

**Invitation of application for DISTRIBUTORS in various states
of India for distribution of the PMBJP medicines**

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: 0124-4556773/756; Fax: 0124-2340370

I. 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. Government of India is committed to open 3000 **PMJAK** across India by end of 2016-17.

II. 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

III. Locations

It is proposed to open PMJAK in all the states of Country to ensure proper and timely availability of medicines to the Jan Aushadhi Stores. **Applications are invited for appointment of “Distributors” in the different locations of ;**

S.No.	State
1.	Maharashtra
2.	Gujrat
3.	Madhya Pradesh
4.	Chhattisgarh
5.	Goa
6.	Uttar Pradesh
7.	Assam
8.	Karnataka
9.	Andhra Pradesh
10.	Telangana
11.	Tamilnadu
12.	Puducherry
13.	Kerala
14.	West Bengal
15.	Sikkim
16.	Meghalaya
17.	Manipur
18.	Jharkhand
19.	Rajasthan
20.	Jammu & Kashmir

21.	Bihar
22.	Jharkhand
23.	Mizoram
24.	Nagaland
25.	Meghalaya
26.	Rajasthan
27.	Jammu and Kashmir
28.	Punjab
29.	Uttarakhand
30.	Himachal Pradesh
31.	Haryana
32.	Delhi

IV. Eligibility criteria

S.No	ELIGIBILITY CRITERIA	SUPPORTING DOCUMENTS TO BE SUBMITTED ALONG WITH APPLICATION
1	Valid wholesale Drug License (20B and 21B) as per Drugs and Cosmetic Act.	Self-attested Photocopy of Valid whole-sale Drug License (20B and 21B) as per Drugs and Cosmetic Act.
2	Valid VAT Registration	Self-attested Photocopy of Valid VAT Registration
3	Applicant should have been operating as authorized distributor for not less than One year for reputed pharmaceutical companies & Should be dealing with atleast 1 reputed Pharmaceutical companies having all India Operations	List of the Pharmaceutical companies for whom application is operating as distributor at least for 2 years with documentary proof.

4	The annual average sale turnover of pharmaceutical items handled by the applicant should not be less than 1 Cr for Metro cities (Delhi, Mumbai, Kolkata, Chennai, Bengaluru & Hyderabad) and for other cities, it should be minimum 50 Lacs per annum.	Annual sales turnover handled by the applicant for the financial year i.e. 2016-17 duly certified by the firms Chartered Accountant in the format given in Annexure- I
5	Availability of Storage facility as per Drugs and Cosmetic Act or how soon this could be made available?	Yes / No; Availability date
6	Consent for co-branding with PMJAK by printing PMJAK MISSION statement on sales Invoice duly using the BPPI Software.	Yes/ No. The design/ logo will be as is used in the BPPI Software.
7	Financial standing with reference from bank.	Certificate from Bank and a Bank Guarantee of Rs. 5 Lacs
8	Should have efficient delivery system with 12 working hrs. refill Capacity for local and district level retailers and order delivery capacity within 24 to 48 Hrs for local and out station locations.	Applicant will provide affidavit on letter head duly self-attested which will be verified at the time of field visit.
9	Should agree to stock 1 month's inventory, and minimum 80% of the product range of BPPI at all times.	To be signed as part of the agreement by the prospective distributors.
10	The applicant should be an income tax assesses for last 3 years.	Copy of Income Tax Returns filed for the last 3 Years
11	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.	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

V. General Terms and conditions

(PLEASE READ THE CONTENTS OF THE AGREEMENT ATTACHED AT ANNEXURE IV ALSO)

