



Invites

Application from Individuals / Entrepreneurs / Pharmacists / Registered Medical Practitioners and other interested parties who are willing to set up AMRIT Deendayal Medicals across India on franchise mode.

REF. NO: HLL/CHO/RBD/FRANCHISE/2018-19/01

HLL LIFECARE LIMITED
Corporate and Regd. Office
HLL Bhavan, Poojappura,
Thiruvananthapuram-695 012
Kerala, India.
Ph. 0471-2354949, 2355426
Website – www.lifecarehll.com

Corporate Identity Number: U25193KL1966GOI002621

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Important information

| | |
|---|--|
| Advertisement of Inviting Application | 18/02/2019 10.00 Hrs |
| Start of Submission of Application | 18/02/2019 10.00 Hrs |
| Last date for submission of application | 21/03/2019 17.00 Hrs |
| Validity of the Application | 12 months from the last date of application submission |
| Scrutiny and selection of applicants, Issue of Letter of Intent, Execution of Franchise Agreement and Commencement of Operation of Franchise stores | Will be notified separately |
| Address for Application Submission | Senior Manager (Sourcing Division) HLL Lifecare Ltd. Corporate Office, HLL Bhavan, Poojappura, Thiruvananthapuram, Kerala, Pin- 695 012 Land Line : 0471 2354949, 2355426 |
| Address for Communication | Same as above (Between 10.00 am to 5.30 pm on all working days) Email : amritfranchisee@lifecarehll.com |
| Application Fee (Non-refundable) | Rs.5000/- (Rupees Five Thousand only) per outlet. |

NOTE :

Applications can be downloaded from our website www.lifecarehll.com. Application Fee (Non-refundable) is **Rs. 5000/- (Rupees Five Thousand only) per outlet** in the form of Demand Draft drawn in favour of HLL Lifecare Limited, payable at Thiruvananthapuram drawn from any nationalized bank/scheduled bank and shall be attached along with the Application.

Senior Manager (Sourcing Division)

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Background

HLL Lifecare Limited (HLL) is a Public Sector Enterprise, 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)**. **AMRIT Pharmacy** is a brand of pharmacy retail chain of RBD providing quality medicines, surgical, consumables and implants to the common man at affordable prices. The first AMRIT Pharmacy was inaugurated by Honorable Union Minister of Health and Family Welfare, Shri J.P. Nadda at AIIMS, New Delhi campus on November 2015. Currently, the AMRIT pharmacy retail chain operated in a **company-owned company-operated (COCO)** model has **149 outlets** spread across **23 States** in India. AMRIT Pharmacies are currently dispensing around **5200 SKUs** as per the outlet's requirement and is expanding its product basket on a continuous basis.

Objective

The Retail Business Division (RBD) of HLL is on an expansion mode to achieve pan India coverage through engagement with suitable franchisee partners who are willing to associate with the noble idea of AMRIT Pharmacy **as a retail chain of Franchisee Pharmacy Outlets** under the brand name **AMRIT DEENDAYAL MEDICALS**.

RBD invites Application from experienced and competent parties / entrepreneurs willing to setup **AMRIT DEENDAYAL MEDICALS** on a Franchisee model across India. As explained "AMRIT DEENDAYAL MEDICALS" is HLL's brand of retail pharmacy chains wanting to operate on Franchisee mode that provides branded drugs, branded generics, generic drugs, Surgicals, Consumables and implants at highly affordable rates.

HLL Lifecare Ltd will be the '**franchisor**' and the successful applicant executing the franchise agreement shall be known as the '**franchisee**'.

The Franchise Business Model

The Franchisor and Franchisee shall enter into a Franchise Agreement detailing the terms and conditions of the franchisee. The franchisee shall setup the Pharmacy as per the standardized

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design and would operate the same as per the SOP provided by the Franchisor. The franchisor would supply the drugs, surgical and consumables as required for the pharmacy and the franchisee would sell the same and earn his revenue. The franchisee is expected to earn a margin of **5% to 25 %** on the purchase cost of stocks by the franchisee on different items being sold through pharmacy.

