

HLL LIFECARE LTD

REQUEST FOR PROPOSAL

**FOR SELECTION OF CONSULTANTS FOR CONDUCTING FEASIBILITY STUDY &
PREPARATION OF DETAILED PROJECT REPORT FOR BIOMEDICAL
ENGINEERING SERVICES**

Strategic Planning Dept., CHO Thiruvananthapuram

2015

Tender Notice**Enquiry No: HLL/CHO/SP/FS-BES/2014-15/1 Dated: 05.05.2015**

HLL LIFECARE LTD [HLL] invites sealed tenders, to provide consultancy services for **conducting business feasibility study of biomedical engineering services** as per the scope of work described in the subsequent paragraphs.

1	Tender No.	HLL/CHO/SP/ FS-BES/2014-15/1 dt. 05.05.2015
2	Last date & time of receipt of Tender	26.05.2015, up to 1500 hours
3	Due date & time of opening of Tender	26.05.2015, after 1500 hours
4	Validity of offer	120 days from date of opening.
5	Contact email	gskumar@lifecarehll.com

**SVP (SP & CQA)
HLL LIFECARE LTD**

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1.0 Company Background

HLL Lifecare Limited (HLL) commenced its journey to serve the Nation in the area of healthcare, on **1st March 1966**, with its incorporation under the Ministry of Health and Family Welfare of the Government of India. HLL Lifecare Limited (HLL) is India's leading provider of a wide range of contraceptives, hospital and Ayurvedic products and a range of women's healthcare products. A Mini-Ratna Public Sector Enterprise, HLL has emerged as a multi-product organisation, with seven manufacturing units, and a vast array of innovative products and services. Over the years HLL had been addressing various public health challenges in the area of maternal and child health, population stabilization and HIV/AIDS control.

HLL, formerly Hindustan Latex Ltd, is one of the top manufacturers across the globe in Male condoms. HLL has also diversified into vaccine manufacturing of Vaccines, Sanitary Napkins, Hospital products, and wide range of Contraceptives etc and is into Healthcare services, Pharma retail and establishing Medipark (A Medical Devices Park), besides engaging in procurement consultancy, infrastructure development of healthcare institutions and facility management.

HLL, which has set a target of becoming a Rs 10,000-crore company by 2020, also runs hospital chains, and facility management and has established Pathlabs, Diagnostic Imaging centres and Lifecare centres across India as part of being an affordable Healthcare delivery company.

2.0 Objective of the assignment

HLL has recently ventured into the testing and calibration of medical equipment and devices through its Biomedical Division. The Ministry of Health and Family Welfare, Government of India has proposed a Biomedical Management and Maintenance program for all the health care facilities that come under the administration of the Central and State governments. The model for this Service Provider and its responsibilities as required by the Government are provided **in Annexure 1**.

For undertaking this project, HLL has planned to use existing facilities in Testing and Calibration, and develop additional capabilities in Equipment maintenance services so as to venture into this new field of business. HLL desires to undertake diverse activities such as:

1. Centre for Testing & Calibration services
2. Medical Device Testing Laboratory
3. Third Party Inspection
4. Third Party Maintenance - turnkey contracts
5. Healthcare Projects & Planning
6. Biomedical R&D activities & Academic activities.

For operational and financial efficiency, HLL plans to create a new subsidiary

company (if feasible) that handles the entire project and its requirements. In this context, HLL desires to understand the viability and benefits of taking up these opportunities and decide on a suitable business model for HLL to develop long term business prospects in this area.

3. Scope of Work

The scope of work of the consultant shall predominantly be a **feasibility study** on HLL's plan to expand into this business and prepare a **Detailed Project Report (DPR)** which shall inter alia include;

