

# Opening of New Jan Aushadhi Store (JAS)

**For –Unemployed pharmacists, Individual entrepreneurs, Doctors,  
Registered medical practitioners**

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### I. Detailed Guidelines

The Jan Aushadhi scheme launched by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Govt. of India aims to make available quality generic medicines at affordable prices to all through special outlet known as Jan Aushadhi store opened/to be opened in each district of all the States. The new business plan approved by the Department of Pharmaceuticals in August, 2013 brought out it no. of changes to make the campaign a real success. Following guidelines are being issued for the convenience of those interested in opening of Jan Aushadhi stores as well as for processing of applications.

**Eligibility:** Individual entrepreneurs including unemployed pharmacists/Doctors/Registered medical practitioners should have financial capacity to run the Store duly supported by Bank Statements for the last 03 years or sanction letter from Bank for extending loan.

**Procedure to be followed:** Entities mentioned above may approach BPPI either on the basis of advertisement issued by BPPI or suomoto with a complete application along with the following supporting documents:

- (i) Own space or hired space duly supported by proper lease agreement;
- (ii) Minimum required space conforming to standards as approved by the BPPI i.e. 120 sq. ft.
- (iii) Sale license from competent authority ( Retail drug license in the name of the applicant and/or Tin No );
- (iv) Proof of securing a pharmacist with computer knowledge (name of the pharmacist , Registration with the State Council etc. needs to be furnished ) ;

- (v) Financial capacity to run the Store supported by audited accounts for the last three years (Bank Statements for the last 03 years or sanction letter from Bank for extending loan in case of individuals).

The premises of those who fulfill the requirements on the basis of documents submitted or further documents as are called for, may be inspected by the officials of BPPI, if felt necessary, to ensure that all the requirements are met. An agreement will also be entered into between BPPI and the eligible applicants as per the format given in **Annexure-I** before the JAS starts functioning and BPPI makes arrangements for dispatch of medicines.

**Margins & Incentives:** A margin of 16% for the JAS on the sale price of JAS is built in the MRP of each drug. In addition, the JAS are eligible for incentive linked to sale of medicines @ 10% of monthly sales amount subject to a ceiling of Rs. 10,000/- pm for a period of first 12 months. In case of Stores opened in North Eastern States and other difficult areas i.e. Naxal affected areas/Tribal areas etc. the rate of incentive would be 15% of monthly sale amount subject to a ceiling of Rs. 15,000/- per month. Such requests for grant of sales incentives should be accompanied with a report from the concerned Nodal Officer of BPPI. The financial assistance would be directly released to the entities from BPPI on receipt of requisite information/documents.

BPPI will ensure timely supply of quality generic medicines etc. to the Jan Aushadhi Stores through Super Stockist/C& Agent/central warehouse.

The list of medicines along with their MRPs is available on the website of the BPPI i.e. [janaushadhi.gov.in](http://janaushadhi.gov.in). The list may undergo change depending upon demand received from the Jan Aushadhi Stores for new medicines.

### **Other requirements**

- (a) The store should have sufficient furniture like:  
Racks to store the medicines, counter for issue of bills and medicines to patients, office tables, computer table and chair/stools etc for working of staff.
- (b) There should be minimum two display boards [one horizontal and second vertical] over the store following the language, logo, design & the color combination as provided by BPPI.
- (c) There should be a Computer, Printer and Internet & Telephone connection with the following minimum configuration so that web based Soft-ware can be loaded:

Minimum configuration of the PC is as follows:- a. Pentium IV/Dual Core Processor, b. 1 GB RAM (2 GB Recommended), c. 80GB HDD, d. TVSE MSP 240/250 series 80 column Dot matrix printer (Recommended), e. 500 VA UPS

Software requirements:- a. Windows XP/ Vista /Windows 7 (32 bit)/Windows 8 Operating System – Windows 7 (32 bit) is recommended, b. Anti-virus software, c. Internet connection – 512kbps

The above said specification is minimum requirement for BPPI web based software. JAS may install computer with higher/latest specifications.

(d) There should be a Refrigerator in the store for storage of medicines at the required temperature as per Drugs and Cosmetic Act.

(e) The operating agency will recruit the staff for running the store as per the requirement at their own cost.

(f) All billings should be done using software provided by BPPI. No medicine can be sold in JAS without using the software provided by BPPI.

(g) Medicines sourced and supplied only by BPPI, will be allowed to be sold through stores. The list of medicines will be dynamic and may be altered after approval from the competent authority.

