



Indicative Roles and Responsibilities: DCA & CS

Appointment of DCA & CS by HMEL is for the purposes of organizing, promoting, marketing, warehousing, distribution and sale of Polyethylene (PE) and Polypropylene (PP) products from Ex-Works (Bathinda) or from any other plant/warehouse as required by HMEL, and the CS Stock Point within the assigned Territory, during the Term of the Agreement and on terms and conditions contained herein.

The engagement of DCA & CS is on a Non-Exclusive basis, and HMEL reserves the right to engage services of other parties or employ other channels of distribution for similar services within the Territory. The DCA & CS will not be allowed to represent any other person or entity whether directly or indirectly, for dealing in the products (PE / PP) marketed by HMEL.

The selected 'DCA & CS' applicants are expected to perform two different but complimenting roles, for the assigned geographical location, for Polypropylene (PP); i.e.

1. Del Credere Agent (DCA)
2. Consignment Stockist (CS)

It is proposed to assign these two roles to the same Applicant Entity. However, it is proposed to have two different Agreements to distinctly cover the roles and responsibilities of DCA and CS. The draft Agreements for each role shall be made available to the short-listed applicants for clarity and understanding of all business aspects as well as all the terms and conditions.

The selected applicants can submit a single Bank Guarantee/Security Deposit for the DCA & CS businesses.

The DCA and CS shall be eligible for commission for the services provided by them. The commission shall be payable on the actual sale made by them and will be independent for DCA and CS operations.

Del Credere Agent (DCA)

- DCA will operate in a specific location/ territory based on the market volume and the HMEL's business requirements.
- DCA shall be responsible for sale of PP/PE in the assigned territory, for the supplies made from HMEL Plant and HMEL Company Registered Warehouse/s.
- DCA shall be responsible for customer visits and contacts in the assigned territory.
- DCA is not required to maintain any stock point and does not get physical possession of the product.



- DCA will be responsible for registering the customers with HMEL in the designated territory. DCA shall service these customers which are registered with HMEL through them.
- Product shall be supplied/Invoiced by HMEL directly to the customers, against the indents placed by DCA on their respective customer's behalf.
- HMEL shall receive payments directly from the customers in HMEL Bank account unless DCA makes payment to HMEL on behalf of the customer.
- DCA is required to play active role in sales & promotion of HMEL PP/PE. They shall be coordinating with customers and HMEL Sales Team on daily basis for pre-sale/post-sale documentation and to facilitate business transactions.
- DCA needs to provide required Bank Guarantee or Security deposit as per the company guidelines and business requirements. DCA shall put orders and draw material for his set of customers against the assigned credit limits.
- DCA will be fully responsible for ensuring remittance of payments to HMEL. The DCA shall guarantee HMEL for the entire amount due from the customer i.e. Material Value, Freight, GST, TCS any other taxes if applicable.
- The responsibility of providing all the statutory forms, all the delivery confirmations, changes in customers credentials like GST/PAN/Address etc. lies with the DCA only. Any liability arising out, in case of default of any of their customers, lies with the DCA.
- DCA has to maintain a proper office for the day-to-day operations which should have requisite IT infrastructure and should have sufficient and qualified manpower for Sales, Accounts and operations.
- DCA will be eligible for commission on per Metric Tonne (MT) basis as per HMEL policy, on the entire quantity sold to various customers, through HMEL Plant/warehouse(s).

Consignment Stockist (CS)

- CS will operate in a specific location/ territory based on the market volume and the HMEL's business requirements.
- CS shall be responsible for sale of PP/PE in the assigned territory, for the supplies made from CS warehouse/s.
- CS is required to maintain and operate CS warehouse stock point at the locations specified by HMEL, based upon the market potential and business requirements.
- The material will be stock transferred to the CS warehouse from HMEL. The stocks will be in the custody of CS but the title of the goods remains with HMEL till the material is sold/billed to the customers.
- The material will be invoiced by the CS as per Company Price List to HMEL's registered customers as directed by HMEL.
- CS shall be required to invoice from the HMEL web-based billing portal for the supplies to registered customers as per HMEL price list.



- CS shall be required to ensure the GST compliance and periodic returns to the competent authorities.
- CS shall be required to generate the way-bills for the supplies executed from CS warehouses.
- The CS warehouse might be owned or leased/rented by the CS and managed at his cost. All the operating costs like lease rent, power, water, security, building insurance etc. will be borne by CS.
- **The minimum size of the warehouse shall be 2500 sq.ft.**, but will vary from location to location. Depending upon the market potential and business requirements, the CS shall provide warehouse area as per requirement/specifications of HMEL.
- CS needs to get the warehouse registered with the Goods and service tax (GST) for statutory compliances and shall comply with all statutory requirements in this regard and will be liable to pay all taxes there under as may be applicable.
- The warehouse will carry the GST paid stocks and the CS will sell the material Ex- CS point as per Company's price list.
- CS shall ensure timely compliances as per GST rules.
- CS will be responsible for registering and servicing these customers in the designated territory, for CS warehouse supplies.
- CS shall be responsible for handling and storage of the products at the CS Stock Point in safe and clean condition.
- HMEL shall provide the insurance cover for the HMEL stock at the warehouse towards theft, fire, burglary etc., however CS shall be responsible for any damage/loss of material arising due to handling, pilferage, negligence etc.
- CS is required to play active role in sales & promotion of HMEL PP/PE. They shall be coordinating with customers and HMEL Sales Team on daily basis to facilitate business transactions.
- CS needs to provide required Bank Guarantee or Security deposit as per HMEL guidelines and business requirements. The said SD/BG shall be sufficient cover the material supplies made through CS warehouse. The CS shall be fully responsible for all payments and statutory compliances w.r.t. to the material stock transferred to the CS by HMEL and sold from CS to the customers.
- CS has to maintain a proper office for the day-to-day operations which should have requisite IT infrastructure and should have sufficient and qualified manpower for Sales, Accounts and operations.
- CS will be eligible for commission on per Metric Tonne (MT) basis, as per the company policy, on the entire quantity sold to various customers, through CS Warehouse(s).