- 3.1. **Understanding the Government Proposal:** Studying the proposal (RFP and concept note) submitted by Ministry of Health and Family Welfare; understanding the responsibilities and scope of work required from the Maintenance services provider and the intricacies involved.
- 3.2. **The Challenges and Costs involved in the program:** Client Management (Govt. Hospitals), Operational, the existing/upcoming laws, policies and regulations governing Medical equipment , maintenance and management, the Global best practices etc.
- 3.3. **Evaluating the benefits of the program:** Evaluating the benefits of taking up this project through an appropriate financial model in terms of: Capital, revenue, profits, business growth, client base, long term prospects to HLL.
- 3.4. **Suitable business model:** A business model which shall suit the requirements of the Government's proposal as aforesaid and the prospective domestic private business considering the vast geographical spread, regional imbalances and the local business practices, local competition etc. The business model shall ensure- profitability, efficient operations, strong presence in this field, long term sustainability, maximum benefits to all stakeholders and customer satisfaction.
- 3.5. **Suggest the capability augmentation requirements for HLL:** Evaluate the existing Biomedical (testing and calibration) capability of HLL and suggest the capability augmentation requirements for future in phases considering the scope of business in Biomedical engineering services and the business model being proposed by the consultant.
- 3.6. **Evaluating the scope of activities of the new venture planned by HLL and development of a business plan:**

The new venture is planned to undertake activities in the following areas and turn to a one stop USP for the Centre/State Governments.

- 3.6.1. Centre for Testing & Calibration (CTC)
- 3.6.2. Medical Device Testing Laboratory (MDTL)

- 3.6.3. Third Party Inspection (TPI)
- 3.6.4. Third Party Maintenance - turnkey contracts (TPM)
- 3.6.5. Healthcare Projects & Planning (HPP)
- 3.6.6. Biomedical R&D activities & Academic activities.

The consultant shall evaluate the market potential for each of the aforesaid activities and may suggest addition/deletion of activities based on their feasibility and capture the same into the business plan to be developed by the consultant.

NB: *The business plan distinctly developed as per Para. 3.1 -3.4 would be a subset of the comprehensive business plan to be prepared as indicated in Para. 3.6 above.*

4.0 Deliverables

The mile stones for the consultancy activity and the deliverables sought from the consultant are as follows:

Mile stones & Deliverables	Timeline (Tentative)
An Initial Report, encompassing the scope of work – 1 CD Copy only	6 Weeks from issue of Work Order
A Business Workshop for discussions and clarifications based on the initial report.	1 week from submission of initial report and after study by HLL.
Final Project Report (based on feedback from Workshop) – 2 copies and 2 CD copy	2 weeks after the Business Workshop

5.0 Instruction to bidders

5.1 Eligibility Criteria

Sl no	Eligibility Criteria	Documents required
1.	The consulting firm must be an entity registered as Corporate Body within India or a Corporate Body with an established branch office in India. Core business of the consulting firm should be business/strategic management consultancy / market research /advisory services	Certificate of incorporation, testimony/ Corporate profile indicating their worldwide presence/ experience.
2.	The bidder should have a positive net worth and should have been in the business in India for the last 3 years, and must have their own offices in India. Liaison offices would not be treated as bidders own office.	Balance sheet for 3 years/ Annual Report. (Only Soft copy of the original – hard copy not required)
3.	The bidder should have previous experience of providing consultancy services of similar nature (conducting market research in healthcare field in India), with a minimum of 2 consultancy engagements with leading clients who are having a minimum turnover of Rs. 25 crore in India, during the last 5 years.	Detailed description of related projects executed by the firm giving details of project scope, duration, project size & impact. (relevant sections in the contract), client certificates
4.	The bidder should have a minimum turnover of Rs. 3 crores from advisory/consulting business, for the last three financial years.	Three years Annual Report (soft copy of the original – hard copy not required)

5.2 Bid Submission Method

The offer shall be submitted in **Two part basis** as under and each part shall be sealed in a separate cover and all the two sealed covers shall be kept in another separate sealed cover.

Bidders shall submit **PART A** in **SOFT COPY only** in **editable format on non-rewritable CD**. In case Bid Documents are filled by typing / hand written, the soft copy on non-rewritable CD shall be submitted by scanning the original signed hard copy. **PART B** shall be submitted in **HARD COPY only**

a) **Part 'A':**

1) Technical Bid containing information as required in Para. 5.4.1 below.