(h) It shall be the responsibility of the operating entity to obtain drug license and other permissions to run a drug store. Compliance to all statutory requirements for storage of drugs shall be ensured by the operating agency.

(i) The operating agency should be willing to run the stores from 8.00 AM to 8.0 PM or round the clock, if required.

(j) The operating entity shall furnish the store as far as possible as per the design/layout provided by the BPPI.

(k) Supplies of medicines to JAS stores will be made as per the following arrangements:

- JAS opened by State Government identified operating agencies: Credit facility not exceeding 60 days from the date of dispatch of medicines.

- JAS opened by other entities - Medicines to be supplied only against advance payments.

### **Submission of application**

1. Interested parties may send their applications in the relevant format as per **Annexure-II** along with the required documents to

**The General Manager (A&F),  
Bureau of Pharma Public Sector Undertakings of India (BPPI),  
IDPL Corporate Office, IDPL Complex,  
Old Delhi Gurgaon Road,  
Dundahera, Gurgaon – 122016 (Haryana)**

accompanied by a Demand Draft for Rs. 2000/- (non-refundable) drawn in favour of BPPI payable at Gurgaon.

2. The application should be accompanied by all relevant details/ documents.
3. Incomplete applications will not be entertained.

**II. APPLICATION FORM**

**For –Unemployed pharmacists, Individual entrepreneurs, Doctors, Registered medical practitioners**

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name of the Applicant	
2 (a)	Whether employed/un-employed (if employed, details of employment)	
2 (b)	Whether Un-employed Pharmacist/Doctors/Registered Medical Practitioners/ Individual Entrepreneurs	
3	Address with contact no and email ID	
4	Name of Place and District, for which applied for JA Store	
5 (a)	Activities of the applicant at present	
5 (b)	If registered pharmacist/doctor/medical practitioners, please furnish registration no.	
6	Address/location where store is proposed to be opened	
7 (a)	Details of having own space or hired space(duly supported by proper lease agreement)	
7 (b)	Area in sq. ft. (minimum space required 120 sq. ft.)	

8	Proof of financial capacity to run the store supported by last three years bank statement of the applicant to be furnished. (should have capacity to invest minimum Rs. 4.00 lakh)	
9	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 EOI/guidelines for opening of Jan Aushadhi store 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 applicant
Date:		(Name & Designation)

**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, Dundaheera, Gurgaon 122016 (Haryana)

**Documents to be enclosed along with the application**

<b>FOR Un-employed Pharmacist/Doctors/Registered Medical Practitioners/ Individual Entrepreneurs</b>		
<b>S. No.</b>	<b>Particulars</b>	<b>Attached Yes/No</b>
1	Demand draft for Rs. 2000.00	
2	Registration certificate in case of pharmacist/doctor/medical practitioner	
3	Map showing location of proposed store with area	
4	Bank statement of accounts for the last three years	
5	Supporting documents for confirmed space for store viz ownership/lease deed/rent agreement etc.	
6	Copy of drug license/TIN no.	

(Signature with Name and designation  
of the applicant)

Place:

Date:

**III. Copy of Agreement**

**Annexure - I**

**For –Unemployed pharmacists, Individual entrepreneurs , Doctors, Registered medical practitioners**

**AGREEMENT**

**BETWEEN**

**BUREAU OF PHARMA PUBLIC SECTOR UNDERTAKINGS OF INDIA (BPPI)**

**(SET UP UNDER THE DEPARTMENT OF PHARMACEUTICALS)**

**MINISTRY OF CHEMICALS & FERTILIZERS**

**GOVERNMENT OF INDIA**

**AND**

-----  
**(Applicant Approved for opening of Jan Aushadhi store)**

**ON..... 2014**

**AT**

## **AGREEMENT**

THIS AGREEMENT is made and entered into on the **XX day of XXX month of 2014** between Bureau of Pharma PSU(s) of India, set up under Department of Pharmaceuticals, Ministry of Chemicals & Fertilizers, Government of India as a Society registered under the societies registration act XXI of 1860, having its Registered Office at Core No. 06, 1<sup>st</sup> Floor, SCOPE Complex, Lodhi Road, New Delhi - 110003, hereinafter referred to as "**BPPI**" (which expression shall mean and include its successors and assigns) of the ONE PART;

AND

The applicant, M/S. \_\_\_\_\_ Society/Institution/----- registered under \_\_\_\_\_ (**Name of the act**) \_\_\_\_\_ having its registered office at **(ADDRESS)** through its **(Proprietor / Partner / Director / President)** Mr. \_\_\_\_\_, (hereinafter referred to as "**THE APPLICANT**" which expression shall mean and include the **(Proprietor / Partner / Director / President)** for the time being and from time to time constituting the said, the survivors of them, their legal heirs and legal representatives of the last surviving partners in business and permitted assigns) of the OTHER PART.

