

01-11-2019

**EOI FOR ENGAGING CARRYING & FORWARDING
AGENCY (CFA) FOR RETAIL BUSINESS DIVISION
OF HLL LIFECARE LIMITED AT BIHAR**

**EOI NO: HLL/CHO/RBD/CFA – BIHAR / 2019-20/01
DATED 01-11-2019**

**HLL LIFECARE LTD,
CORPORATE OFFICE,
HLL BHAVAN, POOJAPPURA,
THIRUVANANTHAPURAM- 695 012
Ph.: 0471- 2354949
CIN: U25193KL1966GOI002621**

HLL/CHO/RBD/CFA – BIHAR /2019-20/01 01st NOV 2019

Important dates

Date of opening Notice Inviting EOI	01-11-2019 ,10.00 Hrs.
Last date for submission of the application	22-11-2019 ,15.00 Hrs.
Date & Time of Opening Eoi	22-11-2019 ,16.00 Hrs.
Venue of opening Eoi	Application submission Address
EOI Application Money *	Rs. 5000/- (Rupees Five Thousand only)
Earnest Money Deposit (EMD)	Rs. 10.00 Lakhs (Rupees Ten Lakhs Only)
Security Deposit (SD)	Rs. 200.00 Lakhs (Rupees Two Hundred Lakhs Only)
Scrutiny and selection of applicants, Opening of Price Bid & Issue of Work Order / Contract etc.	Will be notified separately
Address for submission of Eoi	Associate Vice President (RBD) HLL Lifecare Limited, Corporate Head Office, HLL Bhavan, Poojappura, Thiruvananthapuram - 695 012. Ph.: 0471-2354949 Email:rbd_tender@lifecarehll.com hariprasadms@lifecarehll.com

*EOI application money of Rs. 5000/- (Rupees Five Thousand only) shall be submitted as a demand draft favoring “HLL Life care Ltd” payable at **Thiruvananthapuram**

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Background

HLL Lifecare Limited (HLL) is a public sector undertaking, incorporated in the year 1966, under the administrative control of the Ministry of Health & Family Welfare, Government of India. HLL's purpose of business is "to be a globally respected organization focusing on inclusiveness by providing affordable and quality healthcare solutions through continuous innovations". In its quest to become a comprehensive healthcare solutions provider, HLL had diversified into healthcare services, while nurturing its core businesses in reproductive health.

In 2016, under its services business segment, HLL Lifecare Ltd. ventured into the pharma retailing with the formation of a **Retail Business Division (RBD)**. The division operates pharmacy retail chain providing quality pharmaceuticals, medicines and implants to the common man at affordable prices.

RBD of HLL have plenty of opportunities in hand and a promising future. The divisions have been witnessing a massive expansion in the past three years with the Govt. of India aggressively promoting AMRIT Pharmacies across India.

For the successful expansion of AMRIT Pharmacies, an effective supply chain management (SCM) system is very much essential and RBD of HLL proposes to engage interested Carrying and Forwarding Agency (CFAs), at Bihar to support the supply chain management system for effective distribution of pharmaceutical products to its various retail outlets to be operated across Bihar as part of its new AMRIT Pharmacy Projects in the Govt. Hospitals of Bihar.

Objective of this Expression of Interest (EOI)

RBD invites Expression of Interest (EOI) from Interested Parties who are willing to act as CFAs in **Bihar** for RBD Projects on the following terms and conditions detailed herein for the current and future RBD projects.

The RBD projects are basically setting up and operation of retail chain of pharmacies which dispense drugs & pharmaceuticals, surgical and surgical implants etc.

Scope of Retail Pharmacy Chains in India

With an increase in the average life expectancy, changing lifestyle conditions and access to healthcare facilities, there is an increasing demand for health care products such as medicines,

surgical items, implants, wellness products and services across the country. As per the market surveys, the current size of the Indian pharmacy market is about Rs. 80,000 Crores and is expected to cross Rs.1,60,000 Crores by the year 2020. The retail pharmacy industry is expected to grow around 20% year on year with organized pharmacies increasing their market share to around 30% of the market by 2020.

In today's scenario, independent pharmacies face a lot of competition from organized chain pharmacies, the strong online market segment and also there's a changing nature in the community pharmacy where the margins are being squeezed.

Why to be a part of Retail Pharmacy Chains of HLL

Any party willing to be a part of RBD's Pharmacy projects as CFA having suitable experience can venture into HLL's RBD Projects as CFA so as to:

- Be part of a noble venture of the Government of India where the most affordable medicines are made available to the common man
- Be part of an established pharmacy project of a PSU earning profit with lesser margin, so that, common man can have access to affordable healthcare.