2) Un-priced Commercial Bid, duly indicating the following details:

- i) Firm's details – Company details, Constitution with details thereof, **Contact Persons and their Address/Email/Telephone /Mobile Nos.**
- ii) Bank A/c Details with PAN, Service Tax Registration Nos. etc.
- iii) Taxes / Duties / Cess / Levies along with the rates applicable.
- iv) Validity of Offer.
- v) A self-certification to the effect that the bidder has read, understood and agreed to the terms and condition of the RFP document
- vi) An Undertaking to submit the stipulated Performance Guarantee.
- vii) Work Schedule
- viii) Authorisation letter, wherever applicable.
- ix) Other commercial terms of the RFP

b) **Part 'B' – Price Bid in one sealed cover, duly indicating Prices.**

All the above two sealed covers (Part 'A' & Part 'B') shall be distinctly super scribed with the following details on its left hand top corner.

- i) Enquiry No. and Date.
- ii) Cover No. i.e., Part-A or Part-B, as the case may be. (Part-A-Technical & Unpriced Commercial Bid or Part-B- Price Bid for **Studying feasibility of biomedical equipment maintenance and management services.**
- iii) Closing and Opening dates of the tender.
- iv) Name and address of the bidder.

The two covers which are individually sealed and super scribed as mentioned above shall be kept in another sealed cover, super scribing enquiry number, closing & opening dates of the tender and name & address of the bidder.

The bids submitted contrary to the above guidelines are liable for

rejection.

HLL will not be responsible for misplacement / premature opening of the bids, if the details are not super scribed as mentioned above.

5.3 Schedule Time for Submission & Opening of Tenders

- a. **Schedule Time for Submission of Tenders:** Scheduled time for submission of Tender is up to 1500 Hrs. on the closing date at the office of **SVP [SP & CQA], HLL LIFECARE LTD, Corporate Office: HLL Bhavan, Mahilamandiram Road, Poojappura, Thiruvananthapuram- 695012** or as notified in the RFP / corrigendum. Bidders may send the bids by post or by courier. However, bids received after 1500 Hrs. on the closing date will not be accepted. HLL is not responsible for postal / courier delays. Bids received late for whatsoever reasons will not be opened under any circumstances and would be returned to the Sender. The Tenders will be opened after 1500 Hrs. on the same day.
- b. **Schedule Time for Opening of Tenders:** Part A cover of the bids will be opened and readout or displayed on schedule date of opening, in the presence of bidders attending the opening of tenders. In respect of two parts tender, Part-B covers of technically qualified bids shall be opened subsequently with advance intimation to the qualified bidders.

Bids received by e-mail or Fax will not be accepted unless otherwise requested by HLL. In such case, confirmation copy shall be submitted in person or by post or by courier within schedule time given in the RFP.

HLL may solicit the bidders consent for extension of the period of validity of the bid. The request and the responses thereto shall be made by letter, fax or e-mail. However, bidders accepting the request are not permitted to modify the bid.

HLL reserves the right to seek clarifications in respect of the bids / supporting documents etc. from the bidders by letter / e-mail / fax.

5.4 Bid Evaluation

5.4.1. Technical Evaluation will be carried out on the following parameters

SI	<u>EVALUATION CRITERION</u>
	A. Bidder Experience
a)	Experience of advising Companies on similar jobs during last 5 years.
b)	Experience in Healthcare sector.
	B. Bidder's Approach and Methodology
a)	Technical Approach and Methodology as mentioned in the technical proposal
b)	Bidder should explain: <ul style="list-style-type: none"> • Understanding of the objectives of the assignment • Methodology for carrying out all the proposed activities. • Their experience of executing similar engagements in Indian context
c)	Detailed Work Plan <ul style="list-style-type: none"> ▪ Proposed methodology to be followed ▪ The main activities of the assignment, its content and duration, phasing and interrelations, milestones (including interim approvals by the client), and delivery dates of the reports. A list of the final documents, including reports, to be delivered as final output, should be included here. The work plan should be consistent with the Work Schedule.
	C. Team Personnel (Proposed as part of the Bidder's team)
a)	<ul style="list-style-type: none"> ▪ Profile(s) of the Team Leader(s) qualification ▪ No: of years of experience ▪ Experience in projects of similar nature
b)	Profile of the Team and their experience in Healthcare sector

The bidders shall submit their proposal with the above data and documentary support. The credentials and the Bidders methodology & approach shall be assessed by HLL for its suitability to the present project and the offer(s) of the consultant(s) not found consistent with the requirements of the Project shall be summarily rejected.

