



**DEPARTMENT OF HEALTH & FAMILY WELFARE,
GOVERNMENT OF ODISHA**

**REQUEST FOR PROPOSAL (RFP) FOR COMMISSIONING, OPERATION,
MAINTENANCE & MANAGEMENT OF CANCER CARE HOSPITAL AT
JHARSUGUDA IN PPP MODE**

**Response to queries received and discussed during Pre-bid meeting held on 20
December 2022**

#	Query	Response
1	<p>RFP – Clause 1.3 - Bid Due Date – On or before 20 January 2023: 4 PM</p> <p>Request you to extend the date of submission of RFP to 31st Jan'23.</p>	<p>The Bid Due Date has been extended till 31 January 2023, 4 PM.</p>
2	<p>RFP - Clause 2.1.1.4 – Format at Appendix I</p> <p>a. Certificates from a chartered accountant certifying Technical Capacity Bidder</p> <p>The technical qualification to be certified by a Chartered Accountant is difficult for our organization as they would only certify financial statements / qualifications.</p> <p>Our CA will not certify technical qualifications.</p> <p>Kindly change the requirement to be certified by any Key Management Personnel or our Company Secretary.</p>	<p>The conditions of the RFP remain unchanged.</p>
3	<p>RFP - Clause 2.1.1.4 – Format at Appendix I</p> <p>b. Certificates from a statutory auditors specifying the annual turnover for preceding three financial years and net worth of the Bidder</p> <p>The financial capacity to be certified by our statutory auditors will be difficult for our organization. Pls change to a practising Chartered Accountant</p> <p>Kindly change the requirement to be certified by a practising Chartered Accountant.</p>	<p>The conditions of the RFP remain unchanged.</p>
4	<p>RFP - Clause 2.3.1 – Special Purpose Vehicle</p>	<ul style="list-style-type: none">• Please refer to Clause 2.3.1. of the RFP, according to which the

	<p>(SPV) to be incorporated</p> <ul style="list-style-type: none"> • Does the bidder have the option to run and manage the cancer hospital as its own unit instead of incorporating an SPV. • Will the SPV be formed after executing the Concession Agreement or before the Appointed Date (handover of the hospital building to the Concessionaire) • Kindly let us know the govt. funding for this project. <p>Pls clarify the clause 2.3.1 Page 15.</p>	<p>Selected Bidder shall be required to form an appropriate Special Purpose Vehicle (the “SPV”), incorporated under the Indian Companies Act 2013, which would be the Concessionaire to execute the Concession Agreement and implement the Project.</p> <ul style="list-style-type: none"> • The Bidder will be required to form a Special Purpose Vehicle incorporated under the Indian Companies Act 2013, which would be the Concessionaire, prior to the signing of the Concession Agreement. The Concession Agreement shall be signed between the Authority and the Concessionaire. • The Authority has allocated INR 168.72 crores for capital expenditure to be incurred towards construction of hospital building, staff quarters and procurement of medical equipment and furniture.
5	<p>Concession Agreement – Article 3 - Clause 3.1.1 – Concession Period for 15 years and entitled to an additional concession period of 15 years on the terms and conditions set out herein.</p> <p>Hospital projects have long gestation period and hence 15 + 15 years is too short for concession period.</p> <p>Preferably the Concession period should be for 60 to 90 years</p>	<p>The conditions of the RFP remain unchanged.</p>
6	<p>Concession Agreement – Article 11 – Project Commissioning – Clause 11.1.2</p> <p>The Concessionaire shall have to achieve Project Commissioning within 6 months from the Appointed Date</p> <p>6 months’ time may be short to fulfil the scope for Project Commissioning for the Concessionaire since it involves installation of medical equipment, human resources have to be deployed and trained and the entire facility plan and medical departments as per Schedule E have to commissioned in the hospital.</p> <p>Concessionaire may be given 9 months’ time for Project Commissioning from the Appointed date</p>	<p>The conditions of the RFP remain unchanged.</p>

