

RFQ No. UHC/001

Request For Qualification
FOR
UNIVERSAL HEALTHCARE INSURANCE

Department of Health and Family Welfare
Government of NCT of Delhi

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Request for Qualification (RFQ)

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 on behalf of the Authority or any of its 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 the Authority 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 the Authority in relation to the Scheme. 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 the Authority, 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 may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Authority, 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.

The Authority 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.

The Authority 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.

The issue of this RFQ does not imply that the Authority is bound to select and short-list pre-qualified Applications for Bid Stage or to appoint the selected Bidder or

Concessionaire, as the case may be, for the Scheme and the Authority 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 the Authority or any other costs incurred in connection with or relating to its Application. All such costs and expenses will remain with the Applicant and the Authority 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.

Glossary

Applicant(s)	As defined in Clause 1.2.1
Application	As defined in the Disclaimer
Application Due Date	As defined in Clause 1.1.9
Associate	As defined in Clause 2.2.8
Authority	As defined in Clause 1.1.1
Bids	As defined in Clause 1.2.3
Bid Due Date	As defined in Clause 1.2.3
Bid Security	As defined in Clause 1.2.4
Bidders	As defined in Clause 1.1.1
Bidding Documents	As defined in Clause 1.2.3
Bidding Process	As defined in Clause 1.2.1
Bid Stage	As defined in Clause 1.2.1
Insurer	As defined in Clause 1.1.6
Insurance Agreement	As defined in Clause 1.1.6
Conflict of Interest	As defined in Clause 2.2.1(c)
Eligible Experience	As defined in Clause 3.2.1
Eligible Schemes	As defined in Clause 3.2.1
Experience Score	As defined in Clause 3.2.8
Financial Capacity	As defined in Clause 2.2.2 (B)
Government	Government of Delhi
Premium	As defined in Clause 1.2.8
Highest Bidder	As defined in Clause 1.2.8
IRDA	Insurance Regulatory and Development Authority
LOA	Letter of Award
Net Worth	As defined in Clause 2.2.4 (ii)
O&M	Operation and Maintenance
PPP	Public Private Partnership
Premium	As defined in Clause 1.2.8
Qualification	As defined in Clause 1.2.1
Qualification Stage	As defined in Clause 1.2.1
Re. or Rs. or INR	Indian Rupee
RFP or Request for Proposals	As defined in Clause 1.2.1
RFQ	As defined in the Disclaimer
Scheme	As defined in Clause 1.1.1
Technical Capacity	As defined in Clause 2.2.2 (A)
Threshold Technical Capacity	As defined in Clause 2.2.2 (A)

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 above.

Invitation for Qualification

**Department of Health and Family Welfare,
Government of Delhi**

1. INTRODUCTION^{\$}

1.1 Background

- 1.1.1 The Lt. Governor of Delhi acting through Secretary, Department of Health and Family Welfare (DoHFW), Government of National Capital Territory of Delhi (the “**Authority**”) and having its principal offices at Government Secretariat, Delhi 110002 is engaged in the delivery of medical and health services and as part of this endeavour, the Authority has decided to undertake a Universal Healthcare Insurance Scheme for the residents of Delhi to be specified by the Authority (the “**Scheme**”) and has, therefore, decided to carry out the bidding process for selection of an insurance company to whom the Scheme may be awarded. Brief particulars of the Scheme are as follows:

Name of the scheme	Indicative number of families to be covered
Aam Aadmi Swasthya Bima Yojna	40 lakh

The Authority intends to pre-qualify and short-list suitable Applicants (the “**Bidders**”) who will be eligible for participation in the Bid Stage, for awarding the Scheme through an open competitive bidding process in accordance with the procedure set out herein.

- 1.1.2 The insurance cover under the scheme is to be provided to all members of the families who have an annual income below a specified threshold. Families having an income exceeding the said threshold shall be eligible for cover under this scheme on payment of the same premium as payable by the Authority for the covered families. However, an additional one-time administrative charge shall be payable by these families in addition to the payment of premium.
- 1.1.3 Treatment under the scheme shall be provided by empanelled hospitals, which shall include all Government hospitals.
- 1.1.4 The proposed cover shall apply to about 1700 packages in respect of hospitalization of the insured persons. The indicative packages and the respective package rates shall be specified in the bid documents.

^{\$} Instructions for Applicants

Note 1: The provisions in curly brackets shall be suitably modified by the Applicant after the RFQ is issued. (See Appendix-VI)

Note 2: Blank spaces contain formats that are to be used by the Applicant after the RFQ is issued. (See Appendix-VI)

Note 3: Footnotes marked “\$” in the relevant Clauses of the RFQ are for guidance of the Applicants. In case of Appendices, the footnotes marked “\$” or in other non-numerical characters shall be omitted by the Applicants while submitting their respective Applications. (See Appendix-VI)

- 1.1.5 All other particulars and detailed terms shall be specified in the draft insurance agreement that will form part of the bid documents.
- 1.1.6 The selected Bidder, who shall be a company incorporated under the Companies Act, 1956/2013 (the “**Insurer**”) shall be responsible for implementing the Scheme under and in accordance with the provisions of an insurance agreement (the “**Insurance Agreement**”) to be entered into between the Insurer and the Authority in the form provided by the Authority as part of the Bidding Documents pursuant hereto.
- 1.1.7 The scope of work will broadly include implementation, management and operation of the Universal Healthcare Insurance Scheme in accordance with the provisions of the Insurance Agreement. The objective of this Scheme is to cover about 40 lakh (forty lakh) families over a period of four years in accordance with the terms to be provided at the RFP stage.
- 1.1.8 The indicative number of families to be covered under the Scheme (the “**Beneficiaries**”) may be revised and specified in the Bidding Documents.
- 1.1.9 The Authority 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 the Authority, and all Applications shall be prepared and submitted in accordance with such terms on or before the date specified in Clause 1.3 for submission of Applications (the “**Application Due Date**”).

