

Request for Proposals

RFP No: HPMC-Distributors/2021-01

Engagement of Distributors



Himachal Pradesh Horticultural Produce Marketing & Processing Corporation Ltd
(A Government Undertaking)
Nigam Vihar Shimla-2 (H.P)

Request for Proposals for Engagement of Distributors

Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Ltd. (A Government Undertaking) invites proposals from Distributors, for granting distribution rights within the State of Himachal Pradesh.

This RFP document is being prepared to provide details about scope of work, expectations from the agency, application procedure and can be downloaded from the website hpmc.in. Response to this RFP shall be deemed to have been done after careful study and examination of this document with full understanding of its implications. This section provides general information about the Issuer, important dates and addresses and the overall eligibility criteria for the parties. Cost of this RFP document is Rs. 1000/- which has to be deposited vide crossed demand draft of any Nationalized bank/Scheduled Bank in favour of "the Managing Director, HPMC", payable at Shimla.

Issued by

The Managing Director
H.P. Horticultural Produce Marketing and Processing Corporation Ltd.
Nigam Vihar, Shimla 171002 (H.P.)

Disclaimer

The information contained in this Request for Proposal (hereinafter referred to as "RFP") document provided to the Bidder(s) by the H.P. Horticultural Produce Marketing and Processing Corporation Ltd. (HPMC), herein after referred to as "the Corporation", or any of their employees or advisors, is provided to the Bidder(s) on the terms and conditions set out in this RFP document and all other terms and conditions subject to which such information is provided.

The purpose of this RFP document is to provide the Bidder(s) with information to assist in the formulation of Proposals. This RFP document does not purport to contain all the information each Bidder may require.

This RFP document may not be appropriate for all persons, and it is not possible for the Corporation, their employees or advisors to consider the business/investment objectives, financial situation and particular needs of each Bidder who reads or uses this RFP document. Each Bidder should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this RFP document and where necessary obtain independent advice from appropriate sources.

The Corporation, their employees and advisors, make no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the RFP document.

The Corporation may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP document.

Fact Sheet

S.No.	Particulars	Details
1	RFP Availability	01-09-2021
2	Last date for receiving queries	20-09-2021
3	Response to queries	25-09-2021
4	Proposal Due Date	11-11-2021
5	Technical Proposal Opening	15-11-2021
6	Letter of Award	25-11-2021
7	Agreement Signing	05-12-2021
8	Cost of RFP (Demand Draft)	Rs. 1000.00
9	Earnest Money (Demand Draft)	Rs. 10,000.00
11	Website for RFP Documents	www.hds.hp.gov.in
12	Method of Selection	Technical Evaluation

1. Introduction:

H.P. Horticulture Produce Marketing & Processing Corporation (HP State Government Undertaking) popularly known as HPMC was incorporated on 10th June, 1974 with the financial assistance of World Bank. The mandate of this organization was to provide post-harvest facilities to the fruit growers of the state and to help them to get best returns for their produce from the market.

HPMC was established with the objective of marketing of fresh fruits and processing of all types of surplus fruits. It has developed the most modern system of marketing in the country. The unique characteristics of this organization are that It provides supplies of horticultural inputs, tools and implements besides apple grading/packaging and storage facilities to the growers.

The infrastructure created way back in seventies and early eighties has now been upgraded in a phased manner by commissioning most advanced computerised apple packing /grading lines with controlled atmosphere facilities in the fruit growing areas of the State. This has helped farmers avail technology to meet the international market requirements.

Processed fruit products market is growing at a handsome pace across the globe. Keeping in view the rising demand, HPMC is augmenting the installed capacity by creating new facilities and upgrading the existing infrastructure. The new processing facility will increase the productivity of HPMC manifolds.

HPMC is looking forward to grant distribution rights to eligible firms to strengthen the distribution network within the State of Himachal Pradesh.

Objectives

HPMC is having a wide range of quality products with huge market potential. Market growth at such high pace presents a huge opportunity for HPMC to expand the market base. HPMC has adopted an aggressive marketing strategy with wide target market, quality and competitive pricing.

HPMC in its endeavour to promote sales of its products in the State and national market and establish it as leading brand of processed fruit products market, is looking forward to engage distributors in the State. HPMC intends to strengthen its existing marketing and distribution network by engaging eligible and

promising firms desirous of doing business with HPMC and explore growth opportunities in this sector.

Timelines and important information is mentioned as under:

S.No.	Information	Details
1	Sale & RFP Document Purchase Price	Rs. 1000.00 in the form of Demand Draft from a Nationalized bank/ scheduled bank in favour of "the Managing Director, HPMC" payable at Shimla.
2	Date and address of pre submission queries	Refer to Fact Sheet The Managing Director HPMC Ltd., Nigam Vihar Shimla 171002 (H.P.)
3	Last date for submission of written queries for clarifications	Refer to Fact Sheet
4	Uploading of response to clarifications	Refer to Fact Sheet The pre bid clarification will be hosted on the following website: http://hpmc.in
5	Last date (deadline) for submission of bids and Address	Refer to Fact Sheet The Managing Director HPMC Ltd., Nigam Vihar Shimla 171002 (H.P.)
6	Earnest Money Deposit (EMD)	Rs. 10,000.00
7	Proposal Validity Period	One hundred and twenty days (120 days) from the last date for submission of the proposals.
8	Date and Venue of Opening of Technical Proposal	Refer to Fact Sheet HPMC Ltd., Nigam Vihar Shimla 171002 (H.P.)

10	For any further clarification, contact person	The Managing Director HPMC Ltd., Nigam Vihar Shimla 171002 (H.P.)
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2. **Area:**

Distribution rights shall be granted for following areas:

S. No.	District	Area for which Distributors shall be appointed
1	Bilaspur	Entire Bilaspur District
2	Chamba	Entire Chamba District
3	Hamirpur	Entire Hamirpur District
4	Kinnaur	Entire Kinnaur District and Spiti Sub Division of District Lahaul & Spiti
5	Kangra	i. Kangra – Kangra, Shahpur, Dharamshala Sub Divisions ii. Palampur - Palampur, Nagrota Bagwan, Baijnath Sub Divisions iii. Jwalamukhi - Jwalamukhi, Dheera, Jaisinghpur, Dehra Sub Divisions iv. Nurpur - Nurpur, Fatehpur, Indora, Jawali Sub Divisions
6	Kullu	i. Kullu – Kullu, Banjar Sub Divisions ii. Manali – Manali Sub Division Anni Sub Division to covered from Rampur
7	Lahaul & Spiti	Lahaul and Udaipur Sub Divisions.
8	Mandi	i. Dharampur - Sarkaghat, Dharampur Sub Divisions ii. Karsog - Gohar, Thunag, Karsog Sub Divisions iii. Sundenagar - Sundernagar and Balh Sub Divisions, iv. Mandi - Mandi, Padhar, Jogindernagar Sub Divisions

9	Shimla	<ul style="list-style-type: none"> i. Shimla- Shimla Urban, Shimla Rural Sub Divisions ii. Theog- Theog, Chopal, Kumarsain Sub Divisions iii. Rohru- Rohru, Dodra Kwar Sub Divisions iv. Rampur- Rampur Sub-Division and Anni Sub Division of District Kullu
10	Sirmaur	<ul style="list-style-type: none"> i. Nahan- Nahan, Pachhad, Sangrah Sub Divisions ii. Paonta Sahib- Paonta Sahib, Shillai Sub Divisions <p>Rajgarh Sub Division to be covered from Solan</p>
11	Solan	<ul style="list-style-type: none"> i. Kasauli- Kasauli, Arki Sub Divisions ii. Solan- Solan, Kandaghat Sub Divisions, Rajgarh Sub Division of District Sirmaur iii. Nalagarh- Nalagarh Sub Division
12	Una	<ul style="list-style-type: none"> i. Amb- Amb, Gagret Sub Divisions ii. Una- Una, Bangana, Haroli Sub Divisions

3. Terms of Reference

For engagement of Distributors/Wholesalers

I. INTRODUCTION:

HPMC desires to grant distribution rights to an eligible distributor possessing the ability to promote the sale of the HPMC Products and desires to develop demand for and sell the Products within the State of Himachal Pradesh at different places.

II. SCOPE

- i. HPMC products on offer are annexed at '**Annexure A**'.
- ii. The principal task of the distributor is to ensure continuous supply of HPMC products in the retail market.

- iii. The distributor shall oversee the delivery, loading and unloading products and goods, and ensuring they are safely transported within stipulated period of time.
- iv. The distributor shall promote the sales of the HPMC products and meet the annual targets of sales to be spelt out in the contract agreement.
- v. The distributor shall be responsible for replacement and return of the stock as per the 'Replacement and Return Policy'.
- vi. The distributor shall forecast, document and share the market demand and trends with HPMC on quarterly basis.
- vii. HPMC reserves the sole rights to directly supply its products to Government Departments, Boards/PSUs etc.

III. GRANT OF DISTRIBUTORSHIP

HPMC shall grant distributorship to promising and eligible distributors by inviting proposals from interested firms. The proposals will be examined and the eligible firms shall be granted distributorship against payment of a 'Distributorship Fee', decided by HPMC. The distributor shall enter into an agreement with HPMC. The distribution rights granted by HPMC are non-exclusive and HPMC reserves the rights to grant similar distribution rights to another party/firm. HPMC shall continue to supply its products to the Retail Outlets and Kiosks owned and managed by it and distributorship granted through this document shall not apply to such Retail Outlets and Kiosks.

IV. PRICE AND TERMS:

Price: The distributor shall be offered a profit margin ranging from 5% to 10% of the maximum retail price of the product. The distributor shall supply the products to the retailer at rates specified by HPMC. The distributor cannot supply the products at prices higher than the specified retailer prices.

Orders: Each order submitted by Distributor shall be for no less than a specific value decided by HPMC. Distributor shall order Products from Supplier by written purchase order specifying the Products ordered, the price for the Products, and the requested delivery date. HPMC shall use its best efforts to

deliver the Products by the delivery date stated in the purchase order, and shall advise Distributor in advance of any inability to make timely delivery of any Products ordered by Distributor.

Payments: Distributor shall pay HPMC for products within a stipulated time period from date of Distributor's receipt of products, as mandated by the Agreement of Distributorship.

Taxes: Distributor shall be solely responsible for the payment of any tax, duty or other charge imposed by the Government, other Governmental/Statutory/Regulatory entity in relation to the sale, transportation, distribution or use of Products.

Delivery: HPMC shall deliver all goods to Distributor's designated warehouse. All costs of transportation beyond the designated warehouse shall be borne by distributor, and all risks of loss or damage shall pass to the distributor when the goods are delivered to distributor.

V. TERM, TERMINATION AND INDEMNIFICATION:

Term: The distribution rights shall be granted for a period of two years, effective from the date of execution of the Agreement of Distributorship.

Termination: In the event that any distributor is in default of any term or condition of the Agreement of Distributorship or fails to perform the functions mentioned in the Terms of Reference, HPMC reserves the right to revoke the grant of distributorship rights.

Indemnification: Distributor shall defend, indemnify and hold HPMC harmless from and against any and all claims, costs, damages and liabilities incurred by HPMC as a result of any breach of the terms and conditions or any negligence by Distributor, its employees or agents.

4. Eligibility Criteria for Distributor

The applicant must possess the prior experience of executing similar assignments and technical know-how and the financial wherewithal that would be required for successful delivery of the deliverables mentioned in the Terms of Reference for Distributors. The proposal must be complete in all respects and should cover the entire scope of work as stipulated in the RFP document. The invitation to proposal is open to all applicants. Main requirements for the proposal are as under:-

Criteria	Requirements	Documentary Evidence
Legal Entity	The applicant should be a single Business Entity. (Any kind of consortium is not allowed). For the purpose of this Invitation for RFP document, a Business Entity shall mean a Company registered in India under the Companies Act 1956, or a Partnership Firm registered under the Limited Liability Partnership Act of 2008 or Partnership Firm registered under the Indian Partnership Act 1932 or a sole Proprietorship Firm operating for the last 5 years in distribution of FMCG products.	Certificates of Registration/ Incorporation
Financial Capacity and Experience	The applicant should have minimum turnover of Rs 25 lakhs and should have an experience of 3 years in distribution of FMCG products.	Certificate from statutory auditor /audited financial statements for the three previous financial years.)/ITR for last three years
Blacklisting	The applicant should not have been blacklisted/ banned/ debarred/ under investigation by any State Government or Central Government entity / PSU in the last 5 years.	Self-certification. False certification and/ or nondisclosure will lead to forfeiture of the EMD and disqualification from the evaluation process and blacklisting by HPMC.
Consortia/ Tie Ups/ JVs / Subcontracting of any kind	Not permitted	Would lead to automatic disqualification.

5. Instructions to Applicants

6.1 (a) Pre Proposal queries

i. The prospective applicants may submit any queries through e-mail for clarification by the date mentioned in the schedule. The clarifications may be solved and posted on the website as per schedule.

6.1 (b) Proposal Submission

- Submission of Proposal should be addressed to: The Managing Director, HPMC, Nigam Vihar, Shimla -2 H.P. and can be submitted at HPMC Cold Store Parwanoo and Branch Offices Rohru and Patlikuhah.
- All communications, including the envelopes, should contain the following information, to be marked at the top in bold letters: **REQUEST FOR PROPOSAL FOR DISTRIBUTOR**

General Instructions

- All contents of the Proposal should be clearly numbered, indexed and arranged in a sequence and shall be bound firmly.
- The Proposal shall contain no interlineations or overwriting, except as necessary to correct errors made by the official of Agency themselves. The person who signs the proposal must put initials against such corrections.
- The proposals shall be signed and submitted by the Authorized Signatory of the Agency. In the Technical Proposal, there shall be a letter of authorization/written power of attorney.
- Validity of the proposal shall be 120 days from the last date of submission of the proposal.
- Clarifications may be sought only in pre-bid and no queries shall be entertained thereafter.
- Misrepresentation/ improper response by the Applicant may lead to the disqualification of the proposal.

Earnest Money Deposit

- An Earnest Money Deposit of INR 25,000/- (Rupees twenty five thousand Only) in the form of DD in favour of Managing Director, HPMC.
- Proposals received without the Earnest Money Deposit will be summarily rejected.
- Managing Director, HPMC shall not be liable to pay any interest on the Earnest Money Deposit. The amount shall, however, be returned to unsuccessful applicants after the work order is issued to the successful applicant.

Performance Bank Guarantee/FDR

Bank Guarantee/FDR of 5% of the contract value towards Performance Security shall be submitted to the department within 7 days from the date of LoA in favour of Managing Director, HPMC Ltd. payable at Shimla. The validity of Performance Guarantee shall be 1 year and shall be reviewed after one year. Upon expiry of the agreed engagement period the bank guarantee will be handed over within 45 days.

6. Evaluation of Proposals

- I. The Corporation shall constitute an Evaluation Committee to evaluate the proposals. Evaluation Committee shall open the Proposals at the date & time specified in the RFP in the presence of the Applicants who choose to attend.
- II. Proposals for which a notice of withdrawal has been submitted shall not be opened.
- III. The opening of Proposals shall be done before the Evaluation Committee.
- IV. HPMC will not entertain any query or clarification from Applicants who fail to qualify at any stage of the Selection Process.

Selection

The Applicant meeting the eligibility criteria shall be declared as the "Selected Distributor/Agency".

Appendix – I

Name of the Applicant (Firm)	Address:
Area:	District:
Annual Turnover (in Rs.):	Details of EMD:
Experience in Distribution (No. of years)	

List of documents to be enclosed.

1. GSTIN Certificate/Acknowledgement.
2. Certificate from the supplier.
3. Audited Annual Accounts for last three financial years.

ANNEXURE A

List of HPMC Products on offer

S.no	Proudct	S.no	Product
1	100% Apple Juice 1000ml TetraPak	31	Apple Juice Concentrate 2 Kg
2	Litchi Drink 600 ml	32	Apple Juice Concentrate 900 gm
3	Pineapple Drink 600 ml	33	Apple Juice Concentrate 600 gm
4	Kiwi Drink 600 ml	34	Mixed Pickle 1 Kg
5	Strawberry Drink 600 ml	35	Mango Pickle 1 Kg
6	Guava Drink 600 ml	36	Mushroom Pickle 1 Kg
7	Apple Juice (N) 600 ml	37	Garlic Pickle 1 Kg
8	Apple Juice (N) 200 ml*	38	Mango Pickle 400 gm
9	Litchi Drink 200 ml*	39	Mango Pickle 400 gm
10	Pineapple Drink 200 ml*	40	Apple Cider Vinegar 1000 ml
11	Kiwi Drink 200 ml*	41	Apple Cider Vinegar 600 ml
12	Strawberry Drink 200 ml*	42	Mango Drink 600 ml
13	Fruit Punch 200 ml*	43	Fruit Punch 600 ml
14	Apple Jam 500 gm	44	Plum Drink 600 ml
15	MF Jam 500 gm	45	Pomegranate 200 ml*
16	Pineapple Jam 500 gm	46	Plum Drink 200 ml*
17	Strawberry Jam 500 gm	47	Ginger Squash 750 ml
18	Orange Squash 750 ml	48	Kiwi Jam 500 gm
19	Lemon Squash 750 ml	49	Plum Jam 500 gm
20	Litchi Squash 750 ml	50	Pomegranate Squash 750 ml
21	Strawberry Squash 750 ml	51	Garlic Pickle 400 gm
22	Rhododendron Squash 750 ml	52	Any other new Product
23	Kiwi Squash 750 ml		
24	Litchi Drink Concentrate 2 Kg		
25	Orange Drink Concentrate 2 Kg		
26	Mango Drink Concentrate 2 Kg		
27	Rhodo Drink Concentrate 2 Kg		
28	Pineapple Drink Concentrate 2 Kg		
29	Guava Drink Concentrate 02 Kg		
30	Strawberry Squash 750 ml		

* Glass Bottles