Why Franchise a Retail Pharmacy ?

In today's scenario, independent pharmacists face a lot of competition from organised chain of pharmacies, the strong online market segment and changing nature of the community pharmacy where the margins are being squeezed. Being part of a franchise can help pharmacies benefit from increased buying power, improved marketing and administration support. The key benefit of belonging to the franchise is the discipline that comes with it. Branded stores are of a far higher professional standard than non-branded independent pharmacies. Other benefits for a franchisee are:

- Can carry the pride of success in own locality with a reputable profession and assured income
- Assured of the best training, knowledge, and support for running a large pharmacy because of our strong operations expertise and sourcing, technology and execution capabilities
- Gets to run a highly recognized brand pharmacy with a large mix of medical and general products at a very reasonable investment
- Able to generate a volume of business which is higher than competition and enjoy higher customer retention and repeat purchases due to brand pull.

Who can start AMRIT franchise ?

Any person willing to manage the pharmacy operations and having a minimum educational qualification of higher secondary or above and with suitable investment capacity can venture into pharmacy retailing. Further;

- The applicant / trust / society / hospital / Clinic should be a resident / registered / situated **in the State in which the franchisee outlet is applied for.**
- Franchisee Applicant should be solvent and should not have any criminal case registered against him / them.

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Benefits of an AMRIT Franchise

- Be part of a noble venture offering affordable medicines to the common man
- Sourcing of all medicines and products by franchisor
- IT systems and technology support
- Proper inventory planning mechanism
- Help with layout planning, branding materials and furniture and systems required
- Training for the franchisee and its staff
- Offers better trade margins

Role & Responsibilities of the Franchisee

1. The Franchisee shall enter into a Franchise Agreement with the Franchisor as prescribed by the Franchisor detailing the terms and conditions of the franchise.
2. Franchisee should possess built up space either own/hired of minimum of **200 sq. ft.** to setup the outlet and would invest in Capex and Opex as per the standard operating Practices of AMRIT Deendayal Medicals.
3. Franchisee has to invest and set up the pharmacy as per the brand specifications and standards provided by the Franchisor and operate the pharmacy.
4. Franchisee has to obtain the necessary statutory approvals/drug license/GST registrations etc. in the name of “AMRIT Deendayal Medicals” as required for operating the store and shall be responsible for all the regulatory compliances in this regard during the tenure of the franchise.
5. Franchisee will enter into a Franchising agreement with the Franchisor before commencing operations of AMRIT franchise and shall abide by the terms and conditions of the Franchising agreement. In case of any dispute as to interpretation of any clause of the agreement, the decision of the Franchisor will be final.
6. The franchisee shall employ qualified pharmacists for the operations of the pharmacy as mentioned in Clause No. 20 of “Terms and Conditions”.
7. The Franchise stores will not be permitted to sell any item other than those mandated and supplied by the franchisor. However, franchisor may allow franchisees to sell OTC products at the sole discretion of the Franchisor. For this, the Franchisee has to obtain written consent from the franchisor.
8. Franchisee will deposit with the franchisor an **Amount in cash equivalent to one month’s stock** requirement of the franchisee store or as determined by the franchisor, against which the **franchisor shall provide stocks of equivalent value.**

