Memorandum of Understanding for Bio-Medical Equipment Maintenance Services

Mission Director, National Health Mission, State Health & Family Welfare Society, Tripura, SIHFW Building, 1st Floor, Palace Compound, Agartala, West Tripura – 799001

CM Contract No.F.3 (5-2957)-FWPM/SHFWS/2015 dated 7th November 2016

This is in continuation to this office's Letter of Intent (LOI) of Contract No F.3 (5-2957)-FWPM/SHFWS/2015 dated 20th September 2016.

Mediciti Health Care Services Pvt. Ltd.
5-9-22, Secretariat Road
Hyderabad – 500 063
Tel: 040-23231111
8015553999, 9848436961

Reference: (i) Tender Enquiry Document No F.3 (5-2957)-FWPM/SHFWS/2015 dated 7th June 2016 and subsequent Amendment/Corrigendum vide even No. dated 13th June 2016 and 25th June 2016 issued by the Tender Inviting Authority (ii) Service Provider’s bid submitted on 5th July 2016.

THIS AGREEMENT made the 9th day of November 2016 between State Health & Family Welfare Society, Tripura (hereinafter called the Procurer) of one part and Mediciti Health Care Services Pvt. Ltd. (Hereinafter called the Service Provider) of the other part:
WHEREAS the Procurer is desirous that certain services should be provided by the Service Provider, viz. Bio-Medical Equipments Maintenance Services and the Procurer has accepted a tender submitted by the Service Provider for the Services for price quoted on the basis of 'Percentage (%) of the asset value (inclusive of all applicable taxes other than Service Taxes)' i.e. 10.77% of Rs. 31, 07,16,900/- (Hereinafter called the Contract Price).

IT IS HEREBY AS MUTUAL UNDERSTANDING OF THE PARTIES AGREED AND DECLARED AS FOLLOWS:

1. Terms and Conditions:
   1.1 Modification to Contract:
The contract when executed shall constitute the entire contract between the parties in connection with the jobs / services and shall be binding upon the parties. Modification, if any, to the contract shall be in writing and with the consent of the parties. Services shall be valid for a period of 5 (five) years from the date of approval by the Authority and it could be cancelled at any time after providing an opportunity of hearing by the Authority, in case the Service Provider does not follow the rules, regulations and terms and condition of the contract and or RFP. However, based on performance can be extended to another term of 5 (five) years.

   1.2 Performance Security:
   1.2.1 The Service Provider shall for due and faithful performance of its obligations during the Project duration furnish Performance Security by way of an unconditional, unequivocal and irrevocable Bank Guarantee issued by a Schedule Bank, in favor of appropriate authority Tripura for a value 2% of the contract value. The Service Provider shall provide the Performance Security before executing the Agreement and will be valid up till 6 months after the expiry of agreement period.

   1.2.2 Till such time the Service Provider provides to Authority the Performance Security, the Bid Security shall remain in full force and effect. The Performance Security shall remain in force and effect up till six (6) months after the expiry of the Agreement Period as defined in the Agreement.

   1.2.3 Failure of the Service Provider to comply with the requirements shall constitute sufficient grounds for the nullification of the Agreement and forfeiture of the Bid Security.

   1.3 Compliance of Minimum Wages Act and other statutory requirements:
The Service Provider shall comply with all the provisions of Minimum Wages Act and other applicable labour laws. The Service Provider shall also comply with all other statutory provision including but not limited to provisions regarding medical education and eligibility criteria of human resources used by the Service Provider for providing the services, biomedical waste management, bio-safety, occupational and environmental safety.

   1.4 Income Tax Deduction at Source:
Income tax deduction at source shall be made at the prescribed rates from the Service Provider’s bills. The deducted amount will be reflected in the requisite Form, which will be issued at the end of the financial year.

