

HLL/CHO/HCS/MAH/EOI/SP/01

23-08-2017

**NOTICE INVITING EXPRESSION OF INTEREST &
BIDS**

**SELECTION OF STRATEGIC PARTNER
FOR BUSINESS DEVELOPMENT &
MAINTENANCE OF HLL'S
DIAGNOSTIC LABS**

AUGUST 2017

**HLL Lifecare Limited
Healthcare Service Division
HLL Bhavan
Poojappura
Thiruvananthapuram
Kerala state, India ; PIN -695 012**

Sub:-Invitation of “Expression of Interest (EOI) and bids” for selection of strategic partner for business development & maintenance of HLL’s diagnostic labs.

It has been decided to invite “Expression of Interest (EOI) and bids” for the selection of a strategic partner for business development & maintenance of HLL’s diagnostic labs.

I. INTRODUCTION

HLL Lifecare Limited (HLL) is a public sector undertaking under the administrative control of the Ministry of Health & Family Welfare, Government of India. HLL’s purpose of business is “to be a globally respected organization focusing on inclusiveness by providing affordable and quality healthcare solutions through continuous innovations. In its quest to become a comprehensive health care solutions provider, HLL had diversified into hospital products, healthcare and retail services, while nurturing its core business of providing quality contraceptives.

The Healthcare Services Division of HLL provides Medical Diagnostic Services (Laboratory and Imaging) and other facilities like Wellness Clinic/Polyclinic to partner institutions in a PPP model. Our first center in association with CGHS started functioning since February 2008 in New Delhi. The Healthcare Services Division (HCS) of HLL is planning to setup Diagnostic Services in various states across India. HLL has already established or in the process of establishment of lab network in the State of Maharashtra, Assam, Karnataka for state government projects.

HLL has established labs, equipped with necessary diagnostic equipment either on outright purchase or reagent rental model. The required manpower is already in position in the labs. The sample collection and delivering the sample to the labs is already in place.

Now HLL is exploring to develop the laboratory diagnostic business segment to attract more business by bring in patient samples from private hospitals/clinics. For this HLL is in lookout for a strategic partner to undertake the business development focusing on private business opportunities and maintain the labs which are under operation by HLL.

This Expression of Interest (EOI) and bid is invited for selection of a Strategic partner for business development of laboratory service and maintaining the labs for state wide operations as per the quality standards of HLL in “Hindlabs” brand name.

II. INVITATION FOR EXPRESSION OF INTEREST AND BIDS

“Expression of Interest and bids” are invited from reputed, qualified and experienced agency as strategic partner for the following activities:-

- Business development for the diagnostic laboratories in various locations in Maharashtra.
- Maintenance of labs established by HLL across Maharashtra
- Maintaining the Turn Around Time for all the tests.
- Coordination with all stake holders
- Sample transportation

III. SCOPE OF SERVICES:

Broadly, the strategic partner shall provide the following service:

- Maintain the labs established & operated by HLL.
- Maintain the TAT (Turn Around Time) for all the tests for the samples delivered to the lab from different health facilities as per the list enclosed; if require addition of small labs to maintain the TAT without failure.
- Transportation of samples from the small scale labs to main labs and main labs to regional labs /reference lab for the specials tests.
- Maintain the stock/inventory for reagents and chemicals.
- Manage the barcode stickers for all the labs and collection centers
- Maintain the quality standards followed and implemented by HLL.
- Follow the SOP’s implemented by HLL for laboratory service
- Manage the reagent rental expense/cost for testing equipment
- Any other operational and recurring expenses for the labs.

- Day to day coordination with all stakeholders.
- Business development of laboratory service by making strategic tie up for private sample in all districts, organizing medical camps, corporate health check up schemes etc.
- Manage the pathologist as required for operation of labs, as per the requirement.

IV. MINIMUM ELIGIBILITY CRITERIA:

(a)	Bidder should be a company registered under the Companies Act and should have been incorporated for minimum 10 years as on date of bid submission.
(b)	Average Annual Turnover of Rs.100 Crores or above during the last 3 financial years (i.e.2014-15, 2015-16 and 2016-17). Audited Balance sheet or CA certificate for Turnover should be submitted.
(c)	The bidder should have positive net worth as on 31st March 2017. CA certificate mentioning the same should be submitted.
(d)	The Bidder should have been engaged in minimum 3 large projects of value above Rs.30.00 Crores involving services to Govt./PSU, during the last three financial years. Work Order or completion certificate mentioning the value of project should be submitted.
(e)	The bidder should have been engaged in implementing at least one project involving statewide implementation at more than 100 locations across the state. Work Order or completion certificate mentioning the value of project should be submitted.
(f)	Bidder must have been engaged in a project involving manpower deployment of more than 1000 resources. Work Order or completion certificate mentioning the value of project should be submitted.
(g)	Bidder should be certified for SEI CMMI Level 3 for Services. SEI CMMI - SVC Level 3 certificate valid as on date of bid Submission shall be submitted and the certificate shall be valid for the period of contract that would be awarded by HLL.
(h)	Bidder should not be blacklisted by Central Govt./ any State or UT Govt./ PSU in India as on date of submission of EOI proposal. Declaration mentioning that the bidder is not blacklisted shall be submitted.