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9. Franchisee has to ensure adequate inventory of stocks to avoid any stock out situations by placing indent for stocks **minimum 15 days in advance** with the franchisor.
10. If any discrepancy is observed by the franchisee at the time of receipt of the material from HLL, the same shall be intimated to HLL in writing within 2 working days.
11. The franchisee has to ensure that all items are to be sold to the patients on valid prescriptions from a Registered Medical Practitioner as per the pricing policy as decided by the Franchisor and in compliance with existing Drugs and Cosmetics Acts and Rules applicable in this regard from time to time.
12. Franchisees will be allowed, only Retail Sales through AMRIT Deendayal Medicals. In any case, franchisees shall not be permitted for any whole sale / bulk sales of any items to any Individual, Institute, Society, Hospital, Corporate etc. If any such incident is noticed by the franchisor, the same may lead to the cancellation of the franchisee agreement and the Franchisee has to indemnify HLL as decided by the Franchisor.
13. Franchisee shall do all the billings only through the Authorized Software installed by the Franchisor.
14. Franchisee shall be responsible for the close monitoring of stocks to avoid expiry of Stocks. Franchisee shall inform and return the goods to HLL such stocks, which are non-moving or which are due to expire in the next 90 days. The credit for the return of the materials shall be passed to the franchisee, based on the credit note received by HLL, for the same goods from its original suppliers. However, in no case expired goods, cut strips, items in non-saleable condition etc. shall be accepted by HLL. If cold chain items are stored and returned to HLL without maintaining proper temperature control, the same shall not be accepted by HLL. In case of any dispute, the final decision of HLL will be totally binding on the franchisee.
15. The Franchisee will have to ensure insurance coverage for the assets of the store (including inventory of medicines and cash in hand) against loss/damage on account of fire, theft, embezzlement or any other inherent peril.
16. The Franchisee will, for the purpose of audit & inspection allow access to the Franchisor 's authorized personnel at all time in franchisee premises
17. It shall be the responsibility of Franchisee to incur all operating expenditure during the tenure of the franchise. This will include cost of all signboards / stationery / hardware / equipment / electricity expense / expenditure on manpower / all incidental expenses required for smooth operations of stores.
18. The Franchisee will have to abide by all applicable rules and regulations, all directions issued time to time by the Franchisor, towards the operations of this, and, in case of any dispute as to interpretation of any clause; the decision of the Franchisor will be final.

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Support offered by the Franchisor to the Franchisee

1. Franchisor shall provide the detailed standardized layout and branding design for setting up the Pharmacy with which the franchisee shall setup the Pharmacy.
2. Franchisor will ensure procurement and distribution of medicines to the outlets. The franchisee will be initially provided **with a stock of items worth the amount of initial cash deposited for the stock by the franchisor.**
3. The integrated Pharmacy software for the operations of the franchise will be provided by the franchisor, the cost of which (Rs. 25,000/- per license or as applicable at that time) shall be borne by the franchisee.
4. The Standard Operating Protocol (SOP) of the Pharmacy which has to be adhered for pharmacy operations shall be provided by the franchisor.
5. The pricing policy of the franchisor supplied items shall be determined by the franchisor from time to time and will be monitored and controlled by the franchisor through the software.

Evaluation Criteria of the Applicants

| Sl. No | Criteria | Marks |
|--------|--|---|
| 1 | Qualification (Applicable for individual applicants only) | a) Higher Secondary : 3 Marks b) Graduate : 5 Marks c) D. Pharm / B. Pharm/ M. Pharm : 7 Marks d) D. Pharm / B. Pharm / M. Pharm with free local Pharmacy Council Registration : 10 Marks (If an individual applies for more than one outlet, Marks for Qualification will be awarded for only one outlet of his choice) |
| 2 | Prior Experience in running Pharmacy stores | a) Less than 1 year : 3 Marks b) Between 1 to 3 years : 5 Marks c) More than 3 to 5 years : 7 Marks d) Above 5 years : 10 Marks |
| 3 | Location of outlet: | a) Commercial : 3 Marks b) Residential : 5 Marks c) Inside/Near Hospital / Clinic : 10 Marks |

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| | | | |
|--------------------|--|--|--|
| 4 | Nature of the retail outlet premises | a) Rented space : 5 Marks b) Own space : 10 Marks | |
| 5 | Space allocated for the franchisee outlet (Min area required is 200 sq.ft) | a) 200 sq. ft. : 2 marks b) 201 to 250 sq. ft. : 4 marks c) 251 to 350 sq. ft. : 6 marks d) 351 to 500 sq. ft. & above : 8 marks e) Above 500 sq. ft. : 10 marks | |
| 6 | Type of ownership of franchise outlet | a) Individual : 3 marks b) Proprietorship / partnership / Registered firms : 5 marks c) NGO/Charitable Trust/ Societies : 7 marks d) Hospital / Clinic : 10 marks | |
| Total score | | | |

