloaded from the websites <https://janaushadhi.gov.in> and eprocure.gov.in

3.2 (a) Tenders will be opened in the presence of Tenderers/ authorized representatives who choose to attend on the specified date and time.

(b) At any time prior to the last date of submission of Tender, Tender Inviting Authority may, for any reason, whether on own initiative or in response to a clarification requested by a prospective Tenderer, may modify the condition in Tender documents by an amendment. All the prospective Tenderers who have purchased the tender document will be notified of the amendment in writing and that will be binding on them. In order to provide reasonable time to take the amendment into account in preparing their bid, Tender Inviting Authority may at discretion, extend the date and time for submission of tenders.

(b) Any person who has downloaded the tender document should watch for amendment, if any, on the website <https://janaushadhi.gov.in> and eprocure.gov.in for which BPPI will not issue any separate communication to them.

4. **EMD (Earnest Money Deposit)**

4.1 The Earnest Money Deposit shall be Rs. 50,000/- (Rupees Fifty Thousand only) which shall be paid in the form of either, a Bankers Cheque or Demand Draft in favour of **BUREAU OF PHARMA PUBLIC SECTOR UNDERTAKINGS OF INDIA, payable at DELHI/GURGAON** and the same should be enclosed with EMD Advice as per Annexure – B of this document.

4.2 Application submitted without sufficient EMD will be summarily rejected.

4.3 The Earnest Money Deposit will be refunded to the successful applicants within 30 days from the date of signing the contract agreement and on the deposit of Security Deposit.

4.4 The Earnest Money Deposit (EMD) of the unsuccessful bidders will be returned within 30 days after last date of receipt of applications.

4.5 The Earnest Money Deposit (EMD) will be forfeited, if the applicant does not execute agreement /undertaking within the period prescribed after receipt of offer of appointment.

5. **The Tender BID**

5.1 The Tenderer should furnish the following documents in a sealed cover :

(a) Application as per Annexure I with supporting document as per Annexure II.

(b) Earnest Money Deposit shall be in the form of Bankers Cheque or Demand Draft favouring "Bureau of Pharma Public Sector Undertakings of India ", payable at Delhi/Gurgaon. EMD in any other form like cheque/cash/postal order etc. will not be accepted. Details of the EMD should be submitted as per Annexure-B.

(c) Annual sales volume handled by the tenderer for two financial year i.e., 2015-16 and 2016-17 should be furnished in the format given in Annexure A duly certified by the chartered Accountant.

(d) Copies of the Annual reports including the Balance Sheet and Profit and Loss Account for the last two financial year i.e. 2014-15 and 2015-16 duly certified by the Chartered Accountant.

(e) Copies of Income tax assessment orders/returns filed for the last three years are to be attached.

(f) The tender document should be signed by the authorized official of the Tenderer in all pages with official seal. All the documents enclosed with the tender document should also be signed by the authorized official of the Tenderer.

(f) The instruments such as power of attorney, resolution of the board, authorising an officer of the Tenderer should be enclosed with the tender duly signed by the Authorised signatory of the tenderer/ Company/Firm and such authorised officer of the tenderer should sign the tender documents.

(g) Authorisation letter nominating an officer of the Tenderer to transact the business with the BPPI to be furnished.

(h) A checklist (Annexure-C) indicating the documents submitted with the tender document and their respective page numbers shall be enclosed with the tender document. The documents should be serially arranged as per Annexure-C and should be securely tied or bound.

5.2 All the documents furnished in the Tender cover should be signed with official seal by the authorised official of the tenderer in each page. Photo copies of the documents should be attested by the tenderer and be notarized in each page.

5.3 The above documents should be sealed in a Cover Superscribed as:
TENDER FOR APPOINTMENT OF CARRYING&FORWARDING AGENTS (CFA)
For : _____(Location Name – city & State)
FOR BUREAU OF PHARMA PUBLIC SECTOR UNDERTAKINGS OF INDIA
DUE ON 26/04/2017 AT 05.00 PM

ADDRESSED TO THE:

TENDER INVITING AUTHORITY,
BUREAU OF PHARMA PUBLIC SECTOR UNDERTAKINGS OF INDIA, IDPL
COMPLEX, DUNDAHERA, GURGAON 122016"

6. FINANCIAL OVERVIEW

6.1 BPPI will award the CFA monthly margin money based on the percentage of the monthly turnover. The margin will be fixed on a monthly basis and would be strictly, and to a maximum extent as given below;

1. Turnover upto Rs 30 lakhs 3% of sales excluding tax.
2. Turnover above Rs 30 lakhs to 60 Lakhs 2.75% excluding tax.
3. Turnover above Rs 60 Lakhs a flat 2.5% excluding Taxes.
4. The service charges as mentioned above are exclusive of Service Tax.
5. The service charge quoted is inclusive of Storage, Handling, Transportation (From CFA to Customers), Manpower, Godown, Office Infrastructure and all other expenses, as specified in the Agreement (ANNEXURE-E), involved in successfully carrying out the responsibility of a CFA.