   1.5 Periodicity of Payment:
The payment will be made on monthly basis not extending beyond 12 noon of the last bank working day of the first week of succeeding month for all invoices raised. The purchaser shall give standing instructions to the bank for implementation of this requirement. The Service Provider will raise its invoice on completion of services during this period on monthly basis duly accompanied by evidences of services provided. Service Provider shall also provide an online software toll like
dashboard etc. for verification of services. The payment will be subject to TDS as per Income Tax Rules and other statutory deductions as per applicable laws.

1.6 **Damages for Mishap/Injury:**
The purchaser shall not be responsible for damages of any kind or for any mishap/injury/accident caused to any personnel/property of the Service Provider while performing duty in the purchaser’s/consignee’s premises. All liabilities, legal or monetary, arising in that eventuality shall be borne by firm/contractor.

1.7 **Termination of Contract:**
The purchaser may terminate the contract, if the successful tenderer withdraws its tender after its acceptance or fails to submit the required Performance Securities for the initial contract and or fails to fulfill any other contractual and or RFP obligations. In that event, the purchaser will have the right to purchase the same goods/equipment from next eligible Service Provider and the extra expenditure on this account shall be recoverable from the defaulter. The earnest money and the performance security deposited by the defaulter shall also be recovered to pay the balance amount of extra expenditure incurred by the purchaser. Service Provider shall commence the proposed services within the 30 days of signing the agreement otherwise the contract could be terminate.

1.8 **Penalization:**
While managing the prescribed limits of downtime, the Service Provider shall ensure that at no point in time, any equipment is dysfunctional beyond 7 days of registering of the complaint at the user end. In case the equipment is dysfunctional beyond 7 days, the following penalty would apply to every extra day beyond 7 days:

(a) For equipment whose declared asset value is below Rs.10,000/- - a penalty of Rs.300/- every extra day beyond 7 days

(b) For equipment whose declared asset value is above Rs.10,000/- but below Rs.1,00,000/- a penalty of Rs.500/- every extra day beyond 7 days

(c) For equipment whose declared asset value is above Rs.1,00,000/- but below Rs.10,00,000/- a penalty of Rs.1,000/- every extra day beyond 7 days

(d) For equipment whose declared asset value is above Rs.10,00,000/- a penalty of Rs.3,000/- every extra day beyond 7 days.

1.9 **General Terms & Conditions:**
1.9.1 The CMC Service Provider shall at all times comply with applicable laws and regulations pertaining to the Biomedical equipment especially those pertaining to radiation, safety, security, environment, all general public general and national laws and the requirements of competent and/ or Regulatory Authority whose jurisdiction applies in the area where the services are being provided.

1.9.2 The Service Provider shall establish a well-equipped service network and adequately staffed Centralized Call Centre (CCC) that is accessible through “Centralized toll free number”. For each facility, there would be a nodal officer(s) to whom a confirmation call may be given by the maintenance Service Provider after acceptance of a breakdown call from any user in the facility. Resolving/fixing of the fault must be followed by the closure of communication loop (call closure) via telephonic guidance to nodal officer(s) identified on a case to case basis.

1.9.3 The Service Provider shall be responsible to operate the Centralized Call Centre with toll free number, 24 hours in a day, 365 (complete year) days in a year and to maintain all Biomedical Equipment in the public Healthcare facilities up to the PHC level.
1.9.4 The Service Provider will be responsible for procuring all the necessary tools, spare parts, manpower, vehicles and other services required for the satisfactory completion of the contract. The Service Provider shall be responsible for the safety and occupational health of its staff involved with performance of various duties towards the fulfillment of this contract.

1.9.5 The Authority will be responsible for providing all necessary support to provide the access to all the Bio-medical equipment available in the healthcare facilities.

1.9.6 The Service Provider shall specify color codes and uniform for all its employees visiting the sites for maintenance. Here, the word uniform includes identification badge, clothing, protection gear, boots, cap and any other item required for safe delivery of the devices.