NB: 1. Maximum Score : **60 Marks**

2. Minimum Score Required for Qualification: **25 Marks**

3. The weightage for Location of outlet of “Near to a Hospital / Clinic” will be awarded 10 marks only if the travelling distance to the nearby Hospital / Clinic from the location of the proposed outlet is **less than 300 meters**

4. The weightage of Qualification for “D. Pharm / B. Pharm / M. Pharm with free local Pharmacy Council Registration” will be awarded to the Applicant, only if the Local Pharmacy Council Registration is free and not engaged with any other pharmacy at the time of submission and during evaluation of the application. Furthermore, the Certificate shall be used by the applicant only for the assigned AMRIT DEENDAYAL MEDICALS Outlet.

5. If an individual applicant applies for more than one outlet, Marks for Qualification will be awarded for only one outlet of his choice. Applicant needs to provide the information about the qualification in the application of that outlet only.

Terms and Conditions

1. FRANCHISE FEES:

The selected franchisees have to deposit a one-time non-returnable Franchisee Fees as detailed below **for each franchisee outlet by remitting** in HLL’s Bank account or in the form of DD drawn in favor of HLL. For this purpose, HLL’s bank account details shall be shared to the qualified franchisees. The franchise fee is to be paid before signing the franchisee agreement.

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| Franchisee Fees (Rs. In Lakhs) | Metros / Corporations | District Head Quarters | Taluks |
|-----------------------------------|--------------------------|---------------------------|--------|
| | | 3.00 | 1.50 |

2. **Security Deposit (SD):** The selected Franchisee shall submit Security Deposit [SD] of Rs.1,00,000/- (Rupees One lakh only) for each Franchisee outlet towards Guaranteeing performance of the terms and conditions of the Franchise Agreement. 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 or by direct remittance to HLL's designated bank account. The SD shall be valid till 6 months after the validity of the Agreement. The SD shall not carry any interest and would be returned to Franchisee after the end of the requisite period of the agreement. The SD shall be submitted within 7 days of Award of Contract / Order. The SD shall not be considered for supply / replenishment of the materials to Franchisee.
3. Interested parties can apply for more than one franchisee in the state in which the applicant is resident / registered / situated.
4. The selected Franchisee shall set up and operationalize the Franchise Retail Outlet within 90 days from the date of signing Franchise Agreement with HLL. However, HLL will have discretion to extend this initial time limit of 90 days up to a maximum of 30 days if specifically requested by the Franchisee. In the event of the Franchisee failing to set up and operationalize the Franchise Retail Outlet within in the initial time limit or the extended time limit, the following consequences will apply.
 - i) HLL will forfeit the Security Deposit provided and Franchisee Fees paid by the Franchisee as stipulated in the Notification inviting Application.
 - ii) HLL will be entitled to allot the Franchise Rights to a third party at the risk and cost of the defaulted Franchisee.
 - iii) The Franchise Agreement signed by the Franchisee with HLL will get cancelled automatically.
5. HLL reserves the right to inspect the premises and its relevant documents with prior intimation to the applicant.
6. If there are multiple applicants for the same locality, then the applicant with highest score in the evaluation will be ranked as H1 and the parties are ranked as H2, H3 etc.

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based on the marks scored in the evaluation, provided they meet all other eligible conditions of this Application.

7. HLL prefers to have single franchisee outlet in a locality. In the case of multiple applicants for the same locality, preference will be given to H1 for the allocation of the first outlet. However, HLL may allocate franchisees at its sole discretion to H2, H3 etc. provided the minimum travelling distance between the two AMRIT Deendayal Medicals is approximately **500 meters** and if there is sufficient business potential at the said locality to have multiple outlets
8. All operations AMRIT Deendayal Medicals will be conducted as per terms and conditions of the Franchise agreement between the franchisor and franchisee
9. The franchisee should use the premises solely for the purpose of AMRIT Deendayal Medicals and for no other purposes, and shall not part with the premises, sub-let the premises to anyone directly or indirectly.