All the documents as mentioned above should be submitted with signature and seal as part of technical bid of Eoi.

V. SELECTION PROCESS

The strategic partner shall be selected through a competitive bidding process.

The bidding process shall be carried out in two stages:

Technical Evaluation

- (i) The Technical Evaluation Committee (TEC) of HLL will screen the EOI based on the Minimum Eligibility Criteria. The firms that fulfill Minimum Eligibility Criteria will only be technically shortlisted.

Financial Evaluation

- (ii) Financial bids of the company passing the technical evaluation only will be opened. The financial bids of the bidders failing to qualify the technical evaluation will be returned unopened.

VI. EARNEST MONEY DEPOSIT (EMD)

- EMD: All parties shall submit an EMD of Rs.20,00,000 (Rupees Twenty Lacs) as bank guarantee along with the EOI in the shape of Bank Draft / Bankers cheque from any Schedule Bank in favour of “HLL Lifecare Limited” payable at Trivandrum.
- It may be noted that no tendering entity is exempt from deposit of EMD. Tenders submitted without EMD shall be rejected.
- The EMD of unsuccessful bidder will be returned to them without any interest, after conclusion of the resultant contract. The EMD of the successful bidder will be returned without any interest, after receipt of performance security as per the terms of contract.
- EMD of a bidder will be forfeited without prejudice to other rights of the purchaser, if the bidder withdraws or amends its tender or impairs or derogates from the tender in any respect within the period of validity of its tender or if it comes to notice that the information /documents furnished in its tender is incorrect, false, misleading or forged. In addition to the aforesaid grounds, the successful bidders' EMD will also be forfeited without prejudice to other rights of purchaser, if it fails to furnish the required performance security within the specified period.

VII. PREPARATION OF EOI & BIDS

The EOI & bids shall be made in TWO SEPARATE SEALED ENVELOPES as follows:

(1) Technical bid :

The first envelopes shall be marked in bold letter as “TECHNICAL BID” which shall include the following in addition to the eligibility criteria:

- Earnest Money Deposit (EMD)
- Confirmation regarding furnishing Performance Security in case of award of contract
- Profile of the Organization
- Organization Structure
- Memorandum of Association/Articles of Association.
- PAN/TIN Card of the firm
- Authenticated copy of the certificates of incorporation/registration of the organization
- Authenticated copy of annual accounts for the last three years
- Certificate from HR mentioning resources deployed on project
- Authorization letter in the company letterhead authorizing the person signing the bid for this EOI
- Work orders of the cited projects
- Order copy in executing & operation management of Government projects
- Decision taken by the Board /authorized committee of the organization to submit the EOI published by HLL.
- Notarized undertaking /declaration issued on behalf of the strategic partner by the Director /Official authorized by the Board to the effect that the Strategic partner will:-
 - a. Provide service for the contract period stipulated by HLL or until terminated earlier by HLL.
 - b. Pay compensation as claimed by HLL in the event of the strategic partner failing to provide services for the stipulated period.

(2) Financial Bid:

The second envelope shall contain the financial proposal and shall be marked in bold letters as “FINANCIAL BID”. Prices shall be quoted in the prescribed format enclosed at “ANNEXURE-A” as per scope of work / service to be rendered.

Financial Bid Submission

- To be submitted by the bidders in their letter head
- 30% of revenue is already considered as the cost towards sample collection, logistic management, IT/software for the project.
- The bidder who is bidding the lowest percentage for business development & maintaining HLL’s labs across Maharashtra shall be selected as the Strategic Partner of HLL for the project in Maharashtra.

The financial bid as per Annexure-A to be submitted with signature and seal in a separate envelope

Evaluation of Bid

Scrutiny of Bids: The Bids will be scrutinized to determine whether they are complete and meet the essential and important requirements, conditions and whether the bidder is eligible and qualified as per criteria laid down in the Bid Enquiry Documents. The bids, which do not meet the aforesaid requirements, are liable to be treated as non-responsive and may be ignored. The decision of the purchaser as to whether the Bidder is eligible and qualified or not and whether the bid is responsive or not shall be final and binding on the bidders. Financial bids of only those bidders, who qualify technical bid, will be considered.