RBD's Pharmacy Projects at Bihar

1. RBD projects at Bihar are basically setting up and operating retail AMRIT pharmacy outlets at Govt. Hospital campuses of Bihar to dispense medicines / drugs, surgical and implants to the hospital patients as well as to general public based on valid prescriptions.
2. The business at pharmacy outlets located at hospitals shall be predominantly a cash and carry model. The Pharmacy outlets would also have to cater to the requirements of hospital schemes/insurance schemes (like Ayushman Bharat), wherein the medicines and other required items may have to be provided against prescriptions of in-patients or patients under different aided schemes, and the pharmacy outlet would have the responsibility of collecting the reimbursement of such bills from the hospital. The average ratio of Cash to Credit is estimated to be in the range of 60:40.
3. CFA will receive and keep the stocks received from different suppliers of HLL in the depot and forward them in lots to the respective retail outlets in Bihar as demanded by HLL time to time.
4. A detailed CFA Agreement with full details of the terms and conditions shall be signed between HLL and the bidder.

Role & Responsibilities of HLL and CFA

Roles and Responsibilities of HLL

1. HLL at its sole discretion may assign the Carrying and Forwarding Agency of Bihar for RBD Operations to an applicant as per the terms and conditions laid down in the EoI.
2. HLL shall provide standardized layout, branding and the material specifications as per the requirement for establishing the depots at two locations of Bihar as mentioned in the EoI.
3. HLL shall obtain the requisite licenses/approvals for operating the depot. A pharmacist would be engaged by HLL under its rolls for obtaining the same.
4. The monthly rent of the depot is fixed as **Rs. 15 per sq.ft. plus applicable taxes**. HLL Life care Ltd shall reimburse the rentals on monthly basis, based on the claim submitted by CFA.
5. Freight cost to other areas (outside Bihar) shall be borne by HLL at actuals.
6. HLL shall provide an integrated software for stock transfer and inventory management.
7. HLL's authorized person at each retail outlet will raise indents / orders to the depots for the required items.
8. The sourcing division of HLL shall place purchase orders with the vendors or arrange for the stock transfer from any other HLL's centre and keep CFA in the loop, so that CFA will coordinate with the vendor along with HLL Sourcing Division and ensure timely supplies of goods.
9. While raising the purchase order, the credentials viz, the delivery address, drug license no and GST No. of the particular depot will be applicable.
10. In case of any reverse stock transfer from retail outlet to the depots, the retail outlet shall generate necessary documents in the system to depots and the depots in turn will receive the goods and receipt accounting
11. HLL shall maintain a minimum stock of 10-15 days at the retail outlets for the moving items.
12. The stock transferred through software from depots to the retail pharmacy outlets can be modified by the respective outlet in charge based on the physical verification of the stock received; the change needs to be reflected in the challan copy as well. In case of any discrepancy, the receiving receipt from the respective pharmacy outlets shall be binding on both the parties.

13. HLL should provide proper training to CFA staff for software handling and the cost shall be borne by HLL.
14. Proper development of the software as per the requirement shall be the sole responsibility of HLL and the cost towards the same shall be borne by HLL.
15. A review meeting shall be done after 6 months from the commencement of CFA operations, and if any changes are required, the same shall be incorporated as per agreement.

Roles and Responsibilities of CFA

1. CFA shall operate and maintain the depots as per the terms of the CFA agreement signed between HLL and CFA and comply all the rules and regulations in force.
2. CFA shall setup the depot at their own cost, as per the layout, branding and other material of constructions approved by HLL.
3. The applicant should have one depot of minimum 2500 sq. ft. area each in his custody and the location is to be at Patna. The depots need to have good access by road and have easy facility for loading and unloading of items. The area shall be expanded based on future requirements at both the locations, if required.
4. If the applicant does not possess the depot facility at the time of application, the same needs to be made available at the time of inspection by HLL authorities (within 15 days from the date of intimation from HLL as L1 bidder). Based on the inspection report of the depots, the award of contract shall be issued by HLL to the concerned party. Once the contract is awarded to the party, the depot needs to be made fully functional as per the terms and conditions of EOI with full furnishing and capital accessories within 30 days from the date of award of contract.
5. CFA shall remit a Security deposit of **Rs. 200.00 Lakhs (Rupees Two Hundred Lakhs only)** to HLL's bank account within 7 days from the date of award of Contract.
6. If an existing depot is allocated to CFA, then CFA shall reimburse HLL the entire capital expenditure incurred by HLL in establishing the depot, at the Market value decided by HLL. The available stock at the outlet as on date of takeover by CFA shall be valued at cost of purchase.
7. That CFA shall provide an office room with full furnishing and all required capital accessories measuring a minimum of 200 sq. ft exclusively as HLL's office within the depot. The cost of the same shall be fully borne by CFA.