1.2 Brief description of Bidding Process

- 1.2.1 The Authority has adopted a two-stage bidding process (collectively referred to as the “**Bidding Process**”) for selection of the Bidder for award of the Scheme. The first stage (the “**Qualification Stage**”) of the process involves qualification (the “**Qualification**”) of interested companies who make an Application in accordance with the provisions of this RFQ (the “**Applicant**”). Prior to making an Application, the Applicant shall pay to the Authority a sum of Rs. 1,00,000 (Rupees one lakh) as the cost of the RFQ process. At the end of this stage, the Authority expects to announce a short-list of up to 6 (six) suitable pre-qualified Applicants 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**”).

Government of India has issued guidelines (see Appendix-III) for qualification of bidders seeking to acquire stakes in any public sector enterprise through the process of disinvestment. 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-I.

- 1.2.2 In the Qualification Stage, Applicants would be required to furnish all the information specified in this RFQ. Only those Applicants that are pre-qualified and short-listed by the Authority shall be invited to submit their Bids for the Scheme. The Authority is likely to provide a comparatively short time span for

submission of the Bids for the Scheme. The Applicants are, therefore, advised to visit the site and familiarise themselves with the Scheme.

- 1.2.3 In the Bid Stage, the Bidders will be called upon to submit their financial offers (the “**Bids**”) in accordance with the RFP and other documents to be provided by the Authority (collectively the “**Bidding Documents**”). The Bidding Documents for the Scheme will be provided to every Bidder on payment of a process fee for RFP which will be about four times the amount specified in Clause 1.2.1. The Bid 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 of Rs 5,00,00,000 (Rs. five crore) (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 Insurance 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[§]. In case a bank guarantee is provided, its validity period 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. Where a demand draft is provided, its validity shall not be less than 80 (eighty) days from the Bid Due Date for the purposes of encashment thereof by the Authority. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.
- 1.2.5 Generally, the Highest Bidder shall be the selected Bidder. The remaining Bidders shall be kept in reserve and may, in accordance with the process specified in the RFP, be invited to match the Bid submitted by the Highest Bidder in case such Highest Bidder withdraws or is not selected for any reason. In the event that none of the other Bidders match the Bid of the Highest Bidder, the Authority may, in its discretion, invite fresh Bids from the remaining Bidders or annul the Bidding Process, as the case may be.
- 1.2.6 During the Bid Stage, Bidders are invited to examine the Scheme 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 Scheme including implementation thereof.
- 1.2.7 As part of the Bidding Documents, the Authority will provide a draft Insurance Agreement and other information pertaining/ relevant to the Scheme available with it.
- 1.2.8 Bids will be invited for the Scheme on the basis of the lowest premium (the “**Premium**”) required by a Bidder for implementing the Scheme. The insurance period shall be pre-determined, and will be indicated in the draft Insurance Agreement forming part of the Bidding Documents. The Premium amount shall constitute the sole criteria for evaluation of Bids. The Scheme shall be awarded to the Bidder quoting the lowest Premium.

[§] The format for the bank guarantee shall be provided as part of the RFP document

In this RFQ, the term “**Highest Bidder**” shall mean the Bidder who is offering the lowest Premium.

- 1.2.9 The Insurer shall, in consideration of its investment and services, be entitled to the Premium referred to in Clause 1.2.8.
- 1.2.10 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 by speed post/ courier/ special messenger and by e-mail so as to reach the officer designated in Clause 2.12.3 by the specified date. The envelopes/ communications shall clearly bear the following identification/ title:

“Queries/ Request for Additional Information: RFQ for the
Universal Healthcare Insurance Scheme”.

1.3 Schedule of Bidding Process

The Authority shall endeavour to adhere to the following schedule:

Event Description	Date
<u>Qualification Stage</u>	
1. Last date for receiving queries	April 13, 2016
2. Pre-Application Conference	April 18, 2016
3. Authority response to queries latest by	April 22, 2016
4. Application Due Date	May 16, 2016
5. Announcement of short-list	May 23, 2016
<u>Bid Stage</u>	
Estimated Date	
1. Sale of Bid Documents	June 6, 2016
2. Last date for receiving queries	July 15, 2016
3. Pre-Bid Conference	July 22, 2016
4. Authority response to queries latest by	July 27, 2016
5. Bid Due Date	August 12, 2016
6. Opening of Bids	On Bid Due Date
7. Letter of Award (LOA)	Within 10 days of Bid Due Date
8. Validity of Bids	120 days of Bid Due Date
9. Signing of Insurance Agreement	August 29, 2016

1.4 Pre-Application Conference

The date, time and venue of the Pre-Application Conference shall be:

Date: April 18, 2016

Time: 1100 hrs

Venue: Conference Hall CR-2

Delhi Secretariat,

Delhi-110002,

2. INSTRUCTIONS TO APPLICANTS

A. GENERAL

2.1 Scope of Application

- 2.1.1 The Authority wishes to receive Applications for Qualification in order to short-list experienced and capable Applicants for the Bid Stage.
- 2.1.2 Short-listed Applicants may be subsequently invited to submit the Bids for the Scheme.

2.2 Eligibility of Applicants

- 2.2.1 For determining the eligibility of Applicants for their pre-qualification hereunder, the following shall apply:

- (a) The Applicant for pre-qualification must be an insurance company registered in India.

- (b) An Applicant may be a private entity or a government-owned entity.

- (c) An 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^{\$}. An Applicant shall be deemed to have a Conflict of Interest affecting the Bidding Process, if:

- (i) the Applicant, its Associate (or any constituent thereof) and any other Applicant, its 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 or its 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 or Associate, as the case may be) in the other Applicant 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 sub-section (72) of section 2 of the Companies Act, 2013. 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;

^{\$} The provisions of sub-clauses (i), (iii) and (v) shall not apply to government companies.

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, grant, concessional loan or subordinated debt from any other Applicant, or any Associate thereof or has provided any such subsidy, grant, concessional loan or subordinated debt to any other Applicant 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 the Authority in the preparation of any documents, design or technical specifications of the Scheme.

(d) An Applicant shall be liable for disqualification if any legal, financial or technical adviser of the Authority in relation to the Scheme is engaged by the Applicant or any Associate thereof, as the case may be, in any manner for matters related to or incidental to the Scheme. For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Applicant or Associate in the past but its assignment expired or was terminated prior to the Application Due Date. 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 Scheme.

