

ANDHRA PRADESH STATE CIVIL SUPPLIES CORPORATION LTD

**Regd. Office: 6-3-655/1/A, C S Bhavan, Somajiguda, Hyderabad – 500
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VC & Managing Director

Lr. No. Mktg.M6/4222/2016

Date:09.08.2017.

Addendum – 3 to Request for Proposal

Sub: Addendum to Request for Proposal for empanelment of vendor to supply various FMCG products to the selected FPS

Ref: 1) Tender Reference No.Mktg.M6/4222/2016, dated:
13/07/2017

2) Pre-bid meeting dated: 19/07/2017

3) Addendum – 1 to RFP dated: 21/07/2017

4) Addendum – 2 to RFP dated: 09/08/2017

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With reference to the Tender Reference No.Mktg.M6/4222/2016, dated: 13/07/2017for empanelment of vendor to supply various FMCG products to the selected FPS, the authority issues the following Addendum in evaluation process.

8 Selection of Fair Price shops

- Minimum area of FPS should be 100 square feet to participate in the scheme.

9 Scope of work

Following clauses are included,

- The FPS dealers shall make the payment to the supplier within 10 days of supply. APSCSC will provide a rolling over bank guarantee to empanelled vendor for supply of goods to FPS for 10 days credit period to a maximum order value of INR 5000.0 per FPS. Depending upon the FPS credit history and sales performance of FPS, APSCSC will review the BG requirement for each FPS every 6 months. Cost of bank guarantee will be borne by the empanelled vendor.Modalities of BG between APSCSC and the empanelled vendor will be discussed and

finalized on mutually agreeable terms post selection of empanelled vendor/s.

- Under the current supply arrangement of PDS items by APSCSC, the ownership, responsibility & accountability to comply with weights and measures regulatory requirements transfer to FPS, once goods are delivered and accepted by FPS. The same would stand applicable in case of FMCG goods as well.
- The supplier needs to fulfill the order within 15 days of the purchase/demand order given by the FPS dealer. If the empanelled vendor fails to supply within the stipulated time except under the case of unprecedented circumstances viz. Act of God, strikes etc. (the same needs to be brought to the notice of APSCSC, FPS dealer in advance, in which case exemption can be considered by APSCSC), then liquidated damages will be imposed on the empanelled vendor to the extent of the margin loss for FPS on account of short supply.
- Margin on any product is calculated as difference of purchase price of FPS and MRP of product. The same shall be distributed in the ratio of 40:60 among FPS and customers.
- The empanelled vendor will organize & arrange for store fixtures / shelves for all FPS shops allocated to the vendor. The cost of such fixtures will be shared equally between APSCSC and the empanelled vendor. Modalities of cost share between APSCSC and the empanelled vendor will be discussed and finalized on mutually agreeable terms post selection of empanelled vendor/s.

10 Earnest Money Deposit

- The bidder has a choice to select one or more district for the purpose of bid, which need to be clearly mentioned in the proposal. Bidders are requested to furnish details of infrastructure, people & other resources available at their disposal in their technical bid in the districts they wish to operate in.
- There shall be a refundable Bid Security/ EMD deposit of INR 10,00,000/- (INR Ten Lakh) per district to be paid by the bidder in the form of D.D./Banker cheque/Bank guarantee of scheduled Bank in favour of "VC & MD, A.P. State Civil Supplies Corporation Limited" payable at Hyderabad. So, for example, if a vendor wishes to bid for 3

districts then they need to deposit a bid security of INR 30,00,000/- (INR Thirty Lakh) with APSCSC.

- The Bid security of unsuccessful bidder for a given district will be refunded within three months after finalization of the Bid.

4 Forfeiture of Bid Security

The Bid security will be forfeited in the following cases:

- When bidder withdraws or modifies the offer after opening of Bid but before acceptance of Bid.
- When bidder does not execute the agreement, if any, prescribed within the specified time or extended time by competent authority on the request of the bidder, barring such cases where delay is caused on behalf of APSCSC or the FPS.
- When he fails to commence the supply of the products at the FPS allotted to the bidder as per the purchase order within the time prescribed, except under the cases where supply of products is hindered on account of unprecedented circumstances viz. Act of God, strikes etc. (the same needs to be brought to the notice of APSCSC, FPS dealer in advance) wherein an exemption can be considered at the discretion of APSCSC.
- When bidder violates any terms & conditions of the Bid document.
- When the bidder does not deposit the Bid Security within specified period.

5 Other clauses

- Based on the terms and conditions mentioned in the RFP document, the final terms and conditions will be decided mutually for the tripartite agreement. The terms and conditions mentioned in the tripartite agreement will be binding on all the three parties.
- The list of product categories mentioned in RFP document is for uniform evaluation and screening purpose, however at each district level, the assortment can change based on local requirement / demand and same can be finalized mutually between empanelled vendor, APSCSC and FPS at the time of drafting of the tripartite agreement.

- The detailed specifications to be provided by the vendor of enlisted private label/commodity products (one's which they are proposing to offer) in their bid document in Annexure K furnished in this addendum.
- Post roll-out of the scheme, as required per prevalent market dynamics APSCSC and supplier can further negotiate the discounts on specific products in line with price benchmarking in open markets.
- The prices offered by the supplier at its own stores can be less in exceptional cases like stock clearance sales, promotions etc. however any such price discrepancy should be communicated by the supplier in writing to APSCSC in advance.
- Further, the supplier will have to immediately replace the entire stock of the particular batch/lot number of substandard/ adulterated products at their cost, any challenges faced by the vendor in ensuring it needs to be communicated to APSCSC at the earliest and the final decision on same rests with the APSCSC Corporation. If any quantity of substandard/ adulterated products cannot be replaced/ taken back from the FPS due to its supply to the consumers, then a penalty equivalent to the deduction of minimum 20% or as decided by competent authority from the consignment of that particular Batch/ Lot will be deducted.

6 Appendix K: Category wise list of products

The table format has been revised as below.

SN	Category	Product	Brand	Company who owns the brand	Specifications	Min-Max discount