8. The Depot need to be RCC roofed with good accessibility to storage space, refrigeration facility of minimum 1000 liters capacity with sufficient power back up to maintain items in the temperature range of 2 to 8 Degree Celsius, cold chain arrangements for transporting products requiring climatic control, delivery vehicle and boys to ensure timely delivery of the items to the retail outlets on need basis. The entire setting up of the depot with full furnishing and all required capital accessories shall be at the cost of CFA.
9. CFA shall do the total depot transactions solely through the integrated software provided by HLL.
10. CFA shall be responsible for all operational expenses of the depot such as but not limited to utilities, regulatory expenses, depot employee remunerations, consumables like printer cartridges, paper etc., postage charges etc.
11. The cost of freight for shipping the goods within the entire area of Bihar shall be borne by CFA.
12. CFA shall submit various reports like monthly consolidated statement of stock transfers, receipt of materials, stock of inventory etc. every month to concerned authorities as required by HLL.
13. CFA shall also be the custodian of total assets and inventory at the depot and hence shall be responsible for the upkeep of the same, close monitoring of stocks to avoid expiry of stocks, safe handling of the items, proper racking and storage of the items etc. Items which require cold chain maintenance are to be properly stored at the required temperature.
14. CFA should ensure that, the stock at depots is approximately 21 – 30 days sales requirement and the stock at depot will be visible to the respective outlets through the software.
15. The stock at the depot shall be monitored by CFA on a daily basis and if the stock of any item is found below the minimum stock level (15 days) at any point of time, CFA shall raise indent to sourcing division of HLL for the procurement of the required items to keep minimum stock level at the depot.
16. CFA shall raise the indent to the sourcing division of HLL and coordinate with them for its speedy purchase. If there is a delay from the supplier's end, CFA shall coordinate along with the sourcing division of HLL for its speedy supply.
17. CFA shall consolidate the requirements of all outlets (received through the software) and the combined indent will be given to the sourcing division of HLL.
18. On receipt of the goods at depots, the CFA shall verify the stocks (receiving inspection) as per the purchase order like quantity, MRP, purchase price, shelf life of the product, vendor invoice, batch details, mfg. date etc. Whether physically received matches with the vendor

invoice data and other quality parameters, if any mentioned in the purchase order, goods will be inwards by the depots in the system and entered stock will be visible at the respective pharmacy outlets through software.

19. In case of any discrepancies like quantity mismatch, damages, breakages, pilferages etc. it shall be immediately informed to the consignor and to the HLL's sourcing and operations team by CFA.
20. CFA along with sourcing division of HLL shall arrange for the return of the materials to the vendor in case of any discrepancies like quantity mismatch, damages, breakages, pilferages etc., and coordinate for its replacement at the earliest. The freight cost for the same shall be borne by CFA.
21. CFA shall ensure that, necessary statutory documents / forms, delivery challan, return note etc. are available along with the consignment for any of the return materials. CFA will obtain the acknowledgement of the safe receipt of goods from the vendors and receive credit note from the vendors. The credit notes will be timely forwarded to HLL for proper settlement of the account with the vendors.
22. The CFA shall arrange for proper and timely generation of payment release notes (PRNs) and shall promptly dispatch to HLL's office.
23. The goods shall be moved out of the CFA premises only on the basis of stock transfer requests from the retail outlets or from concerned HLL authorities.
24. On the basis of the stock transfer request by the outlets, the goods shall be shipped directly to institutions/HLL Lifecare Limited offices/outlet as "samples" for the purpose of quality checks or samples.
25. As per the stock transfer request, the CFA shall coordinate ship and ensure safe delivery of goods to the outlet/Institute.
26. The stock transfer shall be done on proper documents mentioning product name, batch details, quantity, MRP etc. in total compliance with the applicable laws in force at that time.
27. CFA shall maintain the safe storage, stacking, labeling, accounting etc. of the inventory at the depot.
28. That CFA shall review the movement of stock keeping units, inventories in hand and procurement lead time on weekly basis and shall take appropriate steps for placing the indents with the sourcing division of HLL.
29. CFA shall arrange proper packaging to protect the materials from direct sunlight, rain, dust etc. and shipping of the goods through goods transporter to various retail outlets/ Institutes in and outside Bihar.