10. INITIAL DEPOSIT FOR THE STOCK:

An initial deposit of **Rs 10.00 lakhs** for stores located in Metros / Municipal Corporations, **Rs 7.50 lakhs** for stores located in Districts Head Quarter Towns (which are not Corporations) and **Rs 5.00 lakhs** for stores located in Taluks (except Metros, Corporation areas and District Head Quarters), has to be deposited into HLL's bank account before entering into agreement by the Applicants who have been selected for allotment of franchisee. This will be used for the initial supply of medicines by the Franchisor after signing the agreement.

11. The Franchising agreement will be valid for a period of 3 years. The Franchisor reserves the right to amend the agreement anytime, including the contract period at its sole discretion.
12. The franchisor reserves the right to extend the agreement period on year to year basis based on satisfactory performance of the franchisee and on such terms and conditions which are mutually consented between the franchisor and franchisee
13. If the franchisee breaches any or all conditions of the agreement, the franchisor will have the right to terminate the agreement at any time, by giving written notice.

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14. If the franchisee becomes bankrupt or insolvent or indulged in any criminal activity, in that event, HLL shall terminate the Contract by giving written notice to the Franchisee, such termination shall be without any compensation to the Franchisee.
15. The franchisee can also terminate the agreement by giving written notice to franchisor with a notice period of 30 days. The terms and conditions of the settlement will be as per the Franchisee agreement.
16. The investment and ownership of the franchisee outlet shall solely be with the franchisee
17. The management & Operations of the outlet is franchisee's responsibility
18. The stocks at the outlet are owned by the franchisee
19. The franchisor will supply items to the franchisee to the extent of their deposit. Once the franchisor supplied the items, the Deposit will correspondingly reduce to the extent of the bill value of supplies to the Franchisee. Time to time, the franchisee has to replenish the Deposit for the uninterrupted supplies by the Franchisor for the required items.
20. The selling price of the supplies done by the franchisor would be regulated the franchisor through the software.
21. Prior to the signing of the agreement, the applicant has to submit all relevant documents and free pharmacy council registration certificate of the **qualified Pharmacists employed for that outlet**, for HLL's verification and approval. The registration certificate assigned for one outlet shall not be used for other outlets.
22. No. of Qualified Pharmacists required per outlet is decided as follows

| No. of hours of operation per day | No. of competent persons |
|-----------------------------------|--------------------------|
| 8 hours | 1 |
| < 8 to 16 hours | 3 |
| 24 x 7 operations | 4 |

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Documents to be submitted

The Applicant should submit the following documents in hard copies along with the application:

1. Application fee (Non- Refundable) of **Rs. 5000/- for each outlet applied.**
2. The application form duly signed in all pages by the applicant.
3. In case the applicant is a Hospital / Clinic - Self attested copies of the ownership documents and self declaration by the applicant on number of beds in the hospital in the application form
4. In case the applicant is a NGO / Charitable Trust / Societies - certified copy of Registration deeds with objects of constitution.
5. In case the applicant is a Proprietorship / Partnership / Registered Firms - certified copy of Registration deeds with objects of constitution.
6. Certified copies of documents submitted, as above, must be Signed and carry the seal of authorised signatory.
7. Certified copies of the Educational Qualification of the Applicant.
8. Certified copy of the Local Pharmacy Council Registration Certificate of the Applicant, if available. If the applicant is an individual and if he/she has free Local Pharmacy Council Registration Certificate, a self – declaration in a non-judicial stamp paper of Rs. 100/- stating that, “the local pharmacy council Registration Certificate is free and not engaged with any other pharmacy” is to be attached along with the application.
9. Experience Certificate of the applicant in running pharmacy stores. Valid documentary evidence is to be submitted as a proof.
10. Self Declaration in a non-judicial stamp paper of Rs. 100/- declaring that the location of the outlet is (a) Commercial or (b) Residential or (c) Inside / Near Hospital or Clinic. In case of option (c), please provide the complete details of the Hospital and the distance of the Hospital from the proposed outlet location.
11. Audited balance sheet and Income statement for the previous year (For firms).
12. Self-certified copy of PAN Card / AADHAR Card / GST registration (if available) of the applicant.
13. Photographs of the location and the location map must be submitted along with the application to assess the proposed site.
14. Lease agreement / ownership records to be submitted for the proposed location of the outlet with full details of the space proposed.
15. For MSMEs “The applicant shall declare in the application the Udyog Aadhar Memorandum Number issued to it under the MSMED Act, 2006. If an MSME Applicant do not furnish the UAM Number along with the application, such MSME Units will not be