1.9.7 Condemnation of the Biomedical Equipment:
(a) The condemnation committee appointed by the authority at the district/state level from time to time for identification of equipment suitable for condemnation of the equipment shall have the sole right for condemnation
(b) A report indemnifying equipment requiring condemnation should be submitted by the Maintenance Service Provider once every year preferably before the renewal of the contract for the subsequent year.
(c) The maintenance Service Provider should not under any circumstances be the purchaser of spare part or components of any equipment resulting out of condemnation.
(d) For condemnation of Radiological devices, approval from appropriate authority must be taken and condemnation be done as per guidelines issued by the appropriate authority lie AERB.

1.9.8 User Training:
(a) A trained representative of the maintenance Service Provider shall be available during installation, Commissioning and associated trainings provided by the suppliers of new equipment during all new installations and commissioning.
(b) The shall arrange for periodic user trainings of all equipment not less than twice a year irrespective of the equipment being within/outside the warranty period.

1.9.9 The maintenance Service Provider shall have no obligation to repair any equipment damaged by the user either accidentally (such as falling of equipment on ground) or willfully at the facility. If requisition for repair of such equipment is made, the maintenance Service Provider shall have the right to invoice it to the contracting authority annually or on case to case basis as mutually decided.

1.9.10 The maintenance Service Provider shall repair all dysfunctional equipment within four months of the date of commencement of the Contract work. All equipment that the Service Provider considers beyond repair shall be listed and the equipment-wise list shall be provided to the Government with reasons that are beyond repair. In such case Government reserves the right to cross verify the equipment to ascertain. The final decision of the Government whether the equipment can be condemned or repaired rests with the Government and shall be binding on the Service Provider.

1.9.11 The Service Provider shall be permitted to use any management information system of its own choice. However the Service Provider shall provide a set of key performance indicators and interface it with the management information system of the government. Additionally the Service Provider shall provide user name and password to the state authority to access any
required information on the functioning of equipment through the management information system of the Service Provider.

1.9.12 Equipment namely Blood Gas Analyzer (ABG) Machine, ECG Machine, Ventilator, Radiant Warmer, Defibrillator are considered as Life Saving equipment, In case of breakdown of these above mentioned equipment beyond a period of 48 hours the Service Provider will arrange for STANDBY equipments at the Health Facility.

1.9.13 The Bid Amount shall be annually escalated by a simple interest of 5% (Five percent) for each subsequent year.

1.10 Arbitration:
1.10.1 If dispute or difference of any kind shall arise between the purchaser and the firm/contractor in connection with or relating to the contract, the parties shall make every effort to resolve the same amicably by mutual consultations.

1.10.2 If the parties fail to resolve their dispute or difference by such mutual consultations within thirty days of commencement of consultations, then either the purchaser or the firm/contractor may give notice to the other party of its intention to commence arbitration, as hereinafter provided. The applicable arbitration procedure will be as per the Arbitration and Conciliation Act, 1996 of India. In that event, the dispute or difference shall be referred to the sole arbitration of an officer to be appointed by the State Health & Family Welfare Society, Tripura as the arbitrator. If the arbitrator to whom the matter is initially referred is transferred or vacates his office or is unable to act for any reason, he/she shall be replaced by another person appointed by State Health & Family Welfare Society, Tripura to act as Arbitrator. Such person shall be entitled to proceed with the matter from the stage at which it was left by his predecessor. The award of the provision that the Arbitrator shall give reasoned award in case the amount of claim in reference exceeds Rupees One Lac (Rs.1,00,000/-).

1.10.3 Work under the contract shall, notwithstanding the existence of any such dispute or difference, continue during arbitration proceedings and no payment due or payable by the Purchaser or the firm/contractor shall be withheld on account of such proceedings unless such payments are the direct subject of the arbitration.

1.10.4 Reference to arbitration shall be a condition precedent to any other action at law.

1.10.5 Venue of Arbitration: The venue of arbitration shall be the place from where the contract has been issued i.e. Agartala.