30. That CFA shall ensure that goods are shipped and delivered hassle free, on door delivery basis and timely as per the timeline–

- a. Local Patna - Within 16 hours
- b. Other places of Bihar- Within 48 hours
- c. Outside Bihar - Within 72 hours

Note-The delivery time mentioned above is only for goods available with depots.

31. For any delay in delivery of the items, a penalty @ Rs. 1000/- per day of delayed delivery will be charged at the sole discretion of HLL per each indent / orders received at the depot for which items are already available at depot. If items are not available at depot at the time of receipt of orders / indent by the depots, this penalty will not be applicable.

32. CFA shall ensure that necessary statutory and other documents are accompanied along with the consignment which is applicable for interstate/ intra state.

33. CFA shall install fire extinguishers of suitable specification and shall ensure its timely check and refilling, storage equipment/ accessories such as wooden/plastic pallets and trolley, CCTV cameras with data storage for 3 months, computers, printers, internet connectivity, water dispensers etc.

34. CFA shall enter into **3 years** rental agreement with HLL life care Ltd. for the depot spaces which is further renewable on mutually consent.

35. In case of any dispute, the final decision of HLL will be totally binding on CFA.

Insurance

1. HLL Lifecare Ltd shall take burglary, fire and marine insurance policy for the stocks kept at the depot and those shipped out of the depot.
2. HLL shall arrange for the transit insurance of the materials transferred from depot to different destinations.
3. CFA will arrange for the insurance of the depot building for any kind of damage like fire, earthquake, explosion etc.
4. In case of any insurance claims, CFA has to coordinate with insurance companies and ensure insurance claim procedure as complied with relevant documents and submitted for the speedy redressal of the claim.

Commercial Aspects

1. CFA arrangement will be operated under GST and Drug License Registration of HLL Lifecare Ltd.
2. HLL Lifecare Ltd shall take care of the monthly and annual returns filing.
3. CFA shall coordinate, mobilize the commercial forms like E Way Bill and issue the same to the concerned.
4. CFA shall coordinate with HLL's consultant and share the data in case of any assessment notices and subsequent appeals.

Audits

HLL Lifecare Ltd shall conduct internal audits on a regular basis. The internal audits may be conducted by the HLL representatives or externally appointed auditors of HLL.

Terms and Conditions

The monthly rent of the depot is fixed as **Rs. 15.00 per sq.ft. plus applicable taxes**. HLL Lifecare Ltd shall reimburse the rentals on a monthly basis to CFA. Rental Lease agreement will be entered between the two for a period of 3 years and renewable thereafter on mutually agreed terms and conditions.

Infrastructure

Sl.No.	Infrastructure / Services Borne by the CFA
1	Manpower (Billing Assistant, Packers, loading /uploading etc.)
2.	Computers and other Peripherals (Server PC – 1 No and minimum 3 Client Pcs)
3.	Printer, Scanner and Xerox
4.	Telephone connection
5.	Tables, Chairs, Air conditioning Facilities, Room Heaters etc.
6.	Cold Chain Storing Facility of minimum 1000 L capacity
7.	200 sq.ft. office room with full furnishing for HLL's official use with full office equipment
8.	Expenses like Electricity, water, building Tax
9.	Stationaries for the functioning of Depots
10.	24 x 7 security service for the Depot

11.	Fire Extinguishers
12.	Pallets, storage racks, trays, trolleys etc.
13.	CCTV Cameras, DVDs etc.
14.	Pest Control Treatments

Freight

The cost of Freight for shipping the goods within the entire area of Bihar State shall be borne by CFA and freight cost to other States / UTs shall be borne by HLL at actuals.

Security Deposits

Security Deposit (SD): The CFAs are requested to submit a Security Deposit of Rs.200 Lakhs (Rupees Two Hundred Lakhs only). The SD shall be submitted by way of Demand draft (DD) favoring M/s. HLL Lifecare Ltd. drawn on any scheduled commercial bank and payable at Thiruvananthapuram. The SD shall be valid till 6 months after the validity of the CFA Agreement. The SD shall not carry any interest and would be returned to CFA at the end of the requisite period of the CFA agreement or within 6 months after the termination of the CFA Agreement whichever is earlier. The Security Deposit shall be submitted within 7 days of Award of Contract, prior to the signing of the CFA Agreement.

If any loss has occurred to HLL due to any actions which are attributable to CFA's activities, the same shall be recovered from the Security Deposit.