- (i) To ensure that no stock out situations comes up at the PMJAK level (Retailer levels) the DISTRIBUTOR shall be required to keep adequate average stock of 1 month, and **expected** to keep 100% of the product range, and **mandatorily** keep a minimum of 80% of the product range of BPPI to meet demand of the retail stores.
- (ii) Reordering should be based on the average of the last 2 Months Sales multiplied by 2, minus stocks in hand and stocks in transit.
Reordering = (Average stocks of last 2 months X 2) - (Stocks in hand + Stocks in Transit)
- (iii) The Distributor will necessarily follow the above norms, terms and conditions of BPPI for Inventory Management systems.
- (iv) Items of cold chain would not be taken back by BPPI.
- (v) The Distributor may be called in to provide additional support to BPPI at his location and area of operation on various distribution matters, which should be provided readily by the former, so as to enable BPPI successful in its operational mission.
- (vi) The DISTRIBUTOR will send advance cheques in favor of Bureau of Pharma Public Sector Undertakings of India (BPPI), payable at par all over India along with the Order to BPPI.
- (vii) BPPI will give credit period of 60 days from date of dispatch of goods and deposit the Cheques on the 60th day from the date of despatch of the goods. Interest of 10% p.a will be charged after the due date.
- (viii) The Distributors Margin will be 10% of PTR (Price to Retailer).
 - (ix) Distributor will mandatorily be required to use the BPPI Billing software for sales and stock management , which would be provided free of cost by BPPI.
 - (x) BPPI will take back Expiry/Breakage to the maximum extent of up to 2% of the total purchase value of distributor. Similarly, Distributor will be obliged to take back total expiry/breakage from retailers to the tune of maximum 2% of the sales made by him.
 - (xi) However, if a product of short expiry (less than 1 year of shelf life) is supplied by BPPI, the same will be taken back within three months of the completion of its expiry date.
 - (xii) The appointed distributor shall facilitate opening minimum 20 PMJAK in his area within 1 year of their appointment, failing of which their distributorship shall be cancelled.

- (xiii) The DISTRIBUTOR shall have to use his own Computer and peripherals, Fax, Telephone etc. for billing / Stock maintaining and communication purposes at his own expense.
- (xiv) Non usage of the BPPI software will lead to the cancellation of this agreement.
- (xv) BPPI will train the representatives of the Distributors on the software operation, and it is expected that proficiency should be attained by the personnel in the shortest possible time.
- (xvi) BPPI reserves the right to accept or reject application without assigning any reason.

VI. Submission of application

- The Eligible and interested candidates should submit the Application form in prescribed format at (**ANNEXURE II**) and submit all document as per Check list(**ANNEXURE III**).
- Although application is invited for various locations the distributors will be appointed strictly on a “Need basis” as per new the opening of the PMJAK in that area.
- Complete applications in all respect are to be submitted to BPPI at following

(a) Tender Reference : **BPPI/DIST-003/2017** Dated: 03 April 2017

(b) Last date & time for submission of documents : 24 April 2017

(c) Address for communication : **Bureau of Pharma Public
Sector Undertakings of India,
IDPL corporate office complex,
Old Delhi – Gurgaon Road,
Dundahera, Gurgaon – 122016
(Haryana)**

4. Contact persons for Clarification (if any) on working days and working hrs. :

1) Mr. Satish Kumar - Dy. Manager (Logistics)
Email - logistics.bppi@gmail.com
Phone - 0124 - 4556773

VII. EVALUATION OF APPLICATIONS

Step -I

1. All applications will be scrutinized to check eligibility conditions. Applications which fulfill eligibility conditions will be short listed and the immediate priority area / location for appointment would be taken for short listing the Distributor.

- A) BPPI will constitute a Technical committee to evaluate all eligible applications
- B) Team of BPPI officials will visit shortlisted applicants.

Step -II

2. Premises of shortlisted applicants will be visited by team of officials of BPPI and technical eligibilities will be evaluated on following parameters:
- a. Veracity of information submitted in the documents to BPPI.
 - b. Required infrastructural facilities like computer, Internet (minimum 1 mbps speed), printers, scanner, telephone, storage facility for storing medicines in controlled temperature.
 - c. Number of manpower deployed for existing infrastructure
 - d. Existing procedure being followed for receipt of orders and execution.
 - e. Current sale volume transaction handled by the applicants.
 - f. Availability/tie up with the Transporter/courier services for dispatching drugs to various Jan Aushadhi Stores.
3. Application form seeking information from distributor
4. Undertaking for sale through computerize billing using scanning through Bar code.
5. BPPI reserves the right to accept or reject application without assigning any reason.
6. Based on evaluation reports of BPPI team's field visit and approval of competent authority of BPPI, applicant will be selected for each location and informed in writing about his selection
7. The selected applicant shall execute an agreement on a non- judicial stamp paper of value of Rs.100/- (stamp duty to be paid by the applicant) within 10 days from the date of the intimation from BPPI informing that his application has been accepted. The Specimen form of agreement is available in

ANNEXURE - I

Annual Sales Volume Handled

The annual sales volume handled by M/s. _____ For the financial year 2016-17 are given below and certified that the statement is true and correct.

S. No.	Name of Company for which authorized stockist/distributor	Sales Volume Handled in 2016-17 (Rs. In Lacs)
Total		

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

Date :

Stamp

Name & Signature of Auditor/C.A.
Membership No.