6.2 The rates quoted above and accepted will be binding on the Tenderer for the full contract period of two years and any increase in the price will not be entertained till the completion of the contract period.

6.3 BPPI awards a minimum guarantee of Rs. 30,000 per month to the CFA.

7. OPENING OF BIDS

7.1 The Bid Cover will be opened on the prescribed time and date i.e. 04.00 PM on 26/04/2017 in the presence of the authorised representatives of the Tenderers whosoever choose to attend. In any circumstance of the day being declared a holiday or Non-working day, the tenders would be opened on the next working day.

7.2 Only authorized representatives of the tenderers are entitled to be present at the time of opening of the Bids

7.3 The physical inspection of the infrastructural facilities of the tenderers will be done for only those bidders who fulfil the minimum prescribed eligibility requirements, as stipulated in clause 2 of this document, based on the technical evaluation of the supporting documents submitted by them in Bid Cover. The Physical inspection of the infrastructural facility will be done by a team of BPPI officials for necessary cross-checking of the details as furnished by the applicants.

8. ACCEPTANCE OF TENDER

8.1 Final Evaluation of the tenders will be done on the basis of the eligibility and financial capability of the bidders.

8.2 BPPI reserves the right to accept/reject or cancel the tender for all or any one or more locations of the CFA without assigning any reason.

8.3 BPPI or its authorized representative(s) has the right to inspect the facilities of Tenderers, before accepting the rate quoted by them or before appointment and signing of agreement.

8.4 The acceptance of the tenders will be communicated to the selected bidder for each location in writing.

9. SECURITY DEPOSIT AND AGREEMENT

9.1 Security Deposit:

On being informed about the acceptance of the application after evaluation procedure as explained above, applicant will pay the Security Deposit as per table II given below. The security deposit is to be made in the form of Demand Draft or irrevocable Bank Guarantee in favour of Bureau of Pharma Public Sector Undertakings of India from any Scheduled bank. In case the Security Deposit is paid in form of Bank Guarantee, the bank guarantee shall be valid for a period of three months beyond the contract period. The format of Bank Guarantee is at Annexure-E.

Table II

S. No.	Location of CFA	Minimum Space Required (Sq Feet)	Minimum per month Guarantee (Rs)	Amount of security deposit (In Rs)
	For all Locations of Table 1	5000	30,000	10,00,000

9.2 The successful Tenderer shall execute an agreement on a non-judicial stamp paper of value of Rs.100/- (stamp duty to be paid by the Tenderer) within 10 days from the date of the intimation from BPPI informing that his tender has been accepted. The Specimen form of agreement is available in Annexure-E. Please note that the Agreement form should NOT repeat NOT be deposited in advance. In their own interest, bidders are requested to go through and read the Agreement Form in detail and clarify any points well in advance.

9.3 The value of the security may change during the contract period, as it may be necessary in the interest of the business depending on average stock holding and the C & F Agent will have to furnish the enhanced amount of Bank Guarantee within 15 days of intimation from BPPI in this regard.

9.4 The Tenderer shall not, at any time, assign, sub-let or make over the contract or the benefit thereof or any part thereof to any other person or persons what so ever.

9.5 If the eligible tenderer fails to execute the agreement and/or to deposit the required security deposit within the time specified or withdraws the tender, after the intimation of the acceptance of the tender or owing to any other reasons to undertake the contract, the contract will be cancelled and the Earnest Money Deposit shall stand forfeited. Such firm will also be liable for all damages/losses sustained by the BPPI apart from blacklisting and other penal actions.

10. Saving Clause

No suit, prosecution or any legal proceedings shall lie against the Tender Inviting Authority or its any person for anything that is done in good faith or intended to be done in pursuance of the tender.

ANNEXURE – I

To,
 The CEO,
 Bureau of Pharma PSU's of India
 IDPL Complex, Dundahera,
 Gurgaon-122016

Subject: APPLICATION FOR CFA OF JAN AUSHADHI FOR
Ref: Your tender no- BPPI/LOGISTICS/CFA004/2017

Dear Sir,

This is with reference to your tender no- BPPI/LOGISTICS/CFA 004/2017. I hereby declare that I fulfil all eligibility criteria and interested to become CFA for Customers of BPPI as per the schemeand terms & conditions of BPPI. In this purpose I hereby submit my application in prescribed format.