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eligible for the benefits available under public procurement policy for MSMEs Order 2012.”

16. For Applicants other than Individuals, Hospitals / Clinics :

- (1) Provide the details of any Govt. Health Scheme handled in the near past, if any.
- (2) Provide details of Managed / Managing any own Health Centre, if any

General Instruction to Applicants

1. Amendment of Application Form & Terms and Conditions

HLL's at its sole discretion, may at any time prior to the deadline for submission of application, for any reason, modify the Application Form and its Terms and Conditions and the amendments will be published in HLL website only.

2 Language of Application

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

3. Sealing and Marking of Application

3.1 The applicant shall prepare the application and seal the same in an envelope. Duly mark the envelope as **APPLICATION FOR FRANCHISING OF AMRIT DEENDAYAL MEDICALS AS PER REF. NO. HLL/CHO/RBD/FRANCHISE/2018-19/01**

3.2 The envelope shall be addressed to HLL at the address given below;

Senior Manager (Sourcing Division)
HLL Lifecare Ltd.
HLL Bhavan, Poojappura,
Thiruvananthapuram.
Ph.no: 0471 2354949, 2355426
amritfranchisee@lifecarehll.com

3.3 Bear the title and number of the application, and the statement **DO NOT OPEN BEFORE**. (Mention the last date of submission of the application as given in the application document).

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

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4. Deadline for Submission of Application

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

5. Late Application

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

6. Modification and Withdrawal of Application

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

Modification will be permitted only if a written notice of the same is received by HLL prior to the deadline prescribed for application submission.

An applicant wishing to withdraw its application shall notify HLL in writing prior to the deadline prescribed for application submission. The withdrawal notice shall:

Be addressed to HLL at the address mentioned in this application form and bear the Contract name, and the words APPLICATION WITHDRAWAL NOTICE.

Application withdrawal notices received after the submission deadline will be ignored and the submitted application will be deemed to be a validly submitted application.

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

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

8. HLL may, at its discretion, extend this deadline for submission of application by amending the Application 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 website.

9. HLL will not be held responsible for the postal delay, if any, in the delivery of the application

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document or the non-receipt of the same. Applications sent by Telex/Fax/Telegraph will not be accepted.

10. HLL reserves the right to change the qualifying criteria at its discretion and to reject the Application or cancel the Application without assigning any reason thereof.

11. Clarifications on Application

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

12. Contacting HLL

- a) From the time of last date of submission of application to the time of Agreement, if any Applicant wishes to contact HLL on any matter related to the application, he shall do so in writing.
- b) The Applicant shall not offer, directly or indirectly (i.e. employees, agents, consultants, advisors, etc.) any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of HLL, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.
- c) If an Applicant tries to influence HLL directly or otherwise, interfere in the application evaluation process and the Contract award decision, his application will be rejected.

13. HLL's Right to Accept or reject any or all Applications

HLL reserves the right to accept or reject any application or to annul the Application Invitation process and reject all applications at any time prior to Agreement, without assigning any reason thereof

14. Evaluation of Application

- a) HLL will examine the application to determine whether they are complete, whether any errors have been made, whether required Application Fee in the form of DD is attached, whether the required documents have been furnished, whether the documents have been properly signed, and whether the applications are generally in order. HLL will ensure that each application is from an eligible Applicant.
- b) 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 application will be rejected.
- c) HLL may waive any minor nonconformity, or irregularity in an application that does not

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constitute a material deviation, provided such waiver does not prejudice or affect the Qualification of any Applicant.

d) HLL will scrutinize the application for compliance and evaluate the application form. Assign marks for each criteria. Minimum Marks for Qualification is 30 out of 60.

e) Scoring of marks above the Minimum Qualification Mark does not confirm any rights to the Applicant that the the Franchisee will be allotted to him/her. HLL reserves the sole right for assigning the Franchisee to the Application

15. Notification of Award

After completion of evaluation of application, HLL will notify the successful Applicant. The notification of award together with Franchisee Agreement will constitute the formation of the Contract.