7	<p>Concession Agreement – Schedule P -Scope of concessionaire with respect to drawings and construction supervision of hospital buildings</p> <p>Will the Concessionaire be compensated for the Technical advisory services fee / Project Management services fee for the technical inputs being provided by the concessionaire to the Authority as per the scope of services mentioned in Schedule P.</p> <p>Will the Concessionaire be paid technical advisory services fee / Project Management services fee?</p>	<p>The Technical advisory services fee / Project Management services fee, or any other fees, for providing technical inputs to the Authority shall be borne by the concessionaire.</p>
8	<p>Concession Agreement – Schedule P -Scope of concessionaire with respect to drawings and construction supervision of hospital buildings</p> <p>Monitoring and Construction –</p> <ul style="list-style-type: none"> • Appoint full time engineer at the project site during the construction period • Deployment of a service engineer on the project site to inspect and witness commissioning activities of various electro mechanical equipment being tested and commissioned <p>Will the Authority pay salary for the full time engineer to be deputed at the project site during construction period?</p> <p>Will the Authority pay any remuneration to the service engineer during commissioning activities of equipment?</p>	<p>All the costs towards mobilization, appointment, deployment, boarding etc. of full time engineer, service engineer or any other staff on the project site,as mentioned in Schedule Pof the draft Concession Agreement, shall be borne by the concessionaire.</p>
9	<p>Staff Accommodation</p> <p>Please let us know whether staff accommodation will be constructed.</p>	<p>Please refer to Article 39 “Definitions – Hospital Building” of the draft Concession Agreement, as per which Staff accommodation (unfurnished) with utilities will be constructed by the Authority.</p>
10	<p>BSKY patients</p> <p>Please give us any statistics of BSKY patients likely to take cancer treatment in the hospital. This is important for us to analyse footfall of BSKY and other patients.</p>	<p>The number of claims sought for BSKY patients for availing cancer care services in the current year and preceding 3 years have been mentioned below:</p> <ul style="list-style-type: none"> • No. of claims in 2019-20: 18 • No. of claims in 2020-21: 2915 • No. of claims in 2021-22: 13,512 • No. of claims in 2022-23: 57,160 (up to 22.12.2022)
11	<p>Please clarify whether COVID-19 will be seen as “force majeure” event?</p>	<p>Please refer to the definition of “Force Majeure” events provided in Article 24 of the</p>

		draft Concession Agreement.
12	<p>The Minimum Eligibility criteria (Clause 2.1.1.3 of the RFP) mention “at least three years of experience in providing cancer care including medical oncology, surgical oncology, and radiation oncology services”.</p> <p>Please clarify whether this is medical oncology or surgical oncology or radiation oncology.</p>	It means at least three years of services across the three treatment modalities: medical oncology, surgical oncology, and radiation oncology.
13	Please clarify whether consortium is allowed for the project.	As per Clause 2.1.1.1 of the RFP, Consortium is not allowed.
14	Please clarify that while there is a restriction on the shareholding of the SPV to be formed by the private partner, there is no such restriction on the shareholding of the private partner.	As per Clause 2.3.1 of the RFP, the Selected Bidder shall incorporate conditions in the Articles of Association of the SPV to prevent the Selected Bidder’s equity in the SPV falling below 51% at any point of time during the Concession Period. The Selected Bidder is required to hold 100% of the issued and paid up equity in the SPV until 3 (three) years from the Appointed Date and thereafter the Selected Bidder may, at its option, reduce its holding to 51%. The Selected Bidder shall hold at least 51% of the issued and paid up equity in the SPV at all times during the Concession Period.
15	Please clarify whether capacity augmentation is possible at the Cancer Care Hospital by the Concessionaire.	As per Clause 5.14 of the draft Concession Agreement, the Concessionaire can procure any new asset/equipment/furniture other than the Project Assets at its own cost and in accordance with Good Industry Practice, which shall be called the “Concessionaire’s Assets”.
16	Please clarify whether there is any restriction on taking debt into the SPV.	As per the provisions of the draft Concession Agreement, the Concessionaire will be responsible for commissioning, operation, maintenance and management of Cancer Care Hospital during the Concession Period. Hence, it is at the discretion of the Concessionaire to finance the commissioning, operation, maintenance and management of Cancer Care Hospital throughout the Concession Period and may obtain debt for aforementioned obligations, if required.
17	Please clarify whether the allocated amount of approx. INR 169 crores for the project is only for capital expenditure or is any of that amount available for operational expenditure.	The allocated amount is only for capital expenditure to be incurred towards construction of hospital building, staff quarters and procurement of medical equipment and furniture.
18	Please clarify on “Concessionaire’s Assets”.	As per Clause 5.14 of the draft Concession Agreement, the Concessionaire can procure any new asset/equipment/furniture other than the Project Assets at its own cost and in accordance with Good Industry Practice, which shall be called the “Concessionaire’s Assets”.

19	<p>Please clarify whether there is any proportion of beds reserved for BSKY patients.</p>	<p>There is no provision for reservation of beds for BSKY patients.</p> <p>However, the Concessionaire is required to empanel the Cancer Care hospital under BSKY and provide cancer care services to BSKY patients, which can be claimed by the Concessionaire at the prevailing package rates.</p>
20	<p>What are the conditions of "Force Majeure" ?</p>	<p>Please refer to Article 24 "Force Majeure" of the draft Concession Agreement.</p>
24	<p>At least one operational super-specialty or multispecialty hospital with NABH/JCI accreditation - is difficult for a start-up company.</p> <p>We request you to kindly consider such cases where the hospital is under construction. The accreditation process takes more than a year and hence, is infeasible for a start-up company to have the accreditation.</p>	<p>The conditions of the RFP remain unchanged.</p>
25	<p>Minimum average annual net worth of INR 50 Crores for last 3 years.</p> <p>For a start-up company, having such a high net worth is a steep chase.</p>	<p>The conditions of the RFP remain unchanged.</p>
26	<p>Disallowance to form consortium -</p> <p>The conditions of the RFP further specify that no consortium is allowed to bid for the project. This severely limits the scope for start-ups to bid for the project. Hence, may we request you to kindly reconsider this clause.</p>	<p>The conditions of the RFP remain unchanged.</p>