Application for CFA , Loc

S. No.	Particulars	Details
1	Name	
2	Nature of the firm/company (to specify whether Partnership firm/ Proprietorship / Company	
3	Address	
4	Activities of firm/company (should have minimum three years' operation activities)	
5	Date of Registration (copy of registration to be enclosed)	
6	Contact Person name, address with phone no and email ID	
7	Location for which applied	

8	Address/location of CFA warehouse	
9	Last 3 years audited accounts	
11	Details of drug license/TIN no./ Service Tax No. etc.	
	Declaration:	
	I have gone through the terms and conditions as mentioned in the EOI/guidelines of CFA of BPPI and agree to abide by the same unconditionally.	
	I/We hereby declare that all the information as mentioned above is true to best of my knowledge.	
Place:		Signature of the Competent Person
Date:		(Name & Designation)

ANNEXURE - II**DOCUMENTS TO BE ENCLOSED WITH THE APPLICATION**

S. No.	Particulars	Attached Yes/No
1	Application form	
2	Copy of Drug License	
3	Copy of VAT / Service Tax Registration	
4	Copy of well Established credit or cash on delivery setup refer from other companies	
5	Copy of Annual sales volume handled during Last two Years	
6	Copy of last two years audited accounts	
7	Supporting documents for confirmed space viz ownership/lease deed/rent agreement, agreement to lease if selected.	
8	Copies of Income Tax returns filed for the last 3 years	
9	Copy of Declaration about non conviction of Applicant	
10	Copy of power of attorney duly notarized if any	
11	Financial certificate from Bank	

(Signature with Name and designation of the applicant)

Place:

Date:

ANNEXURE - A

Annual Sales Volume Handled

The annual sales volume handled by M/s..... for the
past two financial years are given below and certified that the statement is true and correct.

S. No.	Name of Company	Sales Volume Handled in 2015-16 (Rs. In Crores)	Sales Volume Handled in 2016-17 (Rs. In Crores)
Total			

Average sales volume per annum in last two years- Rs. Crores.

Note: Above sales figures may be verified by BPPI through original sales tax return statements during physical inspection.

Date:

Seal
Member Ship No.

Signature of Auditor/
Chartered
Accountant
Name

ANNEXURE - B

E.M.D. ADVICE

We herewith submit the EMD of **Rs. 50,000 (Fifty thousand only)** in the form of Demand Draft or Banker's Cheque No. _____ issued on Dated: _____ by _____
(Bank Name and Branch of issue) for the tender reference number
BPPI/LOGISTICS/CFA003/2016.

The demand draft is in favour of "**Bureau of Pharma Public Sector Undertakings of India**" and is payable at Gurgaon.

Location Applied for: _____.

Signature & Seal

ANNEXURE C

CHECKLIST

S. No.	Item	Page No.	Submitted (Yes/No)
1	Checklist – Annexure-C	1	
2	EMD in the form of DD/Banker's Cheque in an envelope		
3	EMD Advice – Annexure-B		
4	Instruments such as power of attorney, resolution of board, etc.		
5	Authorization letter nominating a responsible person of the tenderer to transact the business with tender inviting authority		
6	Annual Sales Volume Handled – Annexure A		
7	Copies of balance sheet and profit and loss account for last two years		
8	Copies of income tax assessment order/returns for last two years		
9	Tender Documents signed by the tenderer in all pages with official seal		

ANNEXURE – D
Format of Bank Guarantee for Security

To

Bureau of Pharma Public Sector Undertakings of India, (Name of purchaser) IDPL Complex, Old-Delhi-Gurgaon Road, Dundahera,
Gurgaon 122016 (Haryana)

WHEREAS (Name of the Tenderer) herein called "the Applicant" has undertaken, in pursuance of Tender BPPI/LOGISTICS/CFA-002/2016 to provide services as a CFA (Carrying and Forwarding Agent) of BPPI at (LOCATION NAME) herein after called "the Contract".

AND WHEREAS it has been stipulated by you in the said Contract that the applicant shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as a security for compliance with the CFA performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give BPPI a Guarantee

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Applicant, upto a total of _____ amount of the Guarantee (in Words and Figures) and we undertake to pay you, upon your first written demand declaring the applicant to be in default under the contract without cavil or argument any sum or sums within the limit of.....(Amount of the Guarantee in Words and Figures) as afore said, without your needing to prove or to show grounds or reasons for your demand or the sum specified there in.