### **WHEREAS:-**

(a) BPPI is presently engaged in procurement, marketing, sale & distribution of medicines and drugs including those manufactured by other manufacturers (hereinafter collectively referred to as "The Products") and is desirous of opening a "**JAN AUSHADHI GENERIC MEDICINE STORE**" (hereinafter referred to as Jan Aushadhi store) at \_\_\_\_\_ in the district of \_\_\_\_\_ within the state of \_\_\_\_\_ for sale of generic medicines to public.

(b) "**THE APPLICANT**" has represented and warranted that he has the necessary infrastructure /manpower/ licenses / equipments / furniture & fixtures, Computers and associated peripherals and has also got sound financial status as required to open and operate the **Jan Aushadhi store** and in that connection is also ready to perform all activities including purchase of medicines after making payment in advance in favour of assigned C&F Agent/Super Stockist appointed by BPPI/BPPI, receive and store the stock under ambient temperature as required for storage of medicines, make retail sale, after generating sale invoice at prices fixed by BPPI from time to time, collect money thereof from customers for the sale value, make necessary transactions entry in computerized software system and deposit the sale proceeds in prescribed bank accounts after deduction of his commission from the sale proceeds and utilize the balance available fund for purchase and replenishment with fresh stock of **MEDICINES** to run the **Jan**



**Aushadhi store** on sustainable basis, and has requested BPPI to allocate him/them a **Jan Aushadhi store** at the aforementioned address as specified in clause (a) of this agreement.

(c) BPPI after considering the aforesaid request of the **"APPLICANT"** and has agreed to allow for establishing and operate **Jan Aushadhi store** at \_\_\_\_\_ in the district of \_\_\_\_\_ within the state of \_\_\_\_\_ for sale of **Generic Medicines**. This agreement remains in force for a period of 36 months commencing from \_\_\_\_\_ and applicable till \_\_\_\_\_, unless terminated earlier as per clause \_\_\_\_ of this agreement. This agreement can be renewed for a further period of 36 months after mutual consent of both the parties in writing.

(d) BPPI retains the right to make direct sales and to appoint one or more **Jan Aushadhi store** in the same area / location / town and city.

(e) Consistent with these introductory Sections and in consideration of the mutual consent contained in this AGREEMENT, BPPI and THE APPLICANT agree to be bound by the terms of this AGREEMENT.

### **1. Shop Site Selection & Design**

THE APPLICANT will adhere to BPPI's procedures and requirements for site selection and design of the SHOP, as stated hereunder:

- 1.1 The site location for opening the Jan Aushadhi store should be either in the hospital premises or near to hospital. If the location does not happens to be a hospital or near to hospital, than the same should be located at a place where high footfall happens and is easily accessible to people along with good site visibility.
- 1.2 The site for **JAN AUSHADHI STORE** should either be owned or taken on lease in the name of Applicant. In case of lease, the same should remain effective and under the possession of Applicant for at least 03 complete years from the effective date of opening.
- 1.3 The minimum area required for opening **JAN AUSHADHI STORE** should be 120 Sq. Ft.
- 1.4 The inside area of **JAN AUSHADHI STORE** premises being utilized for storage and sale transaction of medicines should be in "U" or in "C" shape, so that available stock of medicines in the store should be easily visible to the customers & visitors to the store.
- 1.5 Although the requirement of Air Conditioned premises is not mandatory, however provision for the same is highly desirable as the medicines should be kept or stored under a temperature of less than 25°C to maintain its best efficacy. Applicants with air-conditioned facility in the premises will be preferred over others.

1.6 In the case of a successive term being further permitted to the APPLICANT, than the existing structure may be required to be modified in order to comply with the standards applicable and prevailing at that time.

1.7 THE APPLICANT shall not commence (or recommence) operations of the **Jan Aushadhi store** until and unless BPPI approves the same for being reasonably conforming to the planned specifications.