HLL reserves the right to request the bidders to change their proposed methodology and/or approach, so as to suit the requirements of the project.

5.4.2 Financial Evaluation

- 5.4.2.1 The financial offer shall include professional fees, operational expenses and the applicable taxes. Any visits of the team to the Target Company shall be considered to be included in the price quote and no accommodation or travel expenses shall be arranged or reimbursed / paid in addition to the price quoted.
- 5.4.2.2 The consultancy project shall be awarded to the bidder offering the lowest offer for the total activity. Bidder/Bidding consortium shall submit unconditional bid accepting all the provisions of the RFP. Any conditional offers shall be summarily rejected. Bidder/Bidding consortium shall submit one single price quote for the composite activity; separate price quotes for elemental activities by consortium members are not acceptable.
- 5.4.2.3 It will be construed that the price quoted is inclusive of all taxes and duties. No claim in this regard will be entertained at a later stage.
- 5.4.2.4 The price quoted by the bidder should be final and no escalation shall be permitted during the contract period except for revision in statutory levies subsequent to the date of submission of the price bid duly supported by documentary evidence.

5.5 Pre-Bid Meeting

Any Bidders who require a pre-bid meeting for substantial clarifications on the RFP may request in writing for the same within a week of publishing this RFP and if HLL feels the need for a Pre-bid meeting then the same would be held at our corporate office, the date and time would be intimated over email. Bidders who have minor queries only may address it to **SVP (SP & CQA)** to his email specified in this RFP.

6.0 Performance Bank Guarantee (PBG):

Bidders should confirm their acceptance for 10% of the order value as Bank Guarantee towards performance if order is placed. The performance bank guarantee shall be given covering the period of the Consultancy project. The Bank guarantee shall be renewed if required, at least two weeks before the expiry of the BG till complete execution of the Order.

Bidders are also requested to note that the representatives attending the technical and price bid opening should carry proper authorization from their firms.

7.0 Liquidated Damages (LD):

In case of delay of agreed schedule of various activities, liquidated damages @ 0.5 % of total price per week of delay or part thereof subject to a maximum of 5% is

recoverable from the Consultant. The payment or deduction of such damages shall not relieve the Consultant from the contractual obligation to complete the balance portion thereof in time as stipulated in the contract.

8.0 Schedule of payment

The payment of fee shall be as per the following schedule:

Sl. No.	Mile stone	% of Fees Payable
1	Advance on signing of engagement letter and submission of first invoice & PBG	10%
2	Submission of Initial Report	25%
3	Completion of Business Workshop	15%
4	On submission of Final report	50%

9.0 Sub-contracting or sub-letting

The bidder is prohibited from sub-contracting or sub-letting of the work.

10.0 Validity of offer

Quote submitted by the bidder should be valid for a minimum period of 120 days from the date of opening of price bid.

11.0 Cancellation/Termination of order by HLL

In case where the consultant fails either to accept the order or to acknowledge the order without any pre-conditions within the stipulated time or fails to start the work according to the work schedule or fails to ensure satisfactory progress of the work, HLL reserves the right to cancel/terminate the contract by giving 10 days' notice at the cost and risk of the consultant.

12.0 Confidentiality of documents

- The bidder (s) shall treat the bid documents and contents therein as strictly confidential. Successful bidder(s) shall have to sign confidentiality agreement wherever called for by HLL.
- Bid documents are non-transferable.
- No part of the document should be disclosed outside as these documents are issued with the strictest confidentiality.
- The bid documents are exclusive property of HLL. The bidder does not have any right to use them for any purpose other than as the bid for the subject work to HLL and for use by successful bidder are permitted to use only with

reference to the execution of this work.

13.0 Applicable language

The bid and all correspondences incidental and concerning to the bid shall be in English language only.

14.0 HLL's Right

HLL reserves the right to accept the bid(s) other than the lowest and to accept or reject any bid in whole or in part, or to reject the bids without assigning any reasons. HLL may decide not to continue with the tender and cancel the tender either full or in part at its discretion. Further, HLL shall reserve the right to reject the bid(s) on technical grounds. Such decision by HLL shall bear no liability consequently.

