



Department of Health & Family Welfare  
Government of Karnataka

Invites

Request For Qualification (RFQ)

**“Development Of Super Specialty Hospitals”**

At Four locations across Bangalore  
On Public Private Partnership (PPP) Basis

*Project Advisors:*



**KSIIIDC-IL&FS Project Development Company Ltd**

Khanija Bhavan, 4th floor, East Wing, # 49, Race Course Road,  
Bangalore – 560001

Tel: +91 - 80 - 4034 3326, 4034 3333

Fax: +91 – 80 - 4034 3310

**TABLE OF CONTENTS**

Glossary	i
Disclaimer	ii
1.INTRODUCTION .....	4
2.INSTRUCTIONS TO APPLICANTS .....	8
3.CRITERIA FOR EVALUATION .....	22
4.FRAUD AND CORRUPT PRACTICES .....	25
5.PRE-APPLICATION CONFERENCE .....	27
6.MISCELLANEOUS .....	28
Appendices	
APPENDIX I: FORMAT FOR APPLICATION FOR PRE-QUALIFICATION .....	29
ANNEXURE-I: DETAILS OF APPLICANT .....	32
ANNEXURE-II: TECHNICAL CAPACITY OF THE APPLICANT.....	34
ANNEXURE-III: FINANCIAL CAPACITY OF THE APPLICANT.....	36
ANNEXURE-IV: DETAILS OF ELIGIBLE PROJECTS .....	38
ANNEXURE-V: STATEMENT OF LEGAL CAPACITY .....	40
APPENDIX- II: POWER OF ATTORNEY FOR SIGNING OF APPLICATION .....	41
APPENDIX-III: POWER OF ATTORNEY FOR LEAD MEMBER OF CONSORTIUM .....	43
APPENDIX-IV: JOINT BIDDING AGREEMENT .....	45
APPENDIX V: PROJECT BRIEF.....	50
APPENDIX VI: GUIDELINES OF THE DEPARTMENT OF DISINVESTMENT .....	63

**GLOSSARY**

<b>Applicant(s)</b>	As defined in Clause 1.2.1
<b>Application</b>	As defined in the Disclaimer
<b>Application Due Date</b>	As defined in Clause 1.3
<b>Bids</b>	As defined in Clause 1.2.3
<b>Bid Due Date</b>	As defined in Clause 1.2.3
<b>Bid Security</b>	As defined in Clause 1.2.4
<b>Bidders</b>	As defined in Clause 1.1.2
<b>Bidding Documents</b>	As defined in Clause 1.2.3
<b>Bidding Process</b>	As defined in Clause 1.2.1
<b>Bid Stage</b>	As defined in Clause 1.2.1
<b>DBFOT</b>	Design, Build, Finance, Operate and Transfer
<b>Concessionaire</b>	As defined in Clause 1.1.3
<b>Concession Agreement</b>	As defined in Clause 1.1.3
<b>Conflict of Interest</b>	As defined in Clause 2.2.1(c)
<b>Consortium</b>	As defined in Clause 2.2.1(a)
<b>Eligible Projects</b>	As defined in Clause 3.2(b)
<b>Estimated Project Cost</b>	As defined in Clause 1.1.5
<b>Financial Capacity</b>	As defined in Clause 3.3
<b>Jt. Bidding Agreement</b>	As defined in Clause 2.2.5
<b>Lead Member</b>	As defined in Clause 2.2.5
<b>Member</b>	Member of a Consortium
<b>Net Worth</b>	As defined in Clause 3.3.2
<b>PPP</b>	Public Private Partnership
<b>Project</b>	As defined in Clause 1.1.1
<b>Qualification</b>	As defined in Clause 1.2.1
<b>Qualification Stage</b>	As defined in Clause 1.2.1
<b>Re. or Rs. or INR</b>	Indian Rupee
<b>RFP or Request for Proposals</b>	As defined in Clause 1.2.1
<b>RFQ</b>	As defined in the Disclaimer
<b>SPV</b>	As defined in Clause 2.2.5
<b>Technical Capacity</b>	As defined in Clause 3.2

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto herein.

**Disclaimer**

The information contained in this Request for Qualification document (**the “RFQ”**) or subsequently provided to Applicant(s), whether verbally or in documentary or any other form, by or behalf of Department of Health & Family Welfare (“**DHFW**”) of Government of Karnataka (**GoK**) or any of their employees or advisors, is provided to Applicant(s) on the terms and conditions set out in this RFQ and such other terms and conditions subject to which such information is provided.

This RFQ is not an agreement and is neither an offer nor invitation by DHFW to the prospective Applicants or any other person. The purpose of this RFQ is to provide interested parties with information that may be useful to them in the formulation of their application for qualification pursuant to this RFQ (**the “Application”**). This RFQ includes statements, which reflect various assumptions and assessments arrived at by DHFW in relation to the Project(s). Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. This RFQ may not be appropriate for all persons, and it is not possible for DHFW, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFQ. The assumptions, assessments, statements and information contained in this RFQ may not be complete, accurate, adequate or correct. Each Applicant should therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFQ and obtain independent advice from appropriate sources.

Information provided in this RFQ to the Applicant(s) is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. DHFW accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

DHFW, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or Bidder, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFQ or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFQ and any assessment, assumption, statement or information contained therein or deemed to form part of this RFQ or arising in any way with pre-qualification of Applicants for participation in the Bidding Process.

DHFW also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Applicant upon the statements contained in this RFQ.

DHFW may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFQ.

This RFQ has been drafted on the lines of the Model RFQ of the Ministry of Finance, Government of India. Where necessary, clauses have been added/modified/deleted keeping in mind the specific requirements of the Project(s).

The issue of this RFQ does not imply that DHFW is bound to select and short- list pre-qualified Applications for Bid Stage or to appoint the selected Bidder(s) or Concessionaire(s), as the case may be, for the Project(s) and DHFW reserves the right to reject all or any of the Applications or Bids without assigning any reasons whatsoever.

The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Application including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by DHFW or any other costs incurred in connection with or relating to its Application. All such costs and expenses will remain with the Applicant and DHFW shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant in preparation or submission of the Application, regardless of the conduct or outcome of the Bidding Process.

---

## 1. INTRODUCTION

---

### 1.1. Background

- 1.1.1. **Department of Health & Family Welfare, Government of Karnataka (“DHFW”)** has been proactively working towards providing Health Facilities uniformly across the State including Public Private Partnership (PPP) mode in Health Infrastructure as well as services. Details are available on the website <http://karhfw.gov.in>

DHFW has decided to undertake **“Development of Four Super Specialty Hospitals across Bangalore”** (the **“Project(s)”**) through Public Private Partnership (the **“PPP”**) on Design, Finance, Build, Operate and Transfer (the **“DFBOT”**) basis. DHFW has decided to carry out a transparent and competitive bidding process for selection of the bidder(s) to whom each of the Project(s) may be awarded. Brief particulars of the Project site(s) are given in **Appendix V**.

- 1.1.2. KSIIDC-IL&FS Project Development Company Ltd. (**KIPDC**) has been appointed as the project advisors by DHFW for development of the Project(s) on Public Private Partnership (PPP) basis.

DHFW intends to pre-qualify and short-list suitable Applicants (**the “Bidders”**) who will be eligible for participation in the Bid Stage, for awarding the Project(s) through a transparent competitive bidding process in accordance with the procedure set out herein.

- 1.1.3. The selected Bidder, who is either a company incorporated under the Companies Act, 1956 or undertakes to incorporate as such prior to execution of the concession agreement (the **“Concessionaire”**) shall be responsible for designing, engineering, financing, procurement, construction, installation of equipment, operation and maintenance of the Project under and in accordance with the provisions of a concession agreement (the **“Concession Agreement”**) to be entered into between the Concessionaire and the DHFW in the form provided by the Authority as part of the Bidding Documents pursuant hereto.

- 1.1.4. The scope of work will broadly include Design, financing, construction, procurement & installation of equipments, and operation and maintenance of the proposed Super Specialty Hospital(s) with provision of medical services. The detailed scope of work would be provided at the RFP stage.

- 1.1.5. The Project(s) have been conceived as **Super Specialty Hospitals with a minimum**

of 250 beds<sup>1</sup>. Indicative capital cost of the Project (the “**Estimated Project Cost**”) is Rs. 120 Crore<sup>2</sup>. The assessment of actual costs, however, will have to be made by the Bidders.

- 1.1.6. DHFW shall receive Applications pursuant to this RFQ in accordance with the terms set forth herein as modified, altered, amended and clarified from time to time by DHFW, and all Applications shall be prepared and submitted in accordance with such terms on or before the Application Due Date specified in Clause 1.3 (the “**Application Due Date**”).

## **1.2. Brief description of Bidding Process**

- 1.2.1. DHFW has adopted a two-stage process (collectively referred to as the “**Bidding Process**”) for selection of the bidder(s) for award of each of the Project(s). The first stage (the “**Qualification Stage**”) of the process involves qualification (the “**Qualification**”) of interested parties/consortia who make an Application in accordance with the provisions of this RFQ (the “**Applicants**”). At the end of this stage, DHFW expects to announce the short-list of suitable pre-qualified Applicants for each location who shall be eligible for participation in the second stage of the Bidding Process (the “**Bid Stage**”) comprising Request for Proposals (the “**Request for Proposals**” or “**RFP**”).

The RFQ documents can be downloaded from the websites [www.ilsindia.com](http://www.ilsindia.com) / [www.iidcindia.co.in](http://www.iidcindia.co.in) / [www.ksiidc.com](http://www.ksiidc.com) from 03/06/2010 onwards or from the below-mentioned office of the Project Advisor, between 10-00 am to 5-00 pm on all working days.

Duly filled in applications shall be submitted to the office of the Project Advisor in the address mentioned below, along with the non refundable RFQ Document charges of Rs.10,000 (Rupees Ten Thousand only) through demand draft/banker’s cheque in favour of “**KSIIDC-IL&FS Project Development Company Ltd.**”, payable at Bangalore.

### **Project Advisors:**

**KSIIDC – IL&FS Project Development Company Limited (KIPDC)**

Khanija Bhavan, 4th floor, East Wing, # 49, Race Course Road,

**Bangalore – 560001**

Tel: 080-40343326, 40343328

---

<sup>1</sup> DHFW is in the process of assessing the Project Feasibility and reserves the right to increase / decrease the minimum bed strength for each Hospital.

<sup>2</sup> The Indicative Project Cost has been estimated for a minimum of 250 Beds Super Specialty Hospital.

Government of India has issued guidelines for qualifications of bidders seeking to acquire stakes in any public sector enterprise through the process of disinvestment vide Department of Disinvestment OM No. 6/4/2001-DD-II dated 13th July, 2001. These guidelines shall apply mutatis mutandis to this Bidding Process. The Authority shall be entitled to disqualify an Applicant in accordance with the aforesaid guidelines at any stage of the Bidding Process. Applicants must satisfy themselves that they are qualified to bid, and should give an undertaking to this effect in the form at Appendix VI.

- 1.2.2. In the Qualification Stage, Applicants would be required to furnish the information specified in this RFQ. Only those Applicants that are pre-qualified and short-listed by DHFW shall be invited to submit their Bids for the Project(s). Within the timeframe given by DHFW for submission of Bids, the Applicants are advised to visit the project site(s) and familiarize themselves with the Project(s).
- 1.2.3. In the Bid Stage, the Bidders will be called upon to submit their financial offers (the "**Bids**") in respect of Project(s), in accordance with the RFP and other documents to be provided by DHFW, pursuant to the RFP (collectively the "**Bidding Documents**"). The Bid(s) shall be valid for a period of not less than 120 days from the date specified in clause 1.3 for submission of bids (the "**Bid due date**").
- 1.2.4. In terms of the RFP, a Bidder will be required to deposit, along with its Bid, a bid security equivalent to about 2% (two per cent) of the Estimated Project Cost (the "Bid Security"), refundable no later than 60 (sixty) days from the Bid Due Date, except in the case of the selected Bidder whose Bid Security shall be retained till it has provided a Performance Security under the Concession Agreement. The Bidders will have an option to provide Bid Security in the form of a demand draft or a bank guarantee acceptable to the Authority and in such event, the validity period of the demand draft or bank guarantee, as the case may be, shall not be less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Authority and the Bidder from time to time. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.
- 1.2.5. [Deleted]
- 1.2.6. During the Bid Stage, Bidders are invited to examine the Project(s) in greater detail, and to carry out, at their cost, such studies as may be required for submitting their respective Bids for award of the concession including implementation of the Project(s).
- 1.2.7. As part of the Bidding Documents, DHFW will provide a draft Concession Agreement and other information pertaining/ relevant to the Project(s) available with it.

- 1.2.8. In the Bid Stage, the Bidders will be called upon to submit their financial offers in respect of Project(s), in accordance with the RFP and other documents to be provided by DHFW / KIPDC, pursuant to the RFP.
- 1.2.9. The Concessionaire shall be entitled to levy and charge a user fee from users of the Project(s) as per market driven rates depending upon the services provided to the users.
- 1.2.10. Further details of the process to be followed at the Bid Stage and the terms thereof will be spelt out in the Bidding Documents
- 1.2.11. Any queries or request for additional information concerning this RFQ shall be submitted in writing or by fax and e-mail to the officer designated in Clause 2.13.3 below. The envelopes/communications shall clearly bear the following identification/ title:  
"Queries/ Request for Additional Information: **“RFQ for Development of Super Specialty Hospitals in Bangalore”**”.