(e) The Applicant should be licensed to conduct the business of health insurance by the Insurance Regulatory and Development Authority (IRDA).

2.2.2 To be eligible for pre-qualification and short-listing, an Applicant shall fulfil the following conditions of eligibility:

- (A) **Technical Capacity:** For demonstrating technical capacity and experience (the “**Technical Capacity**”), the Applicant shall have received, during the past 3 (three) financial years preceding the Application Due Date, gross direct premium income of more than Rs. 3,000 cr. (Rs. three thousand crore) from health insurance schemes (the “**Threshold Technical Capacity**”).
- (B) **Financial Capacity:** The Applicant shall have a minimum Net Worth (the “**Financial Capacity**”) of Rs. 250 crore (Rs. two hundred and fifty crore) at the close of the preceding financial year.

- 2.2.3 **O&M Experience:** The Applicant may enter into an agreement with an IRDA licensed third party administrator for discharging its O&M obligations in accordance with the provisions of the Insurance Agreement or make such other arrangements as may conform with Applicable Laws and Good Industry Practice.
- 2.2.4 The Applicant shall enclose with its Application, to be submitted as per the format at Appendix-I, complete with its Annexes, the following^{\$}:
- (i) Certificate(s) from statutory auditors of the Applicant or its Associates or the IRDA stating the gross premium income from health insurance policies during the past 3 (three) years, as specified in paragraph 2.2.2 (A) above; and
 - (ii) certificate(s) from statutory auditors of the Applicant or its Associates 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.
- 2.2.5 The Applicant should submit a Power of Attorney as per the format at Appendix-II, authorising the signatory of the Application to commit the Applicant.
- 2.2.6 Any entity which has been barred by the Central/ State Government, IRDA, or any entity controlled by it, from participating in any health insurance scheme or otherwise, and the bar subsists as on the date of Application, would not be eligible to submit an Application.
- 2.2.7 An Applicant including any Associate should, in the last 3 (three) years, have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Applicant or Associate, as the case may be, nor has been expelled from any project/scheme or contract by any public entity nor have had any contract terminated by any public entity for breach by such Applicant or Associate. Provided, however, that where an Applicant claims that its disqualification arising on account of any cause or event specified in this Clause 2.2.7 is such that it does not reflect (a) any malfeasance on its part in relation to such cause or event; (b) any wilful default or patent breach of the material terms of the relevant contract; (c) any fraud, deceit or misrepresentation in relation to such contract; or (d) any rescinding or abandoning of such contract, it may make a representation to this effect to the Authority for seeking a waiver from the disqualification hereunder and the Authority may, in its sole discretion and for reasons to be recorded in writing, grant such waiver if it is satisfied with the grounds of such representation and is further satisfied that such waiver is not in

^{\$} In case duly certified audited annual financial statements containing the requisite details are provided, a separate certification by statutory auditors would not be necessary in respect of Clause 2.2.4. In jurisdictions that do not have statutory auditors, the firm of auditors which audits the annual accounts of the Applicant or its Associate may provide the certificates required under this RFQ.

any manner likely to cause a material adverse impact on the Bidding Process or on the implementation of the Scheme.

- 2.2.8 In computing the Technical Capacity and Net Worth of the Applicant under Clauses 2.2.2, 2.2.4 and 3.2, the Technical Capacity and Net Worth of their respective Associates would also be eligible hereunder.

For purposes of this RFQ, Associate means, in relation to the Applicant, a person who controls, is controlled by, or is under the common control with such Applicant (the “**Associate**”). As used in this definition, the expression “control” means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person by operation of law.

- 2.2.9 The following conditions shall be adhered to while submitting an Application:

- (a) Applicants should attach clearly marked and referenced continuation sheets in the event that the space provided in the prescribed forms in the Annexes is insufficient. Alternatively, Applicants may format the prescribed forms making due provision for incorporation of the requested information;
- (b) information supplied by an Applicant must apply to the Applicant or Associate named in the Application and not, unless specifically requested, to other associated companies or firms. Invitation to submit Bids will be issued only to Applicants whose identity and/ or constitution is identical to that at pre-qualification; and
- (c) in responding to the pre-qualification submissions, Applicants should demonstrate their capabilities in accordance with Clause 3.1 below.

- 2.2.10 Notwithstanding anything to the contrary contained herein, in the event that the Application Due Date falls within 3 (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 3 (three) 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 Number of Applications and costs thereof

- 2.3.1 No Applicant shall submit more than one Application for the Scheme.

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

2.4 Verification of information

Applicants are encouraged to submit their respective Applications after visiting the Authority's office and ascertaining for themselves the location, surroundings, climate, applicable laws and regulations, and any other matter considered relevant by them.

2.5 Acknowledgement by Applicant

2.5.1 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 the Authority;
- (c) accepted the risk of inadequacy, error or mistake in the information provided in the RFQ or furnished by or on behalf of the Authority relating to any of the matters referred to in Clause 2.4 above; and
- (d) agreed to be bound by the undertakings provided by it under and in terms hereof.

2.5.2 The Authority shall not be liable for any omission, mistake or error 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 the Authority.

2.6 Right to accept or reject any or all Applications/ Bids

2.6.1 Notwithstanding anything contained in this RFQ, the Authority reserves the right to accept or reject any Application and to annul the Bidding Process 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 the Authority rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids hereunder.

2.6.2 The Authority 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 the Authority, the supplemental information sought by the Authority for evaluation of the Application.

If the disqualification/ rejection occurs after the Bids have been opened and the Highest Bidder gets disqualified/ rejected, then the Authority reserves the right to:

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

- 2.6.3 In case it is found during the evaluation or at any time before signing of the Insurance Agreement or after its execution and during the period of subsistence thereof, 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 Insurer either by issue of the LOA or entering into of the Insurance Agreement, and if the Applicant has already been issued the LOA or has entered into the Insurance 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 the Authority to the Applicant, without the Authority being liable in any manner whatsoever to the Applicant and without prejudice to any other right or remedy which the Authority may have under this RFQ, the Bidding Documents, the Insurance Agreement or under applicable law.
- 2.6.4 The Authority reserves the right to verify all statements, information and documents submitted by the Applicant in response to the RFQ. Any such verification or lack of such verification by the Authority shall not relieve the Applicant of its obligations or liabilities hereunder nor will it affect any rights of the Authority thereunder.

B. DOCUMENTS

2.7 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 2.9.

Invitation for Qualification

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2.8 Clarifications

- 2.8.1 Applicants requiring any clarification on the RFQ may notify the Authority in writing by speed post/ courier/ special messenger and by 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. The Authority shall

endeavour to respond to the queries within the period specified therein, but no later than 5 (five) days prior to the Application Due Date. The responses will be sent by e-mail. The Authority will forward all the queries and its responses thereto, to all purchasers of the RFQ without identifying the source of queries.

- 2.8.2 The Authority shall endeavour to respond to the questions raised or clarifications sought by the Applicants. However, the Authority 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 the Authority to respond to any question or to provide any clarification.
- 2.8.3 The Authority may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Applicants. All clarifications and interpretations issued by the Authority shall be deemed to be part of the RFQ. Verbal clarifications and information given by Authority or its employees or representatives shall not in any way or manner be binding on the Authority.

2.9 Amendment of RFQ

- 2.9.1 At any time prior to the deadline for submission of Application, the Authority 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.
- 2.9.2 Any Addendum thus issued will be sent in writing to all those who have purchased the RFQ.
- 2.9.3 In order to afford the Applicants a reasonable time for taking an Addendum into account, or for any other reason, the Authority may, in its sole discretion, extend the Application Due Date.^{\$}

C. PREPARATION AND SUBMISSION OF APPLICATION

2.10 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 translations of all the pertinent passages in the English language, duly authenticated and certified by the Applicant. 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.

2.11 Format and signing of Application

- 2.11.1 The Applicant shall provide all the information sought under this RFQ. The Authority will evaluate only those Applications that are received in the required

^{\$} While extending the Application Due Date on account of an addendum, the Authority shall have due regard for the time required by Applicants to address the amendments specified therein. In the case of significant amendments, at least 15 (fifteen) days shall be provided between the date of amendment and the Application Due Date, and in the case of minor amendments, at least 7 (seven) days shall be provided.

formats and complete in all respects. Incomplete and /or conditional Applications shall be liable to rejection.

- 2.11.2 The Applicant shall prepare 1 (one) original set of the Application (together with the documents required to be submitted pursuant to this RFQ) and clearly marked as “ORIGINAL”. In addition, the Applicant shall submit 1 (one) copy of such Application and documents, which shall be marked as “COPY”. The Applicant shall also provide 2 (two) soft copies thereof on a Compact Disc (CD). In the event of any discrepancy between the original and the copy, the original shall prevail.
- 2.11.3 The Application and its copy shall be typed or written in indelible ink. It shall be signed by the authorised signatory of the Applicant who shall also initial each page of the Application (including each Appendix and Annex) in blue ink. In case of printed and published documents, only the cover shall be initialled. All the alterations, omissions, additions or any other amendments made to the Application shall be initialled by the person(s) signing the Application. The Application shall contain page numbers and shall be bound together in a manner that does not allow replacement of any page.

2.12 Sealing and Marking of Applications

- 2.12.1 The Applicant shall submit the Application in the format specified at Appendix-I, together with the documents specified in Clause 2.12.2, and seal it in an envelope and mark the envelope as “APPLICATION”. The Applicant shall seal the original and the copy of the Application, together with their respective enclosures, in separate envelopes duly marking the envelopes as “ORIGINAL” and “COPY”. The envelopes shall then be sealed in an outer envelope which shall also be marked in accordance with Clauses 2.12.2 and 2.12.3.

- 2.12.2 Each envelope shall contain:

- (i) Application in the prescribed format (Appendix-I) along with Annexes and supporting documents;
- (ii) Power of Attorney for signing the Application as per the format at Appendix-II;
- (iii) copy of Memorandum and Articles of Association, if the Applicant is a body corporate, and if a partnership then a copy of its partnership deed;
- (iv) copies of Applicant’s duly audited balance sheet and profit and loss account for the preceding five years;
- (v) 2 (two) soft copies of the Application on a Compact Disc (CD); and
- (vi) copy of IRDA license to conduct health insurance business.

Each of the envelopes shall clearly bear the following identification:

“Application for Qualification: “Universal Healthcare Insurance Scheme””

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.

2.12.3 Each of the envelopes shall be addressed to:

ATTN. OF:	Dr. R. N. Das*
DESIGNATION:	Addl. Secretary (H&FW)
ADDRESS:	Room No. 706, 7 th Level, A Wing, Delhi Secretariat, New Delhi-110002
TELEPHONE NO:	011-23392116/117
E-MAIL ADDRESS:	drndas1@gmail.com

2.12.4 If the envelopes are not sealed and marked as instructed above, the Authority assumes no responsibility for the misplacement or premature opening of the contents of the Application and consequent losses, if any, suffered by the Applicant.

2.12.5 Applications submitted by fax, telex, telegram or e-mail shall not be entertained and shall be rejected.

2.13 Application Due Date

2.13.1 Applications should be submitted before 1100 hours IST on the Application Due Date, at the address provided in Clause 2.12.3 in the manner and form as detailed in this RFQ. A receipt thereof should be obtained from the person specified in Clause 2.12.3.

2.13.2 The Authority may, in its sole discretion, extend the Application Due Date by issuing an Addendum in accordance with Clause 2.9 uniformly for all Applicants.

2.14 Late Applications

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

2.15 Modifications/ substitution/ withdrawal of Applications

2.15.1 The Applicant may modify, substitute or withdraw its Application after submission, provided that written notice of the modification, substitution or withdrawal is received by the Authority prior to the Application Due Date. No Application shall be modified, substituted or withdrawn by the Applicant on or after the Application Due Date.

2.15.2 The modification, substitution or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clause 2.12, with the envelopes being additionally marked “MODIFICATION”, “SUBSTITUTION” or “WITHDRAWAL”, as appropriate.

- 2.15.3 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 the Authority, shall be disregarded.

D. EVALUATION PROCESS

2.16 Opening and Evaluation of Applications

- 2.16.1 The Authority shall open the Applications at 1130 hours IST on the Application Due Date, at the place specified in Clause 2.12.3 and in the presence of the Applicants who choose to attend.
- 2.16.2 Applications for which a notice of withdrawal has been submitted in accordance with Clause 2.15 shall not be opened.
- 2.16.3 The Authority will subsequently examine and evaluate Applications in accordance with the provisions set out in Section 3.
- 2.16.4 Applicants are advised that pre-qualification of Applicants will be entirely at the discretion of the Authority. 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.
- 2.16.5 Any information contained in the Application shall not in any way be construed as binding on the Authority, its agents, successors or assigns, but shall be binding against the Applicant if the Scheme is subsequently awarded to it on the basis of such information.
- 2.16.6 The Authority reserves the right not to proceed with the Bidding Process at any time without notice or liability and to reject any or all Application(s) without assigning any reasons.
- 2.16.7 If any information furnished by the Applicant is found to be incomplete, or contained in formats other than those specified herein, the Authority may, in its sole discretion, exclude the relevant scheme from computation of the Experience Score of the Applicant.
- 2.16.8 In the event that an Applicant claims credit for an Eligible Scheme, and such claim is determined by the Authority as incorrect or erroneous, the Authority shall reject such claim and exclude the same from computation of the Experience Score, and may also, while computing the aggregate Experience Score of the Applicant, make a further deduction equivalent to the claim rejected hereunder. 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 in accordance with the provisions of Clauses 2.6.2 and 2.6.3.

2.17 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 the Authority in relation to, or matters

arising out of, or concerning the Bidding Process. The Authority 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. The Authority 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 the Authority or as may be required by law or in connection with any legal process.

2.18 Tests of responsiveness

2.18.1 Prior to evaluation of Applications, the Authority shall determine whether each Application is responsive to the requirements of the RFQ. An Application shall be considered responsive 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 2.13.2;
- (c) it is signed, sealed, bound together in hard cover, and marked as stipulated in Clauses 2.11 and 2.12;
- (d) it is accompanied by the Power of Attorney as specified in Clause 2.2.5;
- (e) it contains all the information and documents (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 Scheme;
- (h) it contains an attested copy of the receipt of the Authority towards the cost of the RFQ process as specified in Clause 1.2.1;
- (i) it does not contain any condition or qualification; and
- (j) it is not non-responsive in terms hereof.

2.18.2 The Authority reserves the right to reject any Application which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Authority in respect of such Application. Provided, however, that the Authority may, in its discretion, allow the Applicant to rectify any infirmities or omissions if the same do not constitute a material modification of the Application.

^{\$} In case duly certified audited annual financial statements containing the requisite details are provided, a separate certification by statutory auditors would not be necessary in respect of Clause 2.18.1 (g). In jurisdictions that do not have statutory auditors, the firm of auditors which audits the annual accounts of the Applicant may provide the certificates required under this RFQ.

2.19 Clarifications

- 2.19.1 To facilitate evaluation of Applications, the Authority may, at its sole discretion, seek clarifications from any Applicant regarding its Application. Such clarification(s) shall be provided within the time specified by the Authority for this purpose. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing.
- 2.19.2 If an Applicant does not provide clarifications sought under Clause 2.19.1 above within the prescribed time, its Application shall be liable to be rejected. In case the Application is not rejected, the Authority 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 the Authority.

E. QUALIFICATION AND BIDDING

2.20 Short-listing and notification

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

2.21 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 Authority to submit their Bids for the Scheme. The Authority is likely to provide a comparatively short time span for submission of the Bids for the Scheme. The Applicants are therefore advised to visit the site and familiarise themselves with the Scheme 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 the Authority.

2.22 Proprietary data

All documents and other information supplied by the Authority or submitted by an Applicant to the Authority shall remain or become the property of the Authority. 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. The Authority will not return any Application or any information provided along therewith.

2.23 Correspondence with the Applicant

Save and except as provided in this RFQ, the Authority 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 2.2.2 and 2.2.3 shall qualify for evaluation under this Section 3. Applications of firms 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 Capacity for purposes of evaluation

- 3.2.1 Subject to the provisions of Clause 2.2, the following categories of experience would qualify as Technical Capacity and eligible experience (the “**Eligible Experience**”) in relation to eligible schemes as stipulated in Clauses 3.2.3, 3.2.4, 3.2.5 and 3.2.6 (the “**Eligible Schemes**”):

Category 1: Experience on Eligible Schemes in group health insurance sponsored by the government would qualify under Clause 3.2.3;

Category 2: Experience on Eligible Schemes in group health insurance sponsored by public or private sector companies would qualify under Clause 3.2.4;

Category 3: Experience on Eligible Schemes in family/floater health insurance, excluding individual policies, would qualify under Clause 3.2.5;

Category 4: Experience on Eligible Schemes in individual health insurance, excluding family/floater insurance, would qualify under Clause 3.2.6;

- 3.2.2 Eligible Experience in respect of each category shall be measured only for Eligible Schemes.
- 3.2.3 For a scheme to qualify as an Eligible Scheme under Category 1, the Applicant including any Associate should have received gross direct premium of more than Rs. 50 cr. (Rs. fifty crore) as on March 31st of the relevant financial year.
- 3.2.4 For a scheme to qualify as an Eligible Scheme under Category 2, the Applicant including any Associate should have received gross direct premium of more than Rs. 10 cr. (Rs. ten crore) as on March 31 of the relevant financial year.
- 3.2.5 For a scheme or plan to qualify as an Eligible Scheme under Category 3, the Applicant including any Associate should have received gross direct premium of more than Rs. 10 cr. (Rs. ten crore) as on March 31 of the relevant financial year.