(On Firm/Company Letter Head)

To,
 The CEO,
 Bureau of Pharma PSU's of India
 IDPL Complex, Dundahera,
 Gurgaon-122001

Subject: APPLICATION FOR DISTRIBUTOR OF BPPI FOR-----

Ref: Your EOI no **BPPI/DIST-003/2017**

Dear Sir,

This is with reference to your EOI no **BPPI/DIST-003/2017**. I hereby declare that I fulfill all eligibility criteria and interested to become distributor for BPPI as per the scheme and terms & conditions of BPPI. In this purpose, I hereby submit my application in prescribed format.

S. No.	Particulars	Details
1	Name of the firm	
2	Nature of the firm (to specify whether Partnership firm/ Proprietorship / Company)	
3	Address of firm	
4	Activities of firm (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	Name of Location for which applied	
8	Address/location of distributor warehouse	
9	Financial capacity supported by last 3 years audited accounts	
10	Details of drug license/TIN no. etc. in the name of the applicant	
	Declaration: I have gone through the terms and conditions as mentioned in the guidelines of distributorship of BPPI and agree to abide by the same.	
	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)

NOTE - Please do not send the Agreement (Annexure IV) unless called in from BPPI

Check List**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

(Haryana)

Documents to be enclosed along with the application

FOR DISTRIBUTOR		
S. No.	Particulars	Attached Yes/No
1	Application form (ANNEXURE II)	
2	Copy of Drug License	
3	Copy of VAT Registration	
4	Proof of working for other companies	
5	Copy of Annual sales volume handled during Last 3 Years (ANNEXURE I)	
6	Copies of last three years audited accounts	
7	Financial Standing Certificate from Bank	
8	Copies of Income Tax returns filed for the last 3 years	
9	Copy of Declaration of Applicant for non conviction certificate.	

(Signature with Name and designation of the applicant)

Place:

Date:

AGREEMENT FOR DISTRIBUTOR

This agreement is made and executed on this the Day of , 2017

BETWEEN

M/s Bureau of Pharma Public Sector Undertakings of India hereinafter as referred as (BPPI), 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, represented by **Shri** **S/o Sh.** aged about years, presently designated as, BPPI, Gurgaon (hereinafter referred to as "PRINCIPALS" which expression shall unless it is repugnant to the context or meaning part thereof mean and include all its legal heirs, executors, administrators, representatives, successors-in-interest and assignees of THE FIRST PARTY),

AND

M/s represented by **Shri** **S/o** aged about years, presently designated as duly authorized to sign as the "**Distributor**" which expression shall unless it is repugnant to the context or meaning part thereof include all its executors, attorneys, administrators, successors-in-interest and assigns of the **Second Part**.

WHEREAS party of the first part, BPPI, is engaged in marketing of pharmaceutical items (hereinafter called as the GOODS) and is desirous of appointing the distributor in the State of for proper procurement of Orders from retailers, Prime Minister Jan Aushadhi Kendra(PMJAK), hospitals and Institutions and supply/sell the products of the Party of the First Part, BPPI to them.

AND whereas party of the second part is desirous of being appointed as the “**DISTRIBUTOR**” of the party of the first part for supply/sale of all its products, present and future in the State. AND WHEREAS, in the mutual interest, the party of the first part has agreed to appoint the party of the second part as its “Distributor” on the mutually agreed terms and conditions set forth hereunder:

NOW THIS AGREEMENT WITNES DISTRIBUTOR AS UNDER

- (i) That the party of the first part, BPPI hereby appoints **M/s** party of the second part hereof, as the “**DISTRIBUTOR**” for Sale/Supply of products in the State of as per the following conditions:
 - (a) You will be allowed to sell/ supply only to **PMJAK** opened by your firm and in the area assigned by BPPI.
 - (b) You will not be allowed to sell to other JAS’s in the area for which BPPI already has a Distributor.
 - (c) You have to open at least 10 (Ten) **PMJAK** in your assigned area within a period 1 year. In case of failing to do so, this agreement is likely to get cancelled.
- (ii) That this agreement is effective from the date of signing of this agreement and shall be valid up to 2 (two) years from date of signing.
- (iii) This agreement can be terminated by giving 30 days’ notice from either side.
- (iv) The DISTRIBUTOR shall procure Orders from retailers, PMJAK, hospitals and Institutions in assigned area on a regular basis and shall execute orders received from expeditiously.
- (v) The DISTRIBUTOR shall be required to keep adequate average stock of 30 days on monthly sales to meet demand of the retail stores.
- (vi) The DISTRIBUTOR Agent will send a cheque in favour of Bureau of Pharma Public Sector Undertakings of India (BPPI), payable at par all over India along with the Order to BPPI.