1.11 Applicable Law and Jurisdiction of Court:
The contract shall be governed by and interpreted in accordance with the laws of India for the time being in force. The Court located at the place of issue of contract shall have jurisdiction to decide any dispute arising out of in respect of the contract. It is specifically agreed that no other Court shall have jurisdiction in the matter.

1.12 Scope of Work:
The obligations of the Service Provider under this service contract shall include following service activities and commitments.
(i) To maintain Biomedical Equipment in all public healthcare facilities up to the PHC level supported by 24x7 call center.
(ii) The Service Provider shall do the mapping of all Biomedical Equipments in the State and repair all dysfunctional equipment within 4 (four) months of signing of the contract. If there is a change in number of the tagged
equipment, the said contract value will change but the declared asset value for particular type of equipment shall remain the same.

(iii) To provide 24x7, 365 days uptime of 95% for all medical equipment in District Hospitals, 90% for SDH/CHCs and 80% for PHCs. At no point of time in a single breakdown the breakdown should not be more than 7 days from the date and time of registration of fault.

(iv) Medical Equipments that are already in AMC or CMC the Service Provider shall administer the contract on behalf of state health department. For this purpose, the Service Provider shall take authorization from services providers for the respective equipment for which AMC/CMC may be in existence.

(v) For Medical Equipment that is currently under warranty the Service Provider shall administer all maintenance activities on behalf of the state health department for the entire duration.

(vi) For all medical equipment that is under any form of AMC/CMC/Spare agreement or under warranty, the state health department shall not be renewing the equipment specific maintenance contracts.

(vi) The maintenance Service Provider shall not be including cost of maintaining any equipment which is under any kind of AMC/CMC/warranty in its first proposal and cost of such equipment shall not be included till the time existing contract(s) with other (s) is valid for the respective equipment. The maintenance Service Provider may choose to take authorization for doing maintenance such equipment from existing AMC/CMC contract holder(s).

(vii) Maintenance costs for equipment that are currently in any AMC/CMC/warranty Contract shall be added by the Service Provider only after the expiry of contracts for the respective equipment.

(viii) The sole Service Provider shall however be liable to ensure upkeep time declared in the bid for all equipment irrespective of any AMC/CMC/warranty status for any equipment.

(ix) The maintenance shall be identifying and responding to requests seeking maintenance of all Biomedical Equipment available in the district/sub district/state up to the level of Primary Health Center (PHC) through the Maintenance Process Tracking Identification Number (MPT-IDs) compliant to GS1 standards of bar-coding.

(x) Maintenance Service Provider shall establish and operate an exclusive 24x7 customer care center for accepting calls and managing the maintenance services.

Operationalization of Maintenance services will be regarded as:

(a) Maintenance activities conducted on all biomedical equipments.
(b) Setting up Customer Care Centre to accept calls for fault registration.
(c) Recruitment of trained engineering and administrative human resource.
(d) Provide Equipment Management Information System.
(e) To provide categorization of all equipment, clearly identifying critical equipment.
(f) Provide preventive and corrective maintenance including calibration for all biomedical equipment in all public healthcare facilities in an entire region/state up to the level of PHCs.
(g) To furnish the format of equipment identification code system. The Authority shall have the right to increase the number of Equipment beyond the present number from the date of execution of the Agreement. In the event of any such increase in the number and density of equipment/ by the Authority, the Service Provider shall operate and maintain the additional equipment/ till the
remaining Term/duration of the Agreement in the given year and the monetary value for the maintenance of the added equipment shall be included in the subsequent years, as part of the existing scope of work and upon the same terms and condition specified in the Agreement.

2. Purchaser's Notification of Award/ Letter of Intent (LoI).
   Enclosed as Annexure-I

3. In consideration of the payments to be made by the Procuer the Service Provider hereby covenants to provide the services for the specified equipments in conformity in all respects with the provisions of the Contract.

4. The Procuer hereby covenants to pay the in consideration of the services, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed in the Contract.