This guarantee is valid until the.....day of..... 2017

Signature and Seal of Guarantor

Date

Address.....

.....

ANNEXURE - E

AGREEMENT FORMAT TO BE EXECUTED ON SELECTION

THIS AGREEMENT is made and entered into on the day of month of 2017 between Bureau of Pharma Public Sector Undertakings of India, set up under Department of Pharmaceuticals, Ministry of Chemicals & Fertilizers, Government of India as a Society registered under the societies registration act XXI of 1860, having its Registered Office at Core No. 06, 1st Floor, SCOPE Complex, Lodhi Road, New Delhi - 110003, hereinafter referred to as "**BPPI**" (which expression shall mean and include its successors and assigns) of the ONE PART:

AND

M/S. _____, A Proprietorship / Partnership /Pvt. Limited Co. / Public Limited Co. registered under (Name of the Act) having its registered office at (ADDRESS) through its (Proprietor / Partner / Director) Mr. _____, hereinafter referred to as "The CFA" (which expression shall mean and include the (Proprietor / Partner / Director) for the time being and from time to time constituting the said firm, the survivors of them, their legal heirs and legal representatives of the last surviving partners in business and permitted assigns) of the OTHER PART.

WHEREAS: -

(a) BPPI is presently engaged in procurement, marketing, sale & distribution of medicines, drugs, surgical and promotional items including those manufactured / sold by other manufacturers / Traders / companies (hereinafter collectively referred to as "The Products") and is desirous of appointing a Carrying & Forwarding (CFA) Agent at ----- in the state of ----- for catering to the distribution requirement of products to Distributors, Hospital, Institution, Prime Minister Jan Aushadhi Kendra (PMJAK) etc. (Customers of BPPI) operating in the state of ---
-----.

(b) The CFA has represented and warranted that he has the necessary infrastructure / facilities and is capable / competent to act as Carrying and Forwarding Agent for and on behalf of BPPI and in that connection to procure orders for BPPI products, receive the products sent by BPPI, to PMJAK the products under its control and to dispatch, transport, collect payments in the name of BPPI subsequent to delivering these products to Customers of BPPI in such lots and on such directions as may be instructed by BPPI from time to time and has requested BPPI to appoint them as its Carrying and Forwarding Agent.

(c) BPPI after considering the aforesaid request of the CFA has agreed to appoint the CFA as set out its Carrying & Forwarding Agents, to carry out the various obligations hereunder with effect from _____. This Agreement shall remain in force and binding on the parties

till One year from the date of execution of the agreement, unless terminated earlier by either party by giving 30 days' notice in writing to the other party. This Agreement shall be subject to renewal for a further period of one year, at the sole discretion of BPPI, on the terms and conditions mentioned hereunder in Part – 1, 2 & 3 of this agreement.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

Part – 1: OPERATIONAL TERMS & CONDITIONS

1.1 The CFA shall procure orders from the Customers of BPPI operating in the state of _____ on weekly basis and shall execute the orders of those products readily available in stock of the CFA within 48 hours from the time of receipt of such orders. Indent for supply of such products not available with CFA against the orders obtained from Customers of BPPI will be immediately informed to BPPI for its supply.

1.2 The CFA shall be required to keep and maintain the complete range of drugs of BPPI as per the medicine list, including surgical items, and maintain 2 (TWO) months adequate buffer stock of each product to meet the requirement and ensuring availability of each product at all the Customers of BPPI in his assigned territory. Any shortfall in product range would be immediately recouped from the BPPI Warehouse.

1.3 BPPI shall arrange to transport (through suitable mode of transportation) and deliver the Products to the CFA either on stock transfer basis from its central & other warehouses, any other CFA / depots or through purchase from factories & depot of CPSE(s) and or private manufacturers for supply of medicines from any place in India.

1.4 The CFA shall take delivery of the Products from the transporter / carrier immediately on their arrival at the destination. If the consignment sent by BPPI does not reach the destination within 10 days of dispatch, the CFA shall give a written notice of the same to the transporter with a copy marked to BPPI. BPPI undertakes to notify the CFA of all dispatches of goods within 24 hours of such dispatch by e-mail/post /phone.

1.5 The stocks on reaching the premises of the CFA shall be checked and counted by the CFA. In the event of loss, damage, shortage or spoilage, the CFA shall report the Loss/damage to the Transporter /Concerned Insurance Agency and get proper documentation after taking open delivery of goods, and will intimate BPPI immediately about this. The CFA shall put the necessary remark on acknowledgement copy of R/LR/CN/Docket/RR/Airway Bill/BL. If the nature of damages appears to happen on account of in-transit damages then the formalities pertaining to Insurance Claims needs to be immediately initiated by way of sending an intimation mail to the insurers, with entire consignment details, initial `estimated value of loss along with a request to arrange for survey. Any loss arising to BPPI on account of non-compliance to this process will get recovered from the respective CFA.

