



HETERO HEALTHCARE LIMITED

Distribution Office : Shed No.5, Plot No.38, Survey No.300 & 306, Sri Venkateswara Co-operative Industrial Estate,
Ramreddy Nagar, Jeedimetla, Hyderabad-500055. Tel : 040-23090902, Fax : +91-40-23090903
CIN:U52520TG2006PLCO49614

REF: HHCL: NB: STK.APPNT:2015-16/106

DT: December 21, 2015

To

**M/s Heet Healthcare Pvt. Ltd.,
D-16, Kaushlendra Nagar Society
Bhut Bunglows
Nr. Railway Colony, Sabarmati
Ahmedabad - 380 019
Gujarat
Ph: 079-40326138**

Dear Sir,

SUB : APPOINTMENT AS OUR TRADE STOCKIST

With reference to your application and the discussions you had with our Company's officials on the above subject, the Company is pleased to appoint you as one of its Trade Stockist to cater to the demand of its products in the **Ahmedabad** District, on the terms and conditions mentioned hereinafter.

1. TERMS

The appointment shall be effective from **December 21, 2015 to December 20, 2016** and may be renewed for further period of one year, on such terms and conditions as deemed fit, at the sole discretion of the Company.

2. SUPPLY / INVOICES

The supplies of the Company's products will be made to you in the Company's original packing only, from the Company's authorized distribution Centre / Agent in your state, against Demand Drafts / Pay Orders / Cheques or documents, to be negotiated through your Bankers.

3. RECEIPT OF GOODS

On receipt of the Company's goods, you shall check each and every carton/box before accepting deliveries, and tally the same with the invoices. You shall communicate any discrepancies or evidence of pilferage, damages or tampering observed by you, immediately to the forwarding agency (ies), e.g. the carting agent; transporter(s) etc., and obtain a certificate from them for any claims regarding the above. You shall also inform in writing, immediately to the concerned Consignee Agent / Central Ware House, the details of the same with relevant photocopies.

In Search of a Better Life

Regd. Office : "Hetero Corporate", 7-2-A2, Industrial Estates, Sanath Nagar, Hyderabad - 500 018.

4. PAYMENT TERMS

The Payments shall be made by you within the due dates mentioned in the Invoice, failing which a penal interest @ 14% per annum shall be charged from the due date up to the date of Payment. Instruction to this effect will be given to your Bankers where the documents are negotiated through the Bank. The Company reserves the right to revise the rate of interest as per its internal policy.

5. DATE EXPIRY / BREAKAGE CLAIMS

You will arrange to collect all Date Expiry / Breakage claims if any, from the retailers and issue credit notes as per the norms agreed upon between the Pharma Industry and the AIOCD. The same shall be reimbursed by the Consignee Agent / Central Ware House of your area, within 90 days of the date of the Lorry Receipt.

As regards your claims for Date Expired / Breakages goods, the same shall be settled by us as per procedure given in our format attached hereto as **ANNEXURE - I.**

6. ORDERS

You will place the orders for your requirements of the Company's products in the format attached as **ANNEXURE - II.**

7. SALES AND STOCK STATEMENTS

You shall submit Sales and Stock Statement as per the format attached as **ANNEXURE - III** for the period 1st to 15th of every month, on the morning of 16th of every month, and for the period 1st to end of the month, on the morning of the 1st of the subsequent month.

The above statements shall be sent by you to our Area Manager by the very next mail, after preparing this statement.

8. INSPECTION

The Company shall have the 'rights' to inspect regularly stocks of the Company's products, as well as your books, pertaining to the sale of the Company's merchandise.

9. PRICING

You shall charge prices, only as recommended by the Company in its Price List, which shall be forwarded to you from time-to-time. You shall not charge prices exceeding the prices mentioned in the Company's Price List.

10. INVENTORY / STOCK LEVEL

You shall maintain adequate inventory levels of at least 45 days sales as per the Company's sales targets fixed and communicated to you from time-to-time.