1.8 This agreement does not grant "THE APPLICANT" any right to relocate the **Jan Aushadhi store** without any permission in writing from BPPI

2. THE APPLICANT shall, at all times during the applicable term continuously and faithfully operate the JAN AUSHADHI STORE in full compliance with the defined terms & conditions as listed hereunder:

### **2.1 DESIGNATED SHOP MANAGER.**

THE APPLICANT shall at all times have a person on rolls with minimum qualification of Diploma in Pharmacy (i.e. D. Pharm.) or Degree in Pharmacy (i.e. B. Pharm.), designated as **JAN AUSHADHI STORE** Manager having primary responsibility for the day to day operation of the **JAN AUSHADHI STORE** in accordance with this agreement, who shall be reasonably acceptable to BPPI (including, but not limited to, the requirement that such individual possess sufficient experience in the management of a retail pharmacy business, as determined by BPPI in its sole discretion.

### **2.2 Best Efforts.**

The JAN AUSHADHI STORE MANAGER shall furnish personal full time attention and best efforts to the day to day management and operation of JAN AUSHADHI STORE in accordance with the requirements of this AGREEMENT and he must maintain a physical presence at the JAN AUSHADHI STORE

### **2.3 JAN AUSHADHI STORE Employees.**

In addition to the designated JAN AUSHADHISTOREMANAGER, the **JAN AUSHADHI STORE** shall be staffed with qualified, competent employees well versed with working in computerized operation and will assist the JAN AUSHADHI STORE Manager in day to day operations, and who are employed solely by THE APPLICANT and not by BPPI. THE APPLICANT is solely responsible for hiring and discharging employees of the SHOP, and setting their wages and terms of employment. THE APPLICANT shall comply with all applicable laws and regulations as applicable from time to time under respective laws. All employment related documents, including, without limitation, employment applications, schedules, job descriptions, and pay checks, must clearly identify THE APPLICANT, and not BPPI, as the employer

## **2.4 Operations and Product Standards.**

Unless BPPI specifically permits otherwise, in writing, THE APPLICANT shall offer for sale from the SHOP the entire list of medicines as listed periodically by BPPI. THE APPLICANT is permitted to sell from the **JAN AUSHADHI STORE** only the approved generic medicines duly approved by BPPI . THE APPLICANT is not allowed to offer for sale any other products, services, or business from the **JAN AUSHADHI STORE**. THE APPLICANT will at all times maintain an inventory of all listed medicines of BPPI to satisfy customer demand for any or all medicines required to be sold at the **JAN AUSHADHI STORE**. THE APPLICANT will adhere to the requirements for medicines & drug storage, its handling as per the applicable Drug & Cosmetic Act 1940, as amended and applicable from time to time. The medicines merchandising, presentation and display will also be managed by THE APPLICANT to make it more informative for the buyer and will have to emphasize the impact in terms of cost advantage between generic and branded medicines. If THE APPLICANT fails to conduct its business in accordance with the requirements of this Section 2.4, then, without limiting the rights of BPPI under this AGREEMENT BPPI may, temporarily suspend THE APPLICANT'S right to operate under this AGREEMENT, or temporarily or permanently suspend THE APPLICANT'S right to sell certain products under this AGREEMENT, or permanently terminate this AGREEMENT. The Applicant have no right whatsoever to challenge this decision of BPPI.

## **2.5 Sources of Supply.**

In order to safeguard the integrity of BPPI, and to maintain the uniformity and quality of items associated with the JAN AUHSADHI campaign, THE APPLICANT shall only purchase the medicines form designated C&F Agent/Super Stockist having it location at \_\_\_\_\_ in the city of \_\_\_\_\_ in \_\_\_\_\_ (state) for sale in the **JAN AUSHADHI STORE**in accordance with the following provisions.

### **2.5.1 GENERIC MEDICINES.**

THE APPLICANT acknowledges that the generic medicines used in, and offered and sold from the **JAN AUSHADHI STORE**, as authorized by BPPI from time to time, are manufactured using proprietary recipes and processes, and are an inseparable and essential element of the **JAN AUSHADHI campaign**. In order to protect the interests of BPPI, and their respective suppliers, and to ensure the quality, uniformity, and distinctiveness of the medicines, THE APPLICANT agrees to purchase its entire requirements of generic medicines, from BPPI, or the supplier designated by BPPI, at prices, determined by BPPI only.

**2.5.2** The applicant acknowledges that payments for supplies to be made to such JAN AUSHADHI STORE shall be made directly to C&F Agent/Super Stockist /Central Warehouse of BPPI.