Commission

The commission will be a fixed percentage of the **actual Net Monthly Sales** of RBD through its pharmacy outlets in Bihar (without tax and duties). This fixed percentage is to be quoted by the interested parties in the price bid of this EoI. Applicable taxes on the commission shall be borne by HLL. HLL Lifecare Limited shall reimburse the commission to CFA on a monthly basis against their claims.

Bidding Details

1. This bid is for finalizing a Carrying and Forwarding Agency (CFA) for RBD operations in Bihar.

2. The validity of this EoI shall be 3 (three) years from the date of opening of price bid. Once the project commences, then the terms of agreement signed between HLL and the successful applicant shall prevail.
3. Applicants would be asked to quote a “**Percentage on Net Sales**” (Sales excluding GST) which they would like to have as “CFA Commission”. This rate percentage shall be their price bid quote. **Party quotes the minimum CFA commission % age will be evaluated as L1 and will win the EoI.**
4. In case, if multiple Applicants emerge as L1 parties (quoting the same L1 rate), and all other EoI conditions remain the same, that means there is a tie, in that case, preference for allotment shall be given to the applicant who offer the minimum CFA commission percentage in the negotiation.
5. The applicants are required to enter into an CFA agreement which is to be signed by HLL and the bidder.
6. **Earnest Money Deposit (EMD):** The applicants are requested to submit an EMD of Rs.10.00 Lakhs (Rupees Ten lakhs only). The EMD shall be submitted by way of Demand draft (DD) favoring M/s. HLL Lifecare Ltd. drawn on any scheduled commercial bank and payable at Thiruvananthapuram. The EMD DD shall be valid for a minimum period of 3 months from the date of submission. EMD shall not carry any interest and would be returned to unsuccessful applicants after finalization of the successful applicants. EMD of successful applicants shall be converted into security deposit payable by the CFA.

If the project does not commence within 3 months of EoI finalization, in order to retain the EoI validity for a period of 3 years, the successful applicants shall either retain the EMD amount with HLL or shall submit a bank Guarantee of **Rs. Ten Lakhs only** in lieu of the EMD submitted and seek refund of the EMD amount.

The EMD may be forfeited, If an applicant,

- a. Withdraws its EoI during the period of EoI validity specified in EoI documents.
- b. In case, the successful applicant fails to furnish the security deposit within 7 days of award of contract / order
- c. If the applicant fails to sign the agreement within 7 days of award of contract / order
- d. If the applicant fails to fully set up and furnish the depots as per HLL’s Standardized layout, branding and the material specifications within 30 days from the date of award of contract.

Eligibility Criteria

1. The Applicant should be a firm having sufficient work experience (**at least 3 years**) in the field of pharmaceutical retail or in pharmaceutical distribution
2. Applicant firms should have a minimum average annual turnover of **Rs.30 (Thirty) Crores** in the past three financial years (2016-17, 2017-18 and 2018-19).
3. The applicant should have one depots of minimum 2500 sq. ft. area each in his custody and the location is to be at Patna. The depots need to have good access by road and need to have easy facility for loading and unloading of the items.
4. If the applicant does not possess the depot facility at the time of application, the same needs to be made available at the time of Inspection by HLL authorities (within 15 days from the date of intimation from HLL as L1 bidder). Based on the inspection report of the depots only, the award of Contract shall be issued by HLL to the party. Once the contract is awarded to the party, the depot is to be made fully functional as per the terms and conditions of this EOI with full furnishing and capital accessories within 30 days from the date of Award of Contract.

Documents to be submitted

The Applicant should submit the following documents in hard copies while submission of this EOI:

1. Complete Profile of the Applicant.
2. Certificate of Incorporation and Associated documents like Article of Association and Memorandum of Association / Partnership Deeds / HUFs etc. as applicable (Self attested copies).
3. Proof to establish work experience (at least 3 years) in the field of pharmaceutical retail or in pharmaceutical distribution (Self Certified documents).
4. Depot Details, if available
5. Financial status of firms: Audited balance sheet and Income statement duly signed by the statutory auditors and the authorized signatories in case of firms/companies to prove that the minimum average annual turnover is Rs. 30 (Thirty) Crores for past three years.
6. Copies of documents submitted must be duly certified and signed with seal.
7. The EOI documents duly signed with seal in all pages by the applicant.
8. EOI Fee as mentioned in the EOI document
9. EMD as mentioned in the EOI document

10. PAN / AADHAR details of the Applicant
11. GST Certificate of the Applicant.
12. If the bidder is a MSME, it shall declare in the bid document the Udyog Aadhar Memorandum Number issued to it under the MSMED Act, 2006. If an MSME bidder do not furnish the UAM Number along with bid documents, such MSME unit will not be eligible for the benefits available under Public Procurement Policy for MSEs Order 2012.”
13. Copy of the Non-Conviction Certificate issued by State Drug Controller of the State of Participation in the Price Bid.
14. Power of Attorney for signatory of EoI Documents and Price Bid in Rs. 200/- stamp paper duly notarized.