11. ORDER EXECUTION

You shall ensure that all orders received by you for the Company's products are executed within Forty Eight (48) hours of your receiving the order.

12. TRADE ADVANCE

As and when required, you shall keep with the Company a 'Trade Advance' of such an amount as decided by the Company, depending upon the volume of sales. The Company shall be free to adjust the same against the amounts due to the Company from you.

13. TRADE DISCOUNT

In consideration of your providing the services mentioned hereinabove, you shall be entitled to a Discount in the invoice on the basic approved price, exclusive of the Excise Duty, Sales Tax or other Levies on your purchases. The rate of discount shall be as per the norms laid down in the 'Memorandum of Understanding' between the Pharma Industry and the AIOCD, and as per the DPCO/ NPPA norms.

The Company reserves the absolute right to vary the rates of Discount from time to time. The rates of Discounts as changed by the Company shall come into force from the date of receipt by you of intimation, addressed to you by the Company in writing, intimating the change in rates of Discount.

14. DESPATCH OF GOODS

The goods shall be despatched to you against your orders through a Bank approved transporter. In case you wish to have the goods despatched by other modes, the differential freight paid by us shall be borne by you. The Company's liability with respect to the goods will cease once the goods are received in good condition by you.

15. STATUTORY APPROVALS

You shall ensure that you possess all the necessary and valid Drug and Food Licences, Sales Tax Registrations, and any other Licences or Permits as applicable to the 'storage' and 'selling' of the Company's products. You shall also ensure that all such Licences and Permits are renewed from time-to-time and are kept valid and subsisting at all times. The responsibility for the same will be solely yours, and the Company shall not in any way be held responsible for any defaults or acts of omissions on your part regarding the above.

16. DATE EXPIRY OF GOODS

As all our products have a specified shelf life, you shall keep a track of the same and dispose of the stocks accordingly. However, in case of such stocks that are slow moving, due to which there could be an accumulation of excess stocks, you shall inform the Company in writing by a Registered A.D. letter, at least 'six months in advance' of the expiry of the said products.

17. DIRECT SUPPLY

In the event of your not executing any orders against contracts and / or orders placed with you, the Company has the right to supply the stocks directly without any intimation to you, and you shall not be entitled to any discounts on such supplies. Any penalty or liquidated damages demanded by the party consequent to such failure on your part, if determined, shall be to your account.

The Company also reserves the right to supply directly to Government or Private Institutions in your area, as well as to execute orders received directly from Chemists and Customers in your area.

18. COMPANY'S INTERESTS

You shall not carry out any activities against the interests of the Company. However, if the Company incurs any loss or damages due to your indulging in such activities, your appointment is liable to be terminated immediately.

19. TERMINATION

This arrangement may be terminated by either party by giving one calendar month's notice in writing, to be served by Registered Post. The Company shall however have the right to terminate this arrangement forthwith without any previous notice, if you breach any of the conditions of this appointment, or your conduct becomes prejudicial to the interests of the Company.

20. APPOINTMENT OF ADDITIONAL STOCKISTS

The Company reserves the right to appoint additional Stockist(s), if in its opinion, conditions warrant such an appointment, and you will not take any objection to this appointment.

21. CHANGE IN THE CONSTITUTION

Any change in the constitution / status of your firm should be brought to the notice of the company in writing, with relevant supporting documents (photocopies), within 15 days of such a change. Failure to intimate the same to the Company shall render this appointment liable for termination forthwith, at the option of the Company. The Company may amend its terms of appointment, in such a case, where it is satisfied with the merit of the case.

22. JURISDICTION

All disputes arising out of this arrangement and matters pertaining to the same, whether during the validity of this appointment or any time afterwards, shall be subject to the jurisdiction of the appropriate Courts at Hyderabad in the state of Telangana.

Kindly return the duplicate copy of this appointment letter duly signed, in token of your acceptance to the various Clauses mentioned in this appointment letter.

We wish our association will be mutually beneficial and fruitful.

Sincerely,

For **HETERO HEALTHCARE LIMITED**


N. BOSE