16. Use of Documents and Information

16.1 The Applicant shall not, without HLL's prior written consent, disclose the Agreement, or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of HLL in connection therewith, to any person other than a person employed by the Applicant in performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

16.2 The Applicant shall not, without HLL's prior written consent, make use of any document or information except for purposes of performing the Contract.

16.3 Any document, other than the Contract itself shall remain the property of HLL and shall be returned (in all copies) to HLL on completion of the Applicant's performance under the Contract, if so required by HLL.

17. Intellectual Property Rights

The Applicant shall indemnify HLL against Loss, Damage suffered by HLL due to the use of HLL's intellectual property rights underlying trademarks, designs, copy rights for any purpose not specifically permitted by the agreement signed by the parties as Franchisee and Franchisor.

18. Assignment

The Applicant shall not assign, in whole or in part, its obligations to perform under the contract, except with HLL's prior written consent.

19. Applicable Law

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

20. Notice

20.1 Any notice given by one party to the other pursuant to this Contract shall be sent to

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other party in writing or by cable, telex or facsimile and confirmed in writing to the other Party's address.

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

21. Indemnity

The Applicant 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) Applicant's breach of any of its warranties, representations, covenants or obligations set forth herein or (ii) the negligent act or omission of the Applicant (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.

22. No Competition

During the period of Franchise, the franchisee will not engage in business that will directly or indirectly compete with the franchisee rights granted by HLL in the same District.

Force Majeure

If, at any time, during the continuance of the Franchise agreement, the performance in whole or in part by either party of any obligation under the Franchise 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 the franchise 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 Franchise agreement.

Dispute Resolution:

Arbitration:

In case of any dispute or differences arising out of this Application, then the same shall be settled amicably between the parties. If such dispute or differences does not get resolved

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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 Thiruvananthapuram. 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 Thiruvananthapuram.

APPLICATION FORM

| | | |
|----|---|-----------------------------------|
| 1. | Name of the Applicant (IN BLOCK LETTERS) | |
| 2. | Permanent Address of the Applicant | State : Pin Code : |
| 3. | Age & Date of Birth of the Applicant (for Individual as Applicant) | |
| 4. | Whether the Applicant is a Resident / Registered / Situated at the proposed location of the Franchisee outlet ? | Yes / No |
| 5. | Name of the Contact Person | |
| 6. | Contact Details | Land Line : Mobile No, if any: |

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| | | |
|----|--|---------|
| | | Email : |
| 7. | AADHAR Card No. of the Applicant (if applicable) | |
| 8. | PAN Card No. of the Applicant | |
| 9. | GST No. of the Applicant (If applicable and available) | |

10. TYPE OF OWNERSHIP OF THE PROPOSED FRANCHISEE

| | | |
|------|---|------------|
| 10.1 | Individual | (Yes / No) |
| 10.2 | Proprietorship / Partnership / Registered Firms | (Yes / No) |
| 10.3 | NGO / Charitable Trust / Registered Firms | (Yes / No) |
| 10.4 | Hospital / Clinic | (Yes / No) |

11. DETAILS OF PRIOR EXPERIENCE OF THE APPLICANT IN RUNNING PHARMACY STORES

(Please provide the period of Experience and other details as an attachment to this Application)

| Sl. No | Duration of Experience | (Tick the column as applicable) |
|--------|------------------------|---------------------------------|
| 11.1 | Less Than One Year | |
| 11.2 | Between 1 to 3 Years | |
| 11.3 | Between 3 to 5 Years | |
| 11.4 | Above 5 Years | |