1.6 The CFA shall arrange for proper storage of the Products in a separate godown. The godown so utilized for storage of the Products must comply with the provisions of "DRUGS & COSMETICS ACT 1940" and the rules framed there under.

1.7 The initial requirement of the storage space will be to the tune of 5000 sq. ft., which shall be required to be enhanced as per the business volume of the assigned territory. The storage facility so provided to BPPI must have provision of storing temperature sensitive medicines and also separate space for storing expired and damaged medicines. The product as supplied by BPPI must not be mixed up with the products of any other parties including those of the CFA itself. The CFA shall be responsible to BPPI for all damages / losses due to improper storage and / or bad handling of the Products or shortage or theft of the Products from their godown and shall indemnify and keep indemnified BPPI for all such losses and damages. The CFA further agrees & authorizes BPPI hereby to adjust any or all such losses / damages from any sums that may be payable to the CFA under this agreement or otherwise by BPPI.

1.7 The CFA shall keep and store the stocks of the said Products in a safe and secure condition to avoid contamination from any source and to prevent damage or loss from theft, fire, flood and other dangers. The CFA shall also keep the products in clean and hygienic premises and surroundings in compliance with the rules prescribed by any Authorities. The CFA shall also comply in all respects with the requirements of insurance companies engaged or caused to be engaged by BPPI to insure various risks to the products held by the CFA.

1.8 The CFA shall dispatch, transport and deliver / sell the Products in such quantities and to such destinations / parties within such territory or any other suitable location duly approved by BPPI from the respective godown after receipt of confirmation from BPPI.

1.9 The CFA shall dispatch / deliver / sell the Products on such terms / conditions specified in invoice and at such price as may be intimated by BPPI and as per the instructions given by BPPI from time to time.

1.10 The CFA, at its sole discretion, will enter into Agreements with the carriers for dispatch of the products from the godown of the CFA to various Customers of BPPI in the territories under the responsibility of CFA. In the event of any loss or damage to the stocks in any manner whatsoever during transportation & trans shipment the CFA shall be wholly and solely responsible for recovering the value of such loss from respective transporters/ insurance if any. BPPI shall be entitled to deduct the same from the next payment receivable by the CFA from BPPI.

1.11 As the scope of transportation of products from respective CFA godown to Customers of BPPI lies with the CFA itself, therefore it is mandatory on the part of CFA, to supply the readily available stock of medicines dispatched within 48 hours.

Repeated failure to comply with this specific clause of this agreement shall result in termination of this agreement by BPPI. No request for re-consideration etc. will be

entertained if the reason of termination has happened on account of this specific clause of this agreement.

1.12 The CFA shall maintain day to day stock records as advised by BPPI and send all such periodic statements of accounts as are relevant to its operations, duly countersigned by BPPI's authorized representative (Marketing Officers). The CFA shall make all records available for inspection / verification at all time to the accredited representative(s) / auditors of BPPI / its Principals

1.13 Complaint if any, received against quality of the Products supplied by BPPI, shall be promptly reported within 24 Hours to BPPI with relevant documents for appropriate action within 15 days from the date of receipt of such stock.

Part – 2: COMMERCIAL TERMS & CONDITIONS

2.1 The CFA will not without the consent in writing from BPPI shall make any offer for sale or offer to sale the products at prices less than those appearing in the price list of BPPI.

2.2 BPPI will take necessary insurance cover for all the products lying at CFA warehouse at its own cost. The CFA will not without the consent in writing from BPPI shall arrange to insure the Products stored in the godown of the CFA against fire, SRCC (Strike, Riots and Civil Commotion) and flood on declaration basis. In the event of any loss, the CFA shall take necessary steps for lodging a claim with the insurance company (engaged by BPPI) within the stipulated time limit (usually on or before completion of the 07th day of any such happening) as prescribed by the insurance company. The CFA shall be bound and liable to provide necessary information for the declaration to be made under the insurance policy and shall be responsible to comply with the terms and conditions of the insurance policy. The CFA further agrees to indemnify and keep BPPI indemnified for any losses / damages that BPPI / its Principals may suffer on account of any breach of the insurance policy by the CFA.