All emails should be marked to:

Mr. Vishal Salgaonkar ([vishal.salgaonkar@ilfsindia.com](mailto:vishal.salgaonkar@ilfsindia.com)) with a copy to

Mr. Achitra Borgohain ([achitra.borgohain@ilfsindia.com](mailto:achitra.borgohain@ilfsindia.com))

### 1.3. Schedule of Bidding Process

DHFW shall endeavor to adhere to the following schedule:

Activity	Timeline, 2010
<b>1. RFQ</b>	
i. Issue of RFQ	3 <sup>rd</sup> June
ii. Last date for Queries	2 <sup>nd</sup> July
iii. Pre-RFQ Meeting	9 <sup>th</sup> July
iv. Submission of RFQ (Application Due Date)	5 <sup>th</sup> August
v. Qualification of Bidders	15 <sup>th</sup> August
<b>2. RFP</b>	
i. Issue of RFP	1 <sup>st</sup> September
ii. Last date for queries	30 <sup>th</sup> September
iii. Pre-RFP Meeting	10 <sup>th</sup> October
iv. Submission of RFP	30 <sup>th</sup> October

---

## 2 INSTRUCTIONS TO APPLICANTS

---

### A. GENERAL

#### 2.1 Scope of Application

2.1.1 DHFW wishes to receive Applications for Qualification in order to short-list experienced and capable Applicants for each location, for the Bidding Stage.

2.1.2 Short-listed Applicants may be subsequently invited to submit the Bids for the Project(s)

#### 2.2 Eligibility of Applicants

2.2.1 For determining the eligibility of Applicants for their prequalification hereunder, the following shall apply:

- a. The Applicant for pre-qualification may be a single entity or a group of entities of not more than two members, (the “**Consortium**”), coming together to implement the Project(s). No applicant applying individually or as a member of a Consortium, as the case may be, can be member of another Applicant Consortium for the same location. However, applicant applying individually or as a member of a Consortium, as the case may be, can be a member of another Applicant Consortium for another location subject to fulfilling the Eligibility Criteria for applying for multiple locations as mentioned in clauses 3.2.2 and 3.3.1 of this RFQ. Also, applicant applying individually can apply for multiple locations subject to fulfilling the Eligibility Criteria for applying for multiple locations as mentioned in clauses 3.2.2 and 3.3.1 of this RFQ. The term Applicant used herein would apply to both a single entity and a Consortium.
- b. The Applicant can be a natural person, private entity, Government owned entity or a company(ies) incorporated under the Companies Act, 1956 in the form of a consortium or joint venture who is engaged in either developing healthcare projects or is interested in investing in healthcare projects, with a formal intent to enter into an agreement or under an existing agreement in the form of a Consortium. A Consortium shall be eligible for consideration subject to the conditions set out in Clause 2.2.5 below.
- c. The Applicant shall not have a conflict of interest (the “**Conflict of Interest**”) that affects the Bidding Process. Any Applicant found to have a Conflict of Interest shall be disqualified. The Applicant may be considered to have a Conflict of Interest that affects the Bidding Process, if:
  - i. the Applicant, its Member or Associate (or any constituent thereof) and any other Applicant, its Member or any Associate thereof (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply in cases where the direct or indirect shareholding of an Applicant, its Member or an Associate thereof (or any shareholder thereof having a shareholding of more than 5 per cent of the paid up and subscribed share capital of such Applicant, Member or Associate, as the case may be) in the other

Applicant, its Member or Associate is less than 5 per cent of the subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply to any ownership by a bank, insurance company, pension fund or a public financial institution referred to in section 4A of the Companies Act, 1956. For the purposes of this Clause 2.2.1(c), indirect shareholding held through one or more intermediate persons shall be computed as follows: (aa) where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the “**Subject Person**”) shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and (bb) subject always to sub-clause(aa) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this sub-clause(bb) if the shareholding of such person in the intermediary is less than 26% of the subscribed and paid up equity shareholding of such intermediary; or

- ii. A constituent of such Applicant is also a constituent of another Applicant; or
  - iii. Such Applicant or any Associate thereof receives or has received any direct or indirect subsidy from any other Applicant, or any Associate thereof or has provided any such subsidy to any other Applicant, its Member or any Associate thereof; or
  - iv. Such Applicant has the same legal representative for purposes of this Application as any other Applicant; or
  - v. Such Applicant, or any Associate thereof has a relationship with another Applicant, or any Associate thereof directly or through common third party/parties, that puts either or both of them in a position to have access to each other’s information about, or to influence the Application of either or each other; or
  - vi. Such Applicant or any Associate thereof has participated as a consultant to DHFW in the preparation of any documents, design or technical specifications of the Project(s).
- d. An Applicant shall be liable for disqualification if any legal, financial or technical adviser of DHFW in relation to the Project(s) is engaged by the Applicant, its Member or any Associate thereof, as the case may be, in any manner for matters related to or incidental to the Project(s). For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Applicant(s), its Member or Associate in the past but its assignment expired or was terminated 6 (six) months prior to the date of issue of this RFQ. Nor will this disqualification apply where such adviser is engaged after a period of 3 (three) years from the date of commercial operation of the Project(s).

*Explanation: In case an Applicant is a Consortium, then the term Applicant as used in this Clause 2.2.1, shall include each Member of such Consortium.*

- 2.2.2 To be eligible for pre-qualification and short-listing for each location, an Applicant shall fulfill the below mentioned Eligibility Criteria as mentioned in clauses 3.2 and 3.3 of this RFQ. In case of the Applicant being interested in applying for multiple locations, the Applicant shall meet the Eligibility Criteria for applying for multiple locations as mentioned in clauses 3.2.2 and 3.3.1 of this RFQ.
- 2.2.3 The Applicants shall enclose with its application, to be submitted as per the format at Appendix-I, complete with its Annexure, the following:
- i. Certificate(s) from its statutory auditors or the concerned client(s) stating the similar/eligible works commissioned, as the case may be, during the past 5 years in respect of the project specified in paragraph 2.2.2(A) above. In case a particular Project has been jointly executed by the Applicant (as part of a consortium), he should further support his claim for the share in work done for that particular Project by producing a certificate from its statutory auditor or the client; and
  - ii. Certificate(s) from its statutory auditors specifying the net worth of the Applicant, as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such net worth conforms to the provisions of this Clause 2.2.4(ii). For the purposes of this RFQ, Net Worth (the “**Net Worth**”) shall mean the sum of subscribed and paid up equity and reserves from which shall be deducted the sum of revaluation reserves, miscellaneous expenditure not written off and reserves not available for distribution to equity share holders
- 2.2.4 The Applicant should submit a Power of Attorney as per the format at Appendix-II, authorizing the signatory of the Application to commit the Applicant. In the case of a consortium, the Members should submit a Power of Attorney in favor of the lead Member as per format at Appendix-III
- 2.2.5 Where the Applicant is a single entity, it may be required to form a Special Purpose Vehicle, incorporated under the Indian Companies Act 1956 (the “**SPV**”), to execute the Concession Agreement and implement the Project. In case the Applicant is a Consortium, it shall, in addition to forming an SPV, comply with the following additional requirements:
- i. Number of members in a consortium should be limited to 2 (two), and information sought in the Application to members in the order of their equity contribution;
  - ii. subject to the provisions of sub-clause(a) above, the Application should contain the information required for each member of the Consortium;
  - iii. members of the Consortium shall nominate one member as the lead member (the “**Lead Member**”), who shall have an equity share holding of at least 51% of the paid up and subscribed equity of the SPV. The nomination(s) shall be supported by a Power of Attorney, as per the format at Appendix-III, signed by all the other members of the Consortium;

- iv. the Application should include a brief description of the roles and responsibilities of individual members, particularly with reference to financial, technical and O&M obligations;
- v. An individual Applicant cannot at the same time be member of a Consortium applying for pre-qualification for the same location. Further, a member of a particular Applicant Consortium cannot be member of any other Applicant Consortium applying for pre-qualification for the same location. However, a member of a particular Applicant Consortium can apply separately for another location in a separate Consortium;
- vi. the parties to a Consortium shall form an appropriate SPV to execute the Project[s] if awarded to the Consortium;
- vii. members of the Consortium shall enter into a binding Joint Bidding Agreement (the “**Jt. Bidding Agreement**”) for the purpose of making the Application and submitting Bid in the event of being short-listed. The Jt. Bidding Agreement, to be submitted along with the Application, shall, inter alia:
  - a. convey the intent to form an SPV with shareholding/ownership equity commitment(s) in accordance with this RFQ, which would enter into the Concession Agreement and subsequently carry out all the responsibilities as Concessionaire in terms of the Concession Agreement, in case the concession to undertake the Project is awarded to the Consortium;
  - b. clearly outline the proposed roles and responsibilities of each member at each stage;
  - c. commit the minimum equity stake to be held by each member; and
  - d. commit that the member, whose Technical Capacity (In case of not being the Lead Member) will be evaluated for the purposes of this RFQ, shall subscribe to 26% (twenty six per cent) or more of the paid up and subscribed equity of the SPV and shall further commit that each such member shall, for a period of 10 (ten) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity share capital of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement;
  - e. members of the Consortium undertake that they shall collectively hold at least 51% (fifty one per cent) of the subscribed and paid up equity of the SPV at all times until the tenth anniversary of the commercial operation date of the Project; and
  - f. include a statement to the effect that all members of the Consortium shall, till at least ten years after commencement of operations of the Project, be liable jointly and severally for all obligations of the Concessionaire in relation to the Project.



Member is held by persons resident outside India or where an Applicant or its Member is controlled by persons resident outside India; or

(b) if at any subsequent stage after the date of the Application, there is an acquisition of not less than 15% (fifteen per cent) of the aggregate issued, subscribed and paid up equity share capital or control, by persons resident outside India, in or of the Applicant or its Member;

then the Qualification of such Applicant or in the event described in sub clause (b) above, the continued Qualification of the Applicant shall be subject to approval of DHFW from national security and public interest perspective. The decision of DHFW in this behalf shall be final and conclusive and binding on the Applicant. The holding or acquisition of equity or control, as above, shall include direct or indirect holding/ acquisition, including by transfer, of the direct or indirect legal or beneficial ownership or control, by persons acting for themselves or in concert and in determining such holding or acquisition, DHFW shall be guided by the principles, precedents and definitions contained in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)

2.2.11 Notwithstanding anything to the contrary contained herein, in the event that the Application Due Date falls within three months of the closing of the latest financial year of an Applicant, it shall ignore such financial year for the purposes of its Application and furnish all its information and certification with reference to the 5 (five) years or 1 (one) year, as the case may be, preceding its latest financial year. For the avoidance of doubt, financial year shall, for the purposes of an Application hereunder, mean the accounting year followed by the Applicant in the course of its normal business.

### **2.3 Change in composition of the Consortium**

2.3.1 Change in the composition of a Consortium will not be permitted by DHFW.

2.3.2 (Deleted)

2.3.3 (Deleted)

2.3.4 (Deleted)

2.3.5 Notwithstanding anything to the contrary contained in sub-clause(c)(i) of Clause 2.2.1, an Applicant may, within 10 (ten) days after the Application Due Date, remove from its Consortium any Member who suffers from a Conflict of Interest, and such removal shall be deemed to cure the Conflict of Interest arising in respect thereof.

### **2.4 Number of Applications and costs thereof**

2.4.1 No Applicant shall submit more than one Application for each of the Project(s). An applicant applying individually or as a member of a Consortium shall not be entitled to submit another application either individually or as a member of any Consortium, as the case may be for the same Project location.

- 2.4.2 The Applicants shall be responsible for all of the costs associated with the preparation of their Applications and their participation in either the Qualification Stage or the Bid Stage. DHFW will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Bidding Process.

## **2.5 Site visit and verification of information**

Applicants are encouraged to submit their respective Applications after visiting the Project site(s) and ascertaining for themselves the site conditions, traffic, location, surroundings, climate, availability of power, water and other utilities for construction, access to site, handling and storage of materials, weather data, applicable laws and regulations, and any other matter considered relevant by them.

## **2.6 Acknowledgement by Applicant**

- 2.6.1 It shall be deemed that by submitting the Application, the Applicant has:

- (a) made a complete and careful examination of the RFQ;
- (b) received all relevant information requested from DHFW;
- (c) acknowledged and accepted the risk of inadequacy, error or mistake in the information provided in the RFQ or furnished by or on behalf of DHFW relating to any of the matters referred to in Clause 2.5 above; and
- (d) agreed to be bound by the undertakings provided by it under and in terms hereof.

- 2.6.2 DHFW shall not be liable for any omission, mistake or error on the part of the Applicant in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the RFQ or the Bidding Process, including any error or mistake therein or in any information or data given by DHFW.

## **2.7 Right to accept or reject any or all Applications/ Bids**

- 2.7.1 Notwithstanding anything contained in this RFQ, DHFW reserves the right to accept or reject any Application and to annul the Bidding Process for any or all the locations and reject all Applications/Bids, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof. In the event that DHFW rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids hereunder.

- 2.7.2 DHFW reserves the right to reject any Application and/ or Bid if:

- (a) at any time, a material misrepresentation is made or uncovered, or
- (b) the Applicant does not provide, within the time specified by DHFW, the supplemental information sought by DHFW for evaluation of the Application.

If the Applicant/Bidder is a Consortium, then the entire Consortium shall be disqualified/rejected. If such disqualification/rejection occurs after the Bids have been opened and the preferred bidder gets disqualified / rejected, then DHFW reserves the right to:

- (i) invite the remaining Bidders to submit their Bids in accordance with the RFP; or
- (ii) take any such measure as may be deemed fit in the sole discretion of DHFW, including annulment of the Bidding Process.

2.7.3 In case it is found during the evaluation or at any time before signing of the Concession Agreement or after its execution and during the period of subsistence thereof, including the concession thereby granted by DHFW, that one or more of the pre-qualification conditions have not been met by the Applicant, or the Applicant has made material misrepresentation or has given any materially incorrect or false information, the Applicant shall be disqualified forthwith if not yet appointed as the Concessionaire either by issue of the LOA or entering into of the Concession Agreement, and if the Applicant/SPV has already been issued the LOA or has entered into the Concession Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFQ, be liable to be terminated, by a communication in writing by DHFW to the Applicant, without DHFW being liable in any manner whatsoever to the Applicant and without prejudice to any other right or remedy which DHFW may have under this RFQ, the Bidding Documents, the Concession Agreement or under applicable law.

2.7.4 DHFW reserves the right to verify all statements, information and documents submitted by the Applicant in response to the RFQ. Failure of DHFW to undertake such verification shall not relieve the Applicant of its obligations or liabilities hereunder nor will it affect any rights of DHFW there under.

## **B. DOCUMENTS**

### **2.8 Contents of the RFQ**

This RFQ comprises the disclaimer set forth hereinabove, the contents as listed below, and will additionally include any Addenda issued in accordance with Clause 2.10.

#### **Invitation for Qualification**

- Section 1: Introduction
- Section 2: Instructions to Applicants
- Section 3: Criteria for Evaluation
- Section 4: Fraud & Corrupt Practices
- Section 5: Pre Bid Conference
- Section 6: Miscellaneous

#### **Appendices**

- i. Letter comprising the Application.
- ii. Power of Attorney for signing of Application
- iii. Power of Attorney for Lead Member of Consortium
- iv. Joint Bidding Agreement for Consortium
- v. Project Brief
- vi. Guidelines of the Department of Divestment

## **2.9 Clarifications**

- 2.9.1 Applicants requiring any clarification on the RFQ may notify DHFW / KIPDC in writing or by fax and e-mail in accordance with Clause 1.2.11. They should send in their queries before the date specified in the schedule of Bidding Process contained in Clause 1.3. DHFW shall endeavor to respond to the queries within the period specified therein, but no later than 10 (ten) days prior to the Application Due Date. The responses will be sent by fax or e-mail. DHFW will forward all the queries and its responses thereto, to all purchasers of the RFQ without identifying the source of queries.
- 2.9.2 DHFW / KIPDC shall endeavor to respond to the questions raised or clarifications sought by the Applicants. However, DHFW / KIPDC reserves the right not to respond to any question or provide any clarification, in its sole discretion, and nothing in this Clause shall be taken or read as compelling or requiring DHFW / KIPDC to respond to any question or to provide any clarification.
- 2.9.3 DHFW / KIPDC may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Applicants. All clarifications and interpretations issued by DHFW KIPDC shall be deemed to be part of the RFQ. Verbal clarifications and information given by DHFW or its employees or representatives shall not in any way or manner be binding on DHFW.

## **2.10 Amendment of RFQ**

- 2.10.1 At any time prior to the deadline for submission of Application, DHFW / KIPDC may, for any reason, whether at its own initiative or in response to clarifications requested by an Applicant, modify the RFQ by the issuance of Addenda.
- 2.10.2 Any Addendum thus issued will be sent in writing to all those who have purchased the RFQ.
- 2.10.3 In order to afford the Applicants a reasonable time for taking an Addendum into account, or for any other reason, DHFW / KIPDC may, at its own discretion, extend the Application Due Date.

## **C. PREPARATION AND SUBMISSION OF APPLICATION**

### **2.11 Language**

The Application and all related correspondence and documents in relation to the Bidding Process shall be in English language. Supporting documents and printed literature furnished by the Applicant with the Application may be in any other language provided that they are accompanied by appropriate translations of the pertinent passages in the English language. Supporting materials, which are not translated into English, may not be considered. For the purpose of interpretation and evaluation of the Application, the English language translation shall prevail.

### **2.12 Format and signing of Application**

- 2.12.1 The Applicant shall provide all the information sought under this RFQ. DHFW / KIPDC will evaluate only those Applications that are received in the required formats and complete in all respects. Incomplete and /or conditional Applications shall be liable to rejection.

- 2.12.2 The Applicant shall prepare 1 (one) original set of the Application (together with originals/copies of documents required to be submitted along therewith pursuant to this RFQ) and clearly marked "ORIGINAL". In addition, the Applicant shall submit 1 (one) copy of the Application, along with documents required to be submitted along therewith pursuant to this RFQ, marked "COPY". In the event of any discrepancy between the original and the copy, the original shall prevail.
- 2.12.3 The Application and its copy shall be typed or written in indelible ink and signed by the authorized signatory of the Applicant who shall also initial each page in blue ink. In case of printed and published documents, only the cover shall be initialed. All the alterations, omissions, additions or any other amendments made to the Application shall be initialed by the person(s) signing the Application. The Application shall contain page numbers and shall be bound together in hard cover.

### **2.13 Sealing and Marking of Applications**

- 2.13.1 A two envelope qualification procedure shall be followed for applicants who have downloaded the RFQ document from the above-mentioned websites. The bidder shall seal the envelopes and duly marking as

Envelope 1: **RFQ Document Fee for "Development of Super Specialty Hospitals in Bangalore"**

Envelope 2: **"Development of Super Specialty Hospitals in Bangalore"**

These two envelopes shall be placed in one outer envelope, sealed and marked as **RFQ for "Development of Super Specialty Hospitals in Bangalore"**.

Envelope 1 will contain the RFQ Document Fee and Envelope 2 will contain the application forms & attachments as prescribed in this RFQ document. Each envelope must bear the Applicant's name and address. In addition, the Application Due Date should be indicated on the right hand corner of each of the envelopes.

- 2.13.2 Envelope 2 shall contain:

- (i) Application in the prescribed format (Appendix-I) along with Annexure and supporting documents prescribed from Annexure I to Annexure V;
- (ii) Power of Attorney for signing the Application as per the format at Appendix-II;
- (iii) if applicable, the Power of Attorney for Lead Member of Consortium as per the format at Appendix-III;
- (iv) Copy of the Jt. Bidding Agreement, in case of a Consortium as per format in Appendix-IV;
- (v) Copy of Memorandum and Articles of Association, if the Applicant/ Consortium member is a body corporate,

- (vi) Copies of Applicant's/each Consortium member's duly audited balance sheet and profit and loss account for the preceding three years; and

Envelope 2 shall clearly bear the following identification:

“Application for Qualification: **“Development of Super Specialty Hospitals in Bangalore”**”

and shall clearly indicate the name and address of the Applicant. In addition, the Application Due Date should be indicated on the right hand corner of each of the envelopes.

- 2.13.3 Each of the envelopes shall be addressed to:

**Mr. T.K.S. Sridhar Rajagopalachari,**

**Director-In-Charge**

KSIIDC - IL&FS Project Development Company Limited (KIPDC)

Khaniya Bhavan, 4th floor, East Wing, # 49, Race Course Road,

Bangalore – 560001

- 2.13.4 If the envelopes are not sealed and marked as instructed above, DHFW / KIPDC assumes no responsibility for the misplacement or premature opening of the contents of the Application and consequent losses, if any, suffered by the applicant.
- 2.13.5 Applications submitted by fax, telex, telegram or e-mail shall not be entertained and shall be rejected.

## **2.14 Application Due Date**

- 2.14.1 Applications should be submitted before 1700 hours IST on the Application Due Date, at the address provided in Clause 2.13.3 in the manner and form as detailed in this RFQ.
- 2.14.2 DHFW / KIPDC may, in its sole discretion, extend the Application Due Date by issuing an Addendum in accordance with Clause 2.10 uniformly for all Applicants.

## **2.15 Late Applications**

Applications received by DHFW after the specified time on the Application Due Date shall not be eligible for consideration and shall be summarily rejected.

## **2.16 Modifications/ substitution/ withdrawal of Applications**

- 2.16.1 The Applicant may modify, substitute or withdraw its Application after submission, provided that written notice of the modification, substitution or withdrawal is received by DHFW / KIPDC prior to Application Due Date. No Application shall be modified, substituted or withdrawn by the Applicant on or after the Application Due Date.
- 2.16.2 The modification, substitution or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clause 2.13, with the envelopes being additionally marked “MODIFICATION”, “SUBSTITUTION” or “WITHDRAWAL”, as appropriate.

- 2.16.3 Any alteration/modification in the Application or additional information supplied subsequent to the Application Due Date, unless the same has been expressly sought for by DHFW / KIPDC, shall be disregarded.

#### **D. EVALUATION PROCESS**

##### **2.17 Opening and Evaluation of Applications**

- 2.17.1 DHFW / KIPDC shall open the Applications at 10:00 AM on 06/08/2010, at the place specified in Clause 2.13.3 and in the presence of the Applicants who choose to attend.
- 2.17.2 Applications for which a notice of withdrawal has been submitted in accordance with Clause 2.16 shall not be opened.
- 2.17.3 DHFW / KIPDC will subsequently examine and evaluate Applications in accordance with the provisions set out in Section 3.
- 2.17.4 Applicants are advised that pre-qualification of Applicants will be entirely at the discretion of DHFW / KIPDC. Applicants will be deemed to have understood and agreed that no explanation or justification on any aspect of the Bidding Process or selection will be given.
- 2.17.5 Any information contained in the Application shall not in any way be construed as binding on DHFW / KIPDC, its agents, successors or assigns, but shall be binding against the Applicant if any Project is subsequently awarded to it under the Bidding Process on the basis of such information.
- 2.17.6 DHFW reserves the right not to proceed with the Bidding Process at any time without notice or liability and to reject any Application without assigning any reasons.
- 2.17.7 If any information furnished by the Applicant is found to be incomplete, or contained in formats other than those specified herein, the DHFW / KIPDC may, in its sole discretion, exclude the relevant project from computation for Eligibility for qualification.
- 2.17.8 In the event that an Applicant claims credit for an Eligible Project, and such claim is determined by the DHFW / KIPDC as incorrect or erroneous, the DHFW / KIPDC shall reject such claim and exclude the same from computation for Eligibility for qualification. Where any information is found to be patently false or amounting to a material misrepresentation, the Authority reserves the right to reject the Application and/ or Bid.

##### **2.18 Confidentiality**

Information relating to the examination, clarification, evaluation, and recommendation for the short-listed pre-qualified Applicants shall not be disclosed to any person who is not officially concerned with the process or is not a retained professional advisor advising DHFW in relation to, or matters arising out of, or concerning the Bidding Process. DHFW will treat all information, submitted as part of Application, in confidence and will require all those who have access to such material to treat the same in confidence. DHFW may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its

disclosure or is to enforce or assert any right or privilege of the statutory entity and/or DHFW as may be required by law or in connection with any legal process.

## **2.19 Tests of responsiveness**

2.191. Prior to evaluation of Applications, DHFW shall determine whether each Application is responsive to the requirements of the RFQ. An Application shall be considered responsive only if:

- (a) it is received as per format at Appendix-I.
- (b) it is received by the Application Due Date including any extension thereof pursuant to Clause 2.14.2;
- (c) it is signed, sealed and marked as stipulated in Clause 2.12 and 2.13;
- (d) it is accompanied by the Power(s) of Attorney as specified in Clause 2.2.4 and in the case of a Consortium, the Power of Attorney as specified in Clause 2.2.5;
- (e) it contains all the information (complete in all respects) as requested in this RFQ;
- (f) it contains information in formats same as those specified in this RFQ;
- (g) it contains certificates from its statutory auditors in the formats specified at Appendix-I of the RFQ for each Eligible Project;
- (h) it contains the RFQ Document charges of Rs. 10,000 (Rupees Ten thousand only);
- (i) it is accompanied by the Jt. Bidding Agreement (for Consortium), specific to the Project, as stipulated in Clause 2.2.5;
- (j) it does not contain any condition or qualification; and
- (k) it is not non-responsive in terms hereof.

2.192. DHFW / KIPDC reserves the right to reject any Application which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by DHFW / KIPDC in respect of such Application.

## **2.20 Clarifications**

- (i) To facilitate evaluation of Applications, DHFW may, at its sole discretion, seek clarifications from any Applicant regarding its Application. Such clarification(s) shall be provided within the time specified by DHFW / KIPDC for this purpose. Any request for clarification(s) and all clarification(s) shall be in writing.
- (ii) If an Applicant does not provide clarifications sought under sub-clause (i) above within the prescribed time, its Application shall be liable to be rejected. In case the Application is not rejected, DHFW / KIPDC may proceed to evaluate the Application by construing the

particulars requiring clarification to the best of its understanding, and the Applicant shall be barred from subsequently questioning such interpretation of DHFW / KIPDC.

## **E. QUALIFICATION AND BIDDING**

### **2.21 Short-listing and notification**

After the evaluation of Applications, DHFW will announce a list of short-listed pre-qualified Applicants (Bidders) for each location who will be eligible for participation in the Bid Stage. At the same time, DHFW would notify the other Applicants that they have not been short-listed. DHFW will not entertain any query or clarification from Applicants who fail to qualify.