15.0 Force majeure

If at any time during the continuance of this contract the performance, in whole or part or any obligation by either party under this contract shall be prevented or delayed by reason of any war (whether declared or not), hostility, acts of the public or enemy, civil commotion, sabotage, fire, flood, earthquake, explosion, epidemic, quarantine restriction or other acts of God, trade embargoes, Government restrictions, absence of the usual means of communication or transportation (hereinafter referred to as 'eventuality') and any specific occurrence which both the parties feel that it is beyond reasonable control of parties which will be included before finalization of the contract, provided notice of the happening of any such eventuality is given by either party to the other within 15 days from the date of the occurrence thereof, neither party shall, by reason of such eventuality, be entitled to terminate this contract nor shall either party have claim for damages against the other in respect of such performance or delay in performance and the work under this contract shall be resumed as soon as practicable after such eventuality has come to an end or ceased to exist.

16.0 Disputes during Enquiry/RFP stage:

No disputes on the RFP will be entertained before placing order and the decision of HLL shall be final.

17.0 Acceptance of Order:

The successful bidder shall return a copy of the purchase order and the other enclosed documents duly signed as a token of acceptance, within 15 days from the date of receipt of the order. In case, no such acceptance is communicated / received by the HLL, it will be presumed that the order has been accepted.

18.0 Laws Applicable:

The contract shall be governed by the Laws of Indian Union for the time being in force.

19.0 Dispute Resolution:

In the event of any dispute arising between the parties, the said dispute shall first be resolved amicably and in the event of failure of such amicable resolution, the aggrieved party shall request the Chairman & Managing Director of HLL for resolution of the dispute and the Chairman & Managing Director, HLL may refer the dispute for conciliation to an expert preferably well versed with Company Law, Electricity Laws and other Laws. The provisions of Arbitration and Conciliation Act 1996 will apply to such Conciliation. In case the dispute / difference is not settled as above, the respective parties can seek remedy by Arbitration / as mentioned at Para 21.0.

20.0 Arbitration:

In the event of any dispute or difference touching the Request for Proposal "RFP" document the same shall be settled through arbitration and request for arbitration be made to the Chairman & MD, HLL who shall nominate an Arbitrator. The Arbitrator so appointed should pass a reasoned award and the parties shall bear the costs of Arbitration equally.

21.0 Work and Payment during Dispute Resolution and / or Arbitration:

Work under the contract, shall if reasonable, continue by mutual agreement during Dispute Resolution and / or Arbitration proceedings, and no payment due to or payable by HLL, will be withheld without reasonable cause and merely on account of the pendency of such proceedings.

22.0 Jurisdiction:

Subject to Clause.21, the Courts at Thiruvananthapuram district, Kerala only shall have jurisdiction to deal with and decide any legal matter or dispute whatsoever arising out of this contract including disputes arising on encashment of Bank Guarantees.

23.0 Correspondence after placing Order:

After placing the order, correspondence related to issues regarding submission of reports, payments & penalties shall be made with the consignee-SVP (SP & CQA) only. In case the issues are not settled at **SVP (SP & CQA)** level, correspondence shall be made with C&MD. Bidder is advised to visit HLL website www.lifecarehll.com for name and address, phone numbers etc.

24.0 Bribes & Gifts:

Any Bribe, Commission, gift or advantage given, promised or offered by or on behalf of the Consultant or his partner, agent or servant or any one on his or their behalf to any Officer, Servant, representative or agent of the HLL LIFECARE LTD, or any person on his or their behalf for obtaining or executing of this or any other contract with HLL LIFECARE LTD, shall in addition to any criminal liability which the Supplier may incur, subject the Supplier in the cancellation of this and all other contracts with and also to payment of any loss of damage resulting from any such cancellation to the like extent as is provided in case cancellation under clauses thereof. Any question or dispute to the commission of any offence under present clause shall be settled by the HLL LIFECARE LTD, in such manner and on such evidence of information as they think it sufficient & their decision, shall be final and conclusive.

**SVP (SP & CQA)
HLL LIFECARE LTD**