Infirmity / Non-Conformity: The purchaser may waive minor infirmity and/or non-conformity in a Bid, provided it does not constitute any material deviation. The decision of the purchaser as to whether the deviation is material or not, shall be final and binding on the bidders.

Bid Clarification: Wherever necessary, the purchaser may, at its discretion, seek clarification from the Bidders seeking response by a specified date. If no response is received by this date, the purchaser shall evaluate the offer as per available information.

The financial bid shall be evaluated based on the lowest percentage bidded by the party for business development & maintaining the activities in the laboratories to maintain the Turn around Time for all the tests.

HLL may reject all proposals if they are found to be unresponsive or unsuitable if they represent major deficiencies in complying with the requirements.

The selected strategic partner shall commence the services within 7 days of issue of LOI by HLL.

VIII. Mode of submission of BID/EoI

Documents in electronic form will not be accepted.

The documents eligibility criteria, EMD and other relevant documents may be submitted in a sealed envelope marked in bold letter as “TECHNICAL BID”

The second envelope shall contain the financial proposal and shall be marked in bold letters as “FINANCIAL BID”.

The two envelopes containing both technical and the financial bid shall be put in a bigger envelope, which shall be sealed and superscripted with “EOI & BID No: HLL/CHO/HCS/MAH/EOI/SP/01 Dt: 23-08-2017 due for opening on 08/09/2017” and marked as “Expression of Interest & Bids for selection of strategic partner for business development & maintenance of HLL’s diagnostic labs”.

The offer shall contain no interlineations or overwriting except as necessary to correct errors, in which cases such correction must be initialed by the person or persons signing the Bid. In case of discrepancy in the quoted prices, the price written in words will be taken as valid.

The last date for submission of the EOI & bid is 08th September 2017; 3:00 P.M. The bids submitted after the stipulated time shall not be considered for evaluation and shall be rejected.

1	Date of Submission of EOI & bid	08/09/2017; up to 03:00 PM
2	Date of Opening of Technical bid	08/09/2017; 03:30 PM
3	Date of Commencement of work	Within 7 days of issue of LOI/ Work Order
4	Payment terms	Within 45 Days from the receipt of bills by HLL.
4	All queries / communication to be addressed to	Senior Vice President (HCS Division) HLL Bhavan, Poojapura, Trivandrum - 695 012 Email hcs@lifecarehll.com ; Ph: 0471 2354949

IX. TERMS & CONDITIONS

1. General Instructions to Bidders.

- a) Conditional offers are liable for rejection.
- b) The Bidders should give clause by clause compliance of EOI with references to supporting documents; otherwise the offers are liable for rejection.
- c) The parties shall submit their project implementation plan along with the technical bid (business development & marketing strategies for private sample, plan for maintenance of labs, strategies for meeting the TAT for testing by adding labs to bridge the transportation TAT, business plan for NHM & private business etc).
- d) The tenderers shall quote considering the maintenance of all the labs associated with the project across Maharashtra.
- e) The prices /percentage quoted shall be firm and inclusive of all taxes and duties. The prices shall be quoted only in the format given as Annexure A as part of financial bid.
- f) The quoted price/percentage shall be valid for a period of 5 years.

- g) The EoI & bids shall be submitted before the last date and time as mentioned in this EoI/bid document. Late tenders/bids shall not be considered.
- h) The strategic partner is responsible for maintaining the quality of testing.
- i) The strategic partner shall indemnify HLL from any penalty/legal issues arising out of maintenance of the labs.
- j) The strategic partner shall indemnify HLL from the penalty arising out of failure in maintaining the TAT for the testing & reporting.
- k) The Bidder to indemnify HLL from any claims / penalties / statutory charges, liquidated damages, with legal expenses etc as charged by patients /NHM, Maharashtra .
- l) While the Expression of Interest has been prepared in good faith, HLL does not make any commitment or warranty, express or implied, or accept any responsibility or liability, whatsoever, in respect of any statement or omission herein, or the accuracy, completeness or reliability of information contained herein, and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this request, even if any loss or damage is caused by any act or omission on its part.
- m) Organizations are requested to keep the information and details strictly confidential. We are looking for your support and co-operation in getting fully responsive Expression of interest and bids.
- n) HLL shall not be responsible for any expense incurred by Parties in connection with the preparation and delivery of their EOI & Bid and other expenses.
- o) HLL reserves the right to reject any or all the Expressions of Interest & Bids without assigning any reason thereof.
- p) The process of inviting EOI & Bids are for ascertaining various options available to HLL. After evaluation / examination of the offers, HLL may at its sole discretion decide further course of action.