Price Bid

Price bid in a separate **sealed envelope** as per price bid format to be submitted. The price bid shall be opened, only if the applicant qualifies as per the EoI documents.

General Instruction to Applicants

1. Amendment of EoI documents

At any time prior to the last date of submission of EoI, HLL may, for any reason, modify the EoI Documents and the amendments will be published in HLL website/CPP portal only.

2 Language of EoI

All correspondence and documents related to the EoI shall be either in English or Hindi. However, in case of a dispute, the interpretation in english will be final and binding.

3. Submission of documents

3.1 Sealing and Marking of EoIs

The applicant shall prepare and seal in **separate packets** the following

- EoI Documents
- Price Bid

The application shall contain the EoI documents and Price Bid in **separate envelopes**, after duly properly marking the envelopes as **EOI Documents** and **Price Bid**. All the above packets shall then be sealed in an outer envelope, duly marking the envelope as **EOI No. HLL/CHO/RBD/CFA – BIHAR/2019-20/01**

The inner and outer envelopes shall be addressed to HLL at the address given below;

Associate Vice President (RBD)
HLL Lifecare Ltd.
HLL Bhavan, Poojappura,
Thiruvananthapuram.
Ph.no: 0471 2354949

The envelope shall bear the contract name, the “Invitation for EoIs title and number”, and the statement **DO NOT OPEN BEFORE**. (Mention the date of opening of the EoI as given in the EoI documents).

The inner envelopes shall also indicate the name and address of the applicant so that the EoI can be returned unopened in case it is declared late.

If the outer envelope is not sealed and marked as required, HLL will assume no responsibility for the EoIs misplacement or premature opening.

4. Deadline for Submission of EoIs

EoIs must be received by HLL at the address specified in the EoI not later than the time and date stated in the EoI. HLL may, at its discretion, extend this deadline for submission of EoIs in which case, all rights and obligations of HLL and Applicant thereafter be subject to the deadline as extended

5. Late Submission of EoIs

Any EoI received by HLL after the EoI submission deadline prescribed by HLL in the EoI document, will be rejected and returned unopened to the Applicant.

6. Modification and Withdrawal of EoIs

EoIs once submitted should not be modified. However, in exceptional cases where modification is inevitable, the following procedure for the same should be adopted.

- a. Modification will be permitted only if a written notice of the same is received by HLL prior to the deadline prescribed for EoI submission.
- b. An Applicant wishing to withdraw its EoI shall notify HLL in writing prior to the deadline prescribed for EoI submission. The withdrawal notice shall:

Be addressed to HLL at the address named in the EoI and bear the EoI Reference No. and the words EOI WITHDRAWAL NOTICE. EoI withdrawal notices received after the EoI submission deadline will be ignored and the submitted EoI will be deemed to be a validly submitted EoI.

No EoI may be withdrawn in the interval between the EoI submission deadline and the expiration of the EoI validity period specified.

In the event of the date specified for Eol receipt and opening being declared as a closed holiday for HLL's office, the due date for submission of Eols and opening of Eols will be the following working day at the appointed times.

HLL, at its discretion, extend this deadline for submission of Eols by amending the Eol documents or any other reasons, in which case all rights and obligations of HLL and applicant previously subject to the deadline will thereafter be subject to the deadline as extended, in HLL's website.

HLL will not be held responsible for the postal delay, if any, in the delivery of the Eol document or the non-receipt of the same. Eols sent by Telex/Fax/Telegraph will not be accepted.

HLL reserves the right to club or split the scope of Eol, change the qualifying criteria at its discretion and to reject the Eol or cancel the Eol without assigning any reason thereof.

7. Price Bid

The Price Bid must be prepared in accordance with the format in the Eol.

8. Fixed prices:

The CFA commission quoted by the applicant shall remain firm and fixed during the Eol validity period and not subject to any variations on any account during this period.

9. Clarifications on Eols

During the Eol evaluation, HLL may, at its discretion, ask the applicant for a clarification of its Eol. The request for clarification and the response shall be in writing, and no change in the price or substance of the Eol shall be sought, offered, or permitted

10. Contacting HLL

- a) From the time of Eol opening to the time of Contract award, if any Applicant wishes to contact HLL on any matter related to the Eol, he shall do so in writing.
- b) If an Applicant tries to influence HLL directly or otherwise, interfere in the Eol evaluation process and the contract award decision, his Eol will be rejected.

11. HLL's Right to Accept or reject any or all Eols

HLL reserves the right to accept or reject any Eol or to annul the bidding process and reject all Eols at any time prior to contract award, without assigning any reason thereof.

12. Opening of Eols by HLL

Eols received before the dead line of the submission of the Eol will be opened on the date and time of opening mentioned in this Eol enquiry.

Applicants wishing to be present at the time of such opening may send their duly authorized representative. Only Technical Eols will be opened on that day.

7. Evaluation of Eols

HLL will scrutinize the Eol documents for compliance to the documentation requirements as per the Eol document. The applicants will be short-listed on the basis of responsiveness of Eol documents. The price bid of the applicants who are disqualified at the evaluation will be returned un-opened. The short listed applicants will be informed about the time, date and venue of the

Price Bid opening.

- a) For opening of price bid, only those applicants qualifying in the EoI Document evaluation will be considered.
- b) HLL will examine the EoIs to determine whether they are complete, whether any computational errors have been made, whether required securities have been furnished, whether the documents have been properly signed, and whether the EoIs are generally in order. HLL will ensure that each EoI is from an eligible Applicant.
- c) Arithmetical errors will be received on the following basis. If there is a discrepancy between words and figures, the amount in words will prevail. If an applicant does not accept the correction of errors, its EoI will be rejected.
- d) HLL may waive any minor nonconformity, or irregularity in the EoI that does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any applicant.

14. Applicable Law

The contract shall be interpreted in accordance with the laws of the Union of India.

15. Notices

Any notice given by one party to the other pursuant to this contract shall be sent to other party in writing or by cable, telex or facsimile and confirmed in writing to the other Party's address.

A notice shall be effective when delivered or on the notice's effective date, whichever is later.

Contract Agreement – Terms and Conditions

1. **Contract agreement:** HLL and the CFA shall sign a contract agreement prior to the starting of depot operations. The same shall detail the terms and conditions, under which the successful applicant shall perform.
2. **Term:** The Period of CFA agreement between HLL and CFA shall be for a period of three years. If the MoU between HLL and the Institute / hospital of Bihar is renewed then, the agreement between HLL and CFA shall be renewed further, on the revised terms and upon satisfactory performance of the CFA at the sole discretion of HLL. Notwithstanding the above, the period of contract agreement between HLL and CFA will be appropriately shortened, if the Institute or Hospital concerned prematurely terminates the project awarded to HLL.
3. **Penalties, Exit & Termination:**
 - a) In the event of violation of the terms and conditions of the agreement, HLL reserves the right to impose a penalty, as deemed fit, on the CFA and CFA shall comply with the same. The penalty for each such violation shall be levied @ 1% of the total net sales (sales excluding GST) recorded by RBD Outlets of Bihar in the month in which the violation was

committed. If there are repeated instance of such violations, then the same shall amount to the termination of the agreement at the discretion of HLL.

- b) HLL shall have the right to exercise exit of this contract agreement at any point of time through a due notice of 3 months, by paying the book value of the initial capital investment made by CFA on the depot, for which the book value calculation methodology shall be as per the relevant accounting standards.
- c) HLL reserves the right to terminate this contract under due notice, in case of any violation of the terms and conditions of the contract by the CFA. In such an event, HLL would take over the possession of the depot and the CFA shall have no claim whatsoever on HLL in this regard.
- d) Termination for Insolvency
HLL may at any time terminate the contract by giving written notice to CFA, if the CFA becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to CFA, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to HLL.

Dispute Resolution

Arbitration:

In case of any dispute or differences arising out of this EoI, then the same shall be settled amicably between the parties. If such dispute or differences does not get resolved within 30 days from the date of commencement of such discussion, then the same shall be referred to a Sole Arbitrator under the provisions of the Arbitration & Conciliation Act, 1996. Venue of such arbitration shall be Patna. Proceedings of the Arbitration shall be in English and the Award of the Sole Arbitrator shall be final and binding upon the Parties.

Jurisdiction

Subject to the Arbitration clause mentioned herein above any dispute arising out of this EoI shall fall under the exclusive jurisdiction of the Courts at Patna.