### **2.5.3 Supplies and Equipment.**

THE APPLICANT shall not use paper goods, packaging, fixtures, equipment, signs, uniforms, and other supplies at the SHOP which do not bear the text and the logo of "JAN AUSHADHI" required by BPPI, in the manner and format required and approved in advance by BPPI.

### **2.6 Mandatory Participation in Marketing Programs.**

THE APPLICANT acknowledges that THE APPLICANT'S participation in promotions and marketing programs established by BPPI is important to enhance the value, recognition, and reputation of the JAN AUSHADHI campaign and agrees that THE APPLICANT shall participate in those promotions and marketing programs established from time to time by BPPI that are appropriate to the **JAN AUSHADHI STORE**, as determined by BPPI

### **2.7 Compliance with Laws.**

THE APPLICANT shall fully, strictly and faithfully comply with all laws (including, but not limited to, statutes, ordinances, regulations, and governmental orders) affecting the operation of the **JAN AUSHADHI STORE**. In particular, THE APPLICANT shall have a Drug Sale Licence from the competent authority and operate and maintain the **JAN AUSHADHI STORE** and its premises in strict compliance with all applicable drug & cosmetic act, health, sanitation, fire and safety codes and requirements. If any law affecting THE APPLICANT'S operation of the **JAN AUSHADHI STORE** does not happen to comply with any specific regulation, then THE APPLICANT shall satisfy the same with applicable regulation by making necessary modifications, changes etc thereof. If THE APPLICANT perceives any law affecting THE APPLICANT'S operation of the **JAN AUSHADHI STORE** to conflict with any of the regulations, then THE APPLICANT shall notify BPPI in writing, identifying the specific law, so that BPPI may determine how to resolve the perceived conflict.

### **2.8 Remediating damaged and contamination.**

If any medicine dispensed at the **JAN AUSHADHI STORE** is soiled, contaminated or in cut, torn or in spillage condition and does not comply with applicable law or regulations, or fails to be maintained in accordance with the requirements then, THE APPLICANT shall immediately eliminate the source of contamination, remedy all unsanitary conditions at the **JAN AUSHADHI STORE**, This remedy is in addition to, and not in lieu of, other rights or remedies that BPPI has for THE APPLICANT'S breach of this AGREEMENT.

### **2.9 Shop Inspections.**

In order to safeguard and determine compliance with the **JAN AUSHADHI STORE** standards BPPI representatives shall have the absolute right to enter, remain in, and inspect the SHOP whenever BPPI deems it appropriate. BPPI representatives may, without prior notice to THE

APPLICANT, interview THE APPLICANT'S employees and customers, take photographs, video, and similar recordings, examine, evaluate and take representative sample of the medicines stored or sold. BPPI shall have the right to use all interviews, photographs, video, and other recordings for any reason BPPI deems appropriate, including in advertising, marketing and other promotional materials. THE APPLICANT shall not be entitled to, and hereby expressly waives, any right that it might otherwise have to be compensated for the use of interviews, photographs, video, and other recordings by BPPI, its advertising agencies.

Being a Government of India campaign, the **JAN AUSHADHI STORE** may also get visited and inspected by Government Officials, Honorable Parliamentarians, without any prior notice to THE APPLICANT.

### **2.10 Correcting Deficiencies**

THE APPLICANT shall at its own expense promptly, and within any period reasonably specified by BPPI, correct any violation of the defined norms. If, during an inspection, BPPI identifies a violation of the norms that:

Is a reoccurrence of a previously identified violation of the defined standards, occurring at the **JAN AUSHADHI STORE** within the preceding 12 months; or

Is a continuation of a previously identified violation of the defined standards, which THE APPLICANT failed to correct within a maximum period of 03 months from the date on which notice has been served by BPPI; In such a case, BPPI may ask THE APPLICANT to reimburse BPPI for the costs of a subsequent inspection of the shop, conducted to determine whether the reoccurring or continuing violation of the defined standards has been cured, at the rate of Rs. 500.00 (Rupees Five Hundred Only) per hour of the BPPI representative's time (including travel time) plus travel and related expenses. This remedy is in addition to, and not in lieu of, other rights or remedies that BPPI has for THE APPLICANT'S breach of this AGREEMENT.

### **2.11 Repair and Renovation.**

THE APPLICANT shall repair, rehabilitate, refurbish, modernize, renovate and upgrade the **JAN AUSHADHI STORE** periodically to maintain it in a clean, attractive and orderly condition, to provide efficient, high-quality service to the public, and to conform to specifications applicable generally to medicine shop. THE APPLICANT must obtain the prior written approval of BPPI if any efforts to be taken under this Section

### **2.12 Sales and Product Mix Reporting Requirements.**

THE APPLICANT shall upon request periodically provide BPPI with any and all requested information related to THE APPLICANT'S sales, costs, earnings and related items. THE APPLICANT acknowledges that BPPI may request this information be provided monthly, and

occasionally more often, and in some instances THE APPLICANT may be required to track certain information not regularly tracked by THE APPLICANT.

### **2.13 Projecting Requirements of Medicines**

At the request of BPPI and or designated C&F, THE APPLICANT shall periodically project sales, and product requirements. THE APPLICANT shall endeavor to project quantities of medicines needed, including quantity of each of the MEDICINES, and the anticipated timing of such need. THE APPLICANT acknowledges that this information is important to BPPI so that it or its designated supplier may project quantities to be manufactured.

### **2.14 Hours of Operation.**

THE APPLICANT shall keep the **JAN AUSHADHI STORE** open and in normal operation starting from 08:00 Hrs. to 20:00 Hrs. with the option of a Lunch Break from 13:00 Hrs. to 14:00 hrs. However, it is suggested to have the lunch on rotation basis so that one staff remains always present for the sales operation. THE APPLICANT shall conspicuously post on or within the **JAN AUSHADHI STORE** premises, at a location visible to public about the shop operational and non-operational hours.

### **2.15 POS (Point of Sale ) SYSTEM.**

To ensure the efficient management and operation of the **JAN AUSHADHI STORE**, and the reporting of data and information to BPPI, THE APPLICANT shall, at its own expense, install, and during the tenure of association shall properly maintain in good working order, a computerized point of sale system (the "POS SYSTEM") consisting of one or more cash registers, a internet connection / modem, cables, a dedicated telephone line, a printer and other accessories and peripheral equipment, all of which must be approved by BPPI prior to start of operation or otherwise in writing. The software for computerized operation for POS will be uploaded free of cost by BPPI. The applicant will have to ensure that all sales transactions are fed & updated in the system and a sale receipt of cash memo must get generated and handed over to the buyer along with medicines.

### **2.16 Collecting POS INFORMATION.**

THE APPLICANT shall at all times use the POS SYSTEM to accurately, consistently, and completely capture & record (including the name of doctor prescribing the medicine), and structure all data and information that BPPI prescribes from time to time either through automated software or manually.

### **2.17 BPPI's Access to POS INFORMATION.**

THE APPLICANT agrees that BPPI will have the absolute right to retrieve, electronically and manually, any or all of the POS INFORMATION that BPPI deems necessary or appropriate, or desires. THE APPLICANT may retrieve the POS INFORMATION at intervals and times BPPI determines, and without any advance notice to THE APPLICANT. THE APPLICANT shall assist BPPI in initially establishing electronic access to the POS INFORMATION, and shall thereafter, as required by BPPI, from time to time provide further assistance in connection with the retrieval of the POS INFORMATION.

### **2.18 Updates, Modifications, and Replacements.**

THE APPLICANT shall have no right to update or replace software used by the POS SYSTEM. THE APPLICANT shall make, or at BPPI's direction shall permit the designated person from BPPI to make, any programming changes required from time to time by BPPI.

### **2.19 BPPI's Ownership and Use of POS Information**

THE APPLICANT agrees that all POS INFORMATION provided to BPPI, whether electronically retrieved or otherwise received, will become BPPI's property and the same may be used by BPPI in any manner BPPI considers appropriate.

### **2.20 Access to Email & Internet; Consent to Communication Medium.**

THE APPLICANT acknowledges that the world wide web (www), internet, intranet, extranet, email, and similar medium are becoming an increasingly accepted and normal way of communicating. THE APPLICANT further acknowledges that BPPI may from time to time desire to communicate with THE APPLICANT using any of the foregoing medium. Therefore, THE APPLICANT shall at all times, before and during the tenure of association have ready access to a computer at **JAN AUSHADHI STORE** with internet access and a reasonably current web browser, and:

- 2.20.1** Maintain an email address to which BPPI may send electronic communications; keep BPPI apprised of THE APPLICANT'S current email address; regularly check, at a frequency which may be every day, for email communications from BPP;
- 2.20.2** Timely respond to email communications from BPPI, within a maximum of 48 hours from receipt;
- 2.20.3** In the event BPPI establishes an intranet, extranet, or other means of posting information on a web site or similar on-line medium, then regularly check, at a frequency, which may be every day, for information communicated by BPPI.