- q) HLL reserves the right to deal with the proposal in any manner without assigning any reasons for the same. The decision of HLL in this regard shall be final.
- r) All other terms and conditions mentioned in the EOI & Bids is applicable to the strategic partner.
- s) Any additions/amendments to this EOI & Bids shall be uploaded in HLL's website www.lifecarehll.com

2. Performance Security

- a. The successful bidder shall furnish a performance security in the form of a Bank Guarantee issued by a scheduled/nationalized bank in favour of HLL Lifecare Ltd for Rs.2.50 Cr. (Rupees Two Crore Fifty Lakhs Only). The BG format shall be issued to the successful bidder by HLL and the successful bidder shall provide the BG strictly in such format.
- b. The Performance Security shall be submitted within 15 days (minimum) of receiving of Lol / work order, failing which the EMD may be forfeited and the contract may be cancelled.
- c. The Performance security shall be liable for forfeiture, wholly or partly, in case of Violation of any of the terms and conditions of the contract and / or deficiency in service as agreed especially if the strategic partner consistently failed in maintaining the TAT in one quarter.
- d. The performance security will be released without any interest, within 60 days after the successful completion of the contract.

3. Bid Validity

The bids shall remain valid for acceptance for 180 days from the date of opening of Bids and the contract will be valid for duration of 5 years.

4. Delivery Period

The successful bidder shall commence the proposed services within 7 days from the date of issue of LOI/WO by HLL Lifecare Ltd. The successful bidder shall execute a detailed contract/agreement with HLL in the format proposed by HLL within 15 days from the date of issue of HLL's Lol/ work order along with submission of Performance Security.

5. Payment Terms

- a) The payment will be released on a monthly basis within 45 days from the date of receipt of Invoice by HLL Lifecare Ltd.
- b) Payments shall be released after making the income tax deduction at source (TDS) at the applicable rates.

6. Liquidated Damages

- a. If the successful bidder fails to execute the contract within the stipulated time, there shall be levied liquidated damages equal to 0.5% of the contract value for each week of delay till the delay continues, up to a maximum limit of 5% of the contract.
- b. The strategic partner will be penalized if they fail to deliver the test reports within the defined time. In case of increased TAT (Turn around Time) the strategic partner will be penalized at the rate of 25% per sample if the delay exceeds one hour.

7. Arbitration

- a) If a dispute or difference of any kind between HLL Lifecare Ltd and the strategic partner in connection with or relating to the contract, the parties shall make every effort to resolve the same amicably by mutual discussions.
- b) If the parties fail to resolve the dispute or difference by such mutual consultations within 21 days of commencement of consultations, then either HLL Lifecare Ltd or strategic partner may give notice to the

other party of its intention to commence arbitration, as hereinafter provided.

- c) The applicable arbitration procedure will be as per the arbitration and conciliation Act, 1996 of India. In the event of Arbitration, the dispute or difference shall be referred to the sole arbitration of an officer to be appointed by HLL Lifecare Limited venue of Arbitration shall be Thiruvananthapuram.

8. Termination of Contract

HLL Lifecare Ltd may terminate the contract, if the successful tenderer/bidder withdraws its tender/bid after its acceptance or fails to submit the required performance security or fails to fulfil any other contractual obligations.

In that event HLL Lifecare Ltd shall have the right to avail the required services from the next eligible bidder and the extra expenditure on this account shall be recoverable from the defaulter.

HLL may, at its convenience, terminate the contract for convenience in the interest of HLL by giving two months written notice.

Interested parties qualifying the conditions may express their interest to the following address along with relevant documents.

**Senior Vice President
Healthcare Services Division
Registered & Corporate Head Office
HLL Lifecare Limited
HLL Bhavan, Poojappura
Thiruvananthapuram
Kerala - 695 012**

**Ph: 0471-2354949
Website: www.lifecarehll.com**

Annexure- A

To

Senior Vice President (HCS)
HCS Division
HLL Bhavan
HLL Lifecare Ltd
Poojappura
Trivandrum- 695012

FINACIAL BID: PRICING QUOTATION

Bid Ref.No:HLL/CHO/HCS/MAH/EOI/SP/01 Dt: 23-08-2017

Name of the Tenderer:

Percentage of revenue offered by the party for business development & maintenance of HLL's labs in Maharashtra & maintain the TAT for testing & reporting

Signature:

Name:

Seal

Place:

Date: