



Pharmaceutical Third Party Manufacturing Process at Felix Health Park LLP

For starting of **own marketing company with own brands** , then we require **approved brand names, Marketing company name** and **formulas from you in writing along with other documents** as listed in list of documents for pharmaceutical third party manufacturing. After finalization of the agreement, **there are four phases of starting a "Marketed By" set up:**

1. Formulation approval from DRUG department which takes **about 5-7 days** or already approved from drug department.
2. Procurement of Printed Packing material like foils, cartons, labels which takes **10-20 days**. Procurement of printing packing material will done after final approval of customers.
3. Actual Production time to get finished goods is **10-15 days**
4. Transportation. **3-9 days**.

Total time taken for whole process is 40-50 days approximately. For repeat orders 30-40 days shall be required.

Costing

General Policy of working out cost of the product is given below:

1. **Cost of Raw-Materials-** Active Ingredients and excipients
2. **Cost of Packaging Material-**
 - a. **PRIMARY** (Printed Packaging Material- Foil, Cartons, Labels), &
 - b. **SECONDARY** (PVC, Shippers, tape, packing slips, strips etc)
3. **Batch Charges-** which covers cost of consumables, Quality control Costs & Local transportation.
4. **In Process loss for Raw Materials & Packing Materials .**
5. **Manufacturing Charges.**

Taxation and Outward Transport

1. **GST** is charged as per latest central Govt Exemption Notification.
2. **CENTRAL EXCISE:** 0% is charged as per central Govt Exemption Notifications.
3. **OUTWARD TRANSPORTATION:** Outward Transport is payable by the Party, the rates quoted by us are Ex-factory. We have companies vehicles to transport the manufactured goods either to Baddi or Chandigarh which are well developed Transport hubs supplying all over India. By use of our own transport vehicles we cut down heavy cost of local transports thereby making a direct saving for our customers.



Batch Sizes

For Non-Beta-lactum tablet and capsules items- minimum Batch size is 50,000 tablets, for Liquids, Ointments, Liquid injections, Dry injections minimum batch size is 5000 unit.,For costly Beta-lactum tablets and injections smaller batch sizes are entertained as per product.

Minimum Business Volume

The marketing company shall give a minimum business assurance of minimum Rs. 25 lacs per annum ON NETT RATES.

Order and Supplies

Written order preferable in format given below is accepted by us, orders through authenticated e-mails are also acceptable, 1st time supply is executed in 45 days and repeat supplies are executed within 30-40 days, occasional URGENT orders are despatched within 10 days.

Payments

We need an **advance payment of 40 %** along with order as a confirmation of order and balance at time of dispatch or on raising the performa invoice. Payment terms for old parties may vary as per their dealing and performance; we raise credit limits for old parties as per their transactions against security instruments for smoother commercial transactions.

Printed Packaging Material

The inventory of the Printed packaging materials viz Foils, Cartons, labels etc is principally borne by you, we offer our customers a simple solution for this typical issue of taking care of procurement of packaging materials on your behalf, thereby providing you big savings on TIME and MONEY, we charge one time PM inventory deposit, details about this are given below in our write up for PM Inventory Charges.

A Write up for Packing Material Inventory Charges:

Ques No.1: Why do we charge PM Inventory Chages?

The answer is that the minimum procurement quantities of various packing materials is often higher than the Minimum Order Quantity (MOQ) therefore in manufacturing orders of small quantities there is a leftover printed packing material. These are as under:

1. Foil
2. Carton
3. Labels (liquids)



These materials are printed and have name of the “**Marketed By**” company and have no other use , hence the cost of residual inventory of these printed packaging materials has to be borne by the “**Marketed By**” company.

Ques no 2: Does the net rate cost of product covers the cost of packing material?

The answer is yes it covers the cost of packing material which is consumed in production, but does not cover the residual packing material inventory, that is why one time packing material inventory charges are taken.

Ques No. 3: In case quantities of order are higher, will PM inventory charges be still there?

The answer to this is no, in case of orders more than 2 lacs tablets/capsules, only one time cylinder charges will be applicable, no inventory charges.

Ques No.4: Why are we charging Rs 5200.00 (can vary) for all type of packing sizes of tablet and capsules?

The answer is to this is for sake of convenience we have calculated an average cost of all sizes which is as under. This cost has two components:

- a. One time charge @ 2000.00 per product (can vary)
- b. Deposit towards residual inventory @ 3200.00 per product (can vary).

Ques No.5: Are there inventory charges for all other items like liquids, ointments, injections etc?

For liquids where only labels are involved, an amount of Rs 500.00 is charged as inventory charges towards one-time cost, and where outer box is also involved we charge an amount of Rs 3000.00 as inventory charges in which 1000.00 is towards one time and 2000 towards inventory deposit, but in case of orders of liquids where order quantity is 10000 bottles, we charge only Rs 1000.00 for one time inventory charge for liquids with outer carton because there is no residual inventory left.(All amounts can vary productwise.

Documents Required for 3rd Party Manufacturing

1. **Profile:** (Brief Profile with Copy of PAN Card of the company and a Copy of Memorandum & Articles of Association in case of Pvt. Ltd or limited Company.
2. **Name, Address & Telephones with copy of Aadhar Card and Pan Cards.**
(Of all Directors, Partners or Proprietor both official and residential.)
3. **Drug Licences required** (whole sale drug license for allopathic medicine).
4. **Sales Tax / GST Registration Certificates.**
5. Brand Name required



On Letterhead of Marketing Company

NON RESEMBLANCE CERTIFICATE

We certify that the following trade marks have been originally coined by us and do not resemble to any existing trade mark of other company, also the designs on the product packing do not resemble any design, colour combination of any existing product of any company and that the we shall be solely responsible for the non-resemblance of trade name & its designs.

We shall be solely responsible for any dispute/claims/liabilities, if any, arising out of the use of our trademarks and we further indemnify **M/s Felix Health Park LLP**, Khasra No. 845, Sai Road Baddi Distt. Solan H.P. for any dispute/claim if arisen out of any resemblance of its trade name with any other trade name/design and also undertake that we shall withdraw the product from the market and also withdraw the trade name if instructed by the State Drugs Controller Himachal Pradesh in this regard.

- 1.
- 2.
- 3.
- 4.
- 5.

**Deponent
Verification:**