Force Majeure

If, at any time, during the continuance of this contract agreement, the performance in whole or in part by either party of any obligation under this contract agreement is prevented or delayed by reasons of any war or hostility, acts of the public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes, lockouts or act of God (hereinafter referred to as events) or other reason or cause reasonably beyond either party's control (each a "Force

Majeure”), provided notice of happenings of any such eventuality is given by either party to the other within 7 days from the date of occurrence thereof, neither party shall by reason of such event be entitled to terminate this contract agreement nor shall either party have any claim for damages against other in respect of such non-performance or delay in performance, and deliveries under the contract agreement shall be resumed as soon as practicable after such an event come to an end or cease to exist, and the decision of HLL as to whether the deliveries have been so resumed or not shall be final and conclusive. Further that if the performance in whole or part of any obligation under this contract agreement is prevented or delayed by reasons of any such event for a period exceeding 30 days, either party may, at its option, terminate the contract agreement.

Provided, also that if the contract agreement is terminated under this clause, HLL shall be at liberty to take over from CFA at a price to be fixed by HLL, which shall be final. HLL shall take over all unused, undamaged and acceptable materials, bought out components and stores in course of manufacture which may be in possession of CFA at the time of such termination or such portion thereof as HLL may deem fit, except such materials, bought out components and stores as CFA may with the concurrence of the HLL elect to retain.

Indemnity

CFA shall indemnify, defend and hold harmless HLL, its affiliates, officers, directors, employees, agents, and their respective successors and assigns, from and against any and all loss, damage, claim, injury, cost or expenses (including without limitation reasonable attorney's fees), incurred in connection with third Party claims of any kind that arise out of or are attributable to (i) Applicants breach of any of its warranties, representations, covenants or obligations set forth herein or (ii) the negligent act or omission of the applicants.(iii) any product liability claim arising from the gross negligence or bad faith of, or intentional misconduct or intentional breach of this contract by applicant or its affiliate.

Table 1 : Check List of Technical Documents to be submitted

SL. NO	NAME OF THE DOCUMENT	Attached (Yes / No)
1	Complete Profile of the Applicant.	

2	Certificate of Incorporation and Associated documents like Article of Association and Memorandum of Association / Partnership Deeds / HUFs etc. as applicable (Self attested copies).	
3	Proof to establish work experience (at least 3 years) in the field of pharmaceutical retail or in pharmaceutical distribution (Self Certified documents).	
4	Depot Details, if available	
5	Financial status of firms: Audited balance sheet and Income statement duly signed by the statutory auditors and the authorized signatories in case of firms/companies to prove that the minimum average annual turnover is Rs. 30 (Thirty crores) for past three years.	
6	Copies of documents submitted must be duly certified and signed with seal.	
7	The EoI documents duly signed with seal in all pages by the Applicant.	
8	EoI Fee as mentioned in the EoI document	
9	EMD as mentioned in the EoI document	
10	PAN / AADHAR details of the Applicant	
11	GST Certificate of the Applicant.	
12	If the bidder is a MSME, it shall declare in the bid document the Udyog Aadhar Memorandum Number issued to it under the MSMED Act, 2006. If an MSME bidder do not furnish the UAM Number along with bid documents, such MSME unit will not be eligible for the benefits available under Public Procurement Policy for MSEs Order 2012.”	
13	Copy of the Non-conviction Certificate issued by State Drug Controller of the State of Participation in the Price Bid.	
14	Power of Attorney for signatory of EoI Documents and Price Bid in Rs. 200/- stamp paper duly notarized.	

Application Form

SI No.	Particulars	Details
1	Name of the Applicant	
2	Address	
3	Telephone No	
4	Fax	
5	PAN No, Aadhar No, CIN No (In case of company) details of the Associate	
6	Email	
7	Date of establishment of Applicant / Promoter Group	
8	Core area of expertise of the Applicant / Investor	
9	Name of Contact person:	
10	Designation	
11	Telephone No.	
12	Email	

Price Bid Format

State / UT :Bihar

This is to certify that the undersigned had read and understood the Terms and conditions of this Expression of Interest. The undersigned also agrees to abide by the terms and conditions as aforesaid.

It is also agreed that the undersigned is eligible only for CFA Commission as quoted hereunder and no other charges/payments shall be receivable from HLL

CFA Commission as percentage of Net Sales of RBD Outlets of Bihar.	
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Applicable taxes on CFA commission shall be paid extra by HLL.

(Signatures of Authorized signatory)

Seal

Name.....

Designation.....

NB:

- 1) The lowest percentage of Net Sales of RBD Outlets of Bihar quoted by the Applicant's shall be the **L1 quote** of this Eol.
- 2) This Price Bid shall be submitted in a **sealed envelope** superscribed "**Price Bid - EOI NO: HLL/CHO/RBD/CFA – BIHAR/2019-20/01 dated 01-11-2019**