5. The bank guarantee valid till 31st May 2022 for an amount of Rs.6,69,284/- shall be furnished after issuance of Letter of Intent (LOI) failing which the EMD shall be forfeited.

6. Payment terms: The payment of services will be made against the bills raised to the Procuer by the Provider as per above terms & conditions after satisfactory completion of said period, duly certified by the designated official. The payment will be made in Indian Rupees.

7. Paying Authority: Mission Director, NHM, State Health & Family Welfare Society, Tripura

(Dr. Shailesh G. Pandav, I.A.S.
Mission Director, NHM, State Health & Family Welfare Society, Tripura
For and on behalf of Department of Health & Family Welfare, Govt. of Tripura)

Received and accepted this contract

(Signature, name and address of the supplier’s executive duly authorized to sign on behalf of the Provider)
For and on behalf of:  General Manager

Mediciti Health Care Services Pvt. Ltd.
5-9-22, Secretariat Road
Hyderabad – 500 063
Tel: 040-23231111
8015553999, 9848436961
(Seal of the provider)

Date: _____ November 2016

Place: Agartala, Tripura
No.F.3 (5-2957)-FWPM/SHFWS/2015
OFFICE OF THE MISSION DIRECTOR
NATIONAL HEALTH MISSION
GOVERNMENT OF TRIPURA

Dated 20 September 2016

To
Mr. Krupasager Reddy
General Manager
Medictti Healthcare Services Private Ltd.
5-9-22, Secretariat Road,
Hyderabad – 500063
E-mail: medicttihealthcare@gmail.com

Sub:- Letter of Intent (LOI) for Bio-Medical Equipments Maintenance under National Health Mission, Department of H&FW, Govt. of Tripura.

Ref:- RFP No.F.3 (5-2957)-FWPM/SHFWS/2015 dated 7th June 2016 & Corrigendum vide even No. dated 13th June 2016 and 25th June 2016.

Sir,

With reference to the subject cited above, it is hereby informed that the Technical & Financial Evaluation Committee constituted w.r.t. the above Request for Proposal (RFP) have selected Medictti Healthcare Services Private Ltd. as L1 on the basis of the technical and financial proposals submitted for the bidding process.

2. It is further to inform that the Supply / Work Advisory Board (SAB / WAB) in its meeting held on 30th August 2016 recommended acceptance of the rate quoted by Medictti Healthcare Services Private Ltd. as per details shown below:-

<table>
<thead>
<tr>
<th>Item</th>
<th>Rate quoted w.r.t. %age of Asset Value* (inclusive of all applicable taxes other than Service Taxes)</th>
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<tbody>
<tr>
<td>Bio-Medical Equipment Maintenance</td>
<td>10.77%</td>
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*Asset Value as per Inventory Mapping – Rs.31,07,16,900/-

3. It is therefore requested for execution of Agreement and submission of Performance Security (2% of the proposed rate of contract) as per terms & conditions of the RFP document.

4. This is for your kind information and necessary action.

Yours faithfully,

(Dr.Shailesh K. Yadav, IAS)
Mission Director, NHM
Govt. of Tripura

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Copy for information to:-
1. The Director, Health Services, Govt. of Tripura, Agartala.
2. The Director, Family Welfare & P.M., Govt. of Tripura, Agartala.
3. The State Finance Manager, NHM, Tripura, Agartala.

Copy forwarded to:-
1. PS to the Principal Secretary, Govt. of Tripura, Agartala.
2. The Director, RRC-NES (Branch Office of NHSRC), Ministry of Health & Family Welfare, Govt. of India, Assam Medical Council Bhawan, Guwahati, Khanapara-781022.
3. Dr. Jitendar Kumar Sharma, Sr. Consultant & Director (HCT Division), National Health Systems Resource Centre, NIHFW Campus, Baba Gangnath Marg, Munirka New Delhi 110067.

(Dr. Shailesh K. Yadav, IAS)
Mission Director, NHM
Govt. of Tripura