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12. EDUCATIONAL QUALIFICATION OF THE APPLICANT

| Sl. No | Educational Qualification | (Tick the column / Fill up the Details as applicable) |
|--------|---|--|
| 12.1 | Plus 2 | |
| 12.2 | Graduate | |
| 12.3 | D. Pharm / B. Pharm / M. Pharm | |
| 12.4 | D. Pharm / B. Pharm / M. Pharm with free local Pharmacy Council Registration | |
| 12.5 | Year of Passing of your D. Pharm / D. Pharm / M. Pharm course | D. Pharm : B. Pharm : M. Pharm : |
| 12.6 | Local Pharmacy Council Registration No., if available | |
| 12.7 | Details of other Educational Qualification, if any. | |

If an individual applicant applies for more than one outlet, Marks of Qualification shall be given only for one outlet which he/she provides the information in this sheet. i.e., he/she needs to enter data for only one outlet of his/her choice.

13. DETAILS OF THE PROPOSED PHARMACY LOCATION:

| Sl. No. | Details |
|---------|--------------------|
| 13.1 | Location Address : |

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| | | |
|------|--|-------------|
| | State : | |
| | Pin Code : | |
| 13.2 | Whether the location is belonging to | |
| A | Metros / Corporations | (Yes / No) |
| B | District Head Quarters | (Yes / No) |
| C | Taluks | (Yes / No) |
| 13.3 | Whether the proposed location of the outlet is | |
| A | Commercial area | (Yes / No) |
| B | Residential Area | (Yes / No) |
| C | Inside / Near to a Hospital or a Clinic | (Yes / No) |
| 13.4 | Whether the proposed location of the outlet is | |
| A | Rented Space | (Yes / No) |
| B | Own Space | (Yes / No) |
| 13.5 | Area allocated to the proposed outlet as per the deed (please mention the carpet area in sq. ft) | |
| | Carpet area (in Figures) |sq. ft |
| | Carpet area (in Words) |sq. ft |
| 13.6 | Whether there are any Private Hospitals / Clinics / Practicing Doctors in the Vicinity | (Yes / No) |
| 13.7 | Approximate Distance (in meters) of the Nearby Hospital / Clinic from the proposed location of the pharmacy) |meters |
| 13.8 | Whether the location is easily accessible to General Public | (Yes/No) |

14. FOR HOSPITAL / CLINIC AS APPLICANT

| | | |
|------|--|--|
| 14.1 | No. of OPDs | |
| 14.2 | No. of Beds in the Hospital, if applicable | |
| 14.3 | Average Occupancy of the Bed (%age), if | |

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| | | |
|------|--|--|
| | applicable | |
| 14.4 | Turnover for FY 2017-18 (Rs. In Lakhs) | |
| | In Figures | |
| | In Words | |

15. FOR APPLICANTS OTHER THAN HOSPITALS / CLINICS / INDIVIDUALS

| | | |
|------|---|------------|
| 15.1 | Year of Registration | |
| 15.2 | Revenue of the FY 2017-18 (Rs. In Lakhs) | |
| | In Figures | |
| | In Words | |
| 15.3 | Whether handled any Govt. Health Scheme in the near past ? (If Yes, please provide the details as an attachment of this application) | (Yes / No) |
| 15.4 | Whether managed / Managing any own Health Centre ? (If Yes, please provide the details as an attachment of this application) | (Yes/No) |

| | | |
|-----|---|--|
| 16. | For MSMEs, Udyog Aadhar Memorandum Number issued to it under the MSMED Act, 2006. (Attach copy of the document) | |
|-----|---|--|

The details provided above are true and correct and necessary documentation in respect of the same is enclosed herewith.

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I/We have read carefully and understood the terms and conditions of this Application and hereby agrees to abide by the terms and conditions therein. I/We also undertake to deposit the necessary deposits as stipulated in this upon demand from M/s. HLL Lifecare Ltd.

Date :
Place :

Authorized Signatory