2.3 It is also agreed that all transportation expenses (i.e. Local transportation expenses for receipt and delivery of goods and out station transportation expenses for delivery of goods to respective Customers of BPPI) shall be borne by CFA and BPPI in no case will make any payment in this regard. BPPI will only be responsible for the expenses incurred in primary transportation involved in supplying the products from various locations and or sources to CFA as specified at clause 1.3 of this agreement.

2.4 In consideration of the services rendered by the C & F Agent, BPPI shall pay to the C & F Agent a commission based on the value of Sales made by the C & F Agent on monthly basis (Starting from the 01st. day of the month and completion of last day i.e. 28th. / 29th. / 30th. / 31st. as applicable) as under:

- 1. Turnover upto Rs 30 lakhs 3% of sales excluding tax.**
- 2. Turnover above Rs 30 lakhs to 60 Lakhs 2.75% excluding tax.**
- 3. Turnover above Rs 60 Lakhs a flat 2.5% excluding Taxes.**

(Net sales value will be calculated at Net Sale price exclusive of VAT and CST)

2.5 This commission so paid by BPPI shall be inclusive of cost incurred by the CFA for receipt, storage, dispatch, secondary transportation (ex- CFA Godown to CUSTOMERS), cold storage for temperature sensitive medicines, documentation, data processing and furnishing reports, utilities and provisions of infrastructural facilities like telephone, fax, computer etc. and other office expenses including manpower deployment for day-to-day operations under this Agreement, taxes if any, maintenance and all other expenses towards smooth and efficient discharge of the services to be rendered by the CFA Agent under this Agreement, except as provided elsewhere in this Agreement and irrespective of the quantum of stocks stored.

Minimum Guarantee: BPPI will guarantee minimum amount per month. Proposed minimum guarantee as per Table II given below:

S. No.	Location of CFA	Minimum Space Required (Sq Feet)	Minimum per monthly Guarantee (Rs)	Amount of security deposit (In Rs)
	ALL LOCATIONS	5000	30,000	10,00,000

BPPI will bear service charge as per law at time of disbursement of commission.

The commission so payable to the respective CFA will be endeavored to be released within 15 days from the date of receipt of such bills along with necessary monthly return of sales, payments collected and deposited and other particulars

2.5 All payments by BPPI to the CFA shall be subject to income tax and any other statutory levies that may be imposed by the appropriate authorities / statutes.

2.6 The CFA will have to furnish a performance bank guarantee of to the tune of Rs. 10,00,000/- mention in EOI Table-II for each location, in favor of BPPI as a security within 15 days of signing of this agreement, which shall remain valid for period more than 03 months' from the date of expiry of this Agreement. The value of the security may change during the tenure of applicability of this agreement, as it may be necessary in the interest of the business depending on average stock holding and the CFA will have to furnish the enhanced amount of Bank Guarantee within 15 days of intimation from BPPI in this regard.

2.7 In the event of any damage to packaging materials of the products which in the opinion of BPPI is not on account of any act of negligence on the part of the CFA, the CFA shall repack the products with packing materials to be provided by BPPI. If, however, in the opinion of BPPI, the damage to the packing materials of the products has occurred on account of any act of negligence on the part of the CFA, BPPI shall be entitled to recover the cost of replacing the damaged packing material from the CFA and the CFA agrees, undertakes and authorizes BPPI to adjust such recoveries from any dues payable to the CFA under this Agreement.

2.8 The CFA shall collect all receivables, cheques, drafts, pay orders, etc. in favour of "Bureau of Pharma Public Sector Undertakings of India (BPPI)" and will deposit the same against the sale proceeds of the products into the prescribed account of BPPI within 24 hours of receipt thereof and submit to BPPI details of such deposits on a daily basis. The CFA further agrees to change over to any other methods / systems of transfer of money collected / received towards the sales effected and shall comply with the requisition of BPPI and shall not be entitled to retain, adjust, appropriate any such monies of BPPI for any reason whatsoever. The CFA shall not be entitled to make any payment in cash or otherwise without prior permission of BPPI. The CFA shall not accept or pay cash on behalf of BPPI.

2.9 The CFA shall collect from the Customers of BPPI the amount of VAT, Sales Tax, surcharge and any other local taxes / levies, as applicable. It is the sole responsibility of the CFA to collect and make timely payment of such levies and taxes to the concerned Authorities, along with the necessary returns as required. Any default in this connection will be on the account of the CFA. The CFA shall also keep necessary accounting documents for that purpose. The CFA shall issue / collect appropriate Sales Tax Forms in compliance of the Central / Local Sales Tax Act.

The CFA agrees and undertakes that it shall ensure compliance of all applicable statutory obligations under the Central / Local Sales Tax in pursuance of the various obligations under this Agreement and shall keep BPPI indemnified from all the consequences of any such noncompliance.