### **2.22 Submission of Bids**

The Bidders will be requested to submit a Bid in the form and manner to be set out in the Bidding Documents. Only pre-qualified Applicants shall be invited by the DHFW to submit their Bids for the respective Project locations. DHFW is likely to provide a comparatively short time span for submission of the Bids for the Project. The Applicants are therefore advised to visit the site and familiarize themselves with the Project(s) by the time of submission of the Application. No extension of time is likely to be considered for submission of Bids pursuant to invitation that may be issued by DHFW.

### **2.23 Proprietary data**

All documents and other information supplied by DHFW or submitted by an Applicant to DHFW shall remain or become the property of DHFW. Applicants are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Application. DHFW will not return any Application or any information provided along therewith.

### **2.24 Correspondence with the Applicant**

DHFW shall not entertain any correspondence with any Applicant in relation to the acceptance or rejection of any Application.

### 3. CRITERIA FOR EVALUATION

---

#### 3.1 Evaluation parameters

**3.1.1** Only those Applicants who meet the eligibility criteria specified in Clauses 3.2 and 3.3 (“**Eligibility Criteria**”) below shall qualify for participation in the Bid stage of the Project(s). Applications of firms/ consortia who do not meet these criteria shall be rejected.

3.1.2 The Applicant’s competence and capability is proposed to be established by the following parameters:

- (a) Technical Capacity; and
- (b) Financial Capacity

#### 3.2 Technical Qualification Criteria

For each location, the Applicant shall be required to fulfill Technical Qualification Criteria as in either of the following two categories:

a. **Category “A”:**

Applicant shall, have Developed and Managed Hospital(s) having a (combined) strength of not less than 200-beds, with each Hospital of not less than 100 beds, and is managing at least one Hospital having a super specialty department for a continuous period of at least 5 years, within the preceding 10 years prior to the due date of submission of application

b. **Category “B”:**

The Applicant shall, over the past 5 (five) financial years preceding the Application Due Date, have developed<sup>3</sup> Hospitals/Malls/Hospitality/Commercial and Office spaces /Real Estate Sector<sup>4</sup> project:

- (a) With a minimum built-up area of 100,000 sq.m.
- (b) Developed projects of total cost not less than Rs. 240 Crore, of which at least one project shall be required to be of capital cost not less than Rs. 96 Crore.
- (c) The capital cost for other projects claiming the technical capacity shall not be less than Rs. 24 Crore (**Eligible Projects**).

Such Entities with no prior experience of O&M of Hospital Project(s) as required in Category “A”, shall furnish a Consortium Agreement with Agencies / Companies / Trusts that have Managed Hospital(s) having a (combined) strength of not less than 200-beds, with each Hospital of not less than 100 beds and is managing at least one Hospital having a super specialty department for a continuous period of at least 5 years, within the preceding 10 years prior to the due date of submission of application.

---

<sup>3</sup> Developed shall mean money paid for the construction of the project

<sup>4</sup> Real Estate development shall not include residential flats unless they form a part of a real estate complex or township which has been built by the Applicant

3.2.1 “Super Specialty” shall be as specified in Clause 2 (i) to be read along with Appendix I, Schedule C and D of Post-Graduate Medical Education Regulations 2000 of Medical Council of India (refer ‘[http://www.mciindia.org/know/rules/rules\\_pg.htm](http://www.mciindia.org/know/rules/rules_pg.htm)’ for details)

3.2.2 In case the applicant submits its application for more than one location, then the Applicant / Consortium shall ensure to meet the sum of Technical Qualification Criteria as in Clause 3.2 depending on the number of locations for which applications have been submitted.

### **3.3 Financial Qualification Criteria**

For each location, the Applicant / Lead Member of the Consortium shall be required to fulfill Financial Qualification Criteria as on 31 March 2010:

- |  |              |
|--|--------------|
| i. Networth (last preceding financial year)          | Rs. 30 crore |
| ii. Minimum Annual turnover (last 3 financial years) | Rs. 40 crore |

3.3.1 In case the applicant submits its application for more than one location, then the Applicant / Lead Member shall ensure to meet the sum of Financial Qualification Criteria as in Clause 3.3 depending on the number of locations for which applications have been submitted.

3.3.2 The definitions of the annual turnover and net-worth for the purpose of the pre-qualification criteria is set out below:

- a) Annual Turnover = Revenue earned by the Applicant from core business operations (excluding Other Income)
- b) Net-worth = Equity Share Capital: Issued, Subscribed and Paid -up (+) Reserves & Surplus (excluding Revaluation Reserves) (–) Miscellaneous expenses not written off and debit balance in Profit and Loss account

(In case the Business Entity is a Society or a Trust, the net-worth should be derived based on the above principles, which may include owner’s capital fund, general fund, and accumulated surplus of income over expenditure and other free reserves)

### **3.4 Details of Experience**

3.4.1 The Applicant should furnish the details of Eligible Experience as on 31<sup>st</sup> March 2010.

3.4.2 The Applicants must provide the necessary information relating to Technical Capacity as per format at Annexure-II of Appendix-I.

3.4.3 The Applicant should furnish the required Project-specific information and evidence in support its claim of Technical Capacity, as per format at Annexure-IV of Appendix-I.

### **3.5 Financial information for purposes of evaluation**

3.5.1 The Application must be accompanied by the Audited Annual Reports of the Applicant (of each member in case of a Consortium) for the last 3 (three) financial years, preceding the year in which the Application is made.

3.5.2 In case the annual accounts for the latest financial year are not audited and therefore the Applicant could not make it available, the Applicant shall give an undertaking to the same effect and the statutory auditor shall certify the same. In such a case, the Applicant shall provide the Audited Annual Reports for four years preceding the year for which the Audited Annual Report is not being provided.

3.5.3 The Applicant Net worth should not have eroded by more than 50% during last five financial years and must have established the minimum Net worth, as specified in Clause 3.1.5 , and provide details as per format at Annexure-III of Appendix-I.

### **3.6 Short-listing of Applicants**

3.6.1 The Shortlisting of eligible Applicants shall be based in terms of their meeting the Technical & Financial Qualification together.

3.6.2 Selection of Developer will be on the basis of a competitive bid process in response to “**Request for Proposal**” to be invited by KIPDC subsequently. **DHFW / KIPDC** reserves the right to invite proposals/bids only from those firms/Consortia, who qualified in response to this invitation. DHFW/ KIPDC also reserves the right to reject or accept any application, cancel the process, and reject all applications at any time, without any liability and assigning any reason thereof.

---

#### **4. FRAUD AND CORRUPT PRACTICES**

---

- 4.1 The Applicants and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process. Notwithstanding anything to the contrary contained herein, the DHFW shall reject an Application without being liable in any manner whatsoever to the Applicant if it determines that the Applicant has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process.
- 4.2 Without prejudice to the rights of DHFW under Clause 4.1 hereinabove, if an Applicant is found by DHFW to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bidding Process, such Applicant shall not be eligible to participate in any tender or RFQ issued by DHFW during a period of 2 (two) years from the date such Applicant is found by DHFW to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.
- 4.3 For the purposes of this Clause 4, the following terms shall have the meaning hereinafter respectively assigned to them:
- (a) **“corrupt practice”** means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of DHFW who is or has been associated in any manner, directly or indirectly with the Bidding Process or the LOA or has dealt with matters concerning the Concession Agreement or arising there from, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of DHFW, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOA or after the execution of the Concession Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the Concession Agreement, who at any time has been or is a legal, financial or technical adviser of the DHFW in relation to any matter concerning the Project;
  - (b) **“fraudulent practice”** means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process ;
  - (c) **“coercive practice”** means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process;
  - (d) **“undesirable practice”** means (i) establishing contact with any person connected with or employed or engaged by DHFW with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (ii) having a Conflict of Interest; and

- (e) **“restrictive practice”** means forming a cartel or arriving at any understanding or arrangement among Applicants with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

---

**5. PRE-APPLICATION CONFERENCE**

---

- 5.1 A Pre-Application conference of the interested parties shall be convened at the designated date, time and place. Only those persons who have communicated their participation in the pre-application conference vide fax to the Project Advisors atleast 2 day prior to the date of the conference shall be allowed to participate in the Pre-Application conference. A maximum of two representatives of each Applicant shall be allowed to participate.
- 5.2 During the course of Pre-Application conference, the Applicants will be free to seek clarifications and make suggestions for consideration of DHFW / KIPDC. DHFW / KIPDC shall endeavor to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Bidding Process.

---

**6. MISCELLANEOUS**

---

- 6.1 The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the Courts at Bangalore shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.
- 6.2 DHFW, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;
- (a) suspend and/or cancel the Bidding Process and/or amend and/or supplement the Bidding Process or modify the dates or other terms and conditions relating thereto for any or all the Project Locations;
  - (b) consult with any Applicant in order to receive clarification or further information;
  - (c) pre-qualify or not to pre-qualify any Applicant and/ or to consult with any Applicant in order to receive clarification or further information;
  - (d) retain any information and/or evidence submitted to DHFW by, on behalf of, and/ or in relation to any Applicant; and/or
  - (e) independently verify, disqualify, reject and/or accept any and all submissions or other information and/or evidence submitted by or on behalf of any Applicant.
- 6.3 It shall be deemed that by submitting the Application, the Applicant agrees and releases DHFW, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/or performance of any obligations hereunder, pursuant hereto and/or in connection herewith and waives any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or future.

**APPENDIX I: Format for Application for Pre-Qualification**

*Dated:*

To,  
**Mr. T.K.S. Sridhar Rajagopalachari,**  
**Director-In-Charge**  
KSIIDC - IL&FS Project Development Company Limited (KIPDC)  
Khanija Bhavan, 4th floor, East Wing, # 49,  
Race Course Road,  
Bangalore – 560001

Sub: Application for pre-qualification for **“Development of Super Specialty Hospitals in Bangalore”**

Dear Sir,

1. With reference to your RFQ document dated 03/06/2010, I/we, having examined the RFQ document and understood its contents, hereby submit our Application for Qualification for the aforesaid project. The Application is unconditional and unqualified.
2. I/ We acknowledge that DHFW will be relying on the information provided in the Application and the documents accompanying such Application for pre-qualification of the Applicants for the aforesaid project, and we certify that all information provided in the Application and in Annexure I to IV is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying such Application are true copies of their respective originals
3. This statement is made for the express purpose of qualifying as a Bidder for the development, financing, construction, operation and maintenance of the aforesaid Project.
4. I/We shall make available to DHFW any additional information it may find necessary or require to supplement or authenticate the Qualification statement.
5. I/ We acknowledge the right of DHFW to reject our Application without assigning any reason or otherwise and hereby waive our right to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.
6. I/We certify that in the last three years, we/ any of the Consortium Members or our/their Associates have neither failed to perform on any contract, as evidenced by imposition of a penalty or a judicial pronouncement or arbitration award, nor been expelled from any project or contract nor have had any contract terminated for breach on our part.
7. I/ We declare that:
  - (a) I/We have examined and have no reservations to the RFQ document, including any Addendum issued by DHFW
  - (b) I/We do not have any conflict of interest in accordance with Clauses 2.2.1(c) and 2.2.1(d) of the RFQ document;

- (c) I/We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as defined in Clause 4.3 of the RFQ document, in respect of any tender or request for proposal issued by or any agreement entered into with the DHFW or any other public sector enterprise or any government, Central or State; and
- (d) I/We hereby certify that we have taken steps to ensure that in conformity with the provisions of Section 4 of the RFQ document, no person acting for us or on our behalf has engaged or will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.
8. I/ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Application that you may receive nor to invite the Applicants to Bid for the Project, without incurring any liability to the Applicants, in accordance with Clause 2.17.6 of the RFQ document.
9. I/We believe that we/ our Consortium/ proposed Consortium satisfy(s) the Net Worth criteria and meet(s) all the requirements as specified in the RFQ document and are/ is qualified to submit a Bid.
10. I/We declare that we/ any Member of the Consortium or are our/ its Associates /is not a Member of a/any other Consortium applying for pre-qualification.
11. I/We certify that in regard to matters other than security and integrity of the country, we/any Member of the Consortium or any of our/ their Associates have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community.
12. I/We further certify that in regard to matters relating to security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been charge-sheeted by any agency of the Government or convicted by a Court of Law
13. I/We further certify that no investigation by a regulatory authority is pending either against us/any Member of the Consortium or against our/ their Associates or against our CEO or any of our Directors/ Managers/ employees.
14. I/ We further certify that we are qualified to submit a Bid in accordance with the guidelines for qualification of bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment issued by the GOI vide Department of Disinvestment OM No. 6/4/2001-DD-II dated 13th July, 2001 which guidelines apply mutatis mutandis to the Bidding Process.
15. I/ We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the provisions of this RFQ; we shall intimate DHFW of the same immediately.
16. The Statement of Legal Capacity as per format provided at Annexure-V in Appendix-I of the

RFQ document, and duly signed, is enclosed. The power of attorney for signing of application and the power of attorney for Lead Member of consortium, as per format provided at Appendix II and III respectively of the RFQ, are also enclosed.

17. I/We understand that the selected Bidder may be required to be an existing Company incorporated under the Indian Companies Act, 1956, or shall incorporate as such prior to execution of the Concession Agreement.
18. I/We, hereby irrevocably waive any right which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by DHFW in connection with the selection of Applicants, selection of the Bidder, or in connection with the selection/ Bidding Process itself, in respect of the above mentioned Project and the terms and implementation thereof.
19. I/we agree and undertake to abide by all the terms and conditions of the RFQ document.
20. I/ We certify that in terms of the RFQ, we meet the Eligibility criteria mentioned under Clauses 3.2 and 3.3 of the RFQ.

21. Our application may be considered for [one/two/three/all] of the following location(s):

S. no	Location	Applied for
1	Indiranagar	<input type="checkbox"/>
2	Sumanahalli Junction	<input type="checkbox"/>
3	HRBR Layout	<input type="checkbox"/>
4	Banshankhari 6 <sup>th</sup> Stage	<input type="checkbox"/>

(Please X the applicable sites)

I/ We understand that our qualification for the above site(s) is subject to my/ our fulfilling the Eligibility criteria as in clauses 3.2.2 and 3.3.1 of the RFQ

22. {We agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Concession Agreement till occurrence of Financial Close in accordance with the Concession Agreement.<sup>5</sup> }

In witness thereof, I/We submit this application under and in accordance with the terms of the RFQ document.

Yours faithfully,

Date (Signature, name and designation of the Authorized Signatory)

Place: (Name and seal of the Applicant/ Lead Firm)

<sup>5</sup> Omit if the applicant is not a consortium

**Annexure-I: Details of Applicant**

1. About the Company
  - a. Name:
  - b. Country of incorporation:
  - c. Address of the corporate headquarters and its branch office(s), if any, in India:
  - d. Date of incorporation and/ or commencement of business:
2. Brief description of the Company including details of its main lines of business and proposed role and responsibilities in this Project:
3. Details of individual(s) who will serve as the point of contact/ communication for DHFW:
  - (a) Name:
  - (b) Designation:
  - (c) Company:
  - (d) Address:
  - (e) Telephone Number:
  - (f) E-Mail Address:
  - (g) Fax Number:
4. Particulars of the Authorized Signatory of the Applicant:
  - (a) Name:
  - (b) Designation:
  - (c) Address:
  - (d) Phone Number:
  - (e) Fax Number:
5. In case of a Consortium:
  - a) The information above (1-4) should be provided for all the members of the Consortium.
  - b) A copy of the Jt. Bidding Agreement, as envisaged in Clause 2.2.5 should be attached to the Application.
  - c) Information regarding the role of each Member should be provided as per table below:

<b>Sl. No.</b>	<b>Name of Member</b>	<b>Role*{Refer Clause 2.2.5}</b>	<b>Percentage of equity in the Consortium{Refer Clause 2.2.5}</b>
<b>1.</b>			
<b>2.</b>			

*\* The role of each Member, as may be determined by the Applicant, should be indicated in accordance with instruction 4 at Annexure-IV.*

d) The following information shall also be provided for each member of the Consortium:

**Name of Applicant/ member of Consortium:**

No.	Criteria	Yes	No
1.	Has the Applicant/constituent of the Consortium been barred by the Central/State Government, or any entity controlled by them, from participating in any project[s] (DBFOT or otherwise).		
2.	If the answer to 1 is yes, does the bar subsist as on the date of Application?		
3.	Has the Applicant/constituent of the Consortium paid liquidated damages of more than 5% of the contract value in a contract due to delay or has been penalized due to any other reason in relation to execution of a contract, in the last three years?		

6. A statement by the Applicant and each of the members of its consortium (where applicable) disclosing material non-performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary)

**ANNEXURE-II: Technical Capacity of the Applicant**

**Part A: Summary of experience in respect of all hospitals operated and managed by the Applicant**

#	Name & Address of the Hospital	Operator	Date of commissioning
1			
2			

**Part B: Summary of experience in respect of Hospital having bed capacity of at least 200 beds and having a super –specialty departments**

**Hospital Details**

#	Name & Address of the Hospital	No. of beds in operations				
		Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
1						
2						

**Super-specialty details**

#	Name & Address of the Hospital	Super-specialty dept.	Date of commissioning	No. of beds allotted
1				
2				

\_\_\_\_\_  
(Signature of Authorized Signatory)  
(NAME, TITLE AND ADDRESS)

**Kindly note that the above summary statements should also be certified by the Statutory Auditors of the Sole Applicant / Lead member.**

Note: Please provide a brief profile of each hospital covering inter-alia the following aspects:

1. Name and address of hospital
2. Name of the hospital operator – (Sole Applicant / Lead member / Associate)
3. Name of the owner of hospital (in case the hospital is managed by the Sole Applicant / Lead member / Associate under a management contract<sup>6</sup>)

<sup>6</sup> Enclose copy of the Management contract of the Applicant with the owner.

4. Date of commissioning of hospital by the Sole Applicant / Lead member of the consortium and / or Associates
5. Type of Hospital (General / Multi specialty / Super specialty)
6. Bed strength
7. A brief description of infrastructure and facility available in the hospital
8. Name/ type of super specialty department in each hospital, their size (in terms of beds allocated to each super –specialty department) and date of commencement of such super specialty department in the hospital
9. Year-wise brief financials of the hospital for last three years (also provide a copy of the annual accounts for the last three years (if available separately for each hospital))
  - a. Revenue (Rs. in Crore)
  - b. Contributions / donations / revenue grants (Rs. in Crore)
  - c. Bed utilization (%)
  - d. Gross Block (Rs I Crore)
  - e. Net Profit (Rs. in Crore)

**ANNEXURE-III: Financial Capacity of the Applicant**

S. No.	Applicant Type	Networth (Rs. In Cr)	Annual Turnover for preceding three Financial Years (Rs. In Cr)		
		2009-10	2009-10	2008-09	2007-08
1.	Single Entity Applicant				
2.	<b>Consortium</b>				
	Lead Member				
<b>Certificate from the Statutory Auditor</b>					
This is to certify that .....(name of the Applicant) has a Net Worth and Annual turnover as shown above.					
Name of Authorized Signatory:					
Designation:					
Name of firm:					
(Signature of the Authorized Signatory)					
Seal of the Firm					

**Instructions:**

1. The Applicant/ each of its constituent Consortium Members shall attach copies of the balance sheets, financial statements and Annual Reports for the last 3 financial years preceding the Application Due Date. The financial statements shall:
  - a) reflect the financial situation of the Applicant or Consortium Members and its/ their Associates where the Applicant is relying on its Associate's financials;
  - b) be audited by a statutory auditor;
  - c) be complete, including all notes to the financial statements; and

- d) correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).
2. Annual Turnover and Net Worth shall mean as defined under Clause 3.3.2 (a) and (b).
3. Year 1 will be the latest completed financial year, preceding the bidding. Year 2 shall be the year immediately preceding Year 1 and so on. In case the Application Due Date falls within 3 (three) months of the close of the latest financial year, refer to Clause 2.2.12.
4. In the case of a Consortium, a copy of the Jt. Bidding Agreement shall be submitted in accordance with Clause 2.2.6 (g) of the RFQ document.
5. The applicant shall also provide the name and address of the Bankers to the Applicant.
6. The Applicant shall provide a Statutory Auditor's Certificate specifying the net worth & turnover of the Applicant.

**ANNEXURE-IV: Details of Eligible Projects**

Name of the Associate/Member: \_\_\_\_\_

Item	Particulars of the Project
Title of the project	
Category	
Type of Project (PPP or Any Other)	
Entity for which the project was constructed/ developed	
Location	
Project cost	
Number of Beds	
Date of commencement of project/ contract	
Project Stage (Operational / Construction /Any Other)	
Date of completion of project/ contract	
Any Other Information	

**Instructions:**

1. Applicants are expected to provide information in respect of each Eligible Projects in this Annexure. The projects cited must comply with the eligibility criteria specified in Clause 3.2.3 of the RFQ, as the case may be. Information provided in this section is intended to serve as a backup for information provided in the Application. Applicants should also refer to the Instructions below.
2. A separate sheet should be filled for each Eligible Project.
3. Certificate from the Applicant's statutory auditor or its respective clients must be furnished as per formats below for each Eligible Project. In jurisdictions that do not have statutory auditors, the auditors who audit the annual accounts of the Applicant/ Member may provide the requisite certification.

**Certificate from the Statutory Auditor**

This is to certify that ..... (*Name of the Applicant/ Member*) paid Rs. .... cr. (Rupees.....crore) by way of payment for the aforesaid project works.

We further certify that the total estimated capital cost of the project is Rs. ....cr.(Rupees.....crore), of which the Applicant/Member paid Rs. .... cr. (Rupees..... crore), in terms of Clause 3.2 of the RFQ, during the past five financial years.

Name of Authorized Signatory:

Designation:

Name of firm:

(Signature of the Authorized Signatory)

Seal of the Firm

4. It may be noted that in the absence of any detail in the above certificates, the information would be considered inadequate and could lead to exclusion of the relevant project in computation

**ANNEXURE-V: Statement of Legal Capacity**

*(To be forwarded on the letterhead of the Applicant/ Lead Member of Consortium)*

Ref. Date:

To,

**Mr. T.K.S. Sridhar Rajagopalachari, Director-In-Charge**  
KSIIDC - IL&FS Project Development Company Limited  
Khanija Bhavan, 4th floor, East Wing, # 49, Race Course Road,  
Bangalore – 560001

Dear Sir,

We hereby confirm that we/our members in the Consortium (constitution of which has been described in the application) satisfy the terms and conditions laid out in the RFQ document.

We have agreed that \_\_\_\_\_ (insert member's name) will act as the Lead Member of our consortium.\*

We have agreed that \_\_\_\_\_ (insert individual's name) will act as our representative/will act as the representative of the consortium on its behalf\* and has been duly authorized to submit the RFQ. Further, the authorized signatory is vested with requisite powers to furnish such letter and authenticate the same.

Thanking you,

Yours faithfully,

Authorised Signatory

For and on behalf of.....

*\*Please strike out whichever is not applicable.*

**APPENDIX- II: Power of Attorney for signing of Application**

Know all men by these presents, We.....(name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorize Mr./Ms (name),.....son/daughter/wife of.....and presently residing at....., who is (presently employed with us/ the Lead Member of our Consortium and holding the position of....., as our true and lawful attorney (hereinafter referred to as the “Attorney”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our application for pre-qualification and submission of our bid for the **Development of Super Specialty Hospital at Bangalore on PPP** (Project) proposed or being developed by **DHFW** including but not limited to signing and submission of all applications, bids and other documents and writings, participate in Pre-Applications and other conferences and providing information/responses to DHFW, representing us in all matters before DHFW, signing and execution of all contracts including the Concession Agreement and undertakings consequent to acceptance of our bid, and generally dealing with DHFW in all matters in connection with or relating to or arising out of our bid for the said Project and/ or upon award thereof to us and/or till the entering into of the Concession Agreement with DHFW.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE, \_\_\_\_\_, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2010

For -----  
(Signature, Name, Designation and Address)

Witnesses:

- 1.
- 2.

Accepted

.....  
(Signature)  
(Name, Designation and Address of the Attorney)

*Notes:*

- The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executants (s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
  
- Also, wherever required, the Applicant should submit for verification the extract of the charter documents and documents such as a resolution/ power of attorney in favor of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Applicant.*
  
- For a Power of Attorney executed and issued overseas, the document will also have to be legalized by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney is being issued.*

**APPENDIX-III: Power of Attorney for Lead Member of Consortium**

Whereas **DHFW** has invited applications from interested parties for the **Development of Super Specialty Hospital at Bangalore on PPP** (“the Project”).

Whereas,.....and.....( collectively the “Consortium”) being Members of the Consortium are interested in bidding for the Project in accordance with the terms and conditions of the Request for Qualification document (RFQ),Request for Proposal (RFP)and other connected documents in respect of the Project, and

Whereas, it is necessary for the Members of the Consortium to designate one of them as the Lead Member with all necessary power and DHFW to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium’s bid for the Project and its execution.

**NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS**

We,.....having our registered office at.....,M/s.....having our registered office at .....M/s.....having our registered office at.....,and.....having our registered office at .....,(the respective names and addresses of the registered office) (hereinafter collectively referred to as the “Principals”) do hereby irrevocably designate, nominate, constitute, appoint and authorize M/S.....having its registered office at.....,being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the “Attorney”). We hereby irrevocably authorize the Attorney (with power to sub- delegate) to conduct all business for and on behalf of the Consortium and any one of us during the bidding process and, in the event the Consortium is awarded the concession/contract, during the execution of the Project and in this regard, to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds or things as are necessary or required or incidental to the pre-qualification of the Consortium and submission of its bid for the Project, including but not limited to signing and submission of all applications, bids and other documents and writings, participate in bidders and other conferences, respond to queries, submit information/ documents, sign and execute contracts and undertakings consequent to acceptance of bid of the Consortium and generally to represent the Consortium in all its dealings with DHFW, and/ or any other Government Agency or any person, in all matters in connection with or relating to or arising out of the Consortium’s bid for the Project and/ or upon award thereof till the Concession Agreement is entered into with DHFW.

AND hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us/Consortium.

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS \_\_\_\_ DAY OF \_\_\_\_ 2010

For .....  
(Signature)

.....  
(Name & Title)

For.....  
(Signature)

.....  
(Name & Title)

Witnesses:

- 1.
- 2.....

(Executants)

(To be executed by all the Members of the Consortium)

Notes:

- The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
  
- Also, wherever required, the Applicant should submit for verification the extract of the charter Documents and documents such as a resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Applicant.*
  
- For a Power of Attorney executed and issued overseas, the document will also have to be legalized by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney is being issued.*

**APPENDIX-IV: Joint Bidding Agreement**

*(To be executed on Stamp paper of appropriate value)*

THIS JOINT BIDDING AGREEMENT is entered into on this the ..... day of 2010

AMONGST

1. \_\_\_\_\_ Limited, a company incorporated under the Companies Act, 1956} and having its registered office at ..... (hereinafter referred to as the “ **First Part**” which expression shall, unless repugnant to the context include its successors and permitted assigns)
2. \_\_\_\_\_ Limited, a company incorporated under the Companies Act, 1956} and having its registered office at .....(hereinafter referred to as the “ **Second Part**” which expression shall, unless repugnant to the context include its successors and permitted assigns)
3. The above mentioned parties of the FIRST, SECOND PART are collectively referred to as the “**Parties**” and each is individually referred to as a “**Party**”

**WHEREAS,**

4. Department of Health & Family Welfare, Government of Karnataka, represented by its Secretary and having office at \_\_\_\_\_, Bangalore (hereinafter referred to as “**DHFW**” which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) has invited applications (the **Applications**”) by its Request for Qualification No...dated.....(the “**RFQ**”) for pre-qualification and short-listing of bidders for development and operation/ maintenance of **Development of Super Specialty Hospital at Bangalore on PPP** (the “**Project**”) through public private partnership.
5. The Parties are interested in jointly bidding for the Project as members of a Consortium and in accordance with the terms and conditions of the RFQ document and other bid documents in respect of the Project, and
6. It is a necessary condition under the RFQ document that the members of the Consortium shall enter into a Joint Bidding Agreement and furnish a copy thereof with the Application.

**NOW IT IS HEREBY AGREED as follows:**

**1. Definitions and Interpretations**

In this Agreement, the capitalized terms shall, unless the context otherwise requires,

have the meaning ascribed thereto under the RFQ.

## **2. Consortium**

The Parties do hereby irrevocably constitute a consortium (the “**Consortium**”) for the purposes of jointly participating in the Bidding Process for the Project.

2.2 The Parties hereby undertake to participate in the Bidding Process only through this Consortium and not individually and/ or through any other consortium constituted for this Project, either directly or indirectly or through any of their Associates.

## **3. Covenants**

The Parties hereby undertake that in the event the Consortium is declared the selected Bidder and awarded the Project, it shall incorporate a special purpose vehicle (the “**SPV**”) under the Indian Companies Act, 1956 for entering into a Concession Agreement with DHFW and for performing all its obligations as the Concessionaire in terms of the Concession Agreement for the Project.

## **4. Role of the Parties**

The Parties hereby undertake to perform the roles and responsibilities as described below:

- a) Party of the First Part shall be the Lead member of the Consortium and shall have the power of attorney from all Parties for conducting all business for and on behalf of the Consortium during the Bidding Process and until the Appointed Date under the Concession Agreement when all the obligations of the SPV shall become effective;
- b) Party of the Second Part shall be \_\_\_\_\_

## **5. Joint and Several Liability**

The Parties do hereby undertake to be jointly and severally responsible for all obligations and liabilities relating to the Project and in accordance with the terms of the RFQ, RFP and the Concession Agreement, till such time as the Financial Close for the Project is achieved under and in accordance with the Concession Agreement.

## **6. Shareholding in the SPV**

6.1 The Parties agree that the proportion of shareholding among the Parties in the SPV shall be as follows:

First Party:

Second Party:

The Parties undertake that a minimum of 26% (twenty six per cent) of the subscribed and paid up equity share capital of the SPV shall, at all times till the tenth anniversary of the date of commercial operation of the Project, be held by the Parties of the First and Second Part whose experience and net worth have been reckoned for the purposes of qualification and short-listing of Applicants for the Project in terms of the RFQ.

The Parties undertake that each of the Parties specified in Clause 6.2 above shall, at all times between the commercial operation date of the Project and the second anniversary thereof, hold subscribed and paid up equity share capital of SPV equivalent to at least 5% (five per cent) of the Total Project Cost.

The Parties undertake that they shall collectively hold at least 51% (fifty one per cent) of the subscribed and paid up equity share capital of the SPV at all times until the second anniversary of the commercial operation date of the Project.

The Parties undertake that they shall comply with all equity lock-in requirements set forth in the Concession Agreement.

The Parties undertake that the O&M Member shall subscribe and hold at least 10% (ten per cent) of the subscribed and paid up equity shares in the SPV in terms of the Concession Agreement.

## **7. Representation of the Parties**

Each Party represents to the other Parties as of the date of this Agreement that:

- i. Such Party is duly organized, validly existing and in good standing under the laws of its incorporation and has all requisite power and DHFW to enter into this Agreement;
- ii. The execution, delivery and performance by such Party of this Agreement has been authorized by all necessary and appropriate corporate or governmental action and a copy of the extract of the charter documents and board resolution/power of attorney in favour of the person executing this Agreement for the delegation of power and DHFW to execute this Agreement on behalf of the Consortium Member is annexed to this Agreement, and will not, to the best of its knowledge:
  - a. require any consent or approval not already obtained;
  - b. violate any Applicable Law presently in effect and having applicability to it;
  - c. violate the memorandum and articles of association, by-laws or other applicable documents thereof;
  - d. violate any clearance, permit, concession, grant, license or other governmental authorization, approval, judgment or decree or any mortgage agreement, indenture or any other instrument to which such

- Party is a party or by which such Party or any of its properties or assets are bound or that is otherwise applicable to such Party; or
- e. create or impose any liens, mortgages, pledges, claims, security interests, charges or Encumbrances or obligations to create alien, charge, pledge, security interest, encumbrances or mortgage in or on the property of such Party, except for encumbrances that would not, individually or in the aggregate, have a material adverse effect on the financial condition or prospects or business of such Party so as to prevent such Party from fulfilling its obligations under this Agreement;
  - f. this Agreement is the legal and binding obligation of such Party, enforceable in accordance with its terms against it; and
  - g. there is no litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Affiliates is a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfillment of its obligations under this Agreement.

## **8. Termination**

This Agreement shall be effective from the date hereof and shall continue in force and effect until the Financial Close of the Project is achieved under and in accordance with the Concession Agreement, in case the Project is awarded to the Consortium. However, in case the Consortium is either not pre-qualified for the Project or does not get selected for award of the Project, the Agreement will stand terminated in case the Applicant is not pre-qualified or upon return of the Bid Security by DHFW to the Bidder, as the case may be.

## **9. Miscellaneous**

- 9.1 This Joint Bidding Agreement shall be governed by laws of India.
- 9.2 The Parties acknowledge and accept that this Agreement shall not be amended by the Parties without the prior written consent of DHFW.

IN WITNESS WHEREOF THE PARTIES ABOVE NAMED HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

SIGNED, SEALED AND DELIVERED

SIGNED, SEALED AND DELIVERED

For and on behalf of

For and on behalf of

LEAD MEMBER by:

SECOND PART

(Signature)

(Signature)

(Name)

(Name)

(Designation)

(Designation)

(Address)

(Address)

**Notes:**

1. The mode of the execution of the Joint Bidding Agreement should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the executants (s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure
2. Each Joint Bidding Agreement should attach a copy of the extract of the charter documents and documents such as resolution/power of attorney in favor of the person executing this Agreement for the delegation of power and DHFW to execute this Agreement on behalf of the Consortium Member.
3. For a Joint Bidding Agreement executed and issued overseas, the document shall be legalized by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney has been executed.

## **APPENDIX V: Project Brief**

### **1. INTRODUCTION**

- 1.1 Bangalore, the capital of the Indian State of Karnataka, is located on the Deccan plateau in the south-eastern part of Karnataka. Bangalore is India's third most populous City and the fifth-most populous urban agglomeration. It is positioned at 12.9°N & 77.56°E and covers an area of 741 sq. km. The majority of the city of Bangalore lies in the Bangalore urban district of Karnataka and the surrounding rural areas are a part of the Bangalore rural district.
- 1.2 Today as a large growing City, Bangalore is home to many of the most well-recognized colleges and research institutions in India and is more popularly known as the Silicon Valley of India for being the nation's leading IT exporter. Bangalore is also known to be the playground of many Indian as well as multinational Information Technology (I.T.) and Biotechnology (B.T.) companies, apart from the numerous public sector heavy industries, aerospace, telecommunications, and defense organizations located in the City. A demographically diverse City, Bangalore is a major economic and cultural hub and the fastest growing major metropolis in India.
- 1.3 Bangalore has made a niche for itself in the international arena in terms of this growth, and with major players in the IT industry gaining foothold here, Bangalore has come to be best known within India for being the country's un-official high-tech capital.
- 1.4 With an economic growth of 10.3%, Bangalore is the fastest growing major metropolis in India. Additionally, this city is India's fourth largest fast moving consumer goods (FMCG) market. The city is the third largest hub for high net worth individuals and is home to over 10,000 dollar millionaires and about 60,000 super-rich people who have an investable surplus of Rs. 4.5 crore (US\$ 1 million) and Rs. 50 lakh (US\$ 111,500) respectively. As of 2001, Bangalore's share of Rs. 1,660 crore (US\$ 400 million) in Foreign Direct Investment was the fourth highest for an Indian city. With its encouraging policies and favorable environment, the city has attracted investors and has seen a steady increase in FDI inflow in recent years.

#### **Economic Snapshots of Bangalore**

Area (sq km)	741 sq. km.
Population (Census 2001, million)	5.80
Projected Population (2008, million)	8.01
Literacy Rate (%)	83%
Per Capita Income (US\$) (2007-08)	1087
Software Exports (US\$ billion)	13.50
Workforce (Techies) (in lakhs)	5.55
International cum Domestic Airport	Bangalore International Airport, Devanahalli
116 IT companies have been added to a total of 2000 IT companies 248 Business Process Outsourcing and 183 Biotechnology companies	

- 1.5 Bangalore has emerged as one of India's fastest growing cities with respect to per capita income and exports as well. The per capita income for the city stood at US\$ 1087 for 2007-08 as against US\$ 942 for Karnataka State. The city has been a frontrunner in the IT/ITES space owing to an

appropriate ecosystem for knowledge driven industries including proactive government, sector-friendly policies and a large pool of skilled manpower.

- 1.6 The headquarters of several public sector undertakings such as Bharat Electronics Limited (BEL), Hindustan Aeronautics Limited (HAL), National Aerospace Laboratories (NAL), Bharat Heavy Electricals Limited (BHEL), Bharat Earth Movers Limited (BEML) and Hindustan Machine Tools (HMT) are located in Bangalore. In June 1972 the Indian Space Research Organization (ISRO) was also established under the Department of Space and headquartered in the city.
- 1.7 The large number of information technology companies located in the city has contributed to about 33% of India's Rs. 144,214 crore (US\$ 32 billion) IT exports in 2006-07. Bangalore's IT industry is divided into three main clusters — Software Technology Parks of India (STPI); International Tech Park, Bangalore (ITPB); and Electronics City. UB City, the headquarters of the United Breweries Group, is a high-end commercial zone. Infosys and Wipro, India's second and third largest software companies are headquartered in Bangalore, as are many of the global SEI-CMM Level 5 Companies. Bangalore is considered to be amongst the five largest technology hubs in the world.
- 1.8 In addition to the prominent industry names and fortune 500 companies operating in the city, there are a large number of small and medium size industries that contribute significantly to the economic base of Bangalore.
- 1.9 Given the above scenario, industrial/commercial employment is obviously the highest, at over 90%, while employment avenues in the rest of the sectors are relatively minor.
- 1.10 The distribution of economic activities in the city reflects its history, its different stages of development as well as the underlying socio-spatial contexts. Several distinct areas or spatial groups emerge from the geographical distribution of activities of Bangalore.

## **2. HEALTH INFRASTRUCTURE IN BANGALORE**

- 2.1 Karnataka, like any other State, is full of regional, even sub-regional disparities in the matter of development. Improving the health infrastructure in certain regions, most notably the State's capital, Bangalore, is the area of focus of the State Government.
- 2.2 Bangalore is emerging as a global destination for healthcare facilities and today has presence of leading healthcare service providers like Apollo, Fortis, Columbia Asia, Manipal and medi-city like Narayana Hrudalaya.
- 2.3 With large number of IT companies and service industries setting up base in Bangalore, the city has also witnessed an increase in the number of lifestyle –related diseases. At the same time, improvement of health awareness, rise in income levels and growing penetration of medical insurance have led to the growth for healthcare demand in Bangalore.

- 2.4 As per CRISIL research, Bangalore had a supply of 23,419 beds (2008) spread across 135 hospitals. Of this, 13 hospitals have 500 or more beds. Between 2009 and 2012, CRISIL estimates that 5,415 additional beds would come up in Bangalore.

**Table 1: No. of beds in Bangalore in 2008**

No. of beds in hospitals	No of hospitals	Total no of beds
>= 1000 beds	4	4,450
500 to 999 beds	9	5,750
300 to 499 beds	10	3,920
200 to 299 beds	12	2,880
100 to 199 beds	25	3,220
50 to 99 beds	38	2,304
25 to 49 beds	19	582
< 25 beds	18	306
<b>Total no. of beds</b>	<b>135</b>	<b>23,419</b>

Source: CRISIL Research

**Table 2: 2009-2012 — Upcoming supply: Bangalore**

Sr.No	Name of the hospital	No. of beds	Remarks
1	Hospital by the Karnataka Govt	750	
2	St John's Medical College Hospital	500	
3	Narayana Health City	1,500	
4	Rajiv Gandhi University of Health Sciences	750	
5	Cauvery Medical Centre Ltd	350	Tie up with Shankara Netralaya to offer services in ophthalmology.
6	Columbia Asia	360	One secondary care hospital and one tertiary care hospital
7	Manipal Hospitals	180	Expansion in the existing facility
8	Sarvodaya Hospital	300	
9	Image Group	150	
10	Trinity Hospital & Heart Foundation	125	
11	Yashodha Hospitals	200	
12	State government hospital	250	
<b>Total supply</b>		<b>5,415</b>	

Source: CRISIL Research

- 2.5 Bangalore also presents a huge opportunity for medical tourism. According to industry reports, Medical Tourism in India is expected to earn revenue of \$ 1-2 billion by 2012. The sector is gearing up to compete with other countries such as Thailand, Malaysia, Singapore, Philippines, Greece, Jordan and South Africa.
- 2.6 Bangalore is well positioned to capture the growing medical tourism opportunity with professional experts, technological sophistication and health care services that easily match the best in the world and also its international connectivity. Its reputation as the global technology hub and cosmopolitan city has made it a prominent health care destination for foreign nationals from developed as well as developing countries. Bangalore's pleasant weather all through the year also makes it a preferred choice for foreign patients.
- 2.7 Bangalore also has few of the world's best doctors and medical practitioners, who are registered with international professional bodies. These international accreditations help dispel any concerns of patients coming for treatment. Most big hospitals have eminent doctors from abroad as consultants. Also, most hospitals that have foreign patients have facilities and services customized for the comfort and convenience of the patients.

- 2.8 Popular specializations for medical consultation, treatments and surgeries in Bangalore include Cardiology, Orthopedics, Nephrology, Neurology, Neurosurgery, Dentistry, Oncology, Infertility, Gynecology, Homeopathy, Ayurveda, Naturopathy etc.
- 2.9 Some of the leading hospitals for foreign patients include: Hosmat, Recoup, Soukya, Manipal, Narayana Hrudalaya, NIMHANS, Wockhardt (now Fortis), Sagar Apollo, Kidwai Memorial Institute of Oncology, Sri Jayadeva Institute of Cardiology, St. John's Hospital, St. Martha's, Victoria Hospital and Sri Sathya Sai Institute of Higher Medical Sciences, Mallya Hospital, Manipal Hospital and The Bangalore Hospital.

### 3. SUPER SPECIALTY HOSPITALS IN BANGALORE ON PPP FORMAT

- 3.1 Providing state of the art Health Services across the State is always seen as a challenge by the Department of Health Services across States. The Department of Health Services, Government of Karnataka has been proactively working towards providing Health Facilities uniformly across the State including involving Public Private Partnership (PPP) in Health Infrastructure as well as services.
- 3.2 The Karnataka State Budget also has taken proactive measures to address the rising needs in the Health sector by introducing reforms for reengineering the health care delivery mechanism.
- 3.3 Having recognized that Bangalore is undoubtedly one of the fastest growing cities in Asia, the most sought after cities in India by people, companies, multinationals and tourists and also the massive growth that the city has witnessed in the last decade is a clear indication of this city being developed to be at par with the most modern cities in the world, the Government of Karnataka has proposed the development of 4 Super Specialty Hospitals on Public Private Partnership (PPP) basis, in strategic locations across the City.
- 3.4 Also, with the growing opportunity for medical tourism and also the objective to meet healthcare needs of the city with an estimated population of over 6.5mn, including 2.8 lacs below poverty line (BPL) population, the Government of Karnataka has launched an ambitious program of PPP to improve health infrastructure which can deliver better value for money and foster the development of modern and efficient health infrastructure.
- 3.5 With the rising demand for land in the City, its corresponding escalating real estate prices and scarcity of land available for development, setting up Hospitals within the City, especially in prime areas with easy accessibility to patients has been noted not only to be a costly affair, but also difficult.
- 3.6 Having recognized the above, the Government of Karnataka, through the Department of Health & Family Welfare ("DHFV"), Government of Karnataka, has identified / earmarked lands at four prime locations across Bangalore for setting up of super specialty medical facilities under PPP model, which would cater to the healthcare needs of Bangalore.
- 3.7 Also, having recognized that PPP is the key to optimize on the utilization of the limited Government resources as well as capitalizing on the expertise and efficiency of the Private Sector, the DHFV has proposed the development of the four Super Specialty Hospitals on PPP format.

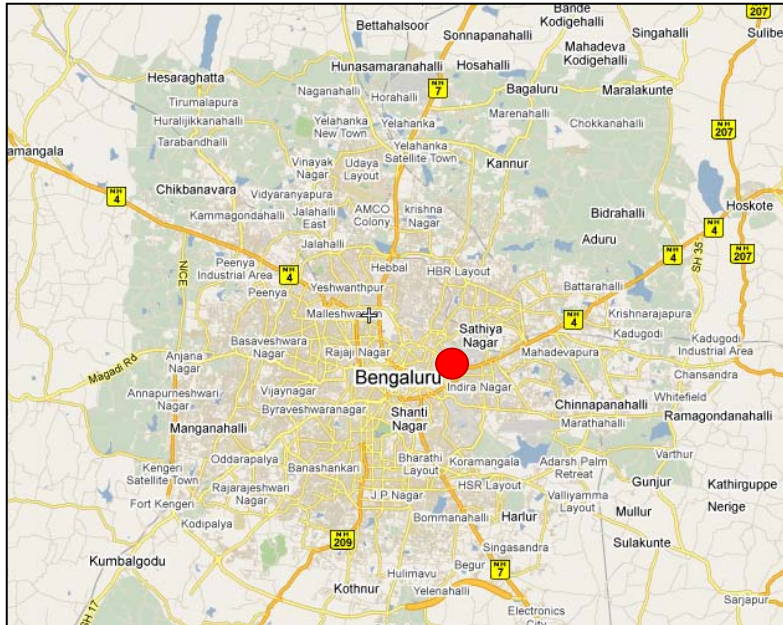
**4. SCOPE OF PROJECT(S)**

- 4.1 The Department of Health & Family Welfare, GoK, seeks to partner with the private sector, through a competitive bidding process, to enter into a PPP for the design, construction, financing and facility management of the four proposed super specialty hospitals across various locations of Bangalore.
- 4.2 DHFW has appointed KSIIDC-IL&FS Project Development Company (“KIPDC”) Ltd as its Advisor for the structuring and implementation of the above PPP transactions.
- 4.3 The present thinking of the DHFW is to offer the prime lands at each location on long-term lease for construction of a minimum 250-bed Super Specialty hospital in each of these locations with a combination of general medical facilities and at least one specialty/super-specialty service (Center of Excellence).
- 4.4 In lieu of the prime lands, the private Service Provider, in turn, would be required to provide free/subsidized medical services to the BPL population, in addition to paid services for the rest of population.
- 4.5 The PPP arrangement will set out the rights and obligations of the Government and the private party, including technical and output specifications, service and performance standards, methodology for periodic adjustment of the payments, monitoring and reporting procedures, dispute resolution procedures, penalties and termination procedures.
- 4.6 The scope of the Project for private Service Provider would thus be:
  - i. Under the PPP structure, the private sector partner will be responsible for financing, designing, constructing, furnishing, and operating all clinical and non clinical services/maintaining the hospital(s) for the term of the agreement.
  - ii. The Service Provider will be responsible for all costs related to the Project. These include pre-construction and construction costs and operating expenses related to the medical equipment and facilities provided such as medical consumables and clinical staff (doctors, nurses, etc.), as well as utility costs for water supply, sewerage and drainage, power consumption and maintenance of buildings and furnishings, pest control, security, cleaning, insurance, laundry, parking and catering.
  - iii. The Service Provider will have flexibility on detailed design, building materials and other inputs, subject to compliance with bye-laws and relevant codes/standards (and subject to validation by the Government throughout the design and construction phases).
  - iv. The terms of the PPP agreement as well as the bidding process shall be further detailed at the Request for Proposal (RFP) stage.
- 4.7 A brief on each of the Prime lands earmarked for the Project(s) has been provided for information to interested parties.

## 5. BRIEF ON PROJECT SITE(S)

### 5.1 Site-1: Indiranagar, Bangalore

**Indiranagar Location Map**

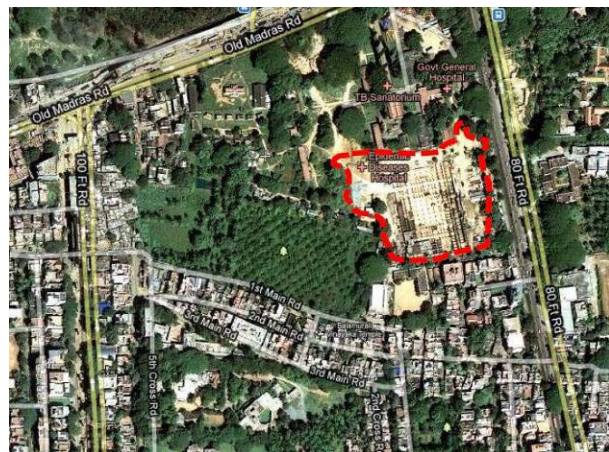


**Location:** Site - 1 for the proposed Site is located at Indiranagar, one of the prime residential localities in East of Bangalore, which is about 4 km from the MG Road which is considered as the commercial centre of the Bangalore.

#### **Connectivity:**

The proposed site, is located at the junction of Old Madras Road and 80ft road and is well connected to all parts of the city through:

- An existing central bus stand in Indiranagar located approx. 1.5 km away from site.
- Subject site is also linked to the Bangalore Metro and lies within close proximity to two metro stations - one at the CMH road and the other at Old Madras road. The subject site is adjacent to the proposed Metro Station along old Madras Road.
- Nearest railway station is KR Puram located at a distance of 5kms.



#### **Extent and Land-use:**

The DHFW hold about 5-7 acres (Approx), on which the DHFW is also in the process of constructing a 250 Bedded Hospital Building with provisions for expansion for another 250 beds.

The Hospital Building on completion would also be handed over to the private sector partner for operations and maintenance.

The identified site is under public/Semi-Public use as per CDP 2015. Thus, no land use change is needed since the proposed project is in accordance with the recommended land use.

#### **Ownership & status of land**

The land is under the ownership of Dept. of Health and Family Welfare, Government of Karnataka.

#### **Surroundings & Advantages**

The site is surrounded majorly by residential land use. Indiranagar, apart from residential reach also accommodates commercial development spread around CMH Road.

Indiranagar has the locational advantage as this medium sized suburb is enclosed by the two arterial roads of Bangalore, Old Madras Road in the North & Airport Road in the South. Another major road that connects the Airport Road and Old Madras road is the busy 100 Feet Road, which forms an important link to the Intermediate Ring Road

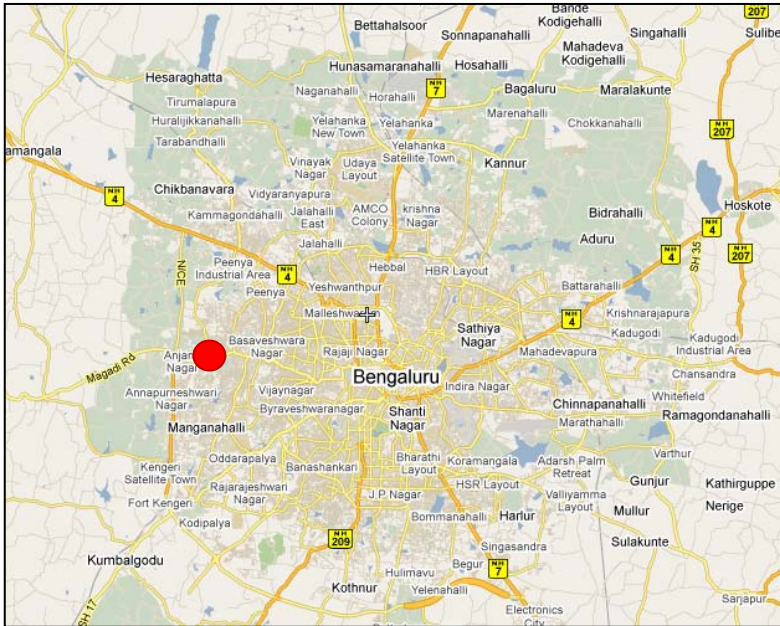
#### **Health care around Indiranagar– present status**

Major healthcare establishments around Indiranagar area includes:

- Manipal Hospital, Old Airport Road
- Columbia Asia Private Limited;
- Axon Speciality Hospital;
- Chinmaya Mission Hospital.

Apart from the above list, Indiranagar houses more than 21 small sized healthcare/medical centres.

## 5.2 Site - II: Sumanahalli Junction: Intersection of Pipeline Road & ORR (Bangalore West)



### **Location:**

Site - II for the proposed hospital is located in the premises of Beggars Rehabilitation Centre (Beggars' Colony).

The site lies near to the junction of Pipeline Road and Outer Ring Road. Outer ring road abuts the site from east while the Pipeline road abuts the side from north. The exact location of site is Beggars Colony, Sy No. 68/4 & 5, Shri Gandhakavalu, SajjePalya Village, Yeshwanthpura Hobli, Bangalore North Taluk, Bangalore District.

### **Connectivity:**

As mentioned the proposed site is located at the junction of Pipeline Road & Outer Ring Road and is well connected to all parts of the city;

- There is an existing Bus Depot opposite to the site.
- Magadi Road area is also linked to the Bangalore Metro Project and the subject site lies within close proximity to Magadi Road Metro Station, Toll gate Metro station, Hosahalli Metro Station.
- Distance to airport is around 40kms with direct connectivity through the Outer ring road
- Nearest railway station is Majestic railway Station located at a distance of 7 kms.



### **Extent and Land-use:**

The site, measuring 10 acres (approx), is under public/Semi-Public use as per CDP 2015. Thus, no land use change is needed since the proposed project is in accordance with the recommended land use.

### **Ownership & status of land**

The land is under the ownership of Social Welfare Department and process is underway for transfer to DHFW. A formal approval in this regards has also been communicated by the Department of Social Welfare.

### **Surroundings & Advantages**

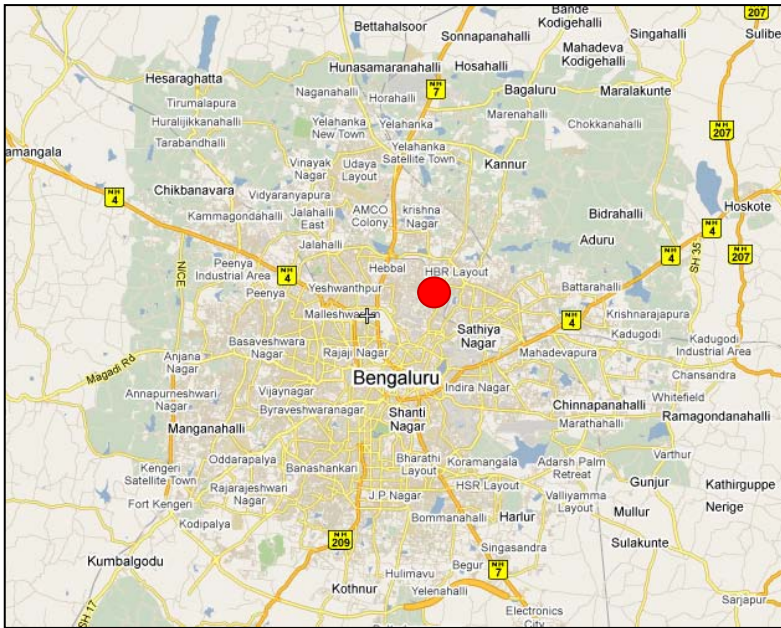
The site is surrounded mostly by residential areas. The adjoining areas are Kamla Nagar, Sanakki Bayalu, Kamakshipalya Syndicate Bank Colony, etc. The site has the locational advantage as the site is surrounded by developed residential layouts. The habitation is however low and greatly expected to develop over the years. Secondly the site is enclosed by the arterial road, Outer Ring Road, and Pipeline road of Bangalore. Another major road i.e Magadi Road is also in close proximity to the site.

### **Health care – present status**

Major healthcare establishments around Beggars Colony area includes:

- National Institute of Unani Medicine.
- Manipal Hospital

### 5.3 Site -3: HRBR Layout, Bangalore North



**Location:** Site - III for the proposed hospital is located at Kacharakanahalli, HRBR layout. HRBR layout is an important residential area just adjacent to HBR layout in the north of Bangalore. It is 37 km from the New International Airport of Bangalore.

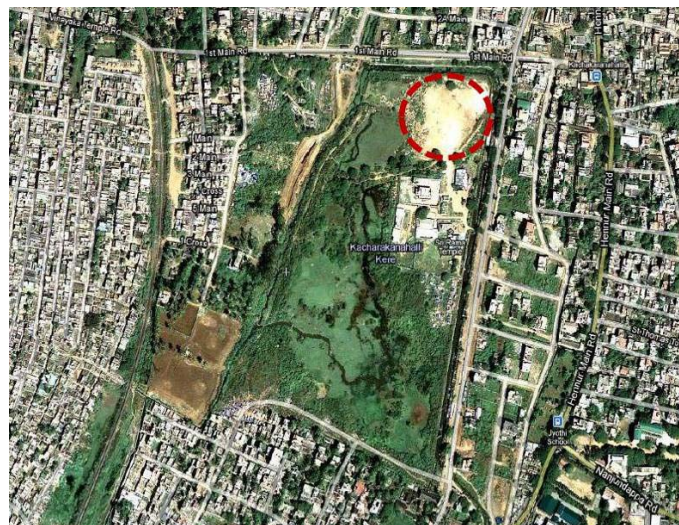
**Connectivity:**

The proposed site is located adjacent to the lake bed of Kachranakalli and is well connected through:

- An existing bus stand in Kacharanakahalli very near to the site.
- The arterial road outer ring road provides connectivity with the International Airport.
- Nearest railway station is Banswadi railway Station.

**Extent and Land-use:**

The site measures 10 acres (Approx), located adjacent to the lake bed of Kacharanakahalli Kere. The survey location of site is Sy No. 153 of Kacharakanahalli, Near Lingarajpur Fly over, Kacharakanahalli Village, Bangalore North Taluk, Bangalore Urban District.



**Ownership & status of land**

Presently the allotment of Land to DHFW for the development of super speciality hospital is under process and is expected to be completed shortly.

**Surroundings & Advantages**

The identified site is surrounded with a densely populated middle- income group residential spread. The adjoining areas cordoning the site are St. Thomas Town, Kushalnagara, Venkateshpura, Kadugundonahalli, etc.

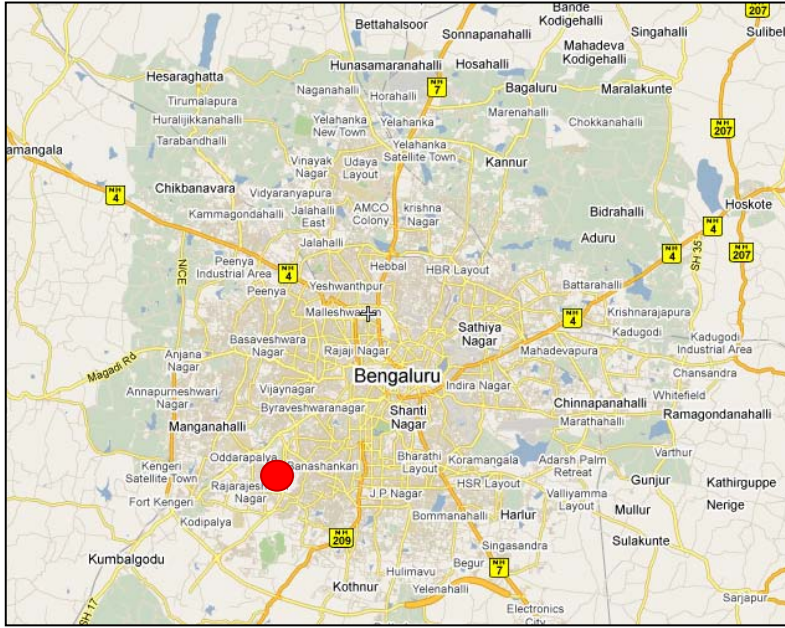
Site has location advantage as this medium sized suburb is enclosed by the Hennur Main Road, Outer Ring Road and Arabic College Main Road connect the area with the rest of the city. Outer Ring road also acts as link road to NH-7 heading towards International Airport.

**Health care – present status**

Major healthcare establishments around Kacharanakahalli area includes:

- Govt. Hospital near Arabic College Main Road
- AECS Maaruthi College of Dental Sciences & Research Centre;
- Bangalore Diabetes Centre & Eye Hospital;
- PC Dental Hospital
- Lokhandes Hospital
- St. Philomina Hospital

## 5.4 Site -IV: Banashankari 6<sup>th</sup> Stage, Bangalore South



**Location:** Site - IV for the proposed hospital is located at Banashankari 6th Stage, BDA Layout (between Rajarajeshwarinagar and Kengeri) lies in the south of Bangalore.

Banashankari is one of the well established residential areas in Bangalore. It is 15 km from the City Railway Station of Bangalore.

### **Connectivity:**

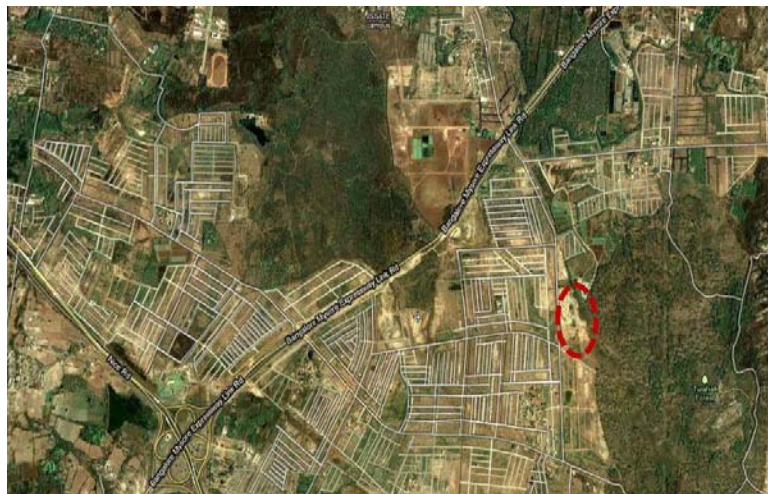
The proposed site is located Banashankari 6th Stage, 3rd Block Vrushabavathi Nagar, Bangalore Urban District.

- Banashankari has wide network of BMTC buses connecting the area with rest of the city.
- BMTC is constructing a Traffic & Transit Management Centre at Kengeri
- Nearest Railway station is Kengeri Railway Station.

### **Extent and Land-use:**

The site measures 5 acres (approx), located at Banashankari 6th Stage, 3rd Block, Vrushabavathi Nagar, Bangalore Urban District.

The site is classified as Residential (Main) as per CDP 2015.



**Ownership & status of land**

Presently, the land has been earmarked for the proposed project and is being transferred by the Bangalore Development Authority to the DHFW.

**Surroundings & Advantages**

The Identified site is surrounded by sparsely populated presently and but rapid development is expected by the time of commissioning of the proposed Hospital.

Site has location advantage as this medium sized suburb is enclosed very close to Bangalore Mysore Expressway Link Road, which also provides the connectivity with the NICE Toll Road.

**Health care – present status**

Major healthcare establishments around Banashankari area includes:

- BGS Global Hospital
- Manipal Center
- Maharaj Agrasen Hospital
- Saraswathi Hospital, 2<sup>nd</sup> Stage Banashankri
- Udhbhava Hospital, 3<sup>rd</sup> Stage Banashankari

**APPENDIX VI: Guidelines of the Department of Disinvestment**

**GOVERNMENT CIRCULAR**

No. 6/4/2001-DD-II  
Government of India  
Department of Disinvestment  
Block 14, CGO Complex, New Delhi.

Dated 13<sup>th</sup> July, 2001.

**OFFICE MEMORANDUM**

Sub: Guidelines for qualification of Bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment

Government has examined the issue of framing comprehensive and transparent guidelines defining the criteria for bidders interested in PSE-disinvestment so that the parties selected through competitive bidding could inspire public confidence. Earlier, criteria like net worth, experience etc. used to be prescribed. Based on experience and in consultation with concerned departments, Government has decided to prescribe the following additional criteria for the qualification / disqualification of the parties seeking to acquire stakes in public sector enterprises through disinvestment:

- (a) In regard to matters other than the security and integrity of the country, any conviction by a Court of Law or indictment / adverse order by a regulatory authority that casts a doubt on the ability of the bidder to manage the public sector unit when it is disinvested, or which relates to a grave offence would constitute disqualification. Grave offence is defined to be of such a nature that it outrages the moral sense of the community. The decision in regard to the nature of the offence would be taken on case to case basis after considering the facts of the case and relevant legal principles, by the Government.
- (b) In regard to matters relating to the security and integrity of the country, any charge-sheet by an agency of the Government / conviction by a Court of Law for an offence committed by the bidding party or by any sister concern of the bidding party would result in disqualification. The decision in regard to the relationship between the sister concerns would be taken, based on the relevant facts and after examining whether the two concerns are substantially controlled by the same person/persons.
- (c) In both (a) and (b), disqualification shall continue for a period that Government deems appropriate.
- (d) Any entity, which is disqualified from participating in the disinvestment process, would not be allowed to remain associated with it or get associated merely because it has preferred an appeal against the order based on which it has been disqualified. The mere pendency of appeal will have no effect on the disqualification.
- (e) The disqualification criteria would come into effect immediately and would apply to all bidders for various disinvestment transactions, which have not been completed as yet.

(f) Before disqualifying a concern, a Show Cause Notice why it should not be disqualified would be issued to it and it would be given an opportunity to explain its position.

(g) Henceforth, these criteria will be prescribed in the advertisements seeking Expression of Interest (EOI) from the interested parties. The interested parties would be required to provide the information on the above criteria, along with their Expressions of Interest (EOI). The bidders shall be required to provide with their EOI an undertaking to the effect that no investigation by a regulatory authority is pending against them. In case any investigation is pending against the concern or its sister concern or against its CEO or any of its Directors/Managers/employees, full details of such investigation including the name of the investigating agency, the charge/offence for which the investigation has been launched, name and designation of persons against whom the investigation has been launched and other relevant information should be disclosed, to the satisfaction of the Government. For other criteria also, a similar undertaking shall be obtained along with EOI.

-sd/

**(A.K. Tewari)**

**Under Secretary to the Government of India.**

#### CLARIFICATION

Note: Vide clarification dated: 10.1.2002 to the above guidelines it has been provided that the following offence be treated as a grave offence

1. Orders of Securities and Exchange Board of India which directly relates to “fraud” as defined in the Securities and Exchange Board of India Act, 1992 and/or regulations made thereunder;
2. Orders of Securities and Exchange Board of India which cause a doubt on the ability of the Strategic Partner to manage the Company after the sale of the Transaction Shares by the Government to the Strategic Partner;
3. Any conviction by a Court of Law;
4. In cases in which Securities and Exchange Board of India also passes a prosecution order, disqualification of the Strategic Partner should arise only on conviction by the Court of Law.