Except in the case of a NOTICE, THE APPLICANT hereby consents to receiving any communication or information contemplated by AGREEMENT in any manner contemplated by

this Section 2.20, which communication or information shall be deemed communicated upon sending electronically to the email address designated by THE APPLICANT for such purpose, or upon posting on any web site or other on-line medium maintained by BPPI for such purpose.

### **2.21 Prompt Payment of Obligations.**

THE APPLICANT acknowledges that THE APPLICANT'S payment practices can impact the willingness of third parties to do business with, and extend credit to, others. Therefore THE APPLICANT SHALL also timely pay all obligations and liabilities due and payable to vendors, suppliers, distributors, the LANDLORD, and other parties to whom THE APPLICANT incurs obligations in connection with the **JAN AUSHADHI STORE**.

### **2.22 Significant Event Notifications.**

THE APPLICANT will keep BPPI informed of any fact, matter or circumstance that has a significant bearing on THE APPLICANT'S ability to continue to operate the **JAN AUSHADHI STORE** in accordance with this AGREEMENT. Without limiting the preceding requirement, THE APPLICANT shall promptly, and in no event more than 7 days after THE APPLICANT becomes aware of any of the following situations related to the **JAN AUSHADHI STORE**, provide NOTICE to BPPI of the circumstances, and provide BPPI with copies of pertinent documents, and any other information BPPI requires:

- (a) Any notice of default received with respect to the SHOP PREMISES from the LANDLORD, a rental agent, mortgagee, or lender.
- (b) Any claims, lawsuits, or other legal proceedings, asserted or brought by any consumer, employee, governmental agency, or anyone else.
- (c) Any governmental inspections, notices, claims, reports, warnings, or citations.
- (d) Any fires, robberies, injuries, or similar events occurring on or at the **JAN AUSHADHI STORE**.
- (e) Any other matters, including those not related to the **JAN AUSHADHI STORE** that could impair the good will associated with BPPI & Department of Pharmaceuticals under Ministry of Chemicals & Fertilizers, Government of India.

## **3. Fund Requirements & Earnings by the Applicant**

3.1 THE APPLICANT will be entitled for Incentives linked with sales. The rate for this incentive will be 10% of monthly sales subject to a ceiling of Rs. 10,000.00 Per Month for all places except for North East states. For North East states and difficult areas, the rate of incentive will be 15% of monthly sales subject to a ceiling of Rs. 15,000.00 This



incentive will be given for the first 12 months only and after opening the **JAN AUSHADHI STORE**.

3.2 Retail margins will be the earning of Applicants. The retail margins as applicable as per Government notifications will be included in the MRP (Maximum Retail Price) on each product and the applicant will sell all products at printed MRP only. The currently applicable rate of Margins is 16%.

3.3 In addition to the investment required for setting up the necessary infrastructure for opening of **JAN AUSHADHI STORE** as per the requirement of this agreement, the applicant should also be in a position to keep aside an amount of Rs. 3.00 Lacs separately in a Bank Account, for exclusive utilization of the same for procurement of supplies for **JAN AUSHADHI STORE**. The sale proceeds earned by selling the initial stock will again be utilized for procurement of next lot of medicines and thus the cycle of replenishment of stock will continue. The APPLICANT is free to utilize the margin money earned by him, the way he desires (either by investing the same in availing more stock or by utilizing the same for his/her other needs). The amount kept reserved for procurement of stock may increase and decrease based on the actual sales.....

3.4 THE APPLICANT also acknowledges and agrees that this AGREEMENT confers no right to continuation, renewal for a subsequent term on or after the EXPIRATION DATE.

**4. Sourcing of Medicines**

The C&F Agent/Super Stockist based at \_\_\_\_Address & City Name\_\_\_\_\_ in the state of \_\_\_\_\_, as appointed by BPPI to perform the wholesale operation of Medicines on behalf of BPPI will be the only designated source from which THE APPLICANT shall purchase medicines in connection with the operation of the **JAN AUSHADHI STORE**,

In-case of any change in source for procurement of Medicines, BPPI will inform THE APPLICANT in writing.

**5. Ongoing Advice and Assistance.**

During the applicable term of this agreement BPPI shall, at no charge, from time to time provide THE APPLICANT with such advisory assistance, information, techniques, data, and instructional materials concerning the sale of Medicines from **JAN AUSHADHI STORE**, and also marketing programs applicable to the JAN AUSHADHI campaign, local marketing of the **JAN AUSHADHI STORE**, and adherence to the process and guidelines as BPPI deems advisable.

## **6. Sales Away from JAN AUSHADHISTORE& other medicines & products**

This agreement does not permit THE APPLICANT to sell any JAN AUSHADHI Medicines away from the designated **JAN AUSHADHI STORE. JAN AUSHADHI STORE**, currently being an exclusive Government of India program and therefore THE APPLICANT cannot sell any other products & merchandise of any other manufacturer, trader, retailer, stockists, distributors etc. from this place.

## **7. Electronic Funds Transfer (EFT).**

If required by BPPI at any time during the term of this agreement, then THE APPLICANT shall promptly take all necessary steps, including completing and signing necessary authorization forms, to enable:

7.1 BPPI to electronically deduct, from a financial account maintained by THE APPLICANT, any amounts that become payable to BPPI under this AGREEMENT;

7.2 THE APPLICANT shall be responsible for any fees and charges assessed by THE APPLICANT'S financial institution in connection with transactions within this scope of this Section 7.

## **8 Termination**

8.1 BPPI shall be entitled to terminate this Agreement immediately forthwith in any one or more of the following events, by giving a notice in writing to the "APPLICANT":

8.1.1 If, in the opinion of BPPI, the performance of the "APPLICANT" is found to be unsatisfactory.

8.1.2 If the "APPLICANT" commits a breach of any of the terms and conditions of this Agreement.

8.1.3 If there is any change (not acceptable to BPPI) in the constitution of the "APPLICANT" without the prior written consent of BPPI.

8.1.4 If for any reason, the "APPLICANT" is prevented for a period of three months from performing any of his obligations under this Agreement.

8.1.5 If the "APPLICANT" is guilty of any conduct which, in the opinion of BPPI, is prejudicial to BPPI interest or BPPI principles of fair business practices .

8.1.6 If the "JAN AUSHADHISTOREAPPLICANT" assigns or purport to assigns its rights, interest or benefits or charge the benefits of the Agreement without obtaining the consent in writing of BPPI .

8.1.7 If the "APPLICANT" is declared insolvent or commit any act of insolvency or compound or enter into a scheme of compromise with their creditors.

8.1.8 If the "APPLICANT" is charged with committing breach of any law of India or any anti bribery or anti-corruption legislation as the case may be.

## **9 Confidential Information.**

THE APPLICANT acknowledges that BPPI will from time to time provide THE APPLICANT with information that is confidential in nature and that if disclosed to third parties might adversely impact the ability of BPPI to remain competitive. THE APPLICANT agrees that, unless otherwise determined BPPI, the marketing strategies and programs developed by BPPI shall be treated as confidential until publicly disseminated in accordance with the instructions of BPPI. THE APPLICANT shall not disclose any confidential information to any person other than THE APPLICANT'S employees as may be necessary to discharge the assigned duties of JAN AUSHADHISTORE operations, and THE APPLICANT agrees not to use any such confidential information for any purpose other than to discharge its obligations under this AGREEMENT.

## **10. Force Majeure**

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

## **11. Dispute Resolution**

This agreement shall be deemed to have been made/executed at Delhi for all purpose. In the event of any dispute related to the interpretation or right or liabilities arising out of this agreement, the same shall, at first instance, be amicably, the same shall be referred to the sole arbitrator to be appointed by the President of BPPI of the first party under the arbitration and conciliation Act, 1956. The award given by the arbitrator shall be final and binding on the parties. The venue for arbitration shall be at Delhi.

## **12. Governing Law/Jurisdiction**

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

IN WITNESS WHERE OF THE FIRST PARTY AND SECOND PARTY APPEND THEIR SIGNATURE IN  
TOKEN OF HAVING ACCEPTED THE ABOVE TERMS AND CONDITIONS ON THIS \_\_\_\_\_  
DAY OF \_\_\_\_\_ 201 AS MENTIONED ABOVE. IN THE PRESENCE OF THE FOLLOWING  
WITNESSES.

SIGNED SEALED AND DELIVERED FOR THE FIRST PARTY.

WITNESS

SIGNED SEALED AND DELIVERED FOR THE SECOND PARTY

WITNESS

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