2.10 In the event BPPI is compelled to make any payments and / or full fill any other requirements of the Authorities in this connection which the C & F Agent is under obligation to pay/ fulfill, the CFA shall be liable to reimburse to BPPI all such payments made and all expenses incurred in such connection without prejudice to the rights of BPPI to claim damages or to pursue legal remedies against the CFA for such lapse.

2.11 The books of Accounts, Stocks, Orders, Invoices, Correspondence with related Drug Department, Sales Tax Deptt., Sales Tax refund filed along with ledger of transfer copy of Challan / Cheque / Deposit Slip showing payment towards sales tax and other records shall be maintained by the CFA and the same will be the property of BPPI.

2.12 Sales tax assessment shall be the responsibility of the CFA. However, BPPI will bear any/all Govt fee etc.

2.13 It will be the responsibility of C&F to appoint distributors in respective states as per laid down criteria by BPPI when approached by the latter to do so.

2.14 C&F will be responsible for collection of payments from distributors

Part – 3: GENERAL TERMS & CONDITIONS

3.1 The CFA declares and confirms that the title / interest in the products vest in BPPI and the CFA shall not be entitled to pledge, mortgage, and charge, hypothecate or in any manner encumber the Products. It is further agreed and understood between the parties that no right of

any nature whatsoever shall ever accrue on the said products to the CFA and if any such right does accrue, then the CFA expressly waives such right and confirms that it shall not claim any such right.

3.2 The CFA shall display signboard at the godown premises and inside the godown premises indicating that he is the CFA of BPPI.

3.3 The CFA will also maintain a proper office for the purpose of Business of BPPI and this office must have adequate furniture and fixtures for carrying out efficient operations by BPPI staff.

3.4 The CFA shall arrange to procure and maintain licenses and permissions prescribed by law or by competent authority for storage and sale of the Products. The licenses wherever applicable, will be in the name of BPPI. The responsibilities to comply with the terms and conditions of the licenses and permits will be that of the CFA and no liability whatsoever will be attached to BPPI from the consequences of penalties, forfeiture and seizure occasioned by failure of compliance with and / or breach of laws, rules and statutes relating to the said licenses and permits relating to the Products. The CFA shall be solely responsible for affairs of BPPI as required under section 34 of D&C act 1940.

In the event of the CFA committing any breach of this Clause, the CFA shall indemnify and keep indemnified BPPI / its Principals from and against all claims, demands, actions, proceedings, fines, penalties, expenses and other liabilities of whatsoever nature made or brought against BPPI / its Principals or sustained or incurred by BPPI / its Principals arising out of or as a result of such breach by the CFA.

3.5 The CFA will ensure that necessary Sales Tax Forms / Way Bill / Road Permit etc. as applicable in the state of import must be made available to BPPI well in advance, so that the scheduled date of supply must get complied with. BPPI will bear cost of legal fee as prescribed by Govt for obtaining such documents.

3.6 The CFA shall install sufficient telephones, fax machines to enable smooth and efficient performance. The CFA also agrees and undertakes to install / operate computers / software/broadband internet for computerization of documentation, accounts, data processing and other operations. The CFA shall prepare / furnish the documents / data / information at such intervals and in such manner as set out by BPPI.

3.7 The CFA shall at all times be bound to specific instructions given by BPPI at the expenses of BPPI, to return to BPPI or to consign to any place or places or to any consignee as required by BPPI the products which shall for the time being be in the custody or under the control of the CFA.

3.8 BPPI shall authorize CFA to enable them to represent BPPI before the Government, local bodies and other appropriate Authorities as may be required for the purpose of this Agreement.

3.9 For and on behalf of BPPI, the CFA shall apply to the appropriate Authorities for registration under the Sales Tax Laws and also for Trade and Storing (Drug) license from the Local authorities, and any other license / regulations / permission required under the local laws at his own cost. However, fee for applications will be paid by BPPI.

3.10 Notwithstanding anything contained in this Agreement, BPPI reserves its right to terminate this Agreement immediately and without any notice, if the CFA:

- Contravenes any of the Clauses or conditions of this Agreement or any statutory provisions.
- Suppresses and / or falsifies the sales affected in any given period deliberately.
- Fails to remit promptly the monies due to BPPI.
- Acts in any manner detrimental to BPPI's interests.
- It convicted by a competent Authority of any offense in a judicial court.
- Makes any commitment on behalf of BPPI without the express written sanction of BPPI save as provided for elsewhere in this agreement and
- Fails to tender a true and correct account of BPPI's goods and property entrusted to him. ccccc

It is agreed that no consequential cost of whatsoever manner shall be payable by BPPI to the CFA on termination of this Agreement for any of the events arising out of the above reasons.