- 3.2.6 For a scheme or plan to qualify as an Eligible Scheme under Category 4, the Applicant including any Associate should have received gross direct premium of more than Rs. 10 cr. (Rs. ten crore) as on March 31 of the relevant financial year.
- 3.2.7 The Applicant shall quote experience in respect of a particular Eligible Scheme under any one category only. Double counting for a particular Eligible Scheme shall not be permitted in any form.
- 3.2.8 An Applicant's experience shall be measured and stated in terms of a score (the "**Experience Score**"). The Experience Score for an Eligible Project in a given category, as specified in Clause 3.2.1, would be equal to the gross premium in rupees crore received under that category divided by one crore and then multiplied by the applicable factor in Table 3.2.8 below. In case the Applicant has experience across different categories, the score for each category would be computed as above and then aggregated to arrive at its Experience Score.

Table 3.2.8: Factors for Experience across categories¹

Categories	Factor
Category 1	1.25
Category 2	1.00
Category 3	0.75
Category 4	0.50

3.3 Details of Experience

- 3.3.1 The Applicant should furnish the details of Eligible Experience for the last 3 (three) financial years immediately preceding the Application Due Date.
- 3.3.2 The Applicants must provide the necessary information relating to Technical Capacity as per format at Annex-II of Appendix-I.
- 3.3.3 The Applicant should furnish the required Eligible Scheme-specific information and evidence in support of its claim of Technical Capacity, as per format at Annex-IV of Appendix-I.

3.4 Financial information for purposes of evaluation

- 3.4.1 The Application must be accompanied by the Audited Annual Reports of the Applicant for the last 3 (three) financial years, preceding the year in which the Application is made.
- 3.4.2 In case the annual accounts for the latest financial year are not audited and therefore the Applicant cannot make it available, the Applicant shall give an undertaking to this effect and the statutory auditor shall certify the same. In such a case, the Applicant shall provide the Audited Annual Reports for 3 (three) years preceding the year for which the Audited Annual Report is not being provided.

¹These factors may be modified by the Authority by upto 15% thereof in each category.

- 3.4.3 The Applicant must establish the minimum Net Worth specified in Clause 2.2.2 (B), and provide details as per format at Annex-III of Appendix-I.

3.5 Short-listing of Applicants

- 3.5.1 The credentials of eligible Applicants shall be measured in terms of their Experience Score. The sum total of the Experience Scores for all Eligible Schemes shall be the 'Aggregate Experience Score' of a particular Applicant.
- 3.5.2 The Applicants shall then be ranked on the basis of their respective Aggregate Experience Scores and short-listed for submission of Bids. The Authority expects to short-list upto 6 (six) pre-qualified Applicants for participation in the Bid Stage. The Authority, however, reserves the right to increase the number of short-listed pre-qualified Applicants by adding an additional Applicant.
- 3.5.3 The Authority may, in its discretion, maintain a reserve list of pre-qualified Applicants who may be invited to substitute the short-listed Applicants in the event of their withdrawal from the Bidding Process or upon their failure to conform to the conditions specified herein; provided that a substituted Applicant shall be given at least 30 (thirty) days to submit its Bid.

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 Authority may 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 the Authority under Clause 4.1 hereinabove, if an Applicant is found by the Authority 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 the Authority during a period of 2 (two) years from the date such Applicant is found by the Authority 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 the Authority 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 therefrom, 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 the Authority, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) save and except as permitted under sub clause (d) of Clause 2.2.1, 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 Scheme or the LOA or the Concession Agreement, who at any time has been or is a legal, financial or technical adviser of the Authority in relation to any matter concerning the Scheme;
 - (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 the Authority 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 purchased the RFQ document shall be allowed to participate in the Pre-Application Conference. Applicants who have downloaded the RFQ document from the Authority's website (<http://health.delhigovt.nic.in>) should submit a Demand Draft for the amount specified in Clause 1.2.1 towards the cost of the RFQ process, through their representative attending the conference. A maximum of three representatives of each Applicant shall be allowed to participate on production of authority letter from the Applicant.
- 5.2 During the course of Pre-Application Conference, the Applicants will be free to seek clarifications and make suggestions for consideration of the Authority. The Authority shall endeavour 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 in the State in which the Authority has its headquarters shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.
- 6.2 The Authority, 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;
 - (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 the Authority 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 the Authority, 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 and the Bidding Documents, pursuant hereto, and/ or in connection with the Bidding Process, to the fullest extent permitted by applicable law, and waives any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.

Appendices

APPENDIX-I

Letter Comprising the Application for Pre-Qualification

(Refer Clause 2.12.2)

Dated:

To,

The Secretary,
Department of Health and Family Welfare (DoHFW),
Government Secretariat (9th Level),
I. P. Estate, Delhi-110002

Sub: Application for pre-qualification for the Universal Healthcare Insurance Scheme in Delhi

Dear Sir,

With reference to your RFQ document dated, I/we, having examined the RFQ document and understood its contents, hereby submit my/our Application for Qualification for the aforesaid scheme. The Application is unconditional and unqualified.

2. I/ We acknowledge that the Authority 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 scheme, and we certify that all information provided in the Application and in Annexes I to V 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 implementation, management and operation of the aforesaid Scheme.

4. I/ We shall make available to the Authority any additional information it may find necessary or require to supplement or authenticate the Qualification statement.

5. I/ We acknowledge the right of the Authority to reject our Application without assigning any reason or otherwise and hereby waive, 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 or our Associates have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any scheme or contract by any public authority nor have had any contract terminated by any public authority 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 the Authority;

- (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 Authority 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 Scheme, without incurring any liability to the Applicants, in accordance with Clause 2.16.6 of the RFQ document.
9. I/ We believe that we satisfy the Net Worth criteria and meet all the requirements as specified in the RFQ document and am/ are qualified to submit a Bid.
10. I/ We certify that in regard to matters other than security and integrity of the country, we or any of our Associates have not been convicted by a court or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Scheme or which relates to a grave offence that outrages the moral sense of the community.
11. I/ We further certify that in regard to matters relating to security and integrity of the country, we or any of our Associates have not been charge-sheeted by any agency of the Government or convicted by a court.
12. I/ We further certify that no investigation by a regulatory authority is pending either against us or against our Associates or against our CEO or any of our directors/ managers/ employees.[£]
13. 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

[£] In case the Applicant is unable to provide the certification specified in paragraph 13, it may precede the paragraph by the words viz. "Except as specified in Schedule hereto". The exceptions to the certification or any disclosures relating thereto may be clearly stated in a Schedule to be attached to the Application. The Authority will consider the contents of such Schedule and determine whether or not the exceptions/disclosures are material to the suitability of the Applicant for pre-qualification hereunder.

mutatis mutandis to the Bidding Process. A copy of the aforesaid guidelines form part of the RFQ at Appendix-III thereof.

14. I/We further certify that we or any of our Associates are not barred by the Central Government/ State Government or IRDA or any entity controlled by it, from participating in any scheme, and no bar subsists as on the date of Application.

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 the Authority of the same immediately.

16. The Statement of Legal Capacity as per format provided at Annex-V in Appendix-I of the RFQ document, and duly signed, is enclosed. The power of attorney for signing of Application, as per format provided at Appendix II of the RFQ, is also enclosed.

17. I/ We understand that the selected Bidder shall be an existing Company incorporated under the Indian Companies Act, 1956/2013..

18. I/ We hereby confirm that we shall comply with the O&M requirements specified in Clause 2.2.3.

19. I/ We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority 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 Scheme and the terms and implementation thereof.

20. I/ We agree and undertake to abide by all the terms and conditions of the RFQ document.

21. I/ We certify that in terms of the RFQ, my/our Net Worth is Rs. (Rupees) and the Aggregate Experience Score is (in figures) (in words).

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 Authorised Signatory)

Place: Name and seal of the Applicant

ANNEX-I

Particulars of the Applicant

1.
 - (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 Scheme:
3. Particulars of individual(s) who will serve as the point of contact/ communication for the Applicant:
 - (a) Name:
 - (b) Designation:
 - (c) Company:
 - (d) Address:
 - (e) Telephone Number:
 - (f) E-Mail Address:
4. Particulars of the Authorised Signatory of the Applicant:
 - (a) Name:
 - (b) Designation:
 - (c) Address:
 - (d) Phone Number:
5. The following information shall also be provided for the Applicant:

No.	Criteria	Yes	No
1.	Has the Applicant been barred by the IRDA, Central/ State Government, or any entity controlled by it, from participating in any project/scheme (Insurance Scheme or otherwise)?		
2.	If the answer to 1 is yes, does the bar subsist as on the date of Application?		
3.	Has the Applicant paid liquidated damages of more than 5% of the contract value in a contract due to delay or has been penalised due to any other reason		

	in relation to execution of a contract, in the last three years?		
--	--	--	--

6. A statement by the Applicant or any of their Associates disclosing material non-performance or contractual non-compliance in past projects/ schemes, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary):

ANNEX-II

Technical Capacity of the Applicant[@]

(Refer to Clauses 2.2.2(A), 3.2 and 3.3 of the RFQ)

Scheme Code ^{¥¥}	Category ^{\$}	Premium income (in Rs. Cr.)			Experience Score ^{££}			Total Experience Score Category wise
		Year 3	Year 2	Year 1	Year 3	Year 2	Year 1	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
A								
B								
C								
D								
Total Experience Score (A+B+C+D) of column 9								

[@] Provide details of only those schemes that have been undertaken by the Applicant under its own name and/ or by an Associate specified in Clause 2.2.8. In case the Application Due Date falls within 3 (three) months of the close of the latest financial year, refer to Clause 2.2.10.

^{¥¥} Refer Annex-IV of this Appendix-I. Add more rows if necessary.

^{\$} Refer Clause 3.2.1.

^{££} Experience score is computed in accordance with provisions of Clause 3.2.8

ANNEX-III

Financial Capacity of the Applicant

(Refer to Clauses 2.2.2(B), 2.2.4 (ii) and 3.4 of the RFQ)

(In Rs. crore^{\$})

Applicant name	Net Worth – Year 1^{xx}

Name & address of Applicant's Bankers:

Instructions:

1. The Applicant shall attach copies of the balance sheets, financial statements and Annual Reports for 3 (three) years preceding the Application Due Date. The financial statements shall:
 - (a) reflect the financial situation of the Applicant its 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. Net Worth shall mean (Subscribed and Paid-up Equity + Reserves) less (Revaluation reserves + miscellaneous expenditure not written off + reserves not available for distribution to equity shareholders).
3. Year 1 will be the latest completed financial year, preceding the bidding. In case the Application Due Date falls within 3 (three) months of the close of the latest financial year, refer to Clause 2.2.10.
4. The Applicant shall provide an Auditor's Certificate specifying the Net Worth of the Applicant and also specifying the methodology adopted for calculating such Net Worth in accordance with Clause 2.2.4 (ii) of the RFQ document.

ANNEX-IV

Details of Eligible Schemes

(Refer to Clauses 2.2.2(A), 3.2 and 3.3 of the RFQ)

Scheme Code:

Item (1)	Refer Instruction (2)	Particulars of the Scheme (3)
Title & nature of the scheme		
Category	4	
Gross premium received under the scheme	5	
Entity for which the scheme was executed (applicable only for Categories 1 and 2 schemes)	6	
Location		
Date of commencement of scheme/ contract	7	
Date of completion	7	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)	10	

Instructions:

1. Applicants are expected to provide information in respect of each Eligible Scheme in this Annex. The schemes cited must comply with the eligibility criteria specified in Clauses 3.2.3, 3.2.4, 3.2.5 and 3.2.6 of the RFQ, as the case may be. Information provided in this section is intended to serve as a back up for information provided in the Application. Applicants should also refer to the Instructions below.
2. For a single entity Applicant, the Scheme Codes would be a, b, c, d etc.
3. A separate sheet should be filled for each Eligible Scheme.
4. Refer to Clause 3.2.1 of the RFQ for category number.
5. The gross premium for health insurance received for each Eligible Scheme is to be stated in Annex-II of this Appendix-I.

6. In case of schemes in Categories 1 and 2, particulars such as name, address and contact details of Authority/ Company may be provided.
7. For Categories 1 and 2, the date of commissioning and completion respectively of the scheme, should be indicated.
8. No double counting by any Applicant in respect of the same experience shall be permitted in any manner whatsoever.
9. Certificate from the Applicant's statutory auditor^{\$} or its respective clients must be furnished as per formats below for each Eligible Scheme. In jurisdictions that do not have statutory auditors, the auditors who audit the annual accounts of the Applicant/ Member/Associate may provide the requisite certification.

Certificate from the Statutory Auditor / IRDA regarding Eligible Schemes^Φ

Based on its books of accounts and other published information authenticated by it, this is to certify that (*name of the Applicant/Associate*) has received gross premium income from health insurance amounting to Rs. (Rs.) to individuals / families during the year ended March 31 (Year) under Category 1, Category 2, Category 3 and Category 4, as specified in the RFQ.

Name of the audit firm:

Seal of the audit firm:

Date:

(Signature, name and designation
of the authorised signatory)

^{\$} In case duly certified audited annual financial statements containing the requisite details are provided, a separate certification by statutory auditors would not be necessary.

^Φ Provide Certificate as per this format only. Attach explanatory notes to the Certificate, if necessary. In jurisdictions that do not have statutory auditors, the firm of auditors which audits the annual accounts of the Applicant or its Associate may provide the certificates required under this RFQ.

10. In the event that credit is being taken for the Eligible Experience of an Associate, as defined in Clause 2.2.8, the Applicant should also provide a certificate in the format below:

Certificate from the Statutory Auditor/ Company Secretary regarding Associate^{\$}

Based on the authenticated record of the Company, this is to certify that more than 50% (fifty per cent) of the subscribed and paid up voting equity of (name of the Applicant/ Associate) is held, directly or indirectly[£], by (name of Associate/ Applicant). By virtue of the aforesaid share-holding, the latter exercises control over the former, who is an Associate in terms of Clause 2.2.8 of the RFQ.

A brief description of the said equity held, directly or indirectly, is given below:

{Describe the share-holding of the Applicant and the Associate. In the event the Associate is under common control with the Applicant/, the relationship may be suitably described and similarly certified herein. }

Name of the audit firm:

Seal of the audit firm:

Date:

(Signature, name and designation of the authorised signatory).

^{\$} In the event that the Applicant exercises control over an Associate by operation of law, this certificate may be suitably modified and copies of the relevant law may be enclosed and referred to.

[£] In the case of indirect share-holding, the intervening companies in the chain of ownership should also be Associates i.e., the share-holding in each such company should be more than 50% in order to establish that the chain of “control” is not broken.

11. 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 scheme in computation of Experience Score^Θ.

^Θ Refer Clause 3.2.8 of the RFQ.

ANNEX-V

Statement of Legal Capacity

(To be forwarded on the letterhead of the Applicant)

Ref. Date:

To,

The Secretary,
Department of Health and Family Welfare (DoHFW),
Government Secretariat (9th Level),
I. P. Estate, Delhi-110002

Dear Sir,

We hereby confirm that we satisfy the terms and conditions laid out in the RFQ document.

We have agreed that (insert individual's name) will act as our representative and has been duly authorized to submit the RFQ. Further, the authorised signatory is vested with requisite powers to furnish such letter and authenticate the same.

Thanking you,

Yours faithfully,

(Signature, name and designation of the authorised signatory)

For and on behalf of.....

APPENDIX-II

Power of Attorney for signing of Application and Bid^{\$}

(Refer Clause 2.2.5)

Know all men by these presents, We.....
(name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorise Mr/ Ms (name), son/daughter/wife of and presently residing at, who is presently employed with us 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 Scheme proposed or being developed by the (the “Authority”) 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 the Authority, representing us in all matters before the Authority, signing and execution of all contracts including the Insurance Agreement and undertakings consequent to acceptance of our bid, and generally dealing with the Authority in all matters in connection with or relating to or arising out of our bid for the said Scheme and/ or upon award thereof to us and/or till the entering into of the Insurance Agreement with the Authority.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things 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 2....

For

.....

(Signature, name, designation and address)

Witnesses:

1.

(Notarised)

2.

^{\$} To be submitted in original.

Accepted

.....

(Signature)

(Name, Title 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 executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Wherever required, the Applicant should submit for verification the extract of the charter documents and documents such as a board or shareholders' 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.*

APPENDIX-III

Guidelines of the Department of Disinvestment

(Refer Clause 1.2.1)

No. 6/4/2001-DD-II
Government of India
Department of Disinvestment

Block 14, CGO Complex
New Delhi.
Dated 13th 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 of India.
- (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

APPENDIX-IV

List of Application-specific provisions^{\$}

A. Clauses with currency-based footnotes

1. Introduction
2. Clause 1.2.4: Brief description of Bidding Process.
3. Clause 2.2.1 (c): Eligibility of Applicants.
4. Clause 2.2.4: Eligibility of Applicants.
5. Clause 2.9.3: Amendment of RFQ.
6. Clause 2.18.1 (g): Test of responsiveness.

Note: The above footnotes marked “\$” shall not be deleted. They shall remain in the RFQ to be issued to prospective Applicants.

B. Appendices with non-numeric footnotes

All non-numeric footnotes in the Appendices shall be retained in the respective Appendices for guidance of the Applicants. These shall be omitted by the Applicants while submitting their respective Applications.

C. Appendices where curly brackets are used

1. Appendix I (Annex-IV): Certificate from the Statutory Auditor/ Company Secretary regarding Associate.

Note: The curly brackets should be removed after the provisions contained therein are suitably addressed by the Applicants.

D. Appendices with blank spaces

All blank spaces in the Appendices shall be retained in the RFQ. These shall be filled up when the format of the respective Appendix is used.

^{\$} This Appendix-IV contains a list of Clauses and Appendices that would need to be suitably modified for reflecting application-specific provisions. This Appendix-IV may, therefore, be included in the RFQ document to be issued to prospective Applicants.