- (vii) BPPI will give credit period of 60 days from date of dispatch of goods and deposit the Cheque on the 60th day from the date of despatch of the goods. Interest of 10% p.a will be charged after the due date.
- (viii) That the first party will despatch the goods to the DISTRIBUTOR by trucks, Rail or such other mode of transport as may be deemed fit, up to Warehouse of distributor.
- (ix) That the DISTRIBUTOR will store goods and keep the same in proper storage conditions which are required under the provisions of Drugs & Cosmetics Act, 1940 and rules framed there under, having due regard to the specific nature of the products, before their onward supply.
- (x) Month wise stock and sales statement shall be submitted to the principals by the DISTRIBUTOR by the 5th day of the succeeding month.
- (xi) Commercial Terms & conditions:
 - a) Distributor Margin will be 10% of PTD (Price to Distributor).
 - b) 1% cash discount in case of advance payment at PTD
 - c) BPPI will take back Expiry/Breakage to the maximum extent of up to 2% of the total purchase value of distributor. Similarly, Distributor will be obliged to take back total expiry/breakage from retailers to the tune of maximum 2% of the sales made by him.
 - d) However, if a product of short expiry (less than 6 months of shelf life) is supplied by BPPI, same will be taken back within three months of expiry date.
- (xii) The DISTRIBUTOR agrees to furnish necessary Sales Tax forms as required under the Central Sales Tax and the State Sales Tax Laws of the State of the principals at the earliest.
- (xiii) The DISTRIBUTOR shall have to use computer with for billing & Stock maintaining at his expense.

- (xiv) The DISTRIBUTOR shall have to use BPPI software for billing Jan Aushadhi medicines which will be provided by BPPI. In case of failing to use the BPPI software, the agreement may be cancelled.
- (xv) BPPI will fix area/cities of operation of DISTRIBUTOR in writing. Areas may be added deleted based on performance of DISTRIBUTOR in these particular areas.
- (xvi) Complaint, if any, received against the quality of products supplied by the Principals, the same shall be promptly reported to the Principals at Head Office, Gurgaon with relevant details for appropriate action within 5 days of receipt of such stocks.
- (xvii) The DISTRIBUTOR shall be responsible to cooperate with the Auditors, inspectors or such other staff as may be sent by BPPI competent authorities to check and verify the records and the DISTRIBUTOR shall extend all necessary facilities and arrangements for the same. However, the expenses of such audit etc. shall be borne by BPPI.
- (xviii) The Distributor agrees to hold the BPPI free and harmless from any and all claims, damages, and expenses of every kind or nature whatsoever (a) arising from acts of the Distributor; (b) as a direct or indirect consequence of termination of this Agreement in accordance with its terms; or (c) arising from acts of third parties in relation to products_sold to the Distributor under this Agreement, including, but not limited to execution of liens and security interests by third parties with respect to any such products.
- (xix) During the term of this Agreement, BPPI shall furnish to Distributor any technical improvements and inventions relating to the Products. During the term of this Agreement, Distributor agrees to furnish to BPPI all technical improvement and inventions related to the Products required by Distributor without any delay and free of charge in consideration of services.

- (xx) That the Distributor shall, keep all the information gathered during the currency of this agreement, strictly confidential.
- (xxi) That any amendment or alteration to this Agreement shall be valid only if set down in writing and signed by the parties hereto.
- (xxii) In the event of any dispute or difference between the parties arising out of or in connection with or in relation to this agreement, the same shall be referred to the sole arbitrator of CEO, BPPI or his nominee and his decision shall be final and binding on both the parties. The provisions of Arbitration and conciliation Act, 1996 shall apply.
- (xxiii) That the BPPI reserves its right to appoint any number of DISTRIBUTORS in area assigned to DISTRIBUTOR.
- (xxiv) In case of any dispute, relating to this agreement, only the court situated at Delhi shall have the jurisdiction.
- (xxv) That the provisions of the Indian Contract Act 1972, shall apply in so far the same are not inconsistent with this agreement.
- (xxvi) If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.
- (xxvii) IN WITNESS DISTRIBUTOR WHERE OF the parties have signed this Agreement this day of..... 2017.

FIRST PARTY

SECOND PARTY:

PRINCIPAL (**BPPI**)

DISTRIBUTOR: **M/s**

AUTHORISED SIGNATORY

AUTHORISED SIGNATORY