3.11 The provisions of the Indian Contract Act, 1972 shall apply in so far the same are not inconsistent with this agreement.

3.12 The CFA shall be wholly and solely responsible for its employee's activities and in no circumstances shall BPPI directly or indirectly be liable for any claims / demands made by the employees of the CFA, including the liability, if any, under the Employees Provident Fund, Gratuity, ESI and such other enactments of Central Government, State Government and Local Authorities concerned. Such employees shall not be considered as employees of BPPI and for whose act, default and omission, the CFA shall be responsible and keep BPPI indemnified at all times.

3.13 BPPI will install appropriate software for entire supply chain management function involving Procurement, Distribution, Logistics, Retail Sales Operation and Accounting. It will be the responsibility of CFA to implement the same properly and make necessary data inputs as per the system requirement on real-time basis. No relaxation to operation terms of utilization of the software will be entertained. BPPI has sole and complete right to immediately terminate this agreement with such CFA who either refuses or are not adopting the operation through software system.

3.14 The liability for complying with all labour enactments, legal and other formalities and making all payments due under any law or contract pertaining to the persons employed in or in connection with the operations as per the terms and conditions of this Agreement will lie wholly and exclusively on the CFA. The liability for all such compliances and payments shall be that of the CFA.

3.15 The CFA shall conduct sales and distribution of the products on such terms and conditions at such rates / prices intimated by BPPI. In case BPPI announces schemes / gifts / discounts etc. the CFA shall make available to customers / stockists such offer as per the terms of BPPI. The

CFA shall maintain such records in respect of schemes / gifts / discounts, as prescribed by BPPI. The benefits under this agreement shall not be assignable to any other person or party.

3.16 This Agreement can be terminated at any time by either of the parties without assigning any reason after giving the other party 30 Days written notice of termination. Liability arising out of Non-Compliance of VAT rules, penalty, etc. if any likely to be imposed by VAT authorities.

3.17 In case of termination of agreement with the CFA, the submitted bank guarantee will be returned by BPPI within 60 Days from the effective date of termination of this agreement, but not before the receipt of the remaining stock, books of account, payment of all dues of BPPI and other deposits etc. by the CFA to BPPI.

3.18 On termination of this Agreement, the CFA shall render complete accounts of the products and hand over the same to the authorized representative(s) of BPPI. BPPI shall be entitled to appoint any additional CFA in the state/city to stock / sell / distribute the products. Nothing contained in this Agreement shall confer any exclusive right on the CFA.

3.20 Force Majeure

Neither party shall be in default if a failure to perform any obligation hereunder is caused solely by supervening conditions beyond that party's reasonable control, including acts of god, civil commotion, strikes, acts of terrorism etc.

3.21 Dispute Resolution

This agreement shall be deemed to have been made/ executed at Delhi for all purpose.

Normally, there should not be any scope of dispute between the BPPI and the CFA after entering into a mutually agreed valid contract/agreement.

However, due to various unforeseen reasons, problems may arise during the progress of the contract/agreement leading to disagreement BPPI and the CFA shall first try to resolve the same amicably by mutual Consultation. If the parties fail to resolve the dispute by such mutual consultation within twenty-one days, then, depending on the position of the case, either the BPPI or the CFA shall give notice to other party of its intension to commence Arbitration procedure as per Indian Arbitration and Conciliation Act, 1996. Such disputes/differences shall be referred to Sole Arbitrator to be appointed by the President/ CEO of BPPI. The venue of Arbitration Shall be at New Delhi. The award published by the Arbitrator shall be final and binding on the parties.

3.22 Governing Law/Jurisdiction

The applicable law governing this agreement shall be the laws of India and the court of Delhi shall have the exclusive jurisdiction to try any dispute arising out of the violation of any terms & conditions of this agreement with respect to this agreement

IN WITNESS WHERE OF THE FIRST PARTY AND SECOND PARTY APPEND THEIR SIGNATURE IN TOKEN OF HAVING ACCEPTED THE ABOVE TERMS AND CONDITIONS ON THIS _____

DAY OF _____ 2017 AS MENTIONED ABOVE. IN THE PRESENCE OF THE FOLLOWING WITNESSES.

SIGNED SEALED AND DELIVERED FOR THE FIRST PARTY.

WITNESS

SIGNED SEALED AND DELIVERED FOR THE